Directory no. **Collection No.**

MINUTES OF THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING

ITALIAN REPUBLIC

This fifteenth day of June two thousand and twenty-one.

At my offices situated at via Mentana No. 4, Forlì.

I, Marco Maltoni, Notary Public of Forlì, duly admitted to the Roll of Notaries of the United Districts of Forlì and Rimini, upon the request made on behalf of the company by Stefano Meloni, Chairman of the Board of Directors (born in Rome on 09.01.1949 and domiciled for purposes of his functions at the registered office of said company), proceeded to draw up, in a moment subsequent to the meeting pursuant to art. 2375 civil code (and in accordance with the guidance expressed by the Companies' Commission of the Notarial Council of Milan in Maxim No. 187), these minutes of the ordinary and extraordinary shareholders' meetings of the company called:

"UNIEURO S.P.A.", having its registered office in Forlì (FC) in Palazzo Hercolani, via Piero Maroncelli No. 10 and having subscribed and fully paid up share capital of Euro 4,128,169.80 (four million one hundred twenty eight thousand one hundred and sixty-nine/eighty cents), divided into 20,640,849 shares without indication of par value such company having the tax code and registration number on the Companies Register of the Chamber of Commerce of ROMAGNA FORLI'-CESENA and RIMINI-00876320409 and registered in the R.E.A. (Economic Administrative Directory) with No. 177115;

The meeting was held in Forlì at my offices in via Mentana No. 4, on the date and at the place for which said meeting was duly convened in a single call, at 15:00 (fifteen hundred hours). Having been so requested, I, the Notary Public, was physically present at my offices at said time and on said date so as to assist and draw up the meeting minutes mentioned above. To this end, I acknowledge the following.

At fifteen hundred hours the Chairman of the Board of Directors, Mr Meloni Stefano, on his own behalf and on behalf of the Board of Directors, the Board of Statutory Auditors and the staff of the company, warmly welcomed all those in attendance at the meeting.

He announced he would duly chair the meeting in accordance with art. 10 point 1) of the articles of association and article 7 of the shareholders' meeting regulations.

No party opposed Mr Meloni chairing the meeting.

Pursuant to article 7 of the shareholders' meeting regulations, the Chairman called the undersigned Notary Public to draw up the ordinary and extraordinary meeting minutes in the form of public deed and duly acknowledged that said Notary Public performs the function of secretary of the meeting.

It being acknowledged that pursuant to art. 106 paragraph 2 second point of legislative decree No. 18 of 2020, transposed with amendments into Law No. 27 of 24 April 2020, the application of which was last extended by Law No. 183 of 31 December 2020, transposed with amendments into Law No. 21 of 26 February 2021 (the "Cure Italy Decree"), in compliance with the fundamental principal to safeguard public health:

- the meetings were held for those entitled to attend, also via means of telecommunication which ensure that their identity can be clearly established. It was not required that the Chairman of the meeting or the person nominated to draw up the minutes take part in the Meeting at the same venue;
- as specified in the notice of call to the meeting, participation at the meeting of those having the right to vote is allowed only by way of those representatives duly appointed pursuant to art. 135-*undecies* and 135-*novies of Legislative Decree No. 58 of 24 February 1998* ("TUF");
- the company appointed SOCIETÀ PER AMMINISTRAZIONE FIDUCIARIE SPAFID S.p.A. as designated proxy holder for the granting of proxies and to give the related voting instructions pursuant to art. 135-*undecies* and 135-*novies* TUF. The forms for granting a proxy to a designated proxy holder have been made available on its website.

The Chairman announced that, in addition to his own presence, the CEO, Giancarlo Nicosanti Monterastelli and director Pietro Caliceto; were also physically present at the place of meeting convocation, board members, Messrs: Marino Marin, Catia Cesari, Monica Luisa Micaela Montironi, Paola Elisabetta Maria Galbiati and Michele Bugliesi attended by way of video connection on the Microsoft Teams platform;

The acting auditors of the Board of Statutory Auditors, in attendance by way of video connection on the Microsoft Teams platform, were: Giuseppina Manzo - Chairman, Federica Mantini and Maurizio Voza.

The Chairman acknowledged that the meeting is held in accordance with the applicable legislation and the articles of association.

The Chairman acknowledged that the ordinary and extraordinary shareholders' meetings were duly convened in a single call in via Mentana 4 Forlì on 15 June 2021 at 15:00 in accordance with the law and the articles of association, by means of a notice of call published on 14 May 2021 on Unieuro's website as well as on the storage mechanism "EMARKET STORAGE". An extract thereof was published in a press release in the "QN QUOTIDIANO NAZIONALE".

He further advised that on 24 May 2021, the shareholders Iliad SA and Iliad Holding S.p.A., whose joint shareholding of 2,520,374 ordinary shares constitutes 12.36% of the share capital of Unieuro SpA, requested, in accordance with art. 126-*bis* paragraph 1 first sentence first point of TUF, that the agenda of the Company's ordinary Shareholders' Meeting be integrated by the following additional item: *"Appointment of No. 2 (two) Directors, subject to the increase from No. 9 (nine) to No. 11 (eleven) of the number of the members of the Board of Directors. Related and consequent resolutions."*

Having viewed said request, the Board of Directors of the company met on 28 May 2021 and having evaluated compliance of said request with the requirements established by law - duly resolved that the agenda of the Shareholders' Meeting be integrated accordingly.

Therefore, the Chairman advised that further to such integration, the agenda is that set forth below:

AGENDA

ORDINARY SHAREHOLDERS' MEETING

1. Financial Statements as at 28 February 2021, accompanied by the Management Report of the Board of Directors and including the Report of the Board of Statutory

Auditors and the Report of the Auditing Firm. Presentation of the Consolidated Financial Statements as at 28 February 2021 and the non-financial consolidated statement drawn up pursuant to Legislative Decree 254/2016.

2. Allocation of profits from the business year and proposal for the distribution of a dividend. Related resolutions.

3. Report concerning the policy for remuneration and recompense paid:

3.1 resolutions on the Company's remuneration policy referred to in the first section of the report pursuant to art. 123-ter paragraphs 3-bis and 3-ter of Legislative Decree of 24 February 1998 No. 58;

3.2 resolutions on the second section of the report pursuant to art. 123-ter paragraph 6 of Legislative Decree of 24 February 1998 No. 58.

4. Proposal that the remuneration of the Board of Directors be increased. Related Resolutions.

5. Proposal that the remuneration of the Board of Auditors be increased. Related Resolutions.

6. Appointment of No. 2 (two) Directors, subject to the increase from No. 9 (nine) to No. 11 (eleven) of the number of the members of the Board of Directors. Related and consequent resolutions.

<u>EXTRAORDINARY SHAREHOLDERS' MEETING</u>

1. Proposed amendments to the Company's Articles of Association. Related resolutions.

1.1 Proposed amendment to Article 13.1 on the majority required for the approval by the outgoing Board of Directors of the list for the appointment of the new Board of Directors;

1.2 Proposed amendment to Article 13.9 on the deadline for filing the list submitted by the outgoing Board of Directors;

1.3 Proposed amendment to Article 14 on the procedures for electing members of the Board of Directors;

1.4 Proposed amendment to Article 17.1 on granting the Board of Directors the authority to appoint the Chairman.

The Chairman noted that no other requests had been submitted by shareholders pursuant to and within the term set out in article 126-*bis* TUF asking to integrate the meeting agenda or the proposed resolutions on the items on said agenda.

The Chairman further noted that the designated proxy holder SPAFID S.P.A. was in attendance by means of telecommunication, duly represented by Ms Elena Perani, (born in Brescia on 25 November 1960, domiciled for the purposes of her functions in the registered office of SPAFID S.P.A.) and the Chairman invited the designated proxy holder to make all those declarations required by law.

Said designated proxy holder, Elena Perani, took the floor and announced that: the following have been received from rightsholders within the prescribed legal deadline:

- n. 5 proxies in accordance with art. 135-*undecies* TUF for a total of 1,040,569=shares;
- n. 4 proxies pursuant to art. 135-*novies* TUF for a total of 2,723,351=shares.
- n. 1 sub-proxy in accordance with art. 135-*novies* TUF for a total of 6,205,359=shares.

Said designated proxy holder announced that, prior to the taking of each vote, she would state the items in relation to which no voting preference has been expressed by the particular delegating party.

The Chairman resumed the floor and informed the meeting that, pursuant to the aforementioned art. 135-*undecies*, paragraph 3 TUF, the shareholdings in relation to which proxies, included partial proxies, have been conferred upon the designated proxy holder, will be counted for the purpose of determining a valid quorum of the shareholders' meeting, whereas those shareholdings for which voting instructions have not been given as regards the proposals on the agenda, will not be take into account in the calculation of the majority and the percentage of share capital required for the passing of the relative resolutions.
The Chairman reminded the meeting that SPAFID S.P.A. has expressly declared that it will not cast a vote different from that indicated in the instructions.
The Chairman declared that attendance by proxy having been granted to the designated proxy holder by 119 (one hundred and nineteen) shareholders holding voting rights representing 9,969,279 (nine million nine hundred sixty nine thousand two hundred seventy nine/00) ordinary shares equal to 48.299% of 20,640,849 (twenty million six hundred forty thousand eight hundred forty nine/00) ordinary shares carrying voting rights, the ordinary shareholders' meeting was deemed quorate and thus properly convened in a single call in accordance with the law and the articles of association and is permitted to resolve on the items on the agenda.
The Chairman advised that notices from intermediaries for the purpose of attendance on behalf of shareholders entitled to vote, have been made to the issuer in the manner and within the term prescribed by the laws in force.
He announced that no solicitation of voting proxies pursuant to Article 136 *et seq* TUF (Consolidated Finance Act) has been promoted in relation to today's meeting.
He advised that enquiries had been put to the company prior to today's meeting and that the company had duly published its replies thereto on 11 June 2021 on the website "unieurospa.com/en/ corporate-governance-2/shareholders-meetings/2021-shareholders-meeting/".
He announced that, pursuant to article 11 of the articles of association, article 4 of the shareholders' meeting regulations and the relevant provisions in force, the rights to participate in and vote at the meeting have been ascertained and, in particular, compliance with the current legal and statutory regulations of the proxies provided by the designated proxy holder has been established.
He advised, in accordance with EU Regulation 2016/679 and the Italian legislation in force regarding personal data protection, that the data of the meeting participants will be gathered and processed by the company exclusively for the purpose of carrying out the meeting and required corporate obligations. He also advised that a video recording of the meeting was being made for the sole purpose of facilitating the drawing up of the meeting minutes and documenting that transcribed in said minutes, as specified in the informative note of article 13 of the aforementioned EU Regulation. The video recording will not be communicated or broadcast and all data, except for the audio recording which will be destroyed, will be stored at the registered office of UNIEURO S.P.A. together with the documents produced during the meeting.
The Chairman announced that:

- the share capital subscribed and paid up on the record date is € 4,128,169.80 (four million one hundred twenty-eight thousand one hundred sixty-nine/eighty cents) representing 20,640,849 (twenty million six hundred forty thousand eight hundred forty-nine) ordinary shares with no indication of par value. The Chairman specified that subscribed and paid-up share capital as of today's date is Euro 4,128,775.00 (four million one hundred twenty-eight thousand seven hundred and seventy-five/zero cents) representing 20,643,875 (twenty million six hundred forty-three thousand eight hundred and seventy-five/00) ordinary shares due to the issuance of No. 3,026 shares on 7 June 2021. As regards this issuance, the certification provided for under art. 2444 of the Civil Code shall be furnished in accordance with the law. He reminded the meeting that shares issued after the record date do not carry any right to attend and vote in this meeting;

- the company does not hold treasury shares;
- the company's shares are admitted for trading on the electronic share market organised and managed by Borsa Italiana S.p.A. - Star Segment;
- the company qualifies as an SME pursuant to art. 1, paragraph 1 letter w-*quater*.1) TUF, on grounds that it falls within the parameters laid down by this provision. he also acknowledged that Consob, in its press release dated 12 April 2021, announced that it would not grant any further extension to the temporary regime of enhanced transparency on the communication of significant shareholdings - introduced on 9 April 2020 (press release of 10 April 2020 and related resolutions Nos. 21326 and 21327 of 9 April 2020), renewed in 2020 for three month periods (press releases of 10 July 2020, 9 October 2020 and 14 January 2021 and related resolutions Nos. 21434 of 8 July 2020, 21525 of 7 October 2020 and 21672 of January 13, 2021) - which provided for certain SMEs, including UNIEURO SPA, a quota of 3% as the initial threshold for communicating significant shareholdings pursuant to art. 120 paragraph 2 TUF rather than 5%.
- the Chairman therefore advised that, to date, those parties that directly or indirectly hold shares with attached voting rights in an amount equal to or greater than 5% of the subscribed share capital of UNIEURO SPA, as stated in the shareholders' register as integrated by notices received pursuant to Article 120 TUF and other available information made available to the issuer, are the following:

DECLARING PARTY	DIRECT SHAREHOLDER	SHARES HELD	PERCENTAGE OF SHARES WITH RESPECT TO SHARE CAPITAL
XAVIER NIEL	• ILIAD HOLDING S.P.A. • ILIAD SA	2,520,374	**12.21%**
AMUNDI ASSET MANAGEMENT	• AMUNDI ACCUMULAZIONE ITALIA PIR 2023 • AMUNDI DIVIDENDO ITALIA	1,320,201	**6.40%**

	• AMUNDI VALORE ITALIA PIR • OTHER FUNDS		

The Chairman reminded the meeting that voting rights cannot be exercised if attached to shares for which the disclosure obligations have not been fulfilled:
- as per article 120 TUF concerning shareholdings equal to or greater than 5%;
- as per article 122 first paragraph TUF concerning shareholders' agreements.

Finally, he reminded the meeting of the designated proxy holder’s declaration that she would exercise the votes in accordance with the instructions provided by the proxy givers.

He stated that, to the best of the company’s knowledge, there are no shareholders’ agreements entered into between the shareholders.

He acknowledged that, as regards the items on the agenda, the formalities required by applicable laws and regulations have been duly carried out.

In particular the following documents were filed at the registered office and made available on the website https://unieurospa.com/en/_home/ as well as on the EMARKET STORAGE mechanism:

 on 14 May 2021:
- the meeting notice of call;
- the Explanatory Reports concerning the items referred to in points No. 1, 2, 3, 4, 5 of the agenda of the ordinary meeting and the sole item on the agenda of the extraordinary meeting, drawn up pursuant to article 125-*ter* TUF;

 on 21 May 2021:
- the explanatory Report concerning the policy for remuneration and recompense paid, drawn up pursuant to art 123-*ter* TUF;
- the annual financial Report relating to the business year closed as at 28 February 2021, including the consolidated financial statements and the draft financial statements as at 28 February 2021 approved by the Board of Directors on 6 May 2021, together with the reports of the Board of Statutory Auditors and of the independent Auditing Firm;
- the consolidated non-financial statement drawn up pursuant to Legislative Decree n.254/2016;
- the Report on corporate governance and proprietary shareholdings drawn up pursuant to art. 123-*bis* TUF.

 on 28 may 2021:
- the notice of integration of the agenda of the ordinary part of the meeting further to the request for integration of such ordinary part presented jointly by the shareholders Iliad s.a. and Iliad Holding s.p.a. also published in “QN QUOTIDIANO NAZIONALE”;
- the Explanatory Report in support of the request for integration of the agenda of the ordinary part of the meeting presented jointly by the shareholders Iliad s.a. and Iliad Holding s.p.a. together with the candidacies of Benedetto Levi and Giuseppe Nisticò for the office of director and related accompanying documentation as required by law and the Articles of Association.
- the assessment of the Board of Directors of UNIEURO regarding the above-mentioned request for integration.

Finally, the Chairman advised that the following documents will be attached to the meeting minutes as an integral and substantial part thereof and will be made available to those entitled to vote on the resolutions therein:

- the list of names of those attendees at the meeting by proxy through the designated proxy holder, complete with all the data required by CONSOB, with an indication of the number of shares for which notice was made by the intermediary to the issuer, pursuant to article 83-*sexies* TUF.
- the list of names of the parties who voted in favour, against, abstained from voting or are non-voting parties, with the relative number of shares represented by proxy.

Considering that the company has made available the documentation prepared for this meeting to the public within the timelines laid down by law and in the absence of any opposition thereto, the Chairman omitted the reading out of all documents relating to the items on the agenda and thus only read out the resolution proposals to be put out for vote at today's meeting.

The Chairman advised that, to meet the technical and organisational needs of the business for discussion, certain employees of the company were admitted to the meeting, to assist during the meeting.

More specifically, Messrs Filippo Fonzi and Elisa Petroni of the Legal Department attended at the venue at which the meeting was held. Marco Pacini - Chief Financial Officer, Emanuele Agosta - Director of Administration and Control and Andrea Moretti of the Investor Relations Department attended the meeting connected by remote link up.

Before going through the items on the agenda, Chairman addressed the shareholders and made the following announcement.

As Italy re-emerges from the crisis triggered by the Covid-19 pandemic, he was pleased to present - on behalf of the entire Board of Directors - a UNIEURO that has never been so solid, profitable and focused on the future.

Exactly one year ago, they were hopeful to be able to emerge from the difficult context that had arisen, through strengthening competitive advantage and leadership in a market which rewards the most robust, determined, entrepreneurial and innovative businesses. He declared that he was proud to say that these hopes have promptly come true.

He declared that this was achieved thanks to a strategy that has proven successful, notwithstanding difficulties, as well as thanks to the effectiveness of managerial action, attention to service, customer and product and, last but not least, to the solidarity of all stakeholders - shareholders, collaborators and partners - who in critical moments were ready to react in a responsible manner, which included sacrificing their own interests in the interests of the company.

By way of concrete demonstration of gratitude and positivity, he declared that the Board of Directors proposed to the shareholders the distribution of a record dividend of €2.60 per share, an amount consistent with the dividend policy in force and such as to compensate the failure to declare a dividend as was prudently decided on last year.

He stated that, once again, this was to be considered a further and significant step forward rather than a milestone of arrival: the virtuous path of UNIEURO is destined to continue in consolidating the market and strengthening the company so as to create sustainable value for all: shareholders, customers, employees, suppliers, partners, communities, even competitors who are compelled to recognise

UNIEURO as a responsible market leader, respectful of business ethics and holding strong values.
It is indeed the concept of sustainability that has been increasingly dear to the company, so much so that a Committee has been set up within the Board of Directors to supervise, stimulate and implement its dictates, in line with the growing importance of social, environmental and corporate governance aspects in listed companies.
This is ever more relevant in a "public-public" company such as UNIEURO, which includes both small and large new shareholders, all of whom participate in the ongoing value creation process, in the knowledge that they contributing to the ambitious path that the company has laid down ahead and also thanks to the estimated growth of the Italian domestic product, which has been strongly stimulated by the recent economic measures adopted.

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The Chairman then moved on to discussing the first and second items on the agenda for the ordinary part of the meeting.
Mindful of the connection between the first and second items on the agenda, for the sake of efficient use of meeting time, he discussed said items together but underlined that, however, voting on said first and second items would be made distinctly and separately.

1. Financial Statements as at 28 February 2021, accompanied by the Management Report of the Board of Directors and including the Report of the Board of Statutory Auditors and the Report of the Auditing Firm. Presentation of the Consolidated Financial Statements as at 28 February 2021 and the non-financial consolidated statement drawn up pursuant to Legislative Decree 254/2016.

2. Allocation of profits from the business year and proposal for the distribution of a dividend. Related resolutions.

Before proceeding with the illustration of the financial statements, the Chairman reported that the independent Auditing Firm KPMG S.p.A. has expressed an unqualified opinion both on the UNIEURO financial statements for the year ended 28 February 2021, and on the consolidated financial statements as of the same date, and has found the financial statements to be consistent and in compliance with the legal provisions of the management and information report referred to in Article 123-*bis*, paragraph 1, letters c), d), f), l), m) and in paragraph 2, letter b) TUF, contained in the Report on Corporate Governance and Proprietary Shareholdings.
Said auditing firm has also verified that the information referred to in paragraph 2, letter a), c), d), and d-*bis*) of art. 123-bis of Legislative Decree No. 58 of 1998 has been furnished and that the Board of Directors in office on 6 May, 2021 has approved the non-financial declaration pursuant to Legislative Decree 254 of 30 December 2016, as is stated in the reports issued on 20 May 2021.
Finally, the Chairman announced that on 20 May 2021, KPMG issued the certificate of conformity concerning the non-financial declaration.
In accordance with the Issuers' Regulations, the table of fees for the financial period for the services provided to UNIEURO S.P.A. by the auditing firm and fees of companies belonging to its network, is attached to the draft financial statements of UNIEURO S.P.A.
Mindful that the company has already made available to the public the documentation prepared for this meeting within the term prescribed by law, and in the absence

of any opposition thereto, the Chairman omitted a reading of each and every document relating to the items on the agenda, and would instead limit his reading to that of the resolutions proposed at today's meeting.
At this point, the Chairman invited the CEO, Giancarlo Nicosanti Monterastelli, to provide a brief illustration of the financial statements and the results of the year.
The CEO took the floor and thanked the Chairman and greeted all those in attendance.
As he did at the previous meetings, he underlined how proud he was to announce yet again the best ever results in the company's history.
However, the 2020/21 results have been achieved in a period that is unprecedented in contemporary history, marked by a pandemic that has had dramatic effects on people's lives and on the economy.
Despite this, UNIEURO closed the business year with record turnover and margins, having been ready to benefit from the favourable consumption trends that arose in the context.
In a complex and volatile year, such as that we have just faced, the Company recorded revenues of 2.7 billion euros, an absolute all-time high for the company and for the entire sector, up by 9.8%. This is an entirely organic growth, which among other things sees: the best like-for-like performance achieved for many years at + 8.7%. Furthermore, the incremental turnover over the last 4 years - thus as of the stock exchange launch - is 1 billion euros.
This is an extraordinary performance that has led the Company to further distance itself from its main competitor and to emphasise its leadership in the sector with greater force.
Growth has been driven by the extraordinary performance of the online channel, which grew by 76.8%, clearly benefitting from the succession of lockdowns which facilitated the acceleration of the trend towards digitalization. A trend from which there will be no turning back. In this context, UNIEURO has nevertheless had the knowhow to outperform the market: by means of https://unieurospa.com/en/_home/ and Monclick the company achieved a turnover of 525 million, increasing its share in the consumer segment by 74% (14 points above the market).
The retail channel maintained its position having substantially stable performance whereas our affiliate network proved itself to be particularly resilient, recording growth by 17%.
Store activity has been undoubtedly facilitated by the launch of the new omnichannel services which have rendered it possible to achieve full synergy between the physical and online channels so benefitting the customer's shopping experience.
Customer experience, customer proximity and improvement of the retail mix were our key objectives also during the pandemic and will continue to be so for the future, grounded on a road toward further acceleration towards digitalization and omnichannel service, as illustrated in the strategic plan.
In terms of profitability, the 2020/21 business important record levels have been reported thanks, above all, to managerial action and non-recurring and non-repeatable interventions such as access to the Covid wage-compensation fund, the renegotiation of rents and mindful of lows, such as store closures during the most

critical period of the pandemic, and highs, such as the re-start of the opening plan and the payment of an extraordinary bonus for all 5400 employees.
All this has made extraordinary levels of profitability achievable. Adjusted EBIT rose by 48%, reaching a new historical high of 86.8 million euros.
The Adjusted net result has recorded an even better performance, reaching 67 million (+ 58.8%).
Adjusted EBIT and adjusted net profit performance were also matched by an exceptional cash generation of 125 million euros, which brought net cash at the end of the year to approximately 155 million: a resource that will support the ambitious transformation plan and growth that awaits the Company over the next five years.
Investments, classed as entirely ordinary, remained stable year-on-year above 31 million euros, whereas already during the current year we can count on strengthened levels thereof.
The capex dynamics showed a marked acceleration trend in the third and fourth quarters linked to the development of the direct stores network, investment in the new headquarters and improvement of the technological infrastructure, including the adoption of the new erp sap s/4hana system which is more in line with the size and complexity that the company has grown into.
This is not all: this is a functional tool also for omnichannel development, which is central to our future and fundamental to face the challenges thrown up by the pandemic and meeting the needs of our customers, who - together with the shareholders - represent two key categories of stakeholders for the benefit of whom such tools will build the Unieuro of the future.
Having concluded his talk, the Chairman again took the floor and thanked the CEO for his speech. The Chairman then passed the floor to the Chairman of the Board of Statutory Auditors. Mindful of the decision not to make a full reading of all documents, this latter was invited to make a brief statement on the conclusions set forth in the Report of the Board of Statutory Auditors on the financial statements.
Ms Giuseppina Manzo, Chairman of the Board of Statutory Auditors took the floor. She advised that the Board of Statutory Auditors - with reference to the contents of its report which sets forth a summary of the supervisory activity carried out during the financial year- has no observations to make pursuant to art. 153 of Legislative Decree 58/1998 as to matters within its competence regarding the financial statements as at 28 February 2021. Mindful that, on 20 May 2021, the auditing firm KPMG S.p.A. issued its own unqualified report, the Board of Statutory Auditors unanimously agreed that there are no issues impeding approval by the shareholders' meeting, as per the drafts presented and approved during the board meeting of 6 May 2021, together with the Management Report and the proposal put forward by the Board of Directors to allocate the profit for the year
The Chairman of the Board of Statutory Auditors having concluded her speech, the meeting Chairman re-took the floor and reminded the meeting that - as regards the allocation of profits for the financial period - the Board of Directors at its meeting held on 12 June 2020, had deemed it appropriate to derogate from the dividend policy instead proposing that, in virtue of the economic scenario resulting from the impact of the Covid-19 pandemic and its relative contingencies, and to further and prudently strengthen the company's financial structure, the

entire profit for the year would be allocated to an extraordinary available and distributable reserve fund.
Said board proposal was approved at the shareholders' meeting thus waiving any right to dividend distribution at that time.
Therefore, he then moved to highlight that, in virtue of the results obtained in the year currently under discussion, the Board of Directors invited the shareholders' meeting to approve the distribution of a unitary dividend of 2.6 (two point six) euros gross for each ordinary share in circulation at the dividend cut-off date, such distribution being in line with UNIEURO's dividend policy, which provides for the annual payment of dividends not less than 50% of the recorded adjusted net result. This value has been decided so as to compensate shareholders for the lack of dividend payout last year and to share with them the excellent results that have been achieved.
The Chairman pointed out that, following the exercise of the rights under the 2018-2025 Long Term Incentive Plan, it is appropriate that the reserves earmarked for share-backed payments, as regards the quota earmarked for those beneficiaries who have exercised their rights as of 28 February 2021, be reclassified to available and distributable retained funds in the amount of Euro 2,140,000.00 (two million one hundred and forty thousand/00).
At this point, and prior to proceeding with voting on the items on the agenda, the Chairman invited the designated proxy holder to announce any proxy instructions to make any statements or declarations.
The designated proxy holder took the floor and announced that she had no statements or declarations to make.
The meeting was reminded that voting on items 1 and 2 of the agenda would be made distantly and separately.
With reference to the first item on the agenda, the following resolution proposal was put forward which reproduces the text contained in the Report of the Board of Directors to the Shareholders' Meeting:
"The Shareholders' Meeting of Unieuro S.p.A. in consideration of that stated above,
–having examined the Management Report of the Board of Directors;
–having acknowledged the Report of the Board of Statutory Auditors and the Report of the Auditing Firm KPMG S.p.A.;
–having acknowledged the consolidated financial statements as at 28 February 2021, showing consolidated net profits for the financial period of Euro 53,550/thousand;
–having acknowledged the consolidated non-financial statement as prepared by the Board of Directors;
–having examined the draft financial statements as at 28 February 2021 provided by the Board of Directors that closed with annual results of Euro 54,431/thousand;
resolves
that it approves the annual financial statements as at 28 February 2021 in its entirety as well as the individual parts thereof."
For the purposes of calculating a majority vote, the Chairman, pursuant to art. 135-*undecies* TUF asked the designated proxy holder if, in relation to item 1, she had voting instructions for all the shares for which proxies have been conferred and also to report the number of shares of any shareholder who may have expressed an intention to not have its shares counted in the majority calculation.

The designated proxy holder took the floor and announced that she has been given voting instructions for all the shares for which proxies have been conferred.
At 15:39 the Chairman put to vote the proposed resolution which he had previously read out.
The designated proxy holder announced that, as regards item 1 of the agenda:
- votes in favour: 9,969,279=equal to 100% of the share capital present and entitled to vote;
- votes against: none;
- abstentions: none;
The Chairman closed the voting and declared the proposed resolution duly passed on unanimous vote.

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With reference to the second item on the agenda, the Chairman submitted the following resolution proposal which reproduces the text contained in the Report of the Board of Directors to the Shareholders' Meeting:
"The Shareholders' Meeting of Unieuro S.p.A.,
- having examined the draft financial statements as at 28 February 2021 submitted by the Board of Directors;
- having examined the explanatory report of the Board of Directors;

resolves

that the net profit for the financial year 2020-2021 in the amount of Euro 54,431,041 (fifty-four thousand four hundred thirty-one forty-one/00) be allocated as follows:
- Euro 10,544.00 (ten thousand five hundred forty-four/00) to the reserve fund;
- for distribution to the Shareholders as a dividend per share, a gross amount of Euro 2.6 for each ordinary share issued as at the ex-date, such dividend to be paid starting from 23 June 2021, with entitlement to payment as provided for under art. 83-terdecies of Legislative Decree 24 February 1998 No. 58 and art. 2.6.6, paragraph 2 of the Rules of the Markets organised and managed by Borsa Italiana S.p.A., on 22 June 2021 (the "record date") and subject to coupon-detachment No.4 on 21 June 2021;
- that the Board of Directors shall be duly empowered (and may sub-delegate said powers) to ascertain in due course, based on the exact final number of ordinary shares issued as the ex-date, the amount to be allocated to available and distributable extraordinary reserve of profits."
For the purposes of calculating a majority vote, the Chairman, pursuant to art. 135-*undecies* TUF, asked the designated proxy holder if, in relation to item 2, she had voting instructions for all the shares for which proxies have been conferred and to report the number of shares of any shareholder who may have expressed an intention to not have its shares counted in the majority calculation.
The designated proxy holder took the floor and announced that she has been given voting instructions for all the shares for which proxies have been conferred.
At 15:42 the Chairman then put to vote the proposed resolution which he had previously read out.
The designated proxy holder announced that, as regards item 2 of the agenda:
- votes in favour: 9,969,279=equal to 100% of the share capital present and entitled to vote;
- votes against: none;
- abstentions: none.

The Chairman closed the voting and declared the proposed resolution duly passed by unanimous vote.

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The Chairman moved to discussion of the third item on the agenda of the ordinary part of the meeting:

3.Report concerning the policy for remuneration and recompense paid:

3.1 Resolutions on the Company's remuneration policy referred to in the first section of the report pursuant to art. 123-ter paragraphs 3-bis and 3-ter of Legislative Decree of 24 February 1998 No. 58;

3.2 Resolutions on the second section of the report pursuant to art. 123-ter paragraph 6 of Legislative Decree of 24 February 1998 No. 58.

The Chairman advised that the report concerning the policy for remuneration and recompense (the "report"), duly drawn up by the Board of Directors pursuant to art. 123-*ter* "TUF" and art. 84-*quater* of Consob Regulation No. 11971/1999, in accordance with scheme 7-*bis* of annex 3a to said Regulation, and approved by board resolution on 19 May 2021 has been made available to the public in the manner and within the timelines prescribed by the laws in force.

In particular:

• the first section of the Report illustrates the Company's policy to be adopted for the 2021/2022 financial period, as concerns renumeration of company directors, general manager, auditors and managers with strategic responsibilities and sets down the procedures for the adoption and implementation of such policy.

• the second section of the Report sets forth the individual items that make up the remuneration of members of the company directors, auditors and managers with strategic responsibilities for the year ending 28 February 2021.

At this point, and prior to proceeding to vote on agenda item 3, the Chairman invited the designated proxy holder to announce whether she has been instructed to make any statements or declarations.

The designated proxy holder took the floor and announced that she had no statements or declarations to make.

The Chairman submitted the following resolution proposal at item 3.1. of the meeting agenda which reproduces the text contained in the report of the board of directors to the shareholders' meeting:

"The Shareholders' Meeting of Unieuro S.p.A.,

–having examined the first section of the Report concerning the policy for remuneration and recompense paid, drawn up by the Board of Directors pursuant to Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation no. 11971/1999;

–having acknowledged that, pursuant to Article 123-ter paragraphs 3-bis and 3-ter of Legislative Decree of 24 February 1998 No. 58, the Shareholders' Meeting is called to cast its binding vote regarding the first section of the Report concerning the policy for remuneration and recompense paid;

resolves

that it approves the first section of the Report concerning the policy for remuneration and recompense paid, as has been prepared in accordance with Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation no. 11971/1999."

For the purposes of calculating a majority vote, the Chairman, pursuant to art. 135-*undecies* TUF, asked the designated proxy holder if, in relation to item 3.1, she had voting instructions for all the shares for which proxies have been conferred and also to report the number of shares of any shareholder who may have expressed an intention to not have its shares counted in the majority calculation.
The designated proxy holder took the floor and announced that she has been given voting instructions for all the shares for which proxies have been conferred.
At 15:47 the Chairman then put to vote the proposed resolution which he had previously read out.
The designated proxy holder announced that, as regards item 3.1 of the agenda:
- votes in favour: 6,621,307=equal to 66,417% of the share capital present and entitled to vote;
- votes against: 2,946,080=equal to 29,552% of the share capital present and entitled to vote;
- abstentions: 401,892=equal to 4,031% of the share capital present and entitled to vote;
The Chairman closed the voting and declared the proposed resolution duly passed by majority vote.

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The Chairman then submitted the following resolution proposal at item 3.2 of the meeting agenda which reproduces the text contained in the Report of the Board of Directors to the Shareholders' Meeting:
"The Shareholders' Meeting of Unieuro S.p.A.,
• having examined the second section of the Report concerning the policy for remuneration and recompense paid, drawn up by the Board of Directors pursuant to Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation No. 11971/1999;
• having acknowledged that, pursuant to Article 123-ter sixth paragraph of Legislative Decree of 24 February 1998 No. 58, the Shareholders' Meeting is called to cast a non-binding vote on the second section of the Report on the policy concerning the policy for remuneration and recompense paid;

resolves

in favour of that stated in the second section of the Report concerning the policy for remuneration and recompense paid, as has been drawn up pursuant to Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation no. 11971/1999."
For the purposes of calculating a majority vote, the Chairman, pursuant to art. 135-*undecies* TUF, asked the designated proxy holder if, in relation to item 3.2, she had voting instructions for all the shares for which proxies have been conferred and also to report the number of shares of any shareholder who may have expressed an intention to not have its shares counted in the majority calculation.
The designated proxy holder took the floor and announced that she has been given voting instructions for all the shares for which proxies have been conferred.
At 15:50 the Chairman then put to vote the proposed resolution which he had previously read out.
The designated proxy holder announced that, as regards item 3.2 of the agenda:
- votes in favour: 9,567,387=equal to 95,969% of the share capital present and entitled to vote;
- votes against: none;

- abstentions: 401,892=equal to 4,031% of the share capital present and entitled to vote.
The Chairman closed the vote and declared the proposed resolution duly passed by majority vote.

***

The Chairman moved on to discuss the fourth item on the agenda of the ordinary meeting:

4.Proposal that the remuneration of the Board of Directors be increased. Relative resolutions.

The Chairman reminded the meeting that, as specified in the explanatory report of the Board of Directors drawn up on this agenda item the Board of Directors of UNIEURO takes on board:
- the recommendation of the Italian Corporate Governance Committee that it is opportune that the amount of remuneration paid to non-executive Directors and members of the supervisory body be verified as commensurate to the competence, professionalism and commitment required by their office;
- the increase in the tasks assigned to the Board of Directors as well as the required commitment and work required of it for the performance of the related duties:
- establishment on 12 November 2020 of a committee having advisory functions on environmental, social and person-related issues as well as respect for human rights and the fight against corruption ("Sustainability Committee")
- the greater commitment of the directors (of which, *inter alia*, the increase in the number of meetings held - also to promptly react to the effects of the pandemic - is a good example) due to the alteration to the strategic and corporate context in which UNIEURO is positioned as consequence of its strong growth, the intervening change of UNIEURO to a public company structure and the challenging objectives that the Company aims to achieve;
- failure to adjust the overall remuneration granted to the Board of Directors with respect to the amount that the Shareholders resolved on 6 February 2017 said body be granted at a time when the Board of Directors of UNIEURO was made up of 7 Directors and notwithstanding the increase in the number of its members from 7 to 9 as approved at the Shareholders' Meeting of 18 June 2019;
thus the Board deems that - also following the salary benchmarking assessment carried out by the Remuneration and Appointments Committee and its analyses as regards the remuneration of members on the Board of Directors and on the Board of Statutory Auditors, based on a selected sample of other companies operating in similar sectors or of comparable size and listed on the Italian stock market or on foreign stock markets - its remuneration is not in line with the level of commitment made and that yet to be carried out up to the end of the term of office by its members on the Board as well as on the intra-board committees.
In light of the above, the Board of Directors proposes that the overall gross annual remuneration for the entire Board of Directors, be increased from Euro 580,000.00 (five hundred and eighty thousand/00) to Euro 710,000.00 (seven hundred and ten thousand/00) plus VAT and social security contributions thereon. Thus, the specific increase would be a total gross annual amount of Euro 130,000.00 (one hundred and thirty thousand/00) plus VAT and social security contributions thereon where applicable, such amount to be subsequently distributed by the administrative

body pursuant to art. 2389, paragraph 3 of the Italian Civil Code and the Articles of Association.
The Chairman advised that the Board of Directors proposed - such proposal taking into account the waiver of the CEO and fact that the remuneration of the Chairman of the Board of Directors would remain unaltered - that the gross annual remuneration of each other director shall be Euro 50,000.00(fifty thousand/00) plus VAT and social security contributions thereon where applicable, and that the residual amount of the increase as resolved on at the Shareholders' Meeting shall be earmarked to remunerate participation on the intra-board Committees.
At this point, and prior to proceeding to vote on agenda item 4, the Chairman invited the designated proxy holder to announce whether she has been instructed to make any statements or declarations.
The designated proxy holder took the floor and announced that she had no statements or declarations to make.
The Chairman submitted the following resolution proposal at item 4 of the meeting agenda which reproduces the text contained in the report of the board of directors to the shareholders' meeting:
"The Shareholders at the Shareholders' Meeting of UNIEURO S.p.A.,
- having examined the proposal of the Board of Directors;

resolve

with effect as of this Shareholders' Meeting and for the remaining duration of the term of office to:
(i) increase the overall gross annual remuneration granted to the Board of Directors from Euro 580,000.00(five hundred and eighty thousand/00) to Euro 710,000.00(seven hundred and ten thousand/00) plus VAT and social security contributions thereon, where applicable; thus, the specific increase shall be equal to the total amount of Euro 130,000.00 (one hundred and thirty thousand/00) plus VAT and social security contributions thereon, where applicable; and
(ii) taking into account the waiver of the Chief Executive Officer and without any amendment to the remuneration of the Chairman of the Board of Directors, determine the gross annual remuneration of each other Director as included in the above-mentioned maximum amount equal to Euro 50,000.00 (fifty thousand/00) plus VAT and social security contributions thereon, where applicable, and to allocate the residual amount of the increase under point (i) above to remunerate the participation on the intra-board Committees."
For the purposes of calculating a majority vote, the Chairman, pursuant to art. 135-*undecies* TUF, asked the designated proxy holder if, in relation to item 4 she had voting instructions for all the shares for which proxies have been conferred and also to report the number of shares of any shareholder who may have expressed an intention to not have its shares counted in the majority calculation.
The designated proxy holder took the floor and announced that she has been given voting instructions for all the shares for which proxies have been conferred.
At 15:57 the Chairman then put to vote the proposed resolution which he had previously read out.
The designated proxy holder announced that, as regards item 4 of the agenda:
- votes in favour: 9,567,387=equal to 95,969% of the share capital present and entitled to vote;
- votes against: none;

- abstentions: 401,892=equal to 4,031% of the share capital present and entitled to vote.
The Chairman closed the vote and declared the proposed resolution duly passed by majority vote.

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The Chairman then moved to discuss the fifth item on the agenda:
5. Proposal that the remuneration of the Board of Auditors be increased. Related Resolutions.
The Chairman reminded the meeting that, as specified in the explanatory Report of the Board of Directors drawn up on this agenda item, at the Shareholders' Meeting held on 18 June 2019, it was resolved that remuneration be imputed to the activity of the members of the Board of Statutory Auditors, such amount fixed for their entire term of office and thus up to the approval of the financial statements as at 28 February 2022 in the total amount of Euro 60,000.00 (sixty thousand/00) divided as follows:(i) Euro 26,000.00 (twenty-six thousand/00) for the Chairman plus social security contributions thereon and (ii) Euro 17,000.00 (seventeen thousand/00) for each acting Statutory Auditor plus social security contributions thereon.
In this regard, and taking into account the broader scope of controls to be carried out as a consequence of the strong growth of the Company - which has led to an increased complexity of the business it operates - as well as the changes to the relative corporate and organisational structure, principally deriving from the intervening change of Unieuro to a public company structure, said board of statutory auditors submitted that the remuneration resolved upon on 18 June 2019 is no longer adequate having regard to the level of commitment required of them and in its report of 5 May 2021, furnished the Board of Directors with an account of the activities carried out and objective grounds - concerning intervening factors that have arisen subsequent to their original acceptance of the office and the relative remuneration therefor - based on which it is deemed opportune that the remuneration for the remainder of the term of office be increased.
Therefore, the Board of Directors took note of the above-mentioned request of the Board of Statutory Auditors, trusting that an adjustment to the remuneration may be obtained in an amount commensurate to the greater qualitative and quantitative efforts required over and those envisaged for the governance structure on the date the supervisory body was appointed and was desirous to submit at the shareholders' meeting its proposal that such remuneration be increased by a total of Euro 45,000.00, (forty-five thousand/00) per annum divided as follows: An additional Euro 13,000.00 (thirteen thousand/00) per annum for each acting statutory auditor and an additional Euro 19,000.00 nineteen thousand/00) per annum for the Chairman of the Board of Statutory Auditors.
In this regard, the Chairman clarified that such remuneration is exclusive of VAT which is payable thereon by law.
At this point, and prior to proceeding to vote on agenda item 5, the Chairman invited the designated proxy holder to announce whether she has been instructed to make any statements or declarations.
The designated proxy holder took the floor and announced that she had no statements or declarations to make.

The Chairman submitted the following resolution proposal at item 5 of the meeting agenda which reproduces the text contained in the Report of the board of directors to the shareholders' meeting:

"The Shareholders at the Shareholders' Meeting of UNIEURO S.p.A.,

- having examined the explanatory report of the Board of Directors and the proposals contained therein;

resolve

- that with effect as of this Shareholders' Meeting, the overall gross remuneration of the Board of Statutory Auditors shall be increased from Euro 60,000.00 (sixty thousand/00) to Euro 105,000.00 (one hundred five thousand/00), and therefore the effective increase shall be by Euro 45,000.00 (forty-five thousand/00). Such amount shall apply for the residual duration of their term of office.
- that the increase to remuneration referred to in point 1 above shall be divided as follows: (i) Euro 19,000.00 (nineteen thousand/00) plus social security contributions thereon for the Chairman of the Board of Statutory Auditors and, (ii) Euro 13,000.00 (thirteen thousand/00) plus social security contributions thereon for each acting Statutory Auditor."

For the purposes of calculating a majority vote, the Chairman, pursuant to art. 135-*undecies* TUF, asked the designated proxy holder if, in relation to item 5, she had voting instructions for all the shares for which proxies have been conferred and to report the number of shares of any shareholder who may have expressed an intention to not have its shares counted in the majority calculation.

The designated proxy holder took the floor and announced that she has been given voting instructions for all the shares for which proxies have been conferred.

At 16:02 the Chairman put to vote the proposed resolution which he had previously read out.

The designated proxy holder announced that, as regards item 5 of the agenda:

- votes in favour: 9,833,889=equal to 98,642% of the share capital present and entitled to vote;
- votes against: none;
- abstentions: 135,390=equal to 1.38 % of the share capital present and entitled to vote.

The Chairman closed the vote and declared the proposed resolution duly passed by majority vote.

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The Chairman then moved to discuss the sixth item on the agenda:

6.Appointment of No. 2 (two) Directors, subject to the increase from No. 9 (nine) to No. 11 (eleven) of the number of the members of the Board of Directors. Related and consequent resolutions.

The Chairman reminded the meeting that, as concerns this item, on 24 May 2021 the shareholders Iliad s.a. and Iliad Holding s.p.a. jointly requested that the agenda of the Company's ordinary Shareholders' Meeting be integrated.

Said shareholders in accordance with art. 126-bis paragraph 1 first sentence TUF, requested that the ordinary meeting agenda be integrated by the following additional item: "*appointment of No. 2 (two) Directors, subject to the increase from No. 9 (nine) to No. 11 (eleven) of the number of the members of the Board of Directors. Related and consequent resolutions* ".

The UNIEURO Board of Directors met on 28 May 2021 so as to evaluate compliance thereof with the presentation requirements established by law - both from the

subjective perspective (in terms of capital held by the requesting shareholders) and from the objective perspective (in terms of the request having been presented within the required deadline and accompanied by the explanatory report stating the underlying reasons therefor),and deemed said request to have been correctly and validly made in accordance with the applicable provisions of the law.
The Board of Directors therefore resolved that the agenda of the ordinary part of the shareholders' meeting be integrated accordingly and made available to the public, on the same date:
- the notice of integration of the agenda of the ordinary part of the shareholders' meeting;
- the explanatory report on the request for integration of the agenda of the ordinary part of the meeting presented jointly by the shareholders Iliad s.a. and Iliad holding s.p.a.
- the assessment of the Board of Directors of UNIEURO regarding the above-mentioned request for integration.
The Chairman underlined that, Iliad s.a. and Iliad holding s.p.a were desirous to jointly put forward at the shareholders' meeting the candidacies of Messrs Benedetto Levi and Giuseppe Nisticò both of whom carry our corporate and management functions in the Iliad Italia group.
It was also submitted that said candidates for the office of director would, as of now, waive any right to remuneration for their office as company director pursuant to Article 2391, para. 1, of the Civil Code, without prejudice to their right to reimbursement of expenses incurred in carrying out their functions as directors.
The Chairman also reminded the meeting that on 28 May 2021 UNIEURO made available to the public at its registered office, on the company's website and on the storage mechanism, the declarations with which each candidate accepted his candidacy and declared, under his own responsibility, that there is no cause of ineligibility and incompatibility as provided for by current legislation, as well as said candidates' curriculum vitae with the information on their personal and professional characteristics.
For more details on the reasoning behind the filing of the above-mentioned agenda integration request, as well as on the profile of the two proposed candidates, please refer to the documentation made available to the public, as mentioned above.
The Chairman acknowledged that no further candidacy proposals have been received other than those submitted by Iliad s.a. and Iliad Holding s.p.a..
At this point, and prior to proceeding to vote on agenda item 6, the Chairman invited the designated proxy holder to announce whether she has been instructed to make any statements or declarations.
The designated proxy holder took the floor and announced that she had no statements or declarations to make.
The Chairman then submitted to the meeting the following proposed resolution on item 6 on the agenda reproducing the text contained in the request presented jointly by the shareholders of Iliad s.a. and Iliad Holding s.p.a.:
-increase the number of the members of the Board of Directors from 9 (nine) to 11 (eleven);
- appoint Mr. Benedetto Levi and Mr. Giuseppe Nisticò as new Directors of the Company, to remain in office until the expiry of the office of the current Board

of Directors, and therefore until the Shareholders Meeting called to resolve upon the financial statements as of 28 February 2022;
acknowledging that the candidates renounce the remuneration as Director of Company pursuant to Article 2389, paragraph 1, of the Italian Civil Code, without prejudice to the right to the reimbursement of the expenses incurred in carrying out their functions as directors.
For the purposes of calculating a majority vote, the Chairman, pursuant to art. 135-*undecies* TUF, asked the designated proxy holder if, in relation to item 6, she had voting instructions for all the shares for which proxies have been conferred and also to report the number of shares of any shareholder who may have expressed an intention to not have its shares counted in the majority calculation.
The designated proxy holder took the floor and announced that she has been given voting instructions for all the shares for which proxies have been conferred.
At 16:10 the Chairman put to vote the proposed resolution which he had previously read out.
The designated proxy holder announced that, as regards item 6 of the agenda:
- votes in favour: 9,420,475=equal to 94,495% of the share capital present and entitled to vote;
- votes against: 548,804=equal to 5,505% of the share capital present and entitled to vote;
- abstentions: none.
The Chairman closed the vote and declared the proposed resolution duly passed by majority vote.

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At 16:12 the Chairman declared the extraordinary meeting open for discussion of the following business:

agenda

<u>Extraordinary meeting</u>
1. Proposed amendments to the Company's Articles of Association. Related resolutions.
1.1 Proposed amendment to Article 13.1 on the majority required for the approval by the outgoing Board of Directors of the list for the appointment of the new Board of Directors;
1.2 Proposed amendment to Article 13.9 on the deadline for filing the list submitted by the outgoing Board of Directors;
1.3 Proposed amendment to Article 14 on the procedures for electing members of the Board of Directors;
1.4 Proposed amendment to Article 17.1 on granting the Board of Directors the authority to appoint the Chairman.
Before commencing discussion of business, the Chairman referred to all announcements, requests and information rendered at the time of opening of the ordinary shareholders' meeting which had just ended, which are deemed duly reproduced for the purposes of this extraordinary meeting.
Furthermore, he reminded the meeting that in accordance with law and the articles of association, the extraordinary meeting convened in a single call shall be deemed quorate upon attendance by shareholders holding at least one fifth of the share capital.

The Chairman announced that attendance by proxy having been granted to the designated proxy holder by 119= shareholders with voting rights representing 9,969,297 ordinary shares equal to 48,299% of shares making up the share capital:

- the extraordinary shareholders' meeting was deemed quorate and thus properly convened in a single call in accordance with the law and the articles of association and is permitted to resolve on the items on the agenda of this extraordinary meeting.

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The Chairman then moved to discussing the first and only item on the extraordinary meeting agenda:

1.Proposed amendments to the Company's Articles of Association. Related resolutions.

1.1 Proposed amendment to Article 13.1 on the majority required for the approval by the outgoing Board of Directors of the list for the appointment of the new Board of Directors;

1.2 Proposed amendment to Article 13.9 on the deadline for filing the list submitted by the outgoing Board of Directors;

1.3 Proposed amendment to Article 14 on the procedures for electing members of the Board of Directors;

1.4 Proposed amendment to Article 17.1 on granting the Board of Directors the authority to appoint the Chairman.

The Chairman reminded the meeting that, as set forth in the explanatory report on this item of the agenda submitted by the Board of Directors to the shareholder's meeting, these proposed amendments have been drawn up by the Board of Directors in the exercise of its powers of assessment in relation to the corporate governance system to take into account the evolution of the shareholding structure that has occurred following the acquisition by the Company of its status as a public company.

The proposed amendments have the twin-fold purpose of:

-giving more balance to the representativeness of the (altered) corporate structure within the administrative body, whilst respecting the majority principle and having regard to the requirements of management efficiency and sustainability and

-ensuring adequate articulation of the offices and functions within the management body, taking into account the need for effective performance of the administrative functions and a balanced composition of the intra-board committees.

The Chairman, reminded the meeting that shareholders were to vote separately on each individual sub-item proposed and invited the designated proxy holder to announce whether she has been instructed to make any statements or declarations on item 1.1.

The designated proxy holder took the floor and announced that she had no statements or declarations to make.

The Chairman then submitted to the meeting the following proposed resolution on item 1.1 on the agenda of the extraordinary part of the meeting which reproduces the text contained in the report of the Board of Directors to the Shareholders' Meeting:

"The Shareholders of UNIEURO S.p.A., at an extraordinary Shareholder's meeting,

- having examined the Explanatory Report of the Board of Directors;

resolves

- to amend Article 13.1 of the Articles of Association as follows:
"1. The Board of Directors in office and shareholders who alone or in concert represent the percentage of share capital required by applicable laws or regulations are entitled to submit lists. By way of exception to the provisions of the following Article 18.7, the presentation of the list by the Board of Directors shall be resolved on by an absolute majority of the members in office."
- that they duly authorise the Board of Directors and/or on its behalf the Chief Executive Officer, said authority including the right to sub-delegate all or part of the related tasks, all powers as may be necessary to put the above resolutions into effect and fulfil the relevant regulatory and legislative requirements. Said powers include all those required to complete the formalities to enable registration of the resolutions with the Register of Companies in accordance with article 2436 of the Civil Code and the right to make non-substantial modifications and additions to the resolutions and the Articles of Association as may be requested by the competent authorities or by the notary public or in any case as may be deemed appropriate."
For the purposes of calculating a majority vote, the Chairman, pursuant to art. 135-*undecies* TUF, asked the designated proxy holder if, in relation to item 1.1 on the agenda of this extraordinary meeting, she had voting instructions for all the shares for which proxies have been conferred and to report the number of shares of any shareholder who may have expressed an intention to not have its shares counted in the majority calculation.
The designated proxy holder took the floor and announced that she has been given voting instructions for all the shares for which proxies have been conferred.
At 16:19 the Chairman then put to vote the proposed resolution which he had earlier read out.
The designated proxy holder announced that as regards item 1.1 on the agenda of the extraordinary meeting:
- votes in favour: 9,969,279=equal to 100% of the share capital present and entitled to vote;
- votes against: none;
- abstentions: none.
The Chairman closed the vote and declared the proposed resolution duly passed by unanimous vote.

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The Chairman then submitted to the meeting the following proposed resolution on item 1.2. on the agenda of the extraordinary part of the meeting which reproduces the text contained in the report of the Board of Directors to the Shareholders' Meeting:
"The Shareholders of UNIEURO S.p.A., at an extraordinary Shareholder's meeting:
-having examined the Explanatory Report of the Board of Directors;

resolve

-to amend Article 13.9 of the Articles of Association as follows:
"9. Lists, if any, submitted by the Board of Directors shall be filed at the Company's registered offices and a copy shall or be sent to the Company by means of remote communication within the thirtieth day prior to the date of the Shareholders' Meeting. Without prejudice to the foregoing, lists shall be submitted within the period prescribed by the applicable legislation referred to

in the convocation notice, at the Company's registered office or electronically, as stated in the notice."
- that they duly authorise the Board of Directors and/or on its behalf the Chief Executive Officer, said authority including the right to sub-delegate all or part of the related tasks, all powers as may be necessary to put the above resolutions into effect and fulfil the relevant regulatory and legislative requirements. Said powers include all those required to complete the formalities to enable registration of the resolutions with the Register of Companies in accordance with article 2436 of the Civil Code and the right to make non-substantial modifications and additions to the resolutions and the Articles of Association as may be requested by the competent authorities or by the notary public or in any case as may be deemed appropriate."
For the purposes of calculating a majority vote, the Chairman pursuant to art. 135-undecies TUF, asked the designated proxy holder if, in relation to item 1.2 on the agenda of this extraordinary meeting, she had voting instructions for all the shares for which proxies have been conferred and also asked her to report the number of shares of any shareholder who may have expressed an intention to not have its shares counted in the majority calculation.
The designated proxy holder took the floor and announced that she has been given voting instructions for all the shares for which proxies have been conferred.
At 16:22 the Chairman then put to vote the proposed resolution which he had earlier read out.
The designated proxy holder announced that as regards item 1.2 on the agenda of the extraordinary meeting:
- votes in favour: 9,969,279=equal to 100% of the share capital present and entitled to vote;
- votes against: none;
- abstentions: none.
The Chairman closed the vote at and declared the proposed resolution duly passed by unanimous vote.

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The Chairman then submitted to the meeting the following proposed resolution on item 1.3 on the agenda of the extraordinary part of the meeting which reproduces the text contained in the report of the Board of Directors to the Shareholders' Meeting:
"The Shareholders of Unieuro S.p.A., at an extraordinary Shareholder's meeting:
- having examined the Explanatory Report of the Board of Directors;

resolve

- to amend article 14 of the Articles of Association as follows:
1. All those entitled to vote may only vote for one list.
2. Election of the Board of Directors shall be according to the following criteria:
a) Members making up five-sevenths of the members up for election, as this number may be rounded down in the case the result is a fractional number, will be taken from the list that obtained the highest number of votes (the "majority list"), all members bar one according to the sequential order in which they were listed;
b) the remaining directors will be taken from the other lists (the "minority lists"), and to that end, votes for each of the minority lists shall be divided by one, two, three, four and so forth according to the number of directors to be elected. The ratios thus obtained will be applied sequentially to the candidates

on each of these lists in the progressive order envisaged therein. The ratios thus attributed to the candidates on the various lists shall be ranked in decreasing order. The directors elected shall be those obtaining the highest ratios.
In the event of a ratio tie between candidates, the elected candidate shall be taken from the list from which no director has yet been selected or from that which the lowest number of directors have been elected.
If no director has yet been elected from said lists or if there is a tie between the number of directors voted on in relation to the lists, then the candidate obtaining the highest number of votes on such lists will be elected. In the event of a tie in terms of both list vote and ratio, then a Shareholders Meeting shall be called to vote on the election and the candidate who obtains a simple majority of votes shall be elected. The above procedure is subject to the requirement that at least one director must be taken, if presented and voted on, from a list presented by shareholders not connected, whether directly or indirectly, with those who presented or voted on the list that obtained the majority of the votes cast.
3. In the event that the majority list contains an insufficient number of candidates to cover the seats to be filled in accordance with the above paragraph 2, notwithstanding application of the election mechanism under said paragraph 2: (i) all candidates of the majority list; and (ii) the remaining candidates, taken from the minority list which is second in terms of the number of votes required to complete the Board of Directors according to the progressive order indicated therein, shall be elected. If it is not possible to complete the Board of Directors in the manner described above - thus presenting the minority list that is second based on number of votes leads to a number of candidates lower than that required, the remaining directors shall be taken from the other minority lists in descending order starting with the highest voted first and moving down to the next list as the candidates are exhausted in the preceding list based on number of votes.
4. If, after the vote and the application of preceding paragraphs 2 and 3 above, the outcome is that gender balance and the independence requirements are not achieved as provided by the applicable legislation and regulations, the necessary number of elected candidates shall be excluded and substituted by candidates from the under-represented class in progressive order of their listing, as shall be taken from the same list on which the excluded candidates appear. Replacements shall be made with reference firstly to those belonging to the under-represented gender and secondly to those in possession of the independence requirements. This replacement mechanism shall be firstly applied in sequential order, to the lists from which no director of the missing class has been chosen, starting with that which has obtained the most votes. Should this process not be sufficient, or should all the lists presented list at least one director in possession of the requirements of the missing class, the replacement shall be applied, in sequential order, to all the lists, starting with that which received the most votes. Within the lists, the replacement of excluded candidates shall be effected starting from the candidates having the highest progressive number. The replacement mechanism is not operative in relation to candidates taken from lists that presented less than three candidates.
5. If only one list is submitted, the entire Board of Directors shall be taken from that list in accordance with applicable legislation and regulations. If no

list is submitted, the shareholders' meeting shall act on majority vote in accordance with the law.
6. In all those cases in which, as a result of the application of the preceding provisions: (a) it is not possible to complete the Board of Directors and/or (b) gender balance is not achieved or an insufficient number of directors in possession of the independence requisites are elected, having regard to the legislation and regulations in force, then the completion or replacement, as the case may be, shall be effected pursuant a resolution passed at the Shareholders' Meeting by simple majority on those candidates put to vote individually.
7. If no lists are submitted or if, the entire Board of Directors is not elected, the shareholders' meeting shall act on majority vote in accordance with the law, respecting any minimum allotment ratio between genders (male and female) provided by law and regulations."
- that they duly authorise the Board of Directors and/or on its behalf the Chief Executive Officer, said authority including the right to sub-delegate all or part of the related tasks, all powers as may be necessary to put the above resolutions into effect and fulfil the relevant regulatory and legislative requirements. Said powers include all those required to complete the formalities to enable registration of the resolutions with the Register of Companies in accordance with article 2436 of the Civil Code and the right to make non-substantial modifications and additions to the resolutions and the Articles of Association as may be requested by the competent authorities or by the notary public or in any case as may be deemed appropriate."
For the purposes of calculating a majority vote, the Chairman pursuant to art. 135-undecies TUF, asked the designated proxy holder if, in relation to item 1.3 on the agenda of this extraordinary meeting, she had voting instructions for all the shares for which proxies have been conferred and also asked her to report the number of shares of any shareholder who may have expressed an intention to not have its shares counted in the majority calculation.
The designated proxy holder took the floor and announced that she has been given voting instructions for all the shares for which proxies have been conferred.
At 16:30 the Chairman then put to vote the proposed resolution which he had earlier read out.
The designated proxy holder announced that as regards item 1.3 on the agenda of the extraordinary meeting:
- votes in favour: 9,969,279=equal to 100% of the share capital present and entitled to vote;
- votes against: none;
- abstentions: none;
The Chairman closed the vote and declared the proposed resolution duly passed by unanimous vote.

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The Chairman then submitted to the meeting the following proposed resolution on item 1.4 on the agenda of the extraordinary part of the meeting which reproduces the text contained in the report of the Board of Directors to the Shareholders' Meeting:
"The Shareholders of Unieuro S.p.A., at an extraordinary Shareholder's meeting:
- having examined the Explanatory Report of the Board of Directors;

resolve

-to amend article 17.1 of the Articles of Association as follows:
“1. The Board shall appoint one of its members as Chairman; it may also appoint one or more vice chairmen and a secretary including from outside its own members.”
- that they duly authorise the Board of Directors and/or on its behalf the Chief Executive Officer, said authority including the right to sub-delegate all or part of the related tasks, all powers as may be necessary to put the above resolutions into effect and fulfil the relevant regulatory and legislative requirements. Said powers include all those required to complete the formalities to enable registration of the resolutions with the Register of Companies in accordance with article 2436 of the Civil Code and the right to make non-substantial modifications and additions to the resolutions and the Articles of Association as may be requested by the competent authorities or by the notary public or in any case as may be deemed appropriate.”
For the purposes of calculating a majority vote, the Chairman pursuant to art. 135-undecies TUF, asked the designated proxy holder if, in relation to item 1.4 on the agenda of this extraordinary meeting, she had voting instructions for all the shares for which proxies have been conferred and also asked her to report the number of shares of any shareholder who may have expressed an intention to not have its shares counted in the majority calculation.
The designated proxy holder took the floor and announced that she has been given voting instructions for all the shares for which proxies have been conferred.
At 16:32 the Chairman then put to vote the proposed resolution which he had earlier read.
The designated proxy holder announced that as regards item 1.4 on the agenda of the extraordinary meeting:
- votes in favour: 4,428,045=equal to 44,417% of the share capital present and entitled to vote;
- votes against: 5,541,234=equal to 55,583% of the share capital present and entitled to vote;
- abstentions: none;
The Chairman closed the vote and declared that the proposed resolution has not been passed.

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The Chairman announced that there was no further business to discuss and that no other party had requested to take the floor. He thanked all those present and declared the meeting closed at sixteen hundred hours and thirty-five minutes.
The following documents are attached to these minutes:
A. List of parties in attendance at the time of the opening of the ordinary and extraordinary Shareholders' Meeting; notice of quorum to validly convene the meeting; notice of quorum for majority vote;
B. Annual financial statements as published;
C. Consolidated non-financial statement;
D. Explanatory report of the Board of Directors on item 1 of the agenda for the ordinary meeting;
E. Explanatory report of the Board of Directors on item 2 of the agenda for the ordinary meeting;
F. Explanatory report of the Board of Directors on item 3 of the agenda for the ordinary meeting;
G. Report on the remuneration policy and the recompense paid;

H. Explanatory report of the Board of Directors on item 4 of the agenda for the ordinary meeting;
I. Explanatory report of the Board of Directors on item 5 of the agenda for the ordinary meeting;
L. Request for integration of the agenda of the ordinary meeting;
L.1. Declaration of acceptance of the candidacy for the position of director of the Board of Directors of UNIEURO S.p.A;
L.2 Assessment of the Board of Directors of Unieuro S.P.A in relation to the request for integration of the agenda of the ordinary meeting;
M. Explanatory report of the Board of Directors on item 1 of the agenda for the extra ordinary meeting;
N. Updated articles of association;
O. Report on Corporate Governance and Proprietary Shareholdings.
P. Voting results:
P.1: List of votes cast on the resolution under item 1 of the ordinary meeting showing those in favour, against, abstentions any no vote;
P.2: List of votes cast on the resolution under item 2 of the ordinary meeting showing those in favour, against, abstentions any no vote;
P.3.1: List of votes cast on the resolution under item 3.1 of the ordinary meeting showing those in favour, against, abstentions any no vote;
P.3.2: List of votes cast on the resolution under item 3.2 of the ordinary meeting showing those in favour, against, abstentions any no vote;
P.4: List of votes cast on the proposal under item 4 of the ordinary meeting showing those in favour, against, abstentions any no vote;
P.5: List of votes cast on the proposal under item 5 of the ordinary meeting showing those in favour, against, abstentions any no vote;
P.6: List of votes cast on the proposal under item 6 of the ordinary meeting showing those in favour, against, abstentions any no vote;
P.1.1 (Extraordinary Meeting): List of votes cast on the proposal under item 1.1 of the extraordinary meeting showing those in favour, against, abstentions any no vote;
P.1.2 (Extraordinary Meeting): List of votes cast on the proposal under item 1.2 of the extraordinary meeting showing those in favour, against, abstentions any no vote;
P.1.3 (Extraordinary Meeting): List of votes cast on the proposal under item 1.3 of the extraordinary meeting showing those in favour, against, abstentions any no vote;
P.1.4 (Extraordinary Meeting): List of votes cast on the proposal under item 1.4 of the extraordinary meeting showing those in favour, against, abstentions any no vote
The costs of drawing up this deed shall be at the company's charge.

I, Notary Public, receive this deed, typed by a person entrusted by me and completed in my hand.
The original Italian text of this deed consists of [•] full pages and [•] sheets duly signed by the Notary Public at [•]

UNIEURO S.P.A.

Communication 1

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

Time: 15.00

List of participants

N°	Entitled person	Attorney	Delegate	Own shares	Proxy shares	% over ord. Shares	IN	OUT	IN	OUT	IN	OUT	IN
1	INDEPENDANCE ET EXPANSION EUROPE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		43,770	0.212	15:00						
2	INDEPENDANCE ET EXPANSION FRANCE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		285,500	1.383	15:00						
3	PRIVILEDGE - JP MORGAN PAN EUROPEAN FLEXIBLE EQUITY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		27,074	0.131	15:00						
4	INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,258	0.045	15:00						
5	MEBA PENSION TRUST DEFINED BENEFIT PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,010	0.044	15:00						
6	CATHOLIC UNITED INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,428	0.051	15:00						
7	FIS GROUP COLLECTIVE INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,000	0.048	15:00						
8	AIC FUND II HANCOCK HORIZON INTERNATIONAL SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,448	0.055	15:00						
9	GLOBEFLEX INTERNATIONAL ALL CAP COMMINGLED TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		36,950	0.179	15:00						
10	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		259	0.001	15:00						
11	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		752	0.004	15:00						
12	VEBA PARTNERSHIP N L P		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,818	0.009	15:00						
13	SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,879	0.145	15:00						
14	FLORIDA BIRTH RELATED NEUROLOGICAL INJURY COMPENSATION ASSOCIATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		720	0.003	15:00						
15	CHURCH OF ENGLAND INVESTMENT FUND FOR PENSIONS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,557	0.090	15:00						
16	MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		32,288	0.156	15:00						
17	HKL II LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		42,870	0.208	15:00						
18	RAMI PARTNERS LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		45,184	0.219	15:00						
19	MERCER GLOBAL SMALL COMPANIES SHARES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,532	0.104	15:00						
20	JTW TRUST NO. 1 UAD 9/19/02		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,996	0.092	15:00						
21	STATE OF IDAHO ENDOWMENT FUND INVESTMENT BOARD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,033	0.010	15:00						
22	THE NORTHERN TRUST COMPANY SUB-ADVISED COLLECTIVE FUNDS TRUS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,883	0.232	15:00						
23	CATERPILLAR INC MASTER RETIREMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		41,904	0.203	15:00						
24	HRW TESTAMENTARY TRUST NO. 12		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,293	0.123	15:00						
25	HRW TRUST NO 4 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,007	0.068	15:00						
26	HRW TESTAMENTARY TRUST NO. 8		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,977	0.126	15:00						
27	HRW TESTAMENTARY TRUST NO 4		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,071	0.034	15:00						
28	STEELWORKERS PENSION TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		53,071	0.257	15:00						
29	HRW TRUST NO 2 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,478	0.070	15:00						
30	HRW TESTAMENTARY TRUST NO 1		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,773	0.047	15:00						
31	STANLIB FUNDS LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,788	0.023	15:00						
32	ARROWSTREET US GROUP TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,647	0.037	15:00						
33	SOUTHERN CALIFORNIA EDISON COMPANY RETIREMENT PLAN TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,252	0.016	15:00						
34	PUBLIC SCHOOL TEACHERS PENSION AND RETIREMENT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,677	0.057	15:00						
35	STATE TEACHERS RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		62,718	0.304	15:00						
36	TWO SIGMA ABSOLUTE RETURN PORTFOLIO LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		190,800	0.924	15:00						
37	JHVIT INT'L SMALL CO TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		707	0.003	15:00						

38	JHF II INT'L SMALL CO FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,335	0.026	15:00						
39	HILLSDALE GLOBAL SMALL CAP EQUITY FUND.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		22,900	0.111	15:00						
40	CC&L ALTERNATIVE GLOBAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		247	0.001	15:00						
41	CX QUANTITATIVE CLIMATE LTD C/O MAPLES CORPORATE SERVICES (BVI) LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		20,795	0.101	15:00						
42	SCHRODER INTERNATIONAL SELECTION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,960	0.121	15:00						
43	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		292,239	1.416	15:00						
44	ODDO CAP HORIZONS PME ETI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		30,000	0.145	15:00						
45	MERCER UNHEDGED OVERSEAS SHARES TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,275	0.021	15:00						
46	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		272,212	1.319	15:00						
47	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,657	0.071	15:00						
48	STATE STREET GLOBAL ADVISORS LUXEMBOURG SICAV		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,734	0.023	15:00						
49	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		366	0.002	15:00						
50	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5	0.000	15:00						
51	ARROWSTREET INTERNATIONAL EQUITY EAFE TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		82,110	0.398	15:00						
52	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,192	0.015	15:00						
53	MERCER GE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,221	0.035	15:00						
54	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,059	0.005	15:00						
55	GMO INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		81,916	0.397	15:00						
56	GMO TAXMANAGED INTERNATIONAL EQUITIES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		877	0.004	15:00						
57	JNL/DFA INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7	0.000	15:00						
58	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,596	0.008	15:00						
59	MGI FUNDS PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		768	0.004	15:00						
60	MARYLAND STATE RETIREMENT PENSION SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721	0.003	15:00						
61	ARROWSTREET (CANADA) INTERNATIONAL DEVELOPED MARKET EX US FUND I		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,898	0.106	15:00						
62	ARROWSTREET (CANADA) GLOBAL WORLD SMALL CAP FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,575	0.056	15:00						
63	HARTFORD SCHRODERS INTERNATIONAL MULTI-CAP VALUE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,464	0.089	15:00						
64	SSB INT SMALL CAP ACTIVE SECURITIES LENDING COMMON TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,006	0.024	15:00						
65	TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		107,886	0.523	15:00						
66	EHP ADVANTAGE INTERNATIONAL ALTERNA FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,700	0.032	15:00						
67	NEW YORK STATE COMMON RETIREMENT FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		452	0.002	15:00						
68	CC AND L US Q MARKET NEUTRAL ONSHORE FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		55	0.000	15:00						
69	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		129,232	0.626	15:00						
70	CSIF 2 - CREDIT SUISSE (LUX) COPERNICUS ITALY EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,760	0.154	15:00						
71	ODDO BHF ACTIVE SMALL CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		386,283	1.871	15:00						
72	ODDO BHF ACTIVE MICRO CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		72,000	0.349	15:00						
73	ISHARES VII PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,465	0.051	15:00						
74	SPDR S&P INTERNATIONAL SMALL CAP ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,911	0.009	15:00						
75	PRINCE GEORGES COUNTY COMPREHENSIVE SUPPLEMENTAL PENSION PLANS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,348	0.011	15:00						
76	AWARE SUPER		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,172	0.011	15:00						
77	AWARE SUPER LEVEL 28		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		8	0.000	15:00						
78	NATWEST ST JAMES'S PLACE BALANCED MANAGED UNIT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,764	0.023	15:00						
79	GMO BENCHMARKFREE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		54	0.000	15:00						
80	GMO IMPLEMENTATION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,674	0.008	15:00						
81	EHP GUARDIAN INTERNATIONAL ALTERNATIVE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		600	0.003	15:00						
82	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,907	0.053	15:00						

83	MAPFRE AM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		135,390	0.656	15:00						
84	MAN FUNDS XII SPC-MAN 1783 III SP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,253	0.045	15:00						
85	MACKENZIE INTERNATIONAL QUANTITATIVE SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,649	0.032	15:00						
86	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,601	0.231	15:00						
87	UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH ON BEHALF OF MS-B HAUPFONDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,619	0.051	15:00						
88	CPPIB MAP CAYMAN SPC-SEGREGATED PORTFOLIO H MAPLES CORPORATE SERVICES LTD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		780	0.004	15:00						
89	CHALLENGE FUNDS - CHALLENGE ITALIAN EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		60,000	0.291	15:00						
90	FLORIDA RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		121,283	0.588	15:00						
91	UTAH STATE RETIREMENT SYSTEMS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		733	0.004	15:00						
92	HAAS ACTIONS ENTREPRENEURS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,315	0.026	15:00						
93	LAZARD/WILMINGTON EAFE SMALL CAP EQUITY ADVANTAGE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,258	0.118	15:00						
94	NATIONAL ELEVATOR INDUSTRY PENSION PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,439	0.046	15:00						
95	WILSHIRE MUTUAL FUNDS, INC. - WILSHIRE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,477	0.027	15:00						
96	ENTERGY CORPORATION RETIREMENT PLANS MASTER TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,128	0.141	15:00						
97	ALGEBRIS UCITS FUNDS PLC ALGEBRIS CORE ITALY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,000	0.150	15:00						
98	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		462,954	2.243	15:00						
99	AMUNDI SGR SPA / AMUNDI RISPARMIO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		225,501	1.092	15:00						
100	AMUNDI SGR SPA / AMUNDI SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721,000	3.493	15:00						
101	MUL LYX FTSE IT ALL CAP PIR 20		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,079	0.020	15:00						
102	LYXOR FTSE ITALIA MID CAP PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		126,976	0.615	15:00						
103	GOVERNMENT OF NORWAY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,580	1.040	15:00						
104	INVESCO FTSE RAFI DEVELOPED MARKETS EX US SMALL MID ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		15,364	0.074	15:00						
105	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		420,000	2.035	15:00						
106	AMUNDI DIVIDENDO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		146,000	0.707	15:00						
107	AMUNDI VALORE ITALIA PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		150,000	0.727	15:00						
108	AMUNDI ACCUMULAZIONE ITALIA PIR 2023		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		77,700	0.376	15:00						
109	PORTZAMPARC PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		153,500	0.744	15:00						
110	PORTZAMPARC FRANCE OPPORTUNITES		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		46,402	0.225	15:00						
111	PORTZAMPARC EUROPE PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,600	0.323	15:00						
112	DESA S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,000	1.037	15:00						
113	FONDAZIONE CASSA DI RISPARMIO DI TERNI E NARNI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		666,172	3.227	15:00						
114	GNM INVESTIMENTI S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		196,977	0.954	15:00						
115	ILIAD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		374,909	1.816	15:00						
116	ILIAD HOLDING SPA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,145,465	10.394	15:00						
117	MELPART SRL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,000	0.320	15:00						
118	NICOSANTI MONTERASTELLI GIANCARLO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		100,000	0.484	15:00						
119	SPAFID FIDUCIANTE N. 301122		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		397	0.002	15:00						

Total shares by own	0
Total shares by proxy	9,969,279
Total shares	9,969,279
% over ordinary shares	48.299
People present	1

Communication 1
Time: 15:00

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

COMMUNICATION OF THE PRESIDENT

Present are no. 119 entitled to vote

representing no. 9,969,279 ordinary shares

equal to 48.299 % of no. 20,640,849

ordinary shares, making up the share capital

People present 1

E-MARKET SDIR CERTIFIED

ANNUAL FINANCIAL REPORT 2020/21

CONTENTS

Directors' Report

Letter from the CEO to the Shareholders

Dear Shareholders,

In addition to the drama of the events linked to the pandemic, the 2020/21 financial year will be remembered as one of the most complex and volatile ever for the consumer electronics and household appliances sector.

The context in which Unieuro has been operating has changed several times, even radically. The initial shock resulting from the rapid spread of the virus and the imposition of severe containment measures was in fact followed by a sudden and prolonged phase of growth, supported by new needs and consumption habits following the pandemic. The imposition of new restrictions close to the peak season and still in force have further complicated the scenario, without however compromising the strong underlying trend.

What has never changed instead is our omnichannel strategy, which has proven to be vital to overcome the most difficult moments continuing to offer customers an essential service in stores and online, as well as the perseverance of all our people. With determination and spirit of sacrifice, they have continued to carry out their work in stores, on logistics platforms and at home, in smart working.

The results of such foresight and dedication, as well as the active contribution of all our partners and stakeholders, are exhilarating, the best in our history: not only have we recorded a new record in revenues of Euro 2.7 billion, but growth of 9.8%, completely organic, was higher than the +8.2% recorded by the reference market, allowing us to widen the gap that separates the competition from us.

Also profitability, benefiting from non-repeatable factors, reached historic levels with Consolidated Adjusted EBIT of Euro 86.8 million equal to 3.2% of revenues, and Consolidated Adjusted Net Profit of Euro 66.9 million, at the highest level ever reached by Unieuro.

Lastly, there was record cash generation of Euro 124.7 million, the result of the excellent performance of the business but also of structural and sustainable interventions on the level of inventories: a managerial success that gives us important financial resources with which to remunerate shareholders and build the Unieuro of the future.

The recent organisational developments with the appointment of a General Manager expert in digital transformation and the drafting of a new wide-ranging Business Plan currently underway are precisely in this direction: provide new life to the Company's inexhaustible growth path, to reach new and exciting goals that will once again see us as great protagonists.

6 May 2021 Giancarlo Nicosanti Monterastelli

Chief Executive Officer

E-MARKET SDIR CERTIFIED

Letter to Shareholders from the Chairman of the Board of Directors

Dear Shareholders,

While Italy is re-emerging from the crisis triggered by the Covid-19 pandemic, I am pleased to present to you - on behalf of the entire Board of Directors - an Unieuro that has never been so solid, profitable and oriented towards the future.

Just one year ago, we were hoping to be able to emerge from the difficult context that had been created, strengthening our competitive advantage and leadership in a market destined to reward the most robust, determined, entrepreneurial and innovative operators. I am proud to be able to tell you that our aims have been achieved.

We succeeded thanks to a winning strategy, even during difficult times, the effectiveness of our management actions, our focus on service, customers and the product and, last but not least, the solidarity of all of our stakeholders - shareholders, employees and partners - who during critical times were capable of reacting responsibly, even making sacrifices in the interest of the company.

To concretely demonstrate its gratitude and positivity, the Board of Directors will therefore propose to the Shareholders' Meeting the distribution of a record dividend of Euro 2.60 per share, consistent with the dividend policy in force and capable of making up for the fact that no dividend was distributed last year for reasons of prudence.

Once again, this is not our point of arrival, but a further significant step forward: the virtuous path of Unieuro is destined to continue with market consolidation and company strengthening to create sustainable value for everyone: shareholders, customers, employees, suppliers, partners, the community, even for competitors, who in Unieuro must be able to recognise a responsible market leader, respectful of business ethics and with strong values.

Therefore, the concept of Sustainability is increasingly near and dear to us, so much so that the Board of Directors has established a Board Committee to oversee, stimulate and give shape to its concepts, in line with the increasing importance of social, environmental and corporate governance aspects in listed companies.

This is even more true in a "public-public" company like Unieuro, whose share capital is owned by small and large new shareholders, which are all active participants in the ongoing process of creating value, and aware of their contributions to the ambitious path that the Company is on and will continue to follow, also thanks to estimated growth in Italian Domestic Product, which has been quite considerably stimulated by recently adopted economic measures.

6 May 2021

Stefano Meloni

Chairman of the Board of Directors

DIRECTORS' REPORT 28/02/2021

1. Introduction

The Unieuro Group (hereinafter also the "Group" or "Unieuro Group") came into existence following the acquisition by Unieuro S.p.A. of the entire share capital of Monclick S.r.l., consolidated from 1 June 2017 and the share capital of Carini Retail S.r.l., consolidated from 1 March 2019 and subsequently merged into Unieuro S.p.A. with statutory effect beginning from 1 September 2020 and accounting effects beginning from 1 March 2020.

The company Unieuro S.p.A. (hereinafter also the "Company" or "Unieuro" or "UE") is a company incorporated under Italian law based in Forlì in Via Piero Maroncelli 10, founded in the late 1930s by Vittorio Silvestrini. Unieuro is now the leading company in the distribution of consumer electronics and appliances in Italy and it operates as an integrated omnichannel distributor in four major product segments: Grey (telephone systems, computers and photos), White (large and small appliances), Brown (consumer electronics and media storage), Other Products (consoles, video games, bicycles) and offering parallel ancillary services such as delivery and installation, extended warranties and consumer financing.

The company Monclick S.r.l. (hereinafter also known as "Monclick" or "MK") wholly-owned by Unieuro, is a company under Italian law with its registered office in Vimercate at Via Energy Park 22, which sells online I.T., electronic, telephone products and appliances in Italy through its website www.monclick.it, offering a catalogue with over 70,000 items and guaranteeing a comprehensive purchasing experience completed through the home delivery and installation of the chosen product. It also operates in the segment known as B2B2C, where the customers are operators which need to purchase electronic products to distribute to their regular customers or employees to accumulate points or participate in competitions or incentive plans.

In execution of the resolutions passed on 18 March 2020, on 5 August 2020 the Board of Directors of Unieuro and the Extraordinary Shareholders' Meeting of Carini Retail Unieuro and Carini Retail S.r.l. with sole shareholder (hereinafter also referred to as "Carini" or "Carini Retail") each signed the deed for the merger by incorporation of the subsidiary Carini Retail into the parent company Unieuro (the "Merger"). The statutory effects of the Merger will take effect from 1 September 2020, while the accounting and tax effects will begin from the first day of the financial year during which the Merger was completed pursuant to Article 2504-bis, paragraph 2, of the Italian Civil Code. (1 March 2020). The Merger did not involve any increase in the share capital of the merging company Unieuro, as the latter holds the entire share capital of the merged company Carini Retail.

The Group's mission is to accompany customers in all phases of their shopping experience, placing them at the centre of an integrated ecosystem of products and services with a strategic approach focusing on accessibility, a local presence and nearness.

Since April 2017, Unieuro shares have been listed on the STAR segment of the Milan stock exchange and the Company is in all respects a public company. In April 2020, the telecommunications operator Iliad announced the purchase of a stake equal to approximately 12% of the share capital of Unieuro, of which 1.9% through an equity swap contract expiring on 17 September 2021[1]. Based

[1] Ref. Press Release 6 April 2021.

on the information available to date, the other major shareholders of Unieuro are[2] the asset management company Amundi Asset Management (6.8% of the capital), some members of the Silvestrini family that overall own 7.3%, Mediolanum Gestione Fondi Sgr (4.9%) and J.P. Morgan Asset Management (3.3%).

[2] Sources: Consob; Minutes of the Shareholders' Meeting of 17 December 2020.

2. Procedural note

This Directors' Report on Operations contains information relating to the consolidated revenues, consolidated profitability, cash flows and balance sheet of the Unieuro Group as at 28 February 2021 compared with the figures from the last financial statements approved as at 29 February 2020.

Unless otherwise indicated, all amounts are stated in millions of Euro. Amounts and percentages were calculated on amounts in thousands of Euro and, thus, any differences found in certain tables are due to rounding.

It should be noted that, one year after the first adoption of IFRS 16, the transitory phase has ended during which the financial communication of Unieuro was based on adjusted data and in continuity with the previous accounting standard IAS 17 and the related interpretations. From 1 March 2020, in line with practices that have gradually been adopted by retailers listed on international markets, the Company will therefore comment on the post-application economic quantities of the aforementioned accounting standard, focusing on Adjusted EBIT and the Adjusted Consolidated Profit (Loss) for the Year. The reported "(Net financial debt) / Net cash – pursuant to IAS 17" and the "Consolidated Adjusted Free Cash Flow" will instead continue to not incorporate the component related to the application of IFRS 16. Please refer to section "11. Impact of IFRS 16" for a summary of the effects of applying IFRS 16 at 28 February 2021.

On 28 May 2020, the IASB issued amendments to IFRS 16 "*Leases Covid-19-Related Rent Concessions*" introducing a practical expedient in the chapter "Changes to Leases" which allows lessees not to consider any concessions related to the effects of Covid-19 as concessions on lease payments received from 1 January 2020 that amend the original contract. On the basis of these changes, these concessions can be accounted for as positive variable rents without requiring a contractual change. The adoption process in the European Union was concluded on 12 October 2020 and was published in the Official Journal of the European Union. For more details, please refer to section "2.7.1 Changes to the accounting standards" in the Consolidated Financial Statements and section "2.6.1 Changes to the accounting standards" in the Separate Financial Statements.

3. Accounting policies

This Annual Financial Report as at 28 February 2021 was prepared in compliance with the provisions of Article 154 ter, paragraph 5 of Legislative Decree 58/98 of the Consolidated Finance Act as subsequently amended and supplemented and in compliance with Article 2.2.3 of the Stock Exchange Regulations.

The accounting standards used by the Group are the International Financial Reporting Standards adopted by the European Union ("IFRS") and in accordance with Legislative Decree 38/2005, as well as other CONSOB provisions concerning financial statements.

On 1 March 2020, the Group adopted the amendment to the accounting standard IFRS 16 (Leasing). For more details, please refer to section "2.7.1 Changes to the accounting standards" in the Consolidated Financial Statements and section "2.6.1 Changes to the accounting standards" in the Separate Financial Statements.

To facilitate the understanding of the Group's economic and financial progress, some Alternative Performance Indicators ("APIs") are indicated. For a correct interpretation of the APIs, note the following: (i) these indicators are constructed exclusively from the Group's historical data and are not indicative of future trends, (ii) the APIs are not provided for by the IFRS and, despite being derived from the Consolidated Financial Statements are not subject to audit, (iii) the APIs should not be regarded as substitutes for the indicators provided for in the International Financial Reporting Standards (IFRS), (iv) the interpretation of these APIs should be carried out together with that of the Group's financial information drawn from the Consolidated Financial Statements; (v) the definitions and criteria adopted for the determination of the indicators used by the Group, since they do not derive from the reference accounting standards, may not be homogeneous with those adopted by other companies or groups and, therefore, may not be comparable with those potentially presented by such entities, and (vi) the APIs used by the Group are prepared with continuity and homogeneity of definition and representation for all the financial periods for which information is included in the Consolidated Financial Statements.

The APIs reported (Consolidated Adjusted EBIT, Consolidated Adjusted EBIT margin, Adjusted Consolidated Profit (loss) for the year, Net Working Capital, Consolidated Adjusted levered Free Cash Flow and (Net financial debt)/ Net cash - Pursuant to IAS 17) have not been identified as IFRS accounting measures and, thus, as noted above, they shall not be considered as alternative measures to those provided in the Group's Consolidated Financial Statement to assess their operating performance and related financial position.

Certain indicators are referred to as "Adjusted", to represent the Group's management and financial performance, net of non-recurring events, non-characteristic events and events related to extraordinary transactions, as identified by the Group. The Adjusted indicators shown consist of: Consolidated Adjusted EBIT, Consolidated Adjusted EBIT Margin, Consolidated Adjusted Profit (Loss) for the Year and Consolidated Adjusted Free Cash Flow and (Net financial debt) / Net cash – pursuant to IAS 17. These indicators reflect the main operating and financial measures adjusted for non-recurring income and expenses that are not strictly related to the core business and operations, and for the effect from the change in the business model for extended warranty services (as more fully described below in the API "*Consolidated Adjusted EBIT*"), and thus, they make it possible to analyse the Group's performance in a more standardised manner in the periods reported in the Report on Operations.

Main financial and operating indicators[3]-[4]

(in millions of Euro)	Year ended	
	28 February 2021	29 February 2020
Operating indicators		
Consolidated revenues	2,685.2	2,444.9
Consolidated Adjusted EBIT[5]	86.8	58.7
Consolidated Adjusted EBIT margin[6]	3.2%	2.4%
Adjusted Consolidated Profit/(loss) for the year[7]	66.9	42.1
Consolidated Profit/(loss) for the year	53.6	25.6
Cash flows		
Consolidated Adjusted Free Cash Flow[8]	124.7	56.5
Investments for the period	(40.9)	(39.8)

(in millions of Euro)	Year ended	
	28 February 2021	29 February 2020
Indicators from statement of financial position		

[3]Adjusted indicators are not identified as accounting measures in the IFRS and, thus, should not be considered as alternative measures for assessing the Group's results. Since the composition of these indicators is not governed by established accounting standards, the calculation criterion applied by the Group might not be the same as that used by other companies or with any criterion the Group might use or create in the future, which therefore will not be comparable.

[4] One year after the first adoption of IFRS 16, the transitory phase has ended during which the financial communication of Unieuro was based on adjusted data and in continuity with the previous accounting standard IAS 17 and the related interpretations. From 1 March 2020, Unieuro will therefore comment only on the economic figures after application of the above-referenced accounting standard, restating the comparative figures and focusing on Adjusted EBIT and Adjusted Consolidated Profit for the Year. The reported "(Net financial debt) / Net cash – pursuant to IAS 17" and the "Consolidated Adjusted Free Cash Flow" will instead continue to not incorporate the component related to the application of IFRS 16.

[5] Consolidated Adjusted EBIT is Consolidated EBIT adjusted for (i) non-recurring expenses/(income), (ii) the impact from the adjustment of revenues for extended warranty services net of related estimated future costs to provide the assistance service, as a result of the change in the business model for directly managed assistance services, and (iii) non-recurring amortisation/depreciation. See section 6.2 for additional details.

[6] The Consolidated Adjusted EBIT Margin is the ratio of Consolidated Adjusted EBIT to revenues.

[7] The Adjusted Consolidated Result for the year is calculated as the Consolidated Profit/(loss) for the year adjusted by (i) the adjustments incorporated in the Consolidated Adjusted EBITDA, (ii) the adjustments of the non-recurring depreciation, amortisation and write downs, (iii) the adjustments of the non-recurring financial expenses/(income) and (iv) the theoretical tax impact of these adjustments. See section 6.4 for additional details.

[8] Consolidated Adjusted Free Cash Flow is the consolidated cash flow generated/absorbed by operating and investing activities, including financial expenses, prior to the adoption of IFRS 16. The Consolidated Adjusted Free Cash Flow is adjusted for non-recurring operating and investment cash flows, and includes adjustments for non-recurring charges (income), their non-monetary component and the related tax effects. See section 7.5 for additional details.

Net working capital	(315.4)	(258.7)
(Net financial debt) / Net cash - Pursuant to IAS 17[9]	154.8	29.6
(Net financial debt) / Net cash	(288.8)	(448.0)

(in millions of Euro)	Year ended	
	28 February 2021	29 February 2020
Operating indicators for the year		
Like-for-like growth[10]	8.7%	6.5%
Direct points of sale (number)	273	249
of which Pick-Up Points[11]	264	236
Affiliated points of sale (number)	254	261
of which Pick-Up Points	123	174
Total area of direct points of sale (in square metres)	about 388,000	about 369,000
Sales density[12] (Euro per square metre)	4861	5,031
Full-time-equivalent employees[13] (number)	4679	4,414
Net Promoter Score[14]	45.8	46.3

[9] The (Net financial debt) / Net cash - Pursuant to IAS 17, indicates the consolidated (Net financial debt) / Net cash without incorporating the effects related to the application of IFRS 16. See section 7 for additional details.

[10] Like-for-like revenue growth: the methods for comparing sales for the year ended 28 February 2021 with those for the year ended 29 February 2020 based on a standard scope of operations, for retail and travel stores operating for at least an entire financial year from the closing date of the reference period, excluding sales outlets affected by significant business discontinuity (e.g. temporary closures and major refurbishments), as well as the entire online channel.

[11] Physical pick-up points for customer orders using the online channel.

[12]This indicator is obtained from the ratio of annual sales generated by direct points of sale to the total area devoted to sales in all direct points of sale.

[13] Average annual number of full-time-equivalent employees.

[14] The Net Promoter Score (NPS) measures customer experience and predicts business growth. It can range from -100 (if each customer is a Detractor) to 100 (if each customer is a Promoter).

4. Strategy and business model

The year ended 28 February 2021 was characterised by an unprecedented shock of the world economy. The global spread of COVID-19 represents the largest health emergency since the war. Also Italy - in addition to the heavy budget in terms of human lives - has been affected by the spread of Covid-19, recording a significant decline in GDP, particularly in some product sectors. Although this year is characterised by significant uncertainty compared to the past, the consumer electronics trade segment was able to react positively, curbing the decline recorded in the first half of the fiscal year and closing with significant growth in all segments of demand.

If the lockdown and the temporary closure of some distribution chains actually penalised the sales of the physical channel in the first half of the year, in the second half of the year, we witnessed a recovery in sales which - together with the exceptional online performance - drove the market into positive territory.

In this changed context, the Group was able to react promptly by implementing a series of initiatives. The protection of its employees, the safety of its consumers and attention to the level of service offered have integrated and supported the strategic development drivers of the company, changing its boundaries and reshaping its contents. Although in fact FY21 saw the consolidation of new consumption paradigms linked to the pandemic, the disruption of the seasonality of the demand to which the market was accustomed and the increase in online penetration, the Group was able to invest and consolidate its leadership on every strategic growth axis.

By leveraging its unique assets, the Group is seen as a natural consumer electronics market consolidator due in part to a process of focusing on strategic priorities, the pillars of which still are:

- Local presence
- Maximising the customer experience
- *Retail mix*

4.1 Proximity

The need for safety and comfort at home, home working and remote teaching have determined a change in consumers' purchasing habits, emerging as a catalytic factor in a broader process of structural transformation of the market.

A new awareness of customers in terms of product knowledge, streamlining of the information acquisition process and greater fluidity in purchase paths are just some of the phenomena induced by the affirmation of new technological paradigms and the Internet that redefine not only the relationship between customer and retailer but also the boundaries between sales channels, effectively opening the doors to an increasingly omnichannel vision of business.

In this changed context, proximity to the customer becomes increasingly strategic. A new concept of proximity in an omnichannel logic both as physical proximity but also as proximity to customer needs thanks to the oversight of all contact touchpoints. Despite the pandemic, the Unieuro Group has continued its process of developing the network of direct and indirect points of sale with the aim of optimising commercial penetration in areas not yet covered, has strengthened its image by launching new distribution formats and has maximised the opportunities for contact with its customers on the online channels. In this new and integrated sense of proximity, it has in fact strengthened the online segment by adding Pay & Pick to the already consolidated formula of Home delivery and Click & Collect, which allows for payment online and pick-up at the store.

Therefore, if the capillarity of the Unieuro physical network has always been a fundamental asset, the online channel is coherently integrated into this meaning of proximity to the customer, offering not only the possibility of ordering products but also of choosing the method of collection and the nearest point of sale.

The high recognition and attractiveness of the Unieuro brand together with a centralised, flexible and scalable logistics process have always represented the enablers for the evolution of the concept of proximity in an omnichannel perspective that the Group pursues.

4.2 Maximising the customer experience

Many retailers during the year of the global pandemic had to face new challenges, change their strategies and face structural changes in demand.

New forms of agile work such as smart working and home working together with new forms of online teaching have led more and more people to spend more time at home. It is therefore the home that takes on a new social role, a place where we can be connected to the world thanks to the Internet. The internet opens up new ways of using media and content on demand, opens the doors to E-commerce and has allowed us to develop human and working relationships in recent months. The home thus becomes the place to feel safe and which ends up catalysing the expenses linked to a new concept of comfort and well-being as in the case of the purchase of food and consumer electronics in the IT and Small Appliance segments.

The mobile channel is the means that demonstrates the pervasiveness of the Internet in the lives of Italians. Experienced as a unique instrument for browsing, it makes it possible to enjoy contents and create them at the same time, to obtain information and provide information on products and services, to create new touchpoints to be influenced by and influencing them at the same time.

In this context, the E-commerce revolution is triggered: more and more people connected in always on mode; more and more people are qualifying as regular web shoppers.

Supply and Distribution channels of goods therefore evolve directed towards security, transparency and integration between physical and online channels offering an omnichannel, customer centric experience. In a retail scenario made even more complex by the health emergency, with the intention of pushing on process innovation, experimenting and developing new ways of relating with customers by strengthening the synergies between online and physical, the company has developed a project roadmap that led to the rapid release of new digital services with a clear omnichannel approach. These are free and active services in all sales outlets, designed to rationalise the flow of customers in the store, in a historical moment in which social distancing continues to be fundamental:

- aTUperTU offers the possibility to book, via the website and app, a dedicated appointment with an employee for personalised assistance.

- Ciao FILA, which can be activated both via the website/app and in front of the sales outlet via the appropriate QR Code, allows booking entry in the event of a queue, avoiding waiting and crowding.

- AUTOritiro allows customers to collect purchases made online at the nearest sales outlet without having to get out of their vehicle.

These services represent the full consolidation of the synergies between online and physical, enriching the purchase path of customers and at the same time enhancing the role of the sales outlet as an integral part of the online world. Also, the Store is enriched with a new professional figure. The store steward, specially trained to manage access to the store and the traffic in it with method and courtesy, guarantees total compliance with safety measures in light of the capacity limits of each store and - through a special device - allows also on site to access the booking services of aTUperTU and Ciao FILA.

4.3 Retail Mix

The Unieuro Group is able to offer its customers a broad range of appliances and consumer electronics goods and is one of the leading operators with points of sale in terms of the breadth and completeness of products offered to customers. FY21 is characterised by a significant change in purchasing preferences linked to the new emerging needs to face the pandemic.

The proven experience in buying processes together with a natural market concentration process made it possible also this year to enhance - despite the crisis - procurement planning procedures, adopt a supplier selection process and implement the necessary controls to ensure the ongoing verification of product performance and the service offered. On the one hand, this has made it possible to strengthen the long-term relationship with vendors, who see the Group as a reliable strategic partner capable of marketing their products and on the other hand to:

- continue to optimise product assortment, pricing policies and promotions to enhance synergies between channels in order to encourage the further strengthening of the brand including through exclusive agreements with suppliers;

- focus growth on product lines in merchandise categories supporting market trends allowing for an increase in its share;

- expand the availability of additional services (e.g. installation and set-up services, extended warranty services, consumer credit services and the signing of phone contracts) to increasingly augment customer satisfaction.

The diversification of the distribution structure and the business model as a function of the customer base (direct or indirect point of sale, local stores or megastores) is also emphasized by diversifying assortment. The product range is specialised on the basis of the store structure; for example, travel points of sale have a greater focus on telephone systems and accessories. Over the years, Unieuro has been able to select a mix of points of sale suited to its various customer bases and it will continue to carefully select distribution structures and from time to time will assess the distribution structure most suitable for specific locations.

5. Market performance[15]

Market trends this year were strongly influenced by the sudden change in the lifestyle and consumption styles of the Italian population. The main effect of this transformation can be seen in the performance of the sales channels whose mix has been modified significantly. The phenomenon is also largely linked to the expansion of the web user base. The share of the Italian population that has access to the Internet has gone from 69.6% to 74.7%[16]. Web shoppers are growing significantly, going from about 23 million in 2019 to almost 27 million in 2020. The new consumption styles are expressed with the increase of those who buy online on a regular basis (online shoppers with monthly frequency of purchase +18%[17]) as well as those who have approached the world of E-commerce for the first time. The lockdown has led as many as 1.4 million individuals to choose the online channel as a new transactional medium.

The penetration of the online channel of services and products is growing particularly in sectors such as consumer electronics, publishing and grocery, i.e., those sectors that respond to new needs (home working and distance learning) and that are linked to comfort and entertainment within the home (small appliances and gaming).

In particular, the consumer electronics market[18] closed the fiscal year with extraordinary growth (+8.2%) recovering the decline of the first half. Despite a less lively peak season than last year and the worsening of the health crisis with the consequent closure of sales outlets on weekends, there has been extraordinary recovery of the offline channel, which largely, but not entirely, curbed the decline recorded in the first half. The online channel has driven the market into positive territory, with a substantial increase in value on all product categories. This leads to a significant jump in the online penetration rate, which stands at around 25.4% (+8.2% compared to the corresponding period of the previous year). Market operators reacted differently to the crisis.

Although negatively affected by store closures in the first quarter, the gap narrowed for the Electrical Retail segment - small electronics chains in which Unieuro is present through the Wholesale Channel - exploiting capillarity on the territory and the proximity DNA, show a strong growth trend (+21.6%).

Thanks to the liveliness of the second half and the expansion of online channels, Technical Super Stores - characterised by larger dimensions - are able to recover the gap recorded in the first half, closing the year in positive territory with growth in line with that of the market (+8.1%). The Specialist segment (-14.5%) is the most affected by the health crisis, as it lost significant market share, especially in the Telecom sector, which in turn affected the performance of the entire offline sector. Sales in this category moved to the online segment and are intercepted by the e-commerce channels originating from the Brick and Mortar stores and pure players. In fact, the

15 The data relating to the market were prepared by the Group management based on the data available as of 28 February 2021.

16 Source: data audiweb December 2020 - December 2021.

17 Source: Politecnico di Milano: osservatorio E-commerce BTC ("E-commerce BTC la chiave per ripartire" 13-10-2020).

18 The data relating to the Consumer market only excludes B2B activities, services (extended warranties, loans, etc.), Entertainment and products that do not come under the scope of Consumer Electronics (e.g., household items).

mass merchandiser segment - the Pure Player online reference perimeter - partially intercepts the online growth of the telephony and ped sector.

CHANNEL	DESCRIPTION
MASS MERCHANDISERS	• Large areas, Multi-category retailers • Consumer electronics is not necessarily core Business • Hypermarkets; Supermarkets; Multi-category stores; Internet Pure Player
TECH SUPERSTORES	• Consumer electronics is the core Business • Large format stores (more than 800 sqm with minimum turnover of Euro 2.5 million) • Predominantly Specialised Chains and Purchasing Groups
ELECTRICAL SPECIALISTS	• Consumer electronics is the core Business • Small format stores (less than 800 sqm with turnover of less than Euro 2.5 million) • Predominantly Specialised Chain or Purchasing Group Affiliates above all Independent Entrepreneurs
TELECOM RETAILERS	• Consumer electronics is not the core Business but specialises in the Telecom category • They offer telephony products in combination with other services
OTHER SPECIALISTS	• Consumer electronics is the core business, specialising in the following segments: IT; Photography; Entertainment • Small format stores often found in city centers

The changes in the structure of supply and demand have resulted, as a return effect, in differing contributions from the different product sectors: - The excellent performance is confirmed of the Grey sector (+8.5%) led by the IT sector (+40.1%). The significant increase recorded is attributable to the growth in demand for products needed for home working and remote teaching.

- The Brown recovered and closed the fiscal year in positive territory thanks to the performance of the online channel (46.8%). There was a strong recovery in sales in the second half of the year mainly of large and latest generation TVs that therefore have a positive effect on the average price of the category.

- The White, despite the decline recorded in the first half, recovered the gap, closing the year with growth of 8.4% driven by the extraordinary performance of small household appliances (+18.6%) and GED products (+5.6%). Despite the period of uncertainty, the Unieuro Group has consolidated its leadership position on the retail market thanks to the focus on the strategic development pillars pursued in recent years. In this area, it is to be noted that the following initiatives contributed to the Group's performance during the first half of the year:

- Expansion of the sales network through new distribution models (FINIPER; CONAD)

- Consolidation of its presence on the national territory (opening of stores: Milan, etc.)

- Focus on high strategic impact Transformation projects such as the launch of the new omnichannel services: aTUperTU; Ciao FILA; AUTOritiro

6. Group operating and financial results[19]

6.1 Consolidated revenues

In the year ended 28 February 2021, Unieuro recorded revenues of Euro 2,685.2 million, up 9.8% compared with the figure of Euro 2,444.9 million of the previous year.

After a first quarter in significant decline (revenues at -13.4%) due to the sudden spread of the emergency and the first lockdown, the following quarters - closed respectively up by 15.2%, 15.8% and 16.0% - allowed for a robust recovery, favored by the effectiveness of the Unieuro omnichannel strategy and by the consumption trends triggered by the pandemic.

In the absence of significant changes to the corporate perimeter, the performance for the year was entirely organic. The development of like-for-like revenues- or the comparison of sales with those of the previous year based on a standard scope of operations - was in fact +8.7%. Excluding the pre-existing sales outlets adjacent to the new stores from the scope of analysis, like-for-like sales[20] would have recorded an even stronger growth of 10.3%.

6.1.1 Consolidated revenues by channel

(in millions of Euro and as a percentage of revenues)	Year ended				Changes	
	28 February 2021	%	29 February 2020	%	Δ	%
Retail	1,711.6	63.7%	1,708.6	69.9%	3.0	0.2%
Online	525.2	19.6%	297.1	12.2%	228.1	76.8%
Indirect	307.5	11.5%	263.2	10.8%	44.4	16.9%
B2B	116.9	4.4%	136.5	5.6%	(19.6)	(14.4%)
Travel	24.1	0.9%	39.6	1.6%	(15.5)	(39.3%)
Total consolidated revenues by channel	2,685.2	100.0%	2,444.9	100.0%	240.3	9.8%

The Retail channel (63.7% of total revenues) - which as at 28 February 2021 included 262 direct sales outlets - recorded sales of Euro 1,711.6 million, in line with the previous year. After the criticalities of the first lockdown phase, the significant growth recorded in the second (+10.3%) and third quarters (+9.1%) was also confirmed in the fourth (+8.3%), despite the persistence of limitations to the accessibility of the direct network by customers. The move to direct management of 18 Unieuro by

[19] One year after the first adoption of IFRS 16, the transitory phase has ended during which the financial communication of Unieuro was based on adjusted data and in continuity with the previous accounting standard IAS 17 and the related interpretations. From 1 March 2020, Unieuro will therefore comment only on the economic figures after application of the above-referenced accounting standard, restating the comparative figures and focusing on Adjusted EBIT and the Adjusted Profit for the Year. The reported "(Net financial debt) / Net cash – pursuant to IAS 17" and the "Consolidated Adjusted Free Cash Flow" will instead continue to not incorporate the component related to the application of IFRS 16.

[20] The growth of like-for-like revenues is calculated including: (i) retail and travel stores operating for at least an entire year from the closing date of the reference period, excluding sales outlets affected by significant business discontinuity (e.g. temporary closures and major refurbishments) and (ii) the entire online channel.

Iper shop-in-shops, previously affiliated and internalised during the year, contributed positively to the performance of the channel.

The Online channel (19.6% of total revenues) posted growth of 76.8%, which pushed revenues to Euro 525.2 million, compared to Euro 297.1 million in the corresponding period of the previous year. The performance, to all intents and purposes exceptional, is the result of the emergency situation that has arisen, which has led customers to favor e-commerce to the detriment of physical stores. The double presence on the web, guaranteed by two well-known and distinct brands such as Unieuro and Monclick, has further contributed to the success recorded by the channel.

The Indirect channel (11.5% of total revenues) - which includes sales made through the network of affiliated stores and revenues produced in large scale retailing through partnerships with the leading industry operators at a total of 254 sales outlets as at 28 February 2021 - recorded revenues of Euro 307.5 million, an increase of 16.9% compared with Euro 263.2 million in the previous year. In general, the distinctive characteristics of the affiliated stores - small to medium size and focused on proximity service - allowed significant business resilience only marginally impacted by the restrictions and full recovery of lost revenues from the first wave of the pandemic already in the second quarter. In addition to this is the launch in November of the partnership with the Partenope Group, which led to the launch of the Unieuro brand in the city of Naples and which partially offset the passage to the Retail channel of the Unieuro by Iper shop-in-shops previously affiliates.

The B2B channel (4.4% of total revenues) - which targets professional domestic and foreign customers that operate in industries other than those where Unieuro operates, such as hotel chains and banks, as well as operators that need to purchase electronic products to be distributed to their regular customers or to employees to accumulate points or participate in prize competitions or incentive plans (B2B2C segment) - recorded sales of Euro 116.9 million, down 14.4% from Euro 136.5 million in the previous year. The uncertain nature of revenues in this channel is confirmed, featuring an opportunistic approach influenced by multiple exogenous factors.

Lastly, the Travel channel (0.9% of total revenues) - composed of 11 direct sales outlets located at some of the main public transport hubs such as airports, railway and underground stations - recorded a decrease of 39.3% and sales equal to Euro 24.1 million. The performance was inevitably affected by the collapse in air traffic generated by the pandemic and the total or partial closure of some airports, while the decrease in turnover of the stores in Milan San Babila (underground) and Turin Porta Nuova (railway station) was more contained.

6.1.2 Consolidated revenues by category

(in millions of Euro and as a percentage of revenues)	Year ended				Changes	
	28 February 2021	%	29 February 2020	%	Δ	%
Grey	1,309.6	48.8%	1,160.2	47.5%	149.4	12.9%
White	728.8	27.1%	684.0	28.0%	44.8	6.6%
Brown	404.4	15.1%	384.5	15.7%	19.9	5.2%
Other products	134.1	5.0%	113.9	4.7%	20.2	17.7%
Services	108.4	4.0%	102.3	4.2%	6.0	5.9%
Total consolidated revenues by category	2,685.2	100.0%	2,444.9	100.0%	240.3	9.8%

Through its distribution channels the Group offers customers a wide range of products - specifically electric appliances and consumer electronics, as well as ancillary services. The segmentation of sales by product category takes place on the basis of the classification of products adopted by the main sector experts. Note therefore that the classification of revenues by category is periodically revised in order to guarantee the comparability of Group data with market data.

The Grey category (48.8% of total revenues) - i.e., telephony, tablets, information technology, telephone accessories, cameras, as well as all wearable technological products - generated a turnover of Euro 1,309.6 million, an increase of 12.9% compared to Euro 1,160.2 million in the previous year, thanks to the ongoing purchasing trends related to smart working, e-learning and communication, which were particularly emphasised during this period. In the fourth quarter, in particular, the Grey continued to grow significantly (+16.6%), driven by smartphones and laptops.

The White category (27.1% of total revenues) - composed of large appliances (MDA) such as washing machines, tumble dryers, refrigerators or freezers and cooktops, small appliances (SDA), such as vacuum cleaners, food processors, coffee machines as well as the climate control segment - recorded sales of Euro 728.8 million, up by 6.6% compared with Euro 684 million in the previous year. In the last quarter, the category grew in particular thanks to the positive results of vacuum and large appliances.

The Brown category (15.1% of revenues) - including televisions and accessories, audio devices, devices for smart TVs, car accessories ad memory systems - recorded total revenues of Euro 404.4 million, +5.2% compared with Euro 384.5 million in the previous year. After the strong performance in the third quarter, the category continued its growth trend in the fourth as well (+13.9%), definitively offsetting the weakness recorded in the first part of the year, also justified by the cancellation of sporting events imposed by Covid-19.

The Other products category (5% of total revenues) - which includes both the sales of the Entertainment sector and other products not included in the consumer electronics market such as hoverboards or bicycles - recorded revenues of Euro 134.1 million, up 17.7% compared to the previous year. The category benefited mainly from the increase in turnover generated by electric mobility products, as a consequence of the incentives and social distancing rules imposed. There was also significant growth in the entertainment segment, including consoles and video games, driven by the search for utmost home comfort.

The Services category (4% of total revenues) grew by 5.9% to Euro 108.4 million: the positive performance in the third and fourth quarters (+13.5% and +12.2% respectively) offset the weakness recorded in the first six months of the year, also thanks to Unieuro's continued focus on providing services to its customers, particularly the extended warranty service.

6.2 Consolidated operating profit[21]

The income statement tables presented below in this Directors' Report on operations were reclassified using presentation methods that management deemed useful for reporting the

[21] One year after the first adoption of IFRS 16, the transitory phase has ended during which the financial communication of Unieuro was based on adjusted data and in continuity with the previous accounting standard IAS 17 and the related interpretations. From 1 March 2020, Unieuro will therefore comment only on the economic figures after application of the above-referenced accounting standard, restating the comparative figures and focusing on Adjusted EBIT and the

operating profit performance of the Unieuro Group during the year. To more fully report the cost and revenue items indicated, the following were reclassified in this income statement by their nature: (i) non-recurring expenses/(income) and (ii) the impact from the adjustment of revenues for extended warranty services net of related estimated future costs to provide the assistance service, because of the change in the business model for directly managed assistance services.

(in millions and as a percentage of revenues)	Year ended						Changes	
	28 February 2021			29 February 2020				
	Adjusted amounts	%	*Adjustments*	Adjusted amounts	%	*Adjustments*	Δ	%
Revenue	2,685.2			2,444.9			240.3	9.8%
Sales revenues	2,685.2			2,444.9			240.3	9.8%
Purchase of goods and Change in inventories	(2,113.5)	(78.7%)	0.0	(1,924.6)	(78.7%)	3.2	(188.9)	9.8%
Marketing costs	(49.5)	(1.8%)	0.3	(50.6)	(2.1%)	2.4	1.1	(2.2%)
Logistics costs	(90.7)	(3.4%)	0.2	(68.1)	(2.8%)	1.0	(22.6)	33.2%
Other costs	(77.3)	(2.9%)	8.7	(74.8)	(3.1%)	3.2	(2.5)	3.3%
Personnel costs	(175.5)	(6.5%)	0.3	(184.1)	(7.5%)	1.3	8.6	(4.6%)
Other operating income and costs	(5.9)	(0.2%)	0.0	(4.2)	(0.2%)	(2.0)	(1.7)	41.9%
Revenues from the sale of warranty extensions netted of future estimated service cost - business model's change related to direct assistance services	5.2	0.2%	5.2	8.8	0.4%	8.8	(3.7)	(41.3%)
Consolidated Adjusted EBITDA	178.0	6.6%	14.6	147.4	6.0%	18.0	30.7	20.8%
Amortisation, depreciation and write-downs of fixed assets	(91.2)	(3.4%)	-	(88.7)	(3.6%)	0.1	(2.5)	2.8%
Consolidated Adjusted EBIT	86.8	3.2%	14.6	58.7	2.4%	18.1	28.2	48.0%

Consolidated Adjusted EBIT for the year increased by Euro 28.2 million, settling at Euro 86.8 million (Euro 58.7 million in the corresponding period of the previous year). The Adjusted EBIT margin was 3.2%.

The actions taken by management[22], together with the growth in sales volumes, led to a strong recovery in margins starting from the second half of the year, which more than offset the negative effects caused by Covid-19 in the first. Adjusted EBIT has improved, in part due to one-off changes in costs that followed the trend in revenues in the year.

During the period, costs for the purchase of goods and changes in inventories increased by Euro 188.9 million, while maintaining the same incidence on consolidated revenues, equal to 78.7%.

Adjusted Profit for the Year. The reported "(Net financial debt) / Net cash – pursuant to IAS 17" and the "Consolidated Adjusted Free Cash Flow" will instead continue to not incorporate the component related to the application of IFRS 16.

22 Refer to the Interim Operating Report as at 31 May 2020 and Half-yearly Financial Report as at 31 August 2020.

Marketing costs decreased by 2.2% compared with 29 February 2020. The decrease is mainly attributable to the company's choice to focus more on digital consumption, making a progressive cut of paper and the distribution of flyers and partially reinvesting the savings thus obtained to strengthen the visibility of its digital version and to consolidate communication both in the digital channel and in the more traditional communication channels TV and Radio. The impact on consolidated revenues fell to 1.8% in the period (2.1% in the previous year).

Logistics costs increased by around Euro 22.6 million. The performance is mainly attributable to the boom in sales on the online channel compared to the physical network and the ongoing increase in home deliveries for online orders due to the surge in requests for non-standard delivery services (timed delivery slot, delivery to a specified floor, etc.) and promotional campaigns which include free delivery. The impact on consolidated revenues increased to 3.4% as at 28 February 2021 (2.8% in the previous year).

The item Other costs increased by Euro 2.5 million compared to the corresponding period of the previous year, with an incidence on consolidated revenues down to 2.9% (3.1% in the corresponding period of the previous year). The increase is mainly attributable to both an increase in costs associated with the increase in turnover volumes of the online channel, in particular the costs associated with collections with electronic payment instruments (cards, PayPal, etc.) and the costs for the call center, and to an increase in costs incurred in response to the pandemic, such as costs for the smart working project and the privacy project and the costs for cleaning and sanitising the sales outlets and for the purchase of personal protective equipment.
This trend was partially offset by the implementation of the practical expedient provided by Covid-19-Related Rent Concessions, which allows lessees not to consider as an amendment to the original contract any rent concessions provided from 1 January 2020 extended to offset the effects of Covid-19. The aforesaid concessions signed by the reference date of the Annual Financial Report, totalling Euro 9.9 million, have been recorded as positive variable lease payments with an impact on the income statement.

Personnel costs decreased by Euro 8.6 million, mainly due to the effect of the actions taken by management in the first part of the year to mitigate the impact of the pandemic, mainly relating to the use of the Cassa Integrazione Guadagni in Deroga (Wages Redundancy Fund), compensation for holidays and leaves of absence, non-renewal of expired fixed-term contracts and the voluntary reduction in management remuneration and lower costs compared to the previous year of share-based payment plans. This trend was offset by the increase in costs mainly referable to the increase in the workforce caused by the internalisation of the Unieuro by Iper shop-in-shops and by the new openings of the year and the payment of an extraordinary bonus to employees. The impact on consolidated revenues fell to 6.5% as at 28 February 2021 (7.5% in the previous year).

Other operating income and costs increased by Euro 1.7 million. The impact on consolidated revenues (0.2%) is in line with the corresponding period of the previous year. The item mainly includes costs for expenses related to business operations such as waste disposal tax, etc.

Amortisation, depreciation and write-downs of non-current assets amounted to Euro 91.2 million (Euro 88.7 million in the year ended 29 February 2020). The increase is mainly attributable to the amortisation relating to the IFRS 16 adjustment and the write-down of some tangible assets present in Forlì following the decision to transfer the headquarters.

The reconciliation between the Consolidated Adjusted EBIT and the consolidated Net Operating Profit reported in the Consolidated Financial Statements is given below.

(in millions of Euro and as a percentage of revenues)	Year ended				Changes	
	28 February 2021	%	29 February 2020	%	Δ	%
Consolidated Adjusted EBIT[23]	86.8	3.2%	58.7	2.4%	28.2	48.0%
Non-recurring expenses /(income)	(9.5)	(0.4%)	(9.1)	(0.4%)	(0.3)	3.4%
Revenues from extended warranty services net of related estimated future costs to provide the assistance service - change in the business model for directly managed assistance services[24]	(5.2)	(0.2%)	(8.8)	(0.4%)	3.7	(41.3%)
Non-recurring depreciation, amortisation and write-downs of fixed assets	-	0.0%	(0.1)	(0.0%)	0.1	(100.0%)
Net Operating Result	72.2	2.7%	40.6	1.7%	31.6	77.9%

Non-recurring expense/(income) increased by Euro 0.3 million compared with the previous year ended 29 February 2020 and are explained, in detail, in paragraph 6.3.

The adjustment due to the change in the business model for directly managed services was down by Euro 3.7 million compared with the previous year ended 29 February 2020.

23 See note in the section "Main financial and operating indicators".

24 The adjustment was for the deferral of extended warranty service revenues already collected, net of the related estimated future costs to provide the assistance service. From the year ended 29 February 2012, for White products sold by Unieuro, from the year ended 28 February 2015 for all extended warranty services sold by Unieuro S.r.l. (hereinafter the "Former Unieuro") (excluding telephone systems and peripherals), from the year of acquisition for all extended warranty services sold by the sales outlets acquired by the business units the former Andreoli S.p.A., the former Cerioni S.p.A., the former DPS S.r.l., the former Galimberti S.p.A. and the former Pistone S.p.A. (excluding telephone systems and peripherals), Unieuro modified the business model for the management of extended warranty services by in-sourcing the management of services sold by the Former Unieuro and by Unieuro that were previously outsourced and by extending this model to the sales outlets acquired by the business units the former Andreoli S.p.A., the former Cerioni S.p.A., the former DPS S.r.l., the former Galimberti S.p.A. and the former Pistone S.p.A. (the "Change in Business Model"). As a result of the Change in Business Model, at the time of sale of extended warranty services, Unieuro suspends the revenue in order to recognise the revenue over the life of the contractual obligation, which starts on the expiration of the two-year legally required warranty. Thus, Unieuro begins to gradually record revenues from sales of extended warranty services two years (term of the legally required product warranty) after the execution of the related agreements and after the collection of compensation, which is generally concurrent. Thus, the revenue is recorded on a pro rata basis over the life of the contractual obligation (historically, depending on the product concerned, for a period of one to four years). As a result of this Change in Business Model, the income statements do not fully reflect the revenues and profit of the business described in this note. In fact, the income statements for the periods ended 28 February 2021 and 29 February 2020 only partially report revenues from sales generated starting with the Change in Business Model because Unieuro will gradually record sales revenues from extended warranty services (already collected by it) starting at the end of the legally required two-year warranty period. Thus, the adjustment is aimed at reflecting, for each period concerned, the estimated profit from the sale of extended warranty services already sold (and collected) starting with the Change in Business Model as if Unieuro had always operated using the current business model. Specifically, the estimate of the profit was reflected in revenues, which were held in suspense in deferred income, to be deferred until those years in which the conditions for their recognition are met, net of future costs for performing the extended warranty service, which were projected by Unieuro on the basis of historical information on the nature, frequency and cost of assistance work. The adjustment will progressively decrease to nil in future income statements when the new business model is fully reflected in our financial statements, i.e., for each product category, when the period has lapsed that starts on the first day of the legally required two-year warranty and ends on the last expiry date of warranty extensions.

6.3 Non-recurring income and expenses

The non-recurring charges/(income) of the Consolidated Adjusted EBITDA are shown below:

(in millions of Euro)	Year ended		Changes	
	28 February 2021	29 February 2020	Δ	%
Mergers & Acquisitions	0.2	3.0	(2.8)	(94.7%)
Costs for pre-opening, relocating and closing sales outlets[25]	1.1	1.6	(0.5)	(32.6%)
Other non-recurring expenses	8.2	3.3	4.9	148.5%
Exceptional Accidental Events	-	1.3	(1.3)	(100.0%)
Total	9.5	9.1	0.3	3.4%

Non-recurring income and charges increased by Euro 0.3 million compared to the previous year ended 29 February 2020.

The item relating to Merger & Acquisition costs was Euro 0.2 million in the year ended 28 February 2021 (Euro 3.0 million in the year ended 29 February 2020). These costs mainly reflect payments to notaries and consultants and are related to the merger between Carini and Unieuro with statutory effects starting from 1 September 2020; last year the item mainly included the costs of acquiring the former Pistone S.p.A. sales outlets.

Costs for the pre-opening, repositioning and closure of sales outlets stood at Euro 1.1 million for the year ended 28 February 2021 (Euro 1.6 million in the previous year). This item includes lease, personnel, security, travel and transfer costs, for maintenance and marketing operations incurred as part of: i) point of sale openings (in the months immediately preceding and following the opening) and (ii) point of sale closures. It was influenced by the infrequent network development activity following the lockdown.

Other non-recurring income and expense totalled Euro 8.2 million in the year ended 28 February 2021 (Euro 3.3 million in the previous year). These costs mainly relate to allocations for risks correlated with suppliers and sub-suppliers of services for which requests have been received in the area of legal and labour law from third parties who hold Unieuro jointly liable and costs for the commitments undertaken by the Group for the proceeding initiated January 2021, by the AGCM - Competition and Market Authority.

The costs for exceptional accidental events were zero in the year ended 28 February 2021 (Euro 1.3 million in the year ended 29 February 2020). This item included the impacts on the estimates deriving from the Coronavirus epidemic reflected in the values recognised in the financial statements as at 29 February 2020 as adjusted event and attributable to the recoverability of receivables and the valuation of inventories for Euro 3.9 million and the income relating to the

[25] The costs for "pre-opening, relocating and closing points of sale" include expenses for security, travel, maintenance, and marketing work incurred as a part of i) remodelling work for downsizing and relocating points of sale, ii) points of sale openings (in the months immediately preceding and following the opening), and iii) points of sale closures.

insurance reimbursement obtained in relation to the theft that took place in August 2017 at the Piacenza warehouse for Euro 2.6 million.

6.4 Net result[26]

Below is a restated income statement including items from the Consolidated Adjusted EBIT up to the consolidated adjusted profit (loss) for the period.

(in millions and as a percentage of revenues)	Year ended						Changes	
	28 February 2021			29 February 2020				
	Adjusted amounts	%	*Adjustments*	Adjusted amounts	%	*Adjustments*	Δ	%
Consolidated Adjusted EBIT	86.8	3.2%	14.6	58.7	2.4%	18.1	28.2	48.0%
Financial income and expenses	(13.3)	(0.5%)	-	(14.2)	(0.6%)	-	0.9	(6.3%)
Income taxes[27]	(6.6)	(0.2%)	*(1.3)*	(2.4)	(0.1%)	*(1.6)*	(4.3)	182.0%
Adjusted Consolidated Profit/(loss) for the year	66.9	2.5%	*13.4*	42.1	1.7%	*16.5*	24.8	58.8%

Net financial expenses in the period ended on 28 February 2021, amounted to Euro 13.3 million (Euro 14.2 million in the previous year ended on 29 February 2020). The change in the period is mainly attributable to financial expenses relating to the IFRS 16 adjustment.

Income taxes excluding the theoretical tax impact from taxes on non-recurring expenses/(income) and the change of business model in the period ended on 28 February 2021, were Euro -6.6 million (Euro -2.4 million in the corresponding period of the previous year ended on 29 February 2020). Note that IRES tax losses, which were still available resulting from the tax estimate made during the closure of the financial statements as at 28 February 2021, totalled Euro 298 million in relation to Unieuro and Euro 6.2 million in relation to Monclick. These tax losses guarantee a substantial benefit in the payment of taxes in future years."

The Adjusted Consolidated Profit/(Loss) for the year amounted to Euro 66.9 million (Euro 42.1 million in the previous year ended 29 February 2020): the positive trend is attributable to the increase in Adjusted EBIT and the reduction in net financial expenses, only partially offset by the increase in

[26] One year after the first adoption of IFRS 16, the transitory phase has ended during which the financial communication of Unieuro was based on adjusted data and in continuity with the previous accounting standard IAS 17 and the related interpretations. From 1 March 2020, Unieuro will therefore comment only on the economic figures after application of the above-referenced accounting standard, restating the comparative figures and focusing on Adjusted EBIT and the Adjusted Profit for the Year. The reported "(Net financial debt) / Net cash – pursuant to IAS 17" and the "Consolidated Adjusted Free Cash Flow" will instead continue to not incorporate the component related to the application of IFRS 16.

[27] The tax impacts of the adjustments were calculated using the theoretical rate deemed appropriate of 8.7% as at 28 February 2021 and 29 February 2020, which incorporates IRES at 4.8% (obtained by reducing taxable IRES income by 80% due to the ability to use past tax losses) and IRAP at 3.9%.

income taxes. Below is a reconciliation between the adjusted consolidated net profit (loss) for the year and the consolidated net profit (loss) for the year.

(in millions of Euro and as a percentage of revenues)	Year ended				Changes	
	28 February 2021	%	29 February 2020	%	Δ	%
Adjusted Consolidated net Profit (Loss) for the year	66.9	2.5%	42.1	1.7%	24.8	58.8%
Non-recurring expenses/income	(9.5)	(0.4%)	(9.1)	(0.4%)	(0.3)	3.4%
Revenues from extended warranty services net of related estimated future costs to provide the assistance service - change in the business model for directly managed assistance services	(5.2)	(0.2%)	(8.8)	(0.4%)	3.7	(41.3%)
Non-recurring depreciation, amortisation and write-downs of fixed assets	-	0.0%	(0.1)	0.0%	0.1	100.0%
Non-recurring financial expenses/(income)	-	0.0%	-	0.0%	-	(100.0%)
Theoretical tax impact from taxes on non-recurring expenses/(income), non-recurring financial expenses/(income), non-recurring depreciation, amortisation and write-downs of fixed assets and the change in business model.	1.3	0.0%	1.6	0.1%	(0.3)	(19.2%)
Consolidated net Profit/(loss) for the year	53.6	2.0%	25.6	1.0%	28.0	109.2%

6.5 Cash flows

6.5.1 Consolidated Adjusted Levered Free Cash Flow [28_29]

The Group considers the Consolidated Adjusted Levered Free Cash Flow to be the most appropriate indicator to measure cash generation during the period. The composition of the indicator is provided in the table below.

(in millions of Euro)	Year ended		Changes	
	28 February 2021	29 February 2020	Δ	%
Consolidated EBITDA	163.4	129.4	34.0	26.3%
Cash flow generated/(absorbed) by operating activities[30]	62.1	19.1	43.0	224.9%

[28] One year after the first adoption of IFRS 16, the transitory phase has ended during which the financial communication of Unieuro was based on adjusted data and in continuity with the previous accounting standard IAS 17 and the related interpretations. From 1 March 2020, Unieuro will therefore comment only on the economic figures after application of the above-referenced accounting standard, restating the comparative figures and focusing on Adjusted EBIT and the Adjusted Profit for the Year. The reported "(Net financial debt) / Net cash – pursuant to IAS 17" and the "Consolidated Adjusted Free Cash Flow" will instead continue to not incorporate the component related to the application of IFRS 16.

[29] See note in the section "Main financial and operating indicators".

[30] The item "Cash flow generated/(absorbed) by operating activities" refers to cash generated/(absorbed) by the change in working capital and other non-current balance sheet items such as other assets, other liabilities and risk provisions.

Taxes paid	(2.5)	(3.7)	1.1	(31.1%)
Interest paid	(12.4)	(13.5)	1.2	(8.6%)
Other changes	0.4	1.4	(1.1)	(75.5%)
Consolidated net cash flow generated/(absorbed) by operating activities[31]	210.9	132.7	78.2	58.9%
Investments[32]	(32.4)	(27.8)	4.6	(16.5%)
Investments for business combinations and business units	(8.4)	(12.0)	3.5	(29.6%)
Adjustment for non-recurring investments	8.4	15.5	(7.1)	(45.6%)
Non-recurring expenses /(income)	9.5	9.3	0.2	2.2%
Adjustment for non-monetary components of non-recurring (expenses)/income	(8.3)	(4.9)	(3.4)	69.0%
Other non-recurring cash flows	1.1	(1.5)	2.6	(171.6%)
Theoretical tax impact of the above entries[33]	(0.1)	(0.4)	0.3	(72.8%)
IFRS 16 Leases[34]	(55.9)	(54.4)	(1.5)	2.7%
Consolidated Adjusted levered free cash flow	**124.7**	**56.5**	**68.3**	**120.9%**

The Consolidated net cash flow generated/(used) by operating activities was Euro +210.9 million (Euro +132.7 million in the previous year ended 29 February 2020). Cash generation is linked to the good performance of the Group's operating profitability and the careful management of working capital, due to structural and sustainable interventions on the level of stocks and one-off actions taken by management to tackle the epidemic.

The investments made and paid amounted to Euro 32.4 million in the year ended 28 February 2021 (Euro 27.8 million in the previous year ended 29 February 2020), and are mainly attributable to: (i) interventions for the development of external and internal lines of the network of direct stores and the refurbishment of the existing store network and (ii) costs incurred for the purchase of new hardware, software, licenses and developments on the applications with a view to improving the infrastructure, including costs relating to the project - still being implemented - aimed at adopting a new ERP, digitisation of the stores and launch of advanced functions for the online platform, with the aim of making each customer's omnichannel experience increasingly functional and enjoyable.

Investments for business combinations and business units for Euro 8.4 million in the year ended 28 February 2021 (Euro 12.0 million in the previous year ended 29 February 2020) refer to the paid portion of the purchase price as part of the acquisition of former Pistone SpA, former Cerioni and Monclick and the security deposit paid for the purchase of the former Galimberti store. These investments are classified as non-recurring and therefore adjusted by determining the

[31] The item "Consolidated net cash flow generated/(absorbed) by operating activities" refers to cash generated by operating activities in a broad sense net of outlays for interest and taxes and adjusted for non-cash effects of balance sheet changes included in the item "Cash flow generated/(absorbed) by operating activities".

[32] For better representation, the item includes the portion of net investments paid during the period.

[33] The theoretical rate deemed appropriate by management is 8.7% both at 28 February 2021 and 29 February 2020, and incorporates IRES at 4.8% (obtained by reducing taxable IRES income by 80% due to the ability to use past tax losses) and an IRAP rate at 3.9%.

[34] The item includes the cash flows relating to leases paid as well as leases expired during the period.

Consolidated Adjusted Free Cash Flow indicator. The adjustment for non-recurring investments also includes any investments that took place during the year for the fitting-out of the points of sale acquired.

Non-recurring income and charges amounted to Euro 9.5 million in the year ended on 28 February 2021 (Euro 9.3 million in the same period of the previous year), of which Euro 8.3 million had not yet had a financial impact at the end of the year. Other non-recurring operating cash flows of Euro 1.1 million refer to adjustments for non-recurring items made in the previous year ended 29 February 2020 that produced financial effects in the period. As at 29 February 2020, the item included the insurance reimbursement for direct damages obtained in connection with the fire in the Oderzo store, which occurred on 25 February 2017.

Below are the main changes recorded in the Group's net financial debt during the years ending 28 February 2021 and 29 February 2020:

(in millions of Euro)	Year ended		Changes	
	28 February 2021	29 February 2020	Δ	%
Operating profit	163.4	129.4	34.0	26.3%
Cash flow generated/(absorbed) by operating activities	62.1	19.1	43.0	224.9%
Taxes paid	(2.5)	(3.7)	1.1	(100.0%)
Interest paid	(12.4)	(13.5)	1.2	(8.6%)
Other changes	0.4	1.4	(1.1)	(75.5%)
Net cash flow generated/(absorbed) by operating activities	210.9	132.7	78.2	58.9%
Investments	(32.4)	(27.8)	4.6	(16.5%)
Investments for business combinations and business units	(8.4)	(12.0)	3.5	(29.6%)
Exercise - Long Term Incentive Plan	3.3	-	3.3	100.0%
Distribution of dividends	-	(21.4)	21.4	(100.0%)
Payables from the acquisition of business units	8.4	(7.2)	15.7	(216.3%)
IFRS 16 Leases	(55.9)	(54.4)	(1.5)	2.7%
Other changes	(0.6)	(0.7)	0.1	(13.9%)
Change in net financial debt - Pursuant to IAS 17	125.3	9.1	116.1	1,275.5%

7. Statement of financial position[35]

Below is a detailed breakdown of the Group's net working capital and net invested capital as at 28 February 2021 and as at 29 February 2020:

(in millions of Euro)	Year ended	
	28 February 2021	29 February 2020
Trade receivables	65.3	51.3
Inventories	372.1	369.8
Trade payables	(505.1)	(479.6)
Net operating working capital	(67.7)	(58.5)
Other working capital items	(247.7)	(200.2)
Net working capital	(315.4)	(258.7)
Assets for rights of use	451.6	478.3
Assets/(Non-current liabilities)	306.0	324.6
Net invested capital	442.1	544.2
(Net financial debt) / Net cash – Pursuant to IAS 17	154.8	29.6
IFRS 16 Leases	(443.7)	(477.6)
(Net financial debt) / Net cash	(288.8)	(448.0)
Shareholders' equity	(153.3)	(96.2)
Total shareholders' equity and financial liabilities	(442.1)	(544.2)

The Group's Net Working Capital as at 28 February 2021 was negative by Euro 67.7 million (negative by Euro 58.5 million as at 29 February 2020). The performance of the year is influenced by the actions implemented in response to the Covid-19 emergency combined with a more careful management of inventories and related debt levels. The change in trade receivables is mainly attributable to a calendar effect.

The Net Invested Capital of the Group stood at Euro 442.1 million as at 28 February 2021, down by Euro 102.0 million compared to 29 February 2020. The change is mainly due to: (i) the decrease in the Group's Net Working Capital by Euro 56.6 million and (ii) the decrease in net non-current assets by Euro 45.3 million. Investments as at 28 February 2021 amounted to Euro 31.6 million (Euro 27.8 million as at 29 February 2020) and are attributable to capitalised costs incurred for interventions for the development of the network of direct shops and costs incurred for the purchase of new hardware, software, licenses and application developments with a view to improving the technological infrastructure, including costs relating to the project - still being implemented - aimed at adopting a new ERP.

[35] One year after the first adoption of IFRS 16, the transitory phase has ended during which the financial communication of Unieuro was based on adjusted data and in continuity with the previous accounting standard IAS 17 and the related interpretations. From 1 March 2020, Unieuro will therefore comment only on the economic figures after application of the above-referenced accounting standard, restating the comparative figures and focusing on Adjusted EBIT and Adjusted Consolidated Profit for the Year. The reported "(Net financial debt) / Net cash – pursuant to IAS 17" and the "Consolidated Adjusted Free Cash Flow" will instead continue to not incorporate the component related to the application of IFRS 16.

Shareholders' equity stood at Euro 153.3 million as at 28 February 2021 (Euro 96.2 million as at 29 February 2020), with an increase mainly caused by the recording of the positive result for the year and the recognition of the Long-Term Incentive Plan[36] reserved for some managers and employees. For further details, refer to section 15.1 "Stock option plans".

Below is a detailed breakdown of the Group's net financial debt as at 28 February 2021 and 29 February 2020 in accordance with Consob Communication 6064293 of 28 July 2006 and in compliance with ESMA Recommendations 2013/319:

(in millions of Euro)	Year ended		Changes	
	28 February 2021	29 February 2020	Δ	%
(A) Cash	219.4	96.7	122.7	126.8%
(B) Other cash and cash equivalents	0.0	0.0	0.0	0.0%
(C) Securities held for trading	0.0	0.0	0.0	0.0%
(D) Liquidity (A)+(B)+(C)	**219.4**	**96.7**	**122.7**	**126.8%**
- of which is subject to a pledge	*0.0*	*0.0*	*0.0*	0.0%
(E) Current financial receivables	**0.1**	**0.0**	**0.1**	**100.0%**
(F) Current bank payables	(0.1)	-	(0.1)	1,029.6%
(G) Current part of non-current debt	(9.6)	(9.5)	(0.1)	0.9%
(H) Other current net financial payables	(67.2)	(68.0)	6.8	(1.2%)
(I) Current financial debt (F)+(G)+(H)	**(76.9)**	**(77.5)**	**0.6**	**(0.8%)**
- of which is secured	*0.0*	*0.0*	*0.0*	*0.0%*
- of which is unsecured	*(76.9)*	*(77.5)*	*0.6*	*(0.8%)*
(J) Net current financial position (I)+(E)+(D)	**142.6**	**19.3**	**123.3**	**638.8%**
(K) Non-current bank payables	(39.1)	(31.6)	(7.4)	23.5%
(L) Bonds issued	0.0	0.0	0.0	0.0%
(M) Other non-current net financial payables	(392.4)	(435.6)	43.2	(9.9%)
(N) Non-current financial debt (K)+(L)+(M)	**(431.4)**	**(467.2)**	**35.8**	**(7.7%)**
- of which is secured	*0.0*	*0.0*	*0.0*	*0.0%*
- of which is unsecured	(431.4)	(467.2)	35.8	(7.7%)
(O) (Net financial debt) / Net cash(J)+(N)	**(288.8)**	**(448.0)**	**159.2**	**(35.5%)**

A breakdown of the composition of the net financial debt pursuant to IAS 17 as at 28 February 2021 and as at 29 February 2020 is shown below.

[36] On 6 February 2017, the Extraordinary Shareholders Meeting of Unieuro approved the adoption of a stock option plan ("Long Term Incentive Plan", "LTIP") reserved for Executive Directors, associates and employees, executives and others (the "Recipients"). The Long Term Incentive Plan calls for assigning ordinary shares derived from a capital increase with no option rights pursuant to Article 2441, paragraphs 5 and 8 of the Italian Civil Code approved by the Shareholders' Meeting on the same date. On 29 June 2017, the Board of Directors approved the plan regulations ("Regulations") whereby the terms and conditions of implementation of Long Term Incentive Plan were determined. The conclusion and subsequent acceptance of the Long-Term Incentive Plan by the Recipients took place in October 2017 and was effective from 29 June 2017.

(in millions of Euro)	Year ended		Changes	
	28 February 2021	29 February 2020	Δ	%
(Net financial debt) / Net cash	(288.8)	(448.0)	159.2	(35.5%)
Current financial receivables - IFRS 16	(1.0)	(1.4)	0.4	(30.3%)
Non-current financial receivables - IFRS 16	(7.2)	(8.9)	1.7	(19.6%)
Other current financial payables - IFRS 16	58.0	57.1	1.0	1.7%
Other non-current financial payables - IFRS 16	393.8	430.9	(37.1)	(8.6%)
(Net financial debt) / Net cash – Pursuant to IAS 17	154.8	29.6	125.3	423.3%

Net cash - IAS 17 increased by Euro 125.3 million compared with 29 February 2020, creating a positive cash position of Euro 154.8 million as at 28 February 2021.

The cash flow dynamics are essentially driven by the combined effect of: (i) cash generation from operating activities including flows from IFRS 16 Leases of Euro 155.0 million and (ii) investments of Euro 32.4 million, mainly due to costs incurred for the development of the direct store network and the refurbishment of the existing store network and costs incurred for the purchase of new hardware, software, licences and application developments with a view to improving the technological infrastructure, including costs relating to the project - still being implemented - aimed at adopting a new ERP.

8. Performance of Unieuro[37]

The Unieuro S.P.A. reclassified Income Statement as at 28 February 2021 is illustrated below:

(in millions of Euro and as a percentage of revenues)	Year ended				Changes	
	28/02/2021	%	29/02/2020	%	Δ	%
Revenue	2,659.3		2,425.9		233.4	9.6%
Gross Operating Result	163.6	6.2%	134.9	5.6%	28.7	21.3%
Non-recurring expenses /(income)	5.2	0.2%	8.8	0.4%	(3.7)	(41.4%)
Revenues from extended warranty services net of related estimated future costs to provide the assistance service - change in the business model for directly managed assistance services	5.2	0.2%	8.8	0.4%	(3.7)	(41.4%)
Adjusted EBITDA	173.9	6.5%	152.5	6.3%	21.4	14.0%
Depreciation, amortisation and write-downs of fixed assets	(90.2)	(3.4%)	(83.8)	(3.5%)	(6.4)	7.6%
Non-recurring depreciation, amortisation and write-downs	0.0	0.0%	0.1	0.0%	(0.1)	(100.0%)
Adjusted EBIT	83.7	3.1%	68.8	2.8%	14.9	21.7%
Financial income and expenses	(13.3)	(0.5%)	(13.8)	(0.6%)	0.5	(3.7%)
Non-recurring financial expenses/(income)	0.0	0.0%	0.0	0.0%	0.0	0.0%
Income taxes	(5.6)	(0.2%)	(1.5)	(0.1%)	(4.1)	276.1%
Theoretical tax impact from taxes on non-recurring expenses/(income), non-recurring financial expenses/(income), non-recurring depreciation, amortisation and write-downs and the change in business model,	(0.9)	(0.0%)	(1.5)	(0.1%)	0.6	(41.7%)
Adjusted Net Income	63.9	2.4%	52.0	2.1%	11.9	22.9%
Non-recurring expenses /(income), non-recurring financial expenses /(income), non-recurring depreciation, amortisation and write-downs	(5.2)	(0.2%)	(8.9)	(0.4%)	3.8	(42.1%)
Revenues from extended warranty services net of related estimated future costs to provide the assistance service - change in the business model for directly managed assistance services	(5.2)	(0.2%)	(8.8)	(0.4%)	3.7	(41.4%)
Theoretical tax impact from taxes on non-recurring expenses/(income), non-recurring financial expenses/(income), non-recurring depreciation, amortisation and write-downs and the change in business model,	0.9	0.0%	1.5	0.1%	(0.6)	(41.7%)

[37] One year after the first adoption of IFRS 16, the transitory phase has ended during which the financial communication of Unieuro was based on adjusted data and in continuity with the previous accounting standard IAS 17 and the related interpretations. From 1 March 2020, Unieuro will therefore comment only on the economic figures after application of the above-referenced accounting standard, restating the comparative figures and focusing on Adjusted EBIT and the Adjusted Profit for the Year. The reported "(Net financial debt) / Net cash – pursuant to IAS 17" and the "Consolidated Adjusted Free Cash Flow" will instead continue to not incorporate the component related to the application of IFRS 16.

Profit/(loss) for the year	54.4	2.0%	35.8	1.5%	18.7	52.3%

Unieuro revenues in the year ended 28 February 2021 amounted to Euro 2,659.3 million, an increase of 9.6% compared to the Euro 2,425.9 million recorded in the year ended 29 February 2020; the excellent revenue trend involved all sales channels and all categories, benefiting from external and internal growth actions, as well as from the success of the "Addams' Black Friday" promotional campaign and the significant commercial results of the Christmas season.

The higher revenues, together with the continuous attention to the cost structure, allowed the achievement of an Adjusted EBIT of Euro 83.7 million in the year ended 28 February 2021, up 21.7% compared to Euro 68.8 million in the year ended 29 February 2020.

Adjusted Profit (Loss) for the Year amounted to Euro 63.9 million in the year ended 28 February 2021 (Euro 52.0 million in the year ended 29 February 2020), representing 2.4% of revenue; the increase in Adjusted Profit (Loss) for the Year was due to the positive performance of operations, and the improvement in financial management compared to the same period of the previous year.

9. Reconciliation statement of shareholders' equity and net result of the parent company with shareholders' equity and net result pertaining to the Group

The reconciliation between the shareholders' equity of the parent company and the consolidated shareholders' equity as at 28 February 2021 is illustrated below:

(In millions of Euro)	Shareholders' equity as at 28 February 2021	Net result as at 28 February 2021
Balances from the Parent Company's SEPARATE FINANCIAL STATEMENTS	152.5	54.4
Difference between the carrying amount of equity investments and the profit/(loss)	(9.2)	(0.2)
Allocation of goodwill, brand, software and customer list, net of the tax effect	10.0	(0.6)
Consolidated Financial Statements of the Unieuro Group	153.3	53.6

The reconciliation between the shareholders' equity of the parent company and the consolidated shareholders' equity as at 29 February 2020 is illustrated below:

(In millions of Euro)	Shareholders' equity as at 29 February 2020	Net result as at 29 February 2020
Balances from the Parent Company's SEPARATE FINANCIAL STATEMENTS	106.7	39.2
Difference between the carrying amount of equity investments and the profit/(loss)	(21.3)	(13.1)
Allocation of goodwill, brand, software and customer list, net of the tax effect	10.8	(0.6)
Consolidated Financial Statements of the Unieuro Group	96.2	25.6

10. Investments

The investments made and paid amounted to Euro 32.4 million in the year ended 28 February 2021 (Euro 27.8 million in the previous year ended 29 February 2020), and are mainly attributable to: (i) interventions for the development of external and internal lines of the network of direct shops and for the refurbishment of the network of existing shops and (ii) costs incurred for the purchase of new hardware, software, licenses and development of applications with a view to improving the technological infrastructure, including costs relating to the project - still being implemented - aimed at adopting a new ERP.

For further details, refer to notes 5.1 "Plant, machinery, equipment and other assets" and 5.3 "Intangible assets with definite useful life" of the Consolidated Financial Statements.

11. IFRS 16 Impacts

The impact of IFRS 16 on the Group's main economic and financial indicators at 28 February 2021 is shown below[38]:

		28 February 2021 (Ex - IAS 17)	Impact IFRS 1628 ~~feb 2021~~	28 February 2021 (IFRS 16)
EBITDA ADJ	• reduction in operating costs (rents paid on shops, offices, warehouses and cars), net of income from subleases of shops	111.0	+67.1	178.0
EBIT ADJ	• increase in depreciation on right-of-use assets	80.6	+6.3	86.8
PROFIT BEFORE TAXES ADJ	• increase in financial expenses for interest related to rights-of-use liabilities	76.9	(3.3)	73.6
NET FINANCIAL INDEBTEDNESS	• recognition of rights-of-use liabilities (other current and non-current financial payables), net of non-current financial receivables relating to subleases	154.8	(443.7)	(288.8)

[38] The values shown in the column 28 Feb 2021 (ifrs 16) are derived from the indicators included in section "6. Group financial results". The values reported in the column impact ifrs 16 derive from the accounting entries and calculation schedules summarizing the effects of the application of the international accounting standard ifrs 16 (leasing). The values reported in the column February 28, 2021 (ex-ias 17) are pre-adoption IFRS 16 and are calculated as the difference between the column February 28, 2021 ifrs 16 and the column impact ifrs 16. All amounts are in millions of euros.

12. Coronavirus epidemic

The first epicentre of the Coronavirus (or "Covid-19") epidemic was in Wuhan, China. It was initially reported by Chinese national authorities to the World Health Organization ("WHO") on 30 December 2019. On 30 January 2020, the WHO declared the Covid-19 outbreak a global health emergency and many national governments implemented measures following this announcement.

In the second half of February 2020, the first sporadic cases of Covid-19 in Italy started a second phase of the epidemic, with a rapid escalation of the spread of the disease throughout Europe.

On 11 March 2020, the WHO declared that the Coronavirus-related health emergency had become a pandemic with the increasing spread of the virus in Europe, the rapid rise in the United States and the first outbreaks in Latin America and Africa.

To contain the effects of the contagion, the Italian authorities have adopted increasingly stringent containment measures, first locally and then nationally. For the Group, the succession of regional ordinances and national decrees has resulted in the need to adapt to the measures gradually prescribed since the beginning of the emergency.

As of the end of February 2020, the Company has provided head office personnel with IT tools suitable for remote work and subsequently recommended that all head office personnel adopt this work method.

On 14 March 2020, Unieuro, in compliance with the need to protect the health of customers and its collaborators, announced the closure of the entire network of direct stores.

Starting from 30 March 2020, the Company began the gradual reopening of direct stores in order to guarantee customers the most urgent or necessity purchases as required by the Prime Ministerial Decree of 11 March 2020 and subsequent amendments.

Unieuro has adopted a series of measures to protect its customers and employees as well as the company stability and profitability, mostly in the following areas:

Revenue

The interventions mainly concerned the strengthening of the Online channel pending the return to full operation of the physical channels. In-store traffic has indeed dropped drastically due to restrictions on the movement of people and social-distancing regulations, which have mainly affected shops located outside city centres, in large shopping centres and business parks.

Unieuro's strategy has always been oriented towards customer proximity rather than on specific store formats, which has enabled it to limit the impact of these macrotrends and has contributed to the slow but steady improvement in revenues in the Retail Channel. On the other hand, e-commerce has benefited greatly from the situation, allowing operators who had positioned themselves early within the digital channel to at least partially offset the drop in turnover in physical stores.

Cost structure

Immediately, actions were initiated aimed at containing personnel costs through the use of previous holidays and leave. After the measures were implement by the Government, the Exceptional Redundancy Payments Fund (Cassa Integrazione Guadagni in Deroga) was launched. The entire corporate Management has also waived a part of its remuneration as a gesture of solidarity towards the corporate population.

Thanks to the successful dialogue with the owners of the properties that host the direct stores, the economic and financial impact of the leases was also mitigated to compensate for the lower revenues achieved during the lockdown period.

Purchases of goods and services that are not considered strictly necessary were lastly reduced to a minimum, both at the point of sale and corporate level.

Investments and acquisitions

Deferrable investment activities, with particular reference to those relating to the network of stores, have been temporarily suspended and rescheduled.

Financial situation

Measures have been implemented to preserve and strengthen the company's soundness, including negotiations with major trading partners to optimise cash flows from the Group's operating working capital and the non-payment of the dividend in derogation of the dividend policy currently in place.

Starting from May, with the end of the lockdown and the consolidation of favourable consumption trends for the product categories managed by Unieuro, the Group experienced a recovery in revenues and profitability. Month after month, traffic in direct stores (excluding the Travel channel) increased until it returned to the levels of the same period in 2019, while the growth trend of the Online channel - although declining - continued to be influenced by the boom of the previous months.

Against this backdrop, Unieuro fully recovered the lower revenues recorded during the most difficult months of the epidemic at the closure of the first half of the year. Margins and cash generation were strong, also as a result of the managerial actions taken in the meantime and certain non-recurring effects.

Since October, after a summer of relative tranquillity, the epidemiological situation in Italy has rapidly worsened. The sudden increase in infections has mainly involved certain regions, including Lombardy and Piedmont, pushed to adopt restrictive measures including the closure of shopping centres at weekends. The further deterioration of the situation prompted the government, on 4 November, to issue a decree that imposed new restrictions on commercial activities and the free movement of persons, effective from 6 November to 3 December 2020. These measures, initially valid from 6 November to 3 December 2020, were then extended on several occasions and are still in force at the closing date of the Financial Statements.

In relation to the retail distribution of consumer electronics and home appliances, considered an essential activity, the decree provides for the closure of all points of sale within shopping centres throughout the national territory, but limited to public holidays and pre-holidays.

Also during the peak season and in the following months of January and February, Unieuro's business has also been able to take advantage (i) of the continuous interest on the part of consumers for the products sold by the Group, that enable remote work and study, communication between people, as well as home well-being; (ii) of the multiplicity of sales channels through which the Group operates, which works to compensate for the impact of the lockdown on some of the channels, and (iii) of the omnichannel services launched by Unieuro in the course of the summer, with the aim of making the in-store purchasing process safer and faster during this complex historical moment.

As at the date of this Report, the situation regarding sales channels is therefore as follows:

- Retail Channel: on weekdays, direct stores are fully operational and performing. On weekends and holidays and days before holidays, about 50% of them remain closed in compliance with the provisions in place since 4 November 2020;

- Online Channel: the digital platform unieuro.it and the website monclick.it continue to experience high growth in the volume of orders, although lower compared to the exceptional peaks reached during the first lockdown;

- Indirect Channel: thanks to the favourable location in the city centres, the affiliated outlets are not particularly affected by the current restrictions and the vast majority of them continue to operate regularly, outperforming the market;

- B2B channel: the activity continues regularly, not being particularly affected by the current health dynamics;

- Travel Channel: shops located in airports were by far the most affected by the emergency, impacted by the collapse of air traffic generated by the pandemic and the total or partial closure of some airports, while the decrease in turnover of the shops in Milan San Babila (underground) and Torino Porta Nuova (railway station) was more contained.

Based on the forecasts for the 2021/2022 year updated in light of the forecasts on future trends, the Board of Directors does not identify any indicators of possible impairment (for further details, refer to section 5.2.1 "Impairment test of the Consolidated Financial Statements").

Although it cannot estimate the impact of the ever-changing situation, Unieuro nevertheless reaffirms the validity of its strategy, which will allow it to continue to increase its customer base, promote and incentivise complementary services, and gain market share from its competitors.

On the basis of the current information available, in a constantly evolving scenario, constant monitoring of macroeconomic and business variables is ongoing to ensure that the best estimate of potential impacts on the Group is available in real time, enabling mitigation thereof with reaction/contingency plans.

Even with the continuation of the emergency, also in light of the obstacles and slowdowns that the vaccination campaign is undergoing, the operational management of the Group is ensured above all thanks to: (i) the implementation of measures to protect the health and safety of employees in logistics offices and shops, and in particular, the temperature of each employee is measured at the beginning of the work shift and they are provided with the personal protective equipment needed to perform their duties safely, in particular masks, disposable gloves and sanitising gel. Furthermore, Unieuro has signed a health policy that protects all employees in the event of an infection with Covid-19; (ii) the adoption of appropriate procedures to prevent and/or mitigate the effects of contagion for customers, in particular the entry into the stores are counted, strict sanitary measures have been adopted, including respect for safety distances between people and (iii) the launch of an ambitious smart working plan called "Futura" for office employees which, thanks to investments in digitalisation, allows working remotely for the same level of efficiency and effectiveness.

13. Corporate governance and ownership structures

Unieuro S.p.A. adheres to the Self-Governance Code of listed Italian companies (the "Code") and has adapted it to suit its characteristics.

In order to meet the transparency obligations required by regulations in the sector, the "Report on Corporate Governance and Ownership Structure" was prepared as required by Article 123-bis of the Consolidated Finance Act which provides a general description of the governance system adopted by Unieuro S.p.A. and information on ownership structures, the organisational model adopted pursuant to Legislative Decree 231 of 2001 and the level of compliance with the Self-Governance Code, including the main governance practices applied and characteristics of the risk management and internal control system in relation to the financial reporting process.

This document is available at the Company's website at (http://www.unieurospa.it/).

Based on the information available to date, the major shareholders of Unieuro are those listed in paragraph "1 - Introduction" of the Report on Operations.

14. Information on related-party transactions and non-recurring, atypical or unusual transactions.

The tables below summarise the Group's credit and debt relations with related parties as at 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Credit and debt relations with related parties (as at 28 February 2021)						
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Board of Directors	Main managers	Total	Total balance sheet item	Impact on balance sheet item
At 28 February 2021							
Other current liabilities	(70)	(61)	(148)	(3,125)	(3,404)	(261,174)	1.3%
Total	(70)	(61)	(148)	(3,125)	(3,404)		

(In thousands of Euro)	Credit and debt relations with related parties (as at 29 February 2020)						
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Board of Directors	Main managers	Total	Total balance sheet item	Impact on balance sheet item
At 29 February 2020							
Other current liabilities	-	(65)	(139)	(2,145)	(2,349)	(221,428)	1.1%
Total	-	(65)	(139)	(2,145)	(2,349)		

The following table summarises the economic relations of the Group with related parties as at 28 February 2021 and as at 29 February 2020:

(In thousands of Euro)	Economic relations with related parties (as at 28 February 2021)						
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Board of Directors	Main managers	Total	Total balance sheet item	Impact on balance sheet item
At 28 February 2021							
Purchases of materials and external services	(294)	(95)	(571)	-	(960)	(2,342,374)	0.0%
Personnel costs	-	-	-	(5,306)	(5,306)	(175,824)	3.0%
Total	(294)	(95)	(571)	(5,306)	(6,266)		

(In thousands of Euro)	Economic relations with related parties (as at 29 February 2020)						
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Board of Directors	Main managers	Total	Total balance sheet item	Impact on balance sheet item
At 29 February 2020							
Purchases of materials and external services	(278)	(96)	(524)	-	(898)	(2,135,414)	0.0%
Personnel costs	-	-	-	(5,323)	(5,323)	(185,407)	2.9%
Total	(278)	(96)	(524)	(5,323)	(6,221)		

With reference to the periods considered, the credit/debit and economic relations with related parties mainly refer to relations with Directors and Principal Executives, summarised in the following table:

Main managers	
Year ended 28 February 2021	Year ended 29 February 2020
Chief Executive Officer - Giancarlo Nicosanti Monterastelli	*Chief Executive Officer - Giancarlo Nicosanti Monterastelli*
Chief Financial Officer - Italo Valenti	*Chief Financial Officer - Italo Valenti*
Chief Corporate Development Officer - Andrea Scozzoli	*Chief Corporate Development Officer - Andrea Scozzoli*
Chief Omnichannel Officer - Bruna Olivieri	*Chief Omnichannel Officer - Bruna Olivieri*
Chief Commercial Officer - Gabriele Gennai	*Chief Operations Officer - Luigi Fusco*
Chief Operations Officer - Luigi Fusco	

The gross pay of the main managers includes all remuneration components (benefits, bonuses and gross remuneration).

The table below summarises the Group's cash flows with related parties as at 28 February 2021 and at 29 February 2020:

(In thousands of Euro)	Related parties						
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Board of Directors	Main managers	Total	Total balance sheet item	Impact on balance sheet item
Period from 1 March 2019 to 29 February 2020							
Net cash flow generated/(absorbed) by operating activities	(278)	(127)	(618)	(3,428)	(4,451)	132,743	(3.4%)
Total	(278)	(127)	(618)	(3,428)			
Period from 1 March 2020 to 28 February 2021							
Net cash flow generated/(absorbed) by operating activities	(224)	(99)	(562)	(4,326)	(5,211)	210,924	(2.5%)
Total	(224)	(99)	(562)	(4,326)	(5,211)		

15. Information on corporate bodies

Unieuro S.p.A. adheres to the Self-Governance Code of listed Italian companies (the "Code") and has adapted it to suit its characteristics.

In order to meet the transparency obligations required by regulations in the sector, the "Report on Corporate Governance and Ownership Structure" was prepared as required by Article 123-bis of the Consolidated Finance Act which provides a general description of the governance system adopted by Unieuro S.p.A. and information on ownership structures, the organisational model adopted pursuant to Legislative Decree 231 of 2001 and the level of compliance with the Self-Governance Code, including the main governance practices applied and characteristics of the risk management and internal control system in relation to the financial reporting process.

This document is available at the Company's website at (http://www.unieurospa.com/).

15.1. Stock option plans

Long-Term Incentive Plan

On 6 February 2017, the Extraordinary Shareholders' Meeting of Unieuro approved the adoption of a stock option plan (the "Plan" or “Long-Term Incentive Plan” or “LTIP”) reserved for Executive Directors, associates and employees (managers and others) of Unieuro. The Plan calls for assigning ordinary shares derived from a capital increase with no option rights pursuant to Art. 2441, paragraphs 5 and 8 of the Italian Civil Code approved by Unieuro's Shareholders’ Meeting on the same date.

The Plan specifies the following objectives: (i) to get beneficiaries to focus on factors of strategic interest to Unieuro, (ii) to obtain the loyalty of plan beneficiaries and give them an incentive to remain with Unieuro, (iii) to increase the Company's competitiveness by identifying medium-term goals and fostering the creation of value for both Unieuro as well as its shareholders, and (iv) to ensure that the overall remuneration of Plan beneficiaries is competitive in the market.

The implementation and definition of the specific characteristics of the Plan were delegated by the Shareholders' Meeting itself to the Unieuro Board of Directors for its specific definition. On 29 June 2017, the Board of Directors approved the plan regulations (“Regulations”) whereby the terms and conditions of implementation of the Plan were determined.

The Recipients subscribed to the Plan in October 2017. The parties expressly agreed that the effects of granting rights should be retroactive to 29 June 2017, the date the regulations were approved by the Board of Directors.

The Regulations also provide for the terms and conditions described below:

- *Condition:* the Plan and the grant of the options associated with it will be subject to the conclusion of the listing of Unieuro by 31 July 2017 (the "IPO");

- *Recipients*: the Plan is addressed to Directors with executive type positions, associates and employees (managers and others) of Unieuro ("Recipients") that were identified by the Board of Directors within those who have an ongoing employment relationship with Unieuro and/or other companies of the Group. Identification of the Recipients was made on the basis of a discretionary judgement of the Board of Directors that, given the purpose of Long Term Incentive Plan, the strategies of Unieuro and the Group and the objectives to be achieved, took into account, among other things, the strategic importance of the role and impact of the role on the pursuit of the objective;

- *Object:* the object of the Plan is to grant the Recipients option rights that are not transferable by act inter vivos for the purchase or subscription against payment of ordinary shares in Unieuro for a maximum of 860,215 options, each of which entitling the bearer to subscribe one newly issued ordinary share ("Options"). If the target is exceeded with a performance of 120%, the number of Options will be increased up to 1,032,258. A share capital increase was approved for this purpose for a nominal maximum of Euro 206,452, in addition to the share premium, for a total value (capital plus premium) equal to the price at which Unieuro's shares will be placed on the MTA through the issuing of a maximum of 1,032,258 ordinary shares;

- *Granting*: the options will be granted in one or more tranches and the number of Options in each tranche will be decided by the Board of Directors following consultation with the Remuneration Committee;

- *Exercise of rights*: the subscription of the shares can only be carried out after 31 July 2020 and within the final deadline of 31 July 2025;

- *Vesting*: the extent and existence of the right of every person to exercise options will happen on 31 July 2020 provided that: (i) the working relationship with the Recipient persists until that date, and (ii) the objectives are complied with, in terms of distributable profits, as indicated in the business plan on the basis of the following criteria:

    - in the event of failure to achieve at least 85% of the expected results, no options will be eligible for exercise;

    - if 85% of the expected results are achieved, only half the options will be eligible for exercise;

    - if between 85% and 100% of the expected results are achieved, the number of options eligible for exercise will increase on a straight line between 50% and 100%;

- o if between 100% and 120% of the expected results are achieved, the number of options eligible for exercise will increase proportionally on a straight line between 100% and 120% – the maximum limit.

- *Exercise price*: the exercise price of the Options will be equal to the issue price on the day of the IPO amounting to Euro 11 per share;

- *Monetary bonus*: the recipient who wholly or partly exercises their subscription rights shall be entitled to receive an extraordinary bonus in cash of an amount equal to the dividends that would have been received at the date of approval of this Long Term Incentive Plan until completion of the vesting period (29 February 2020) with the exercise of company rights pertaining to the Shares obtained during that year with the exercise of Subscription Rights;

- *Duration*: the Plan covers a time horizon of five years, from 31 July 2020 to 31 July 2025.

The vesting period of the rights provided for in the Plan ended at the close of the previous financial period (29 February 2020); on 18 June 2020, the Board of Directors verified that 101.11% of the quantitative and therefore objectively verifiable objectives had been achieved and approved the allocation of a total of 849,455 options, in compliance with the Plan Regulations. From 31 July 2020 to 31 July 2025, each beneficiary will be entitled to exercise their subscription rights in whole or in part, including in several tranches; at the end of each financial year in which the beneficiary will have exercised all or part of its subscription rights, as provided for by the Plan, that beneficiary will be entitled to receive an extraordinary cash bonus, already recognised in the financial statements, equal to the dividends that would have been forthcoming from the date of approval of the Plan until the end of the vesting period, pursuant to the exercise of the corporate rights attached to the shares obtained in the relevant year.

The cost for the Long-Term Incentive Plan included in the Consolidated Financial Statements as at 28 February 2021 was Euro 0.3 million.

The number of outstanding options as at 28 February 2021 is as follows:

	Number of options 28 February 2021
No. of options in circulation assigned	849,455
No. of options granted during the period	8,605
No. of options not granted	10,760
No. of options exercised	300377
No. of options expired	-

Performance shares 2020-2025

On 27 October 2020, after receiving the favourable opinion of the Nominations and Remuneration Committee, the Board of Directors of Unieuro S.p.A. approved the Information Document relating to the Performance Shares 2020-2025 Plan (the "Performance Shares" or "PS") drawn up pursuant to Article 114-bis of the Consolidated Finance Act (TUF), which was submitted to the Shareholders'

Meeting in December 2020 for approval.

Description of the Plan's recipients

The implementation and definition of the specific characteristics of the Plan were delegated by the Shareholders' Meeting itself to the Unieuro Board of Directors for its specific definition. On 13 January 2021, the Board of Directors approved the plan regulations ("Regulations") whereby the terms and conditions of implementation of the Plan were determined.

The Recipients signed the Plan in January 2021.

The Plan is intended for executive directors and/or managers with strategic responsibilities and/or employees of the Company or Group companies, understood as personnel who have an employment relationship with the Company and/or the Group and fall into one of the following categories: (i) executive/senior level at the Company and/or Group companies; (ii) middle management (or higher) level employees at the Company and/or Group companies.

Essential elements relating to the characteristics of the financial instruments on which it is based

The Plan provides for the free granting of rights to receive ordinary shares of Unieuro (the "Shares") to each of the beneficiaries. This granting will be based, inter alia, on the achievement of certain performance objectives and specific vesting conditions, which reflect the most important variables related to the creation of value for the Group.

The free allocations of these Shares will be made in 2023 (1st cycle), 2024 (2nd cycle) and 2025 (3rd cycle).

As resulting from the relevant resolution of the Board of Directors, the actual allocation of the Shares, for each of the three cycles indicated, will be made on the basis of the degree to which the performance objectives were achieved and, in general, the continuation of the vesting conditions.

It is also provided that the aforesaid rights confer to each beneficiary the right to receive a cash bonus based on any cash dividends distributed and paid by the Company up to the allocation date. This bonus shall be payable jointly with, and subject to, the delivery of the shares relating to each cycle of the Plan, provided that the specific vesting conditions are met.

Plan rationale

The Plan is one of the instruments used by the Company and the Group to supplement the remuneration package of key personnel through variable components linked to the achievement of certain performance objectives, in accordance with best market practices.

In particular, the Company believes that a share-based incentive plan, with a five-year duration and specific performance targets, is the most effective incentive instrument and best suited to the interests of the Company and the Group. Therefore, the Plan has the following objectives: (i) to focus the attention of the beneficiaries on factors of strategic interest to the Company and to direct key resources towards strategies aimed at pursuing medium/long-term results; (ii) to build the loyalty of the beneficiaries and encourage them to remain with the Company by developing retention policies aimed at increasing the loyalty of key resources; (iii) to align the interests of the beneficiaries with those of the shareholders, with a view to developing confidence in the growth of the Company's value; and (iv) to ensure that the overall remuneration of the recipients of the Plan remains competitive while concurrently developing policies that will attract talented managerial and professional staff.

In the financial statements, the assumptions underlying the calculation were: (i) the exercise term equal to the duration between the grant date and the right assignment date, (ii) the share price at the time of valuation, (iii) the amount of expected dividends. Lastly, consistent with the requirements of IFRS 2, (iv) the probability of Recipients leaving and (v) the probability of achieving performance targets of 100%.

The number of outstanding rights is as follows:

	Number of rights 28 February 2021
In place at the beginning of period	-
Assigned during the period	-
Granted during the period	200,000
Contribution from merger	-
Withdrawn during the period (bad leavers)	-
Outstanding at end of period	200,000
Not allocated at the beginning of period	-
Exercisable at end of period	-
Not allocated at the end of the period	-

15.2. Unieuro treasury shares

During the year, Unieuro S.p.A. did not purchase or sell any treasury shares directly or through an intermediary.

16. Right to waive the obligation to publish an information document in the event of insignificant transactions

Note that the Issuer has opted to adopt the waiver in Article 70, paragraph 6 and Article 71, paragraph 1 of the Issuers' Regulation, pursuant to Article 70, paragraph 8 and Article 71, paragraph 1 bis of the Issuers' Regulation.

17. Staff-related information

Composition of workforce

Below is a breakdown of employees by classification.

	28 February 2021		29 February 2020		
	Unieuro S.p.A.	Monclick S.r.l.	Unieuro S.p.A.	Monclick S.r.l.	Carini Retail S.r.l.
Executives	27	1	24	1	-
Middle managers	63	-	54	-	-
Office workers	5,202	38	4,535	36	226
Factory workers	1	-	1	-	90
Apprentices	53	-	66	-	1
Total	5,346	39	4,680	37	317

Gender equality and work environment

The equal treatment of individuals is carried out at the Unieuro Group by ensuring that starting with the selection phase and in all work performed, there will be no discrimination on the basis of race, sex, nationality, sexual orientation, social status, physical appearance, religion or political affiliation.

Search and selection

The Unieuro Group undertakes to encourage the development and implementation of transparent hiring practices in full compliance with equal opportunities. The criteria guiding candidate selection are professionalism and compliance with the skills and attitude required to fill the open position.

The tools and channels used to find candidates, in descending priority order, are the company's website in the "Work with us" section and relationships with recruiting and selection companies with which specific partnerships are maintained.

Training, organisation and compensation policies

At the Unieuro Group, training is an (in)tangible investment in our most important asset: our employees. Every year, the Group invests significant resources in the professional and managerial training of employees using tools such as direct teaching, webinars, conferences, tutoring, simulations, on-the-job training, e-learning and staff training.

In addition to mandatory training courses (health and safety, Organisational Model 231, privacy), there are managerial and professional training programmes for store and head office staff. As an example, topics covered range from people management to effective communications, from sales techniques to visual merchandising and from work organisation to sales management at the point of sale.

The company's Academy for aspiring Executives is particularly important in the professional development and growth of its human resources. Participants, who are identified out of the pool of individuals at the company through an internal candidacy process, assessment centres and individual interviews, participate in on-the-job and classroom training that lasts 6 months.

In order to meet the transparency obligations required by regulations, the "Report on Remuneration" was prepared pursuant to Article 123-bis of the Consolidated Finance Law and Article 84-quater of the Issuers' Regulation.

This document is available at the Unieuro website at http://www.unieurocorporate.it/.

Protection of health and safety

For the Group, the health and safety of all human resources in the workplace in accordance with current regulations is a priority. In particular, the Group takes steps to provide work conditions that respect the physical and moral integrity of workers.

18. Management and coordination activities

Unieuro S.p.A. is not subject to the management or coordination of companies or entities and it determines its general and operational strategies in full autonomy.

19. The main risks and uncertainties to which the Group is exposed

The Group is exposed to a number of risks that can be grouped into the three large categories listed below:

- strategic and operational risks;
- financial risks;
- legal and non-compliance risks.

19.1. Strategic and operational risks

The main strategic and operational risks to which the Group is exposed are as follows:

Risks associated with competition and competitiveness: The Unieuro Group is exposed to the risk of not being able to maintain its competitive position in the market and/or of not being able to properly assess future developments in consumer preferences in relation to market trends.

Risks associated with the health emergency from Covid-19

The Unieuro Group is exposed to risks linked to the ongoing health emergency. For further details, refer to section 12 "Coronavirus epidemic".

Risks connected with the economic situation and dependence on the Italian market: The Unieuro Group is exposed to the risk of a potential reduction in future revenues resulting from the limited purchasing power of the average consumer due to any continuing phenomena of an economic recession.

Risks associated with recognition of the brand: the decrease in the recognition and distinctive features of the Unieuro and Monclick brands could impair the Group's competitive position in its reference market. The Group's strategy is aimed at improving the reputation of the Unieuro and Monclick brands by focusing on the breadth of the range of products offered and product quality and innovation and by providing customers with a range of products that are affordable.

In order to improve the recognition of its brands, the Group conducts advertising campaigns through traditional means of communication (advertising inserts, leaflets, television spots, posters, etc.) and through its website and social media. Any promotional activities not in keeping with the positioning of the Unieuro and Monclick brands and not consistent with the sales strategy could turn out to be ineffective and have a negative impact on the Group's image and the perception of its brands.

Risks associated with the management of directly operated stores: The Unieuro Group is exposed to the risk of having to compete with the pricing offered by other competing companies when renewing agreements for directly operated points of sale. In addition, a potential risk also derives from the draft law on Sunday closures of stores, which may have repercussions on the number of visitors and therefore on the turnover of the Unieuro Group.

Risks associated with stores not managed directly and relations with affiliates: The Unieuro Group is exposed to the risk of losing commercial relationships with its affiliates and/or the deterioration of their pricing that could result in a reduction in related revenues.

Risks associated with recent and/or potential future acquisitions: The Unieuro Group might be exposed to liabilities that did not arise during the pre-acquisition due diligence process or are not covered by contractual provisions relating to companies acquired in the past or to be acquired in the future. In any case, the assessments performed during the period before an acquisition may not be accurate.

Risks associated with the evolution and growth of e-commerce: The Unieuro Group is exposed to the risk of not being innovative and not enhancing its e-commerce platform, and not offering its customers a platform in keeping with that of its competitors. The Unieuro Group has made several investments in the online sales channel in order to offer its customers a technologically advanced e-commerce platform that is seen as easy to use and intuitive by users. In this context, it should be noted that the e-commerce sector is characterised by the rapid growth in technology and business models (e.g. the creation of websites available on mobile devices). The Unieuro Group is also exposed to the risk of not maintaining adequate service levels against extraordinary growth in e-commerce.

Among other things, the Unieuro Group's success and competitiveness depend on the ability to innovate and enhance its technologies and adapt them, from time to time, to respond to changes and technological advances without generating cannibalisation phenomena to the detriment of the traditional distribution channels that the Unieuro Group also uses.

Risks associated with supplemental warranties: The Unieuro Group is exposed to the risk that the estimates, on the basis of which it develops its strategy in the area of offering supplemental warranties, turn out to be incorrect. Although at the date of this Report the Unieuro Group had not recorded any requests for product repairs or replacements greater than estimates made, the risk cannot be ruled out that the actual requests for remedies under supplemental warranties turn out to be significantly higher than the Group's projections with potential negative repercussions on the Company's income statement, balance sheet or cash flows.

Risks associated with supplier relations: The Unieuro Group is exposed to the risk of potential problems in the management of trade relations with its suppliers. Most suppliers the Group relies on establish a maximum limit of credit available to individual customers who turn to them to supply merchandise on the basis of credit facilities granted to such companies by insurance companies operating in this specific area. In general, these facilities are provided on the basis of numerous factors such as the domestic economic environment, country risk and each customer's financial position and creditworthiness. Should these factors worsen, the credit levels available to the Group could decrease with possible significant negative effects on the Group's economic, financial and equity position.

Other operational risks: this category includes risks typical of the consumer electronics sector connected with: opening new points of sale, seasonality, failure to implement or the delayed implementation of its business strategy, the technological development of electronic products and the perception of new trends, the availability of products and inventory obsolescence, the operations of the logistics centre and procurement of products marketed, possible restrictions on imports, product liability, the operation of IT systems, management of post-sale customer assistance services, e-commerce fraud and services provided by third parties. The Group manages and measures these risks and they are reflected in the financial statements in items related to inventories, with respect to provisions for obsolescence and in provisions for risks and charges. For additional information on provisions and write-downs made during the year ended 28 February 2021, see the related notes to the consolidated financial statements.

19.2. Financial risks

The main financial risks to which the Group is exposed are liquidity risk, interest rate risk, credit risk and risks connected with the Group's net financial debt.

Liquidity risk: the Group defines liquidity risk as the possibility that it may not be able to promptly fulfil its obligations. The Group manages its liquidity by taking into account the seasonality of cash flows from retail sales, which may result in a certain unevenness in cash flows from sales and operating costs in several months of the year. This risk is contained through measures aimed at ensuring a balanced capital structure, diversified sources of funding, the spread of due dates for financial debt over a broad time horizon, the maintenance of unused committed lines of credit and defined limits on maturities and credit counterparties in the management of liquidity.

From a structural standpoint, the Group has negative working capital and, as a result, it is exposed to the risk of the inability to raise the financial resources necessary to meet the related financial needs (primarily in the first half of the year). This peculiarity is mainly due to the following structural characteristics of the business conducted by the Group: (i) a small amount of trade receivables generated mainly by the indirect channel relative to sales volume, since most sales are very quickly transformed into cash, which is typical of retail sales to end customers; and (ii) inventories in an amount structurally proportional to turnover. On the other hand, the amount of current liabilities and especially trade payables, tends to permanently exceed the amount of current assets.

The Group has a revolving line of Euro 90.0 million, which is generally fully utilised in the first half of each year to meet the related financial requirements and is instead repaid during periods of the greatest cash generation (typically the last half of each year).

The Company believes that existing lines of credit and loans as at 28 February 2021 are sufficient to cover requirements from its operating and investment activities and to repay maturing debt. For further details about the impacts of the Coronavirus, refer to section 12 "Coronavirus epidemic".

Interest rate risk: the Group is exposed to interest rate risk largely in relation to floating rate financial liabilities.

Most of the Group's debt exposure is at a floating rate. The Group continually monitors interest rate trends using instruments to hedge against the risk of fluctuating interest rates when deemed appropriate.

Credit risk: this is related to the Group's exposure to potential losses resulting from the failure of financial or commercial counterparties to fulfil their obligations. The Group has credit monitoring processes that call for analysing the customers' reliability, assigning a credit line and controlling exposure using reports that break down maturities and average collection periods. There are no significant concentrations of risk as at 28 February 2021.

Risks associated with the Group's net financial debt: The seasonality of business cycles and the Group's revenue trends do not rule out the possibility that the Group may need to obtain new lines of credit to meet its financial requirements. The lines currently available are sufficient to guarantee operations over the next 12 months.

19.3. Legal and non-compliance risks

The Group defines non-compliance risk as the possibility of incurring legal and/or administrative sanctions, financial losses or reputational damage as a result of violations of mandatory provisions (of laws or regulations) or of company regulations (articles of association, codes of conduct, self-governance codes). The main risks of this type can be grouped in the categories described below.

Risks associated with the regulatory context: the Group conducts its business in sectors regulated by national, EU and international regulations, the violation or change in which could result in limitations of its operations or increased costs. In the future, it is possible that there will be changes in tax and other rules and in existing regulations, including from the standpoint of interpretations, that could result in the Group's liability or have a negative impact on its business with a possible negative impact on its income statement, balance sheet and/or cash flows.

Any legislative or regulatory changes (e.g. in relations between lessors and lessees, taxation and related income and the issuance and maintenance of administrative authorisations to perform business activities) could affect the Group's balance sheet, income statement and cash flows. Furthermore, any suspension and/or revocation of licences or authorisations required by current legislation in Italy as a necessary condition for conducting business activity at points of sale and any mandatory measures required by competent authorities to confirm or issue such authorisations or licences could have a potential negative effect on Unieuro Group's operations or outlook, or on its income statement, statement of financial position and cash flows.

Risks associated with compliance with occupational health and safety and environmental regulations: the Group is subject to laws and regulations protecting the environment and health; therefore, any violations of the above-mentioned regulations could involve limitations to the activities of the Group or significant additional costs.

The Group performs its business in sectors regulated by national and EU regulations concerning environmental protection and health and safety in the workplace. In accordance with the obligations of regulations on environmental protection and health and safety in the workplace, the Group makes the investments necessary to ensure compliance with the provisions of applicable laws and regulations.

Risks associated with compliance with competition and privacy regulations: the Group is subject to laws and regulations protecting competition and privacy; therefore, any violations of the above-mentioned regulations could involve limitations to the activities of the Group or significant additional costs. In accordance with the obligations of regulations, the Group makes the investments necessary to ensure compliance with the provisions of applicable laws and regulations.

Risks associated with the risk linked to contract solidarity: the Group is subject to the solidarity established by regulations on tenders, which could result in significant additional costs. The Group makes the investments necessary to limit these risks.

20. Significant events during and after the year

Significant events during the year

Temporary closure of the sales network

On 14 March 2020, following the worsening of the health situation and the extension of the restrictive measures to the entire national territory, Unieuro closed the entire network of direct stores to the public in order to protect the health of customers and collaborators, although not there were regulatory obligations in this regard.

On 30 March 2020, as part of a new package of measures to contain the effects of the health emergency, the Company progressively started reopening direct points of sale, in order to guarantee customers the most urgent or necessity purchases.

Insurance coverage

On 20 March 2020, Unieuro took out insurance coverage in the event of contagion from Coronavirus for all employees of the Group, which provided for an indemnity in case of hospitalisation caused by Covid-19 infection, a convalescence indemnity and a package for post-hospitalisation assistance to manage health recovery.

The use of social safety nets

On 30 March 2020, in light of the limited company operations and in order to contain the economic and financial impact of the crisis, Unieuro announced the application of the exceptional redundancy payments (CIGD), in the terms indicated by the Cura Italia Decree, to almost all employees, for a maximum of nine weeks, even if not consecutive. As a gesture of solidarity with the corporate population, the CEO has announced the full and voluntary renunciation of his salary for April and May 2020. Similarly, the entire company management decided to cut its salary for the months of April and May 2020, by 20% for Chiefs and 10% for the other executives and function directors.

The donation of smartphones to hospitals and nursing homes

On 2 April 2020, Unieuro announced its intention to donate over 2,000 smartphones for the benefit of the patients and people affected by the Covid-19 epidemic, unable to maintain contact with their loved ones. The first 1,000 smartphones were donated to hospitals in Emilia Romagna, while the rest were intended for hospitals and nursing homes for the elderly in Lombardy. The initiative testified to the concrete commitment of Unieuro to supporting the community in a time of serious national emergency.

Relaunch of the network expansion

On 11 June 2020, the inauguration of the new store in Milan Portello symbolically marked the restart of the expansion plan of the Unieuro network, after having passed the acute phase of the Covid emergency. As well as the three direct shop-in-shops in the Spazio Conad hypermarkets in Curno (Bergamo), Padua and Merate (Lecco), opened in the previous months, the new Milanese store underlines the intention of Unieuro to focus on large-scale retail distribution segment: the location, adjacent to the "La grande i di Piazza Portello" hypermarket is in fact part of the partnership signed at the beginning of 2019 with Finiper.

The Shareholders' Meeting

On 12 June 2020, the Shareholders' Meeting of Unieuro, which met in ordinary and extraordinary session, in single call: approved the financial statements as at 29 February 2020; resolved to allocate the profit for the year to the extraordinary reserve, and therefore, not to distribute dividends for the 2019/20 financial year; approved the first section of the Remuneration Report and cast a favourable vote on the second; confirmed the three directors previously co-opted by the Board of Directors, including the Chairman Stefano Meloni; amended the Articles of Association in order to implement the new gender balance legislation in the composition of the administration and control bodies.

The new omnichannel services

In response to the new customer safety requirements dictated by the post-Covid context, on 19 June, Unieuro launched a vast and innovative omnichannel project aimed at rethinking the customer experience, with the aim of supporting drive-to-store exploiting the engagement opportunities generated by the e-commerce channel. The first phase of the project involved the release of two service formulas, "aTUperTU" and "CIAOfila", designed to rationalise customer flows in stores. The project was subsequently enhanced through the launch of "AUTOritiro", a new service designed to allow customers to pick up their online purchases at the point of sale, without getting out of their vehicle.

The incorporation of Carini Retail

On 5 August 2020, the deed pursuant to which the subsidiary Carini Retail S.r.l. was merged into the parent company Unieuro S.p.A. was signed. The statutory effects of the merger take effect on 1 September 2020, while the accounting and tax effects take effect on the first day of the financial year.

The partnership with UniCredit

On 16 September 2020, Unieuro and UniCredit announced the launch of a partnership aimed at strengthening the bank's corporate welfare programme, to the benefit of its more than 38,000 Italian employees who can take advantage of large discounts on the technological products marketed by Unieuro, with a specific focus on smart working, home technology adaptation and sustainable mobility. Unieuro is thus able to access a valuable clientèle, generating traffic in stores and strengthening the important B2B2C channel, managed through Monclick.

The refund of the flu vaccine

On 21 September 2020, Unieuro announced the decision to reimburse the cost of the flu vaccine to all employees who voluntarily decided to use it, this being a further concrete expression of the company concern for the health of its employees while the Covid-19 pandemic is ongoing.

The internalisation of all "Unieuro by Iper" stores

On 2 October 2020, Unieuro announced the changeover to direct management of 16 "Unieuro by Iper" shop-in-shops located in "Iper, La grande i" hypermarkets, previously managed by the Finiper Group under the affiliate regime. The transaction - which followed the internalisation of 4 other previously affiliated shop-in-shops and the opening of the Milan Portello direct store - resulted in all 21 Unieuro by Iper points of sale becoming an integral part of Unieuro's direct network, which has now exceeded 270 points of sale. Through this transaction, Unieuro further strengthened its presence in the large-scale retail segment.

The new headquarters

On 14 October 2020, Unieuro signed a multi-year lease agreement for Palazzo Hercolani, an old building located in the historic centre of the city of Forlì, where the Group subsequently moved its headquarters, in order to make Unieuro at the forefront of smart working and offer more than 250 employees and guests a rewarding, innovative and comfortable work experience, which facilitates collaboration and the circulation of ideas and solutions for the benefit of the company and its people.

The Unieuro brand lands in the city of Naples

On 19 October 2020, Unieuro and the Partenope Group signed a multi-year partnership whereby the five Partenope Group stores, previously operating under the Expert sign, joined Unieuro's indirect network, adopting its brand and format in view of the start of the 2020 peak season. The agreement allowed the Unieuro brand to land with force in the city of Naples, where it was largely under-represented.

The resurgence of the Covid-19 epidemic

Since October 2020, after a summer of relative tranquillity, the epidemiological situation in Italy has rapidly worsened. The sudden increase in infections has mainly involved certain regions, including Lombardy and Piedmont, pushed to adopt restrictive measures including the closure of shopping centres at weekends. As of 4 November, the further deterioration of the situation prompted the government to issue a decree that imposed new restrictions on commercial activities and people freedom to move about. For Unieuro, the new rules lead to the closure of about half of direct stores on public holidays and pre-holidays. Said measures were still in force at the closing date of the Financial Statements.

The expiry of the Liquidity Provider contract

On 28 October 2020, Unieuro announced the expiry and the decision not to renew the Liquidity Provider contract conferred on Intermonte SIM on 29 October 2019 in relation to its ordinary shares. The decision was taken in the light of the expansion of the free float, which transformed Unieuro into a real public company, and the consequent sharp increase in trading volumes on the stock.

The 2020-2021 "Sign of the Year award"

On 27 November 2020, Unieuro was awarded the prestigious "Sign of the Year" award for the second consecutive year in the Household Appliances & Electronics category, once again confirming its position as the leading brand in the highly fragmented and competitive consumer electronics sector.

Success for the "Change Black Friday" campaign

Started on 3 November 2020 and ended on 3 December, the promotional campaign called "Change Black Friday", the Black Friday of "life-changing" technology, marked another record duration in Unieuro's history and recorded good sales results despite the restrictive measures in place that penalised the Retail Channel. As a result, the Online channel benefited, with the Unieuro.it platform recording a 63% increase in the number of orders and a double-digit percentage increase in the average value of those orders. Excellent performance also for affiliate shops, only marginally impacted by the restrictions, and for Monclick's Mon Black Friday (13-30 November).

The Key Award

On 10 December 2020, the "Addams' Black Friday" campaign carried out in 2019 by Unieuro was awarded the prestigious "Key Award", set up by Media Key and dedicated to advertising in print, billboard, TV, cinema, radio, web and promotional events, for the best advertising campaign in the category 'Finance, Insurance, Commerce and Large Scale Retail.

The Shareholders' Meeting

On 17 December 2020, Unieuro's Shareholders' Meeting, held in ordinary and extraordinary session, on a single call, approved the amendments and additions to the first section of the Report on remuneration policy and compensation paid approved by the Shareholders' Meeting on 12 June; approved the new incentive plan called "2020-2025 Performance Shares Plan"; approved the authorisation to purchase and dispose of treasury shares, also to service the Plan, up to a maximum of 2,000,000 ordinary Unieuro shares for a maximum period of 18 months; approved the authorization to increase the share capital to service the Plan, up to a maximum of 900,000.

Transfer of the registered office

On 13 January 2021, the Unieuro Board of Directors approved the transfer of the registered office from via Schiaparelli 31 to Palazzo Hercolani, in via Maroncelli 10, also in Forlì, without the need to amend the Articles of Association.

The transfer took effect on 1 April 2021.

Dixons Carphone

On 15 January 2021, Dixons Carphone plc, indirect shareholder of the Company through Alfa S.r.l., announced the sale of the entire interest held by it in Unieuro, equal to approximately 7.17% of the share capital, through an accelerated book-building procedure.

With the conclusion of the transaction, Unieuro's free float exceeded 91% of the capital, further strengthening the Company's nature as a public company.

The #Cuoriconnessi event and the new book

On 9 February 2021, on the occasion of the world day for network security, Unieuro together with the State Police organised a large digital event dedicated to the fight against cyberbullying, which was attended by over 260,000 students connected via streaming. A new book of #Cuoriconnessi was also presented, which, similarly to the first volume of 2020, tells stories of cyberbullying and the online life of children and parents. It was made available for free in print (over 200,000 news items) and digitally.

The Futura project

On 11 February 2021, the ambitious smart working project called "Futura" was presented to the more than 300 employees of the central functions, intended to revolutionise the methods of work and interaction between people, placing them at the centre of an innovative and rewarding work experience.

By focusing on trust and individual responsibility in achieving the objectives, Unieuro evolves its offices into places of collaboration, sociality and support for the corporate culture, with significant benefits in terms of motivation of people, balance between private and working life and lower polluting emissions related to transport.

The appointment of the General Manager

On 17 February 2021, at the proposal of the Chief Executive Officer and with the favourable vote of all those present, the Board of Directors decided to set up the General Management and to entrust it to Bruna Olivieri with effect from 1 March 2021. Former Chief Omni-Channel Officer of the Company, Olivieri will report directly to the Chief Executive Officer, assuming the leadership and responsibility of all company functions with the exception of the Finance area, in order to ensure utmost coordination and development from an omnichannel perspective and accelerate the increasingly essential digital transformation, already underway.

Significant events following the closure of the year

The adoption of the SAP management system

The transition to the new SAP S/4HANA management software began on 1 March 2021. The adoption of the new ERP (Enterprise Resource Planning) has been planned for some time and implemented with the support of the consulting companies EY and Abstract, leaders in the sector, with the aim of radically evolving company information systems, making them technologically advanced and functional to the omnichannel growth strategy of Unieuro.

The acquisition of the Limbiate store

Following the participation in the competitive procedure announced by the Court, Unieuro was awarded the contract and on 01 March 2021, acquired the business unit of Galimberti S.p.A., in an arrangement with creditors consisting of a store located in Limbiate.

The expansion in the metropolitan area of Turin

On 31 March 2021, Unieuro announced a significant strengthening of the network in the Piedmont capital thanks to the acquisition of a business unit consisting of two 2C Srl stores and the signing of an affiliation contract for the third store managed by the same company. The three stores, previously members of the Expert purchasing group, reopened under the Unieuro sign in April.

The entry of iliad in the capital

On 6 April 2021, Unieuro acknowledged the purchase of an interest of approximately 12% of the share capital by iliad Italia, with which a successful commercial relationship is already in place and which declared its intention to accompany the Company in its long-term growth.

The consensual termination of the employment relationship with the CFO

On 9 April 2021, Unieuro and Italo Valenti signed an agreement for the consensual termination of the employment relationship, with effect from 31 May 2021, as a result of which Italo Valenti will leave his role as Chief Financial Officer and the positions of manager in charge of preparing the corporate and accounting documents and investor relator of Unieuro and will pursue other professional opportunities.

21. Foreseeable operating evolution

The 2021/22 financial year will be largely influenced by the speed and results of the vaccination campaign, in progress at the date of preparation of this Report, aimed at containing and finally eradicating the Covid-19 epidemic.

The continuation of the emergency is in fact linked to the persistence of the restrictions decided by the Authorities, for which reference is made to section 12 "Coronavirus epidemic", but above all to the continuation of consumption trends in favor of the product categories managed by Unieuro, the positive impact of which has occurred since the second quarter of the previous year.

Once these trends have been exhausted, to all effects exceptional, it is presumed that the demand for products belonging to the Grey category (in particular IT and telephony) may slow down, however offset by an acceleration of the White sector, historically correlated to the trend in GDP, destined to recover in the post-pandemic period. Starting from September 2021, the Brown category will also benefit from the migration to the DVB-T2 Hevc standard, decided by the Government to free up television frequencies for the benefit of 5G telephony and destined to give a significant boost to the TV segment.

At channel level, the lifting of restrictions on trade and the mobility of people will provide a new impetus to physical stores, while e-commerce will slow its growth, without however regressing to pre-Covid levels, in light of the consumer patterns that have profoundly changed by now.

In general, in 2021/22, the Italian market is therefore expected to make further progress compared to the previous year, supported by growth in value rather than by the increase in volumes. Said phenomenon will allow a reduction of the gap still existing compared to the more mature European markets.

The Unieuro Management believes that the Group, thanks to its consolidated market leadership and a successful strategy even in times of pandemic, will continue to grow above the market, confirming its solidity and its ability to generate value, even in the absence of the non-repeatable benefits that characterised the performance of the year 2020/2021.

CONSOLIDATED FINANCIAL STATEMENTS
28/02/2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of Euro)		Year ended	
	Notes	28 February 2021	29 February 2020
Plant, machinery, equipment and other assets	5.1	71,526	84,696
Goodwill	5.2	195,238	195,238
Intangible assets with definite useful life	5.3	32,927	27,247
Assets for rights of use	5.4	451,622	478,286
Deferred tax assets	5.5	40,766	38,617
Other non-current assets	5.6	10,082	11,931
Total non-current assets		802,161	836,015
Inventories	5.7	372,053	369,788
Trade receivables	5.8	65,314	51,288
Current tax assets	5.9	-	-
Other current assets	5.6	19,069	25,355
Cash and cash equivalents	5.10	219,366	96,712
Total current assets		675,802	543,143
Total assets		1,477,963	1,379,158
Share capital	5.11	4,053	4,000
Reserves	5.11	75,588	38,316
Profit/(loss) carried forward	5.11	73,654	53,842
Profit/(Loss) of third parties	5.11	-	-
Total shareholders' equity		153,295	96,158
Financial liabilities	5.12	39,068	31,643
Employee benefits	5.13	12,979	11,988
Other financial liabilities	5.14	399,562	444,532
Provisions	5.15	20,752	8,679
Deferred tax liabilities	5.5	3,637	3,463
Other non-current liabilities	5.16	26	26
Total non-current liabilities		476,024	500,331
Financial liabilities	5.12	9,659	9,520
Other financial liabilities	5.14	68,202	69,419
Trade payables	5.17	505,066	479,608
Current tax liabilities	5.9	3,789	1,449
Provisions	5.15	754	1,245
Other current liabilities	5.16	261,174	221,428
Total current liabilities		848,644	782,669
Total liabilities and shareholders' equity		1,477,963	1,379,158

The notes are an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT

(In thousands of Euro)		Year ended	
	Notes	28 February 2021	29 February 2020
Revenue	5.18	2,685,224	2,444,897
Other income	5.19	905	5,126
TOTAL REVENUE AND INCOME		**2,686,129**	**2,450,023**
Purchases of materials and external services	5.20	(2,342,374)	(2,135,414)
Personnel costs	5.21	(175,824)	(185,407)
Changes in inventory	5.7	2,264	7,446
Other operating costs and expenses	5.22	(6,805)	(7,263)
GROSS OPERATING RESULT		**163,390**	**129,385**
Amortisation, depreciation and write-downs	5.23	(91,186)	(88,802)
NET OPERATING RESULT		**72,204**	**40,583**
Financial income	5.24	76	91
Financial expenses	5.24	(13,365)	(14,299)
PROFIT BEFORE TAX		**58,915**	**26,375**
Income taxes	5.25	(5,365)	(779)
PROFIT/(LOSS) FOR THE YEAR		**53,550**	**25,596**
Profit/(loss) of the Group for the financial year	5.11	**53,550**	**25,596**
Profit/(loss) of the third parties for the financial year	5.11	-	-
Basic earnings per share (in Euro)	5.26	2.68	1.28
Diluted earnings per share (in Euro)	5.26	2.68	1.28

The notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(In thousands of Euro)		Year ended	
	Notes	28 February 2021	29 February 2020
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR		**53,550**	**25,596**
Other components of comprehensive income that are or could be restated under profit/(loss) for the consolidated year:			
Gain/(losses) on cash flow hedges	5.14	290	(50)
Income taxes		(70)	12
Total other components of comprehensive income that are or could be restated under profit/(loss) for the consolidated year	5.11	**220**	**(38)**
Other components of comprehensive income that will not subsequently be restated under profit/(loss) for the consolidated year:			
Actuarial gains (losses) on defined benefit plans	5.13	(407)	(455)
Income taxes		116	131
Total other components of comprehensive income that will not subsequently be restated under profit/(loss) for the consolidated year:	5.11	**(291)**	**(324)**
Total comprehensive income for the consolidated year		**53,479**	**25,234**

The notes are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOWS STATEMENT[39]

(In thousands of Euro)	Notes	Year ended 28 February 2021	Year ended 29 February 2020
Cash flow from operations			
Consolidated profit/(loss) for the consolidated year	5.11	53,550	25,596
Adjustments for:			
Income taxes	5.25	5,365	779
Net financial expenses (income)	5.24	13,289	14,208
Depreciation, amortisation and write-downs of fixed assets	5.23	91,186	88,802
Other changes		354	1,446
		163,744	130,831
Changes in:			
- Inventories	5.7	(2,265)	(7,446)
- Trade receivables	5.8	(14,026)	(10,000)
- Trade payables	5.17	26,333	7,992
- Other changes in operating assets and liabilities	5.6-5.15-5.16	52,039	28,558
Cash flow generated/(absorbed) by operating activities		62,081	19,104
Taxes paid	5.25	(2,535)	(3,677)
Interest paid	5.24	(12,359)	(13,515)
Net cash flow generated/(absorbed) by operating activities	5.27	210,931	132,743
Cash flow from investment activities			
Purchases of plant, machinery, equipment and other assets	5.1	(17,789)	(16,003)
Purchases of intangible assets	5.3	(14,463)	(11,844)
Investments for business combinations and business units	5.14	(8,418)	(11,964)
Net cash inflow from acquisition	5.10	-	10
Cash flow generated/(absorbed) by investment activities	5.27	(40,851)	(39,801)
Cash flow from investment activities			
Increase/(Decrease) in financial liabilities	5.12	6,846	(3,223)
Increase/(Decrease) in other financial liabilities	5.14	(1,669)	(1,660)
Increase/(Decrease) in financial liabilities - IFRS 16 Leases	5.14	(55,907)	(54,435)
Exercise - Long Term Incentive Plan	5.13	3,304	-
Distribution of dividends	5.11	-	(21,400)
Cash flow generated/(absorbed) by financing activities	5.27	(47,426)	(80,718)
Net increase/(decrease) in cash and cash equivalents		122,654	12,224
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		96,712	84,488
Net increase/(decrease) in cash and cash equivalents		122,654	12,224
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		219,366	96,712

The notes are an integral part of these consolidated financial statements.

[39] For the purpose of better representation, the cash flows relating to IFRS 16 leases were reclassified from the item “Cash flow generated/(absorbed) by investment activities” to the item “Cash flow generated/(absorbed) by financing activities”.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(In thousands of Euro)	Notes	Share capital	Legal reserve	Extraordinary reserve	Cash flow hedge reserve	Reserve for actuarial profits/ (losses) on defined benefits plans	Reserve for share-based payments	Other reserves	Profits/ (losses) carried forward	Total shareholders' equity	Minority interests	Total shareholders' equity
Balance as at 28 February 2019	5.11	4,000	800	-	(315)	(1,247)	3,376	26,944	57,319	90,877	-	90,877
Effect of changes in accounting standard IFRS 16		-	-	-	-	-	-	-	-	-	-	-
Adjusted balance as at 1 March 2019		4,000	800	-	(315)	(1,247)	3,376	26,944	57,319	90,877	-	90,877
Profit/(loss) for the consolidated year		-	-	-	-	-	-	-	25,596	25,596	-	25,596
Other components of comprehensive income		-	-	-	(38)	(324)	-			(362)	-	(362)
Total statement of comprehensive income for the consolidated year		-	-	-	(38)	(324)	-	-	25. 596	25,234	-	25,234
Allocation of prior year result		-	-	6,769	-	-	-	-	(6,769)	-	-	-
Distribution of dividends		-	-	-	-	-	-	-	(21,400)	(21,400)	-	(21,400)
Share-based payment settled with equity instruments		-	-	-	-	-	2,351	-	(904)	1,447	-	1,447
Total transactions with shareholders		-	-	6,769	-	-	2,351	-	(29,073)	(19,953)	-	(19,953)
Balance as at 29 February 2020	5.11	4,000	800	6,769	(353)	(1,571)	5,727	26,944	53,842	96,158	-	96,158
Profit/(loss) for the period		-	-	-	-	-	-	-	53,550	53,550	-	53,550
Other components of comprehensive income		-	-	-	220	(291)	-			(71)	-	(71)
Total comprehensive income for the period		-	-	-	220	(291)	-	-	53,550	53,479	-	53,479
Allocation of prior year result		-	-	35,750	-	-	-	-	(35,750)	-	-	-
Covering retained losses and negative reserves		-	-	-	-	-	-		-	-	-	-
Distribution of dividends		-	-	-	-	-	-	-	-	-	-	-
Share-based payment settled with equity instruments		53	-	-	-	-	(1,658)	3,251	2,012	3,658	-	3,658
Total transactions with shareholders		53	-	35,750	-	-	(1,658)	3,251	(33,738)	3,658	-	3,658
Balance as at 28 February 2021	5.11	4,053	800	42,519	(133)	(1,862)	4,069	30,195	73,654	153,295	-	153,295

The notes are an integral part of these consolidated financial statements.

NOTES

1. INTRODUCTION

The Unieuro Group (hereinafter also the “Group” or “Unieuro Group”) came into existence following the acquisition by Unieuro S.p.A. of the entire share capital of Monclick S.r.l., consolidated from 1 June 2017 and the share capital of Carini Retail S.r.l., consolidated from 1 March 2019 and subsequently merged into Unieuro S.p.A. with statutory effect beginning from 1 September 2020 and accounting effects beginning from 1 March 2020.

The company Unieuro S.p.A. (hereinafter also the "Company" or "Unieuro" or "UE") is a company incorporated under Italian law based in Forlì in Via Piero Maroncelli 10, founded in the late 1930s by Vittorio Silvestrini. Unieuro is now the leading company in the distribution of consumer electronics and appliances in Italy and it operates as an integrated omnichannel distributor in four major product segments: Grey (telephone systems, computers and photos), White (large and small appliances), Brown (consumer electronics and media storage), Other Products (consoles, video games, bicycles) and offering parallel ancillary services such as delivery and installation, extended warranties and consumer financing.

The company Monclick S.r.l. (hereinafter also known as “Monclick” or “MK”) wholly-owned by Unieuro, is a company under Italian law with its registered office in Vimercate at Via Energy Park 22, which sells online I.T., electronic, telephone products and appliances in Italy through its website www.monclick.it, offering a catalogue with over 70,000 items and guaranteeing a comprehensive purchasing experience completed through the home delivery and installation of the chosen product. It also operates in the segment known as B2B2C, where the customers are operators which need to purchase electronic products to distribute to their regular customers or employees to accumulate points or participate in competitions or incentive plans.

In execution of the resolutions passed on 18 March 2020, on 5 August 2020 the Board of Directors of Unieuro and the Extraordinary Shareholders' Meeting of Carini Retail Unieuro and Carini Retail S.r.l. with sole shareholder (hereinafter also referred to as "Carini" or "Carini Retail") each signed the deed for the merger by incorporation of the subsidiary Carini Retail into the parent company Unieuro (the "Merger"). The statutory effects of the Merger will take effect from 1 September 2020, while the accounting and tax effects will begin from the first day of the financial year during which the Merger was completed pursuant to Article 2504-bis, paragraph 2, of the Italian Civil Code. (1 March 2020). The Merger did not involve any increase in the share capital of the merging company Unieuro, as the latter holds the entire share capital of the merged company Carini Retail.

The Group's mission is to accompany customers in all phases of their shopping experience, placing them at the centre of an integrated ecosystem of products and services with a strategic approach focusing on accessibility, a local presence and nearness.

Since April 2017, Unieuro shares have been listed on the STAR segment of the Milan stock exchange and the Company is in all respects a public company. In April 2020, the telecommunications operator Iliad announced the purchase of a stake equal to approximately

12% of the share capital of Unieuro, of which 1.9% through an equity swap contract expiring on 17 September 2021[40]. Based on the information available to date, the other major shareholders of Unieuro are[41] the asset management company Amundi Asset Management (6.8% of the capital), some members of the Silvestrini family that overall own 7.3%, Mediolanum Gestione Fondi Sgr (4.9%) and J.P. Morgan Asset Management (3.3%).

[40] Ref. Press Release 6 April 2021.

[41] Sources: Consob; Minutes of the Shareholders' Meeting of 17 December 2020.

2. CRITERIA ADOPTED FOR PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SUMMARY OF THE ACCOUNTING PRINCIPLES

Below are the preparation criteria, the main accounting principles and valuation criteria adopted for the drafting of the Consolidated Financial Statements. Said principles and criteria have been applied consistently for all the years presented in this document, taking into account as specified in note 2.7.1 "Changes to accounting standards".

2.1 Basis of preparation of the Consolidated Financial Statements

The Group's Consolidated Financial Statements comprise the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for financial year ended 28 February 2021, as well as the statement of financial position, the income statement, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for financial year ended 28 February 2021 and 29 February 2020 of Unieuro and the related notes to the financial statements.

2.2 Preparation criteria for the Consolidated Financial Statements

The Consolidated Financial Statements of the Unieuro Group were drafted on a going-concern basis, since the directors verified that there were no indicators of a financial, operating or other nature of any critical areas regarding the Group's ability to honour its obligations in the foreseeable future and over the next 12 months; for further details on the impact of the Covid-19 pandemic, please see section 12."Coronavirus Epidemic" in the Report on Operations.

The Consolidated Financial Statements were drafted on the basis of the historical cost criteria, except for the derivative financial instruments which were measured at their fair value.

Please see the Report on Operations for information regarding the nature of the company's operations and significant events after the balance sheet date.

As at 28 February 2021, the Group is composed as follows:

(In thousands of Euro)	Share Capital	% of ownership	Parent company
Unieuro S.p.A.	4,000.00		

Monclick S.r.l.	100.00	100.00%	Unieuro S.p.A.

It is hereby noted that, on 5 August 2020, Unieuro and Carini Retail signed the merger deed. The statutory effects of the Merger will take effect from 1 September 2020, while the accounting and tax effects will begin from the first day of the financial year during which the Merger was completed pursuant to Article 2504-bis, paragraph 2, of the Italian Civil Code. (1 March 2020).

The major shareholders of Unieuro as at 28 February 2021 are listed in the Introduction.

The Consolidated Financial Statements are presented in Euros, the functional currency of the Group. The amounts are expressed in thousands of Euro, except as specifically indicated. The rounding is done at the individual account level and then totalled. It is hereby specified that any differences found in any tables are due to rounding of amounts which are expressed in thousands of Euro.

The Consolidated Financial Statements as at 28 February 2021, approved by the Board of Directors on 06 May 2021, have been audited and will be submitted for approval to the Shareholders' Meeting.

2.3 Statement of compliance with IFRS

The Consolidated Financial Statements were prepared in compliance with the International Accounting standards (IAS/IFRS) which are issued by the International Accounting Standards Board (IASB) and their relative interpretations (SIC/IFRIC), adopted by the European Union.

Furthermore, the Consolidated Financial Statements were prepared in compliance with the provisions adopted by Consob for financial statements in application of article 9 of Legislative Decree 38/2005 and other rules and provisions issued by Consob regarding financial statements. In particular it is hereby noted that with regard to Consob resolution 15519 of 27 July 2006 and Communication no. DEM6064293 of 28 July 2006 regarding financial statements, specific schedules have been added to the consolidated income, consolidated balance sheet and consolidated cash flow statements indicating significant relations with related parties and specific income statement schedules indicating, for each item, the non-recurring component.

2.4 Consolidated Financial Statement Schedules

In addition to these notes, the Consolidated Financial Statements consist of the following schedules:

A) Consolidated statement of financial position: the presentation of the consolidated statement of financial position is shown by distinctly presenting current and non-current assets and current and non-current liabilities. This includes a description in the notes for each asset and liability item of the amounts that are expected to be recovered or settled within or later than 12 months from the reference date of the Consolidated Financial Statements.

B) Consolidated income statement: the classification of the costs in the income statement is based on their nature, showing the interim results relative to the gross operating result, the net operating result and the result before taxes.

C) Consolidated statement of comprehensive income: this item includes the profit/(loss) for the year as well as the income and expenses recognised directly in equity for transactions other than those with shareholders.

D) Statement of consolidated cash flows: the statement of consolidated cash flows contains the cash flows from operations, investments and financing. The cash flows from operations are shown using the indirect method through which the result for the year is adjusted for the effects of non-monetary transactions, any deferral or allocation of previous or future collections or payments related to operations and revenue elements connected to cash flows arising from investment or financing activities.

E) Consolidated statement of changes in equity: this schedule includes, in addition to the results of the comprehensive income statement, also the transactions that were carried out directly with shareholders that acted in their capacity as such and the breakdown of each individual component. Where applicable, the statement also includes the effects arising from changes in the accounting standards in terms of each equity item.

The Consolidated Financial Statements are shown in comparative form.

2.5 Consolidation policies and scope of consolidation

The Consolidated Financial Statements as at 28 February 2021 include the financial statements of the parent company, Unieuro S.p.A., and its subsidiary Monclick S.r.l.

The group company statements used for full consolidated have been duly amended and reclassified, in order to align them with the aforementioned international accounting standards.

Subsidiaries

These are companies over which the Group exercises control as defined by IFRS 10. This control exists when the Group has the power, directly or indirectly, to determine the financial and operating standards of an enterprise to obtain benefits from its activities. The financial statements of the subsidiary are included in the Consolidated Financial Statements from the date on which control over it was assumed until this control ceases.

For the purposes of consolidation of the subsidiaries, the total integration method is applied, thus assuming the full amount of the financial assets and liabilities and all costs and revenues. The book value of the consolidated investment is then eliminated from the related shareholders' equity. The share of shareholders' equity and the result relating to the minority shareholders is shown respectively in a special item in shareholders' equity and in the consolidated income statement.

In accordance with IFRS 3, the subsidiary acquired by the Group is accounted for using the purchase method, whereby:

- the acquisition cost is the fair value of the divested assets, considering the issuance of equity instruments, and liabilities assumed, plus directly attributable transaction costs;
- the excess of the acquisition cost compared to the market value of the Group's share in the net assets is recorded as goodwill;
- if the acquisition cost is less than the fair value of the Group's share in the net assets of the acquired subsidiary, the difference is recognised directly in the income statement.

Transactions eliminated in the consolidation process

The preparation of the Consolidated Financial Statements eliminated all the significant balances and transactions between Group companies, as well as unrealised gains and losses resulting from intragroup transactions. Unrealised gains and losses generated by transactions with jointly controlled entities and/or associated companies are eliminated depending on the percentage share of Unieuro Group's participation in that company.

2.6 The use of estimates and valuations in the preparation of the Consolidated Financial Statements

In application of the IFRS, the preparation of the Consolidated Financial Statements requires the usage of estimates and assumptions that have an effect on the values of the assets and liabilities of the Consolidated Financial Statements and the information regarding the contingent assets and liabilities at the date of reference. The estimates and assumptions are based on elements which are known as at the date that the Consolidated Financial Statements are prepared, are based on the experience of the management and other elements - if any - considered to be significant. The actual figures may differ from the estimates. Management uses estimates to make provisions for credit risks and legal disputes, warehouse obsolescence, assets for which costs are capitalised in order to secure a contract, contract liability on the sale of warranty extension services, liabilities for leasing and right-of-use assets, performing asset valuations, testing goodwill for impairment, determining employee benefits and the share-based payments plan on an actuarial basis, as well as estimating the fair value of derivatives and calculating the recoverability of deferred tax assets.

The estimates and assumptions are reviewed periodically and the effects of each change are reflected in profit and loss.

Following is a summary of the critical valuation processes and the key assumptions used by the Group in applying the IFRS, which can have significant effects on the values recognised in the Consolidated Financial Statements and for which there is a risk that differences of a significant amount could arise compared to the book value of the assets and liabilities in the future.

Recoverable value of non-current assets

Non-current assets include property, plant, machinery, equipment and other assets, goodwill, software and trademarks and other non-current assets. The Group periodically reviews the book value of non-current assets held and used and the book value of assets that are held for sale, when the facts and circumstances require this review. In the case of goodwill, this analysis is conducted once per year and whenever facts and circumstances indicate a possibility of impairment. Analysis whether the book value of a non-current asset is recoverable is generally carried out using expected cash flow estimates from the sale or use of the asset and adequate discount rates for calculation of its current value. When the book value of a non-current asset has become impaired, the Group writes down the excess of the book value of the asset and its recoverable value through usage or sale thereof, determined with reference to the cash flows used for the recent business plans.

The estimates and assumptions used as part of this analysis, in particular the impairment tests carried out on goodwill, reflect the status of the Group's knowledge regarding the business developments and take into account provisions that are considered to be a reasonable insofar as the future developments on the market and in the sector, but they are nevertheless still subject to a high degree of uncertainty.

Recoverability of deferred tax assets

The Group recognises deferred tax assets up to the value which it considers to be probable that it will recover. Where necessary, the Group makes adjustments to reduce the value of a deferred tax asset down to the value that it considers probable to recover. In assessing the recoverability of deferred tax assets, budget results and provisions for subsequent years are used coherently with those used for the impairment testing which are described in the previous paragraph relative to the recoverable value of non-current assets.

Bad debt provision

The provision for bad debts reflects management estimates regarding losses from the trade receivables portfolio. The provision for bad debts is based on losses expected by management, determined depending on past experience for similar receivables, current and historical past due amounts, losses and collections, careful monitoring of credit quality and projections regarding the economic and market conditions.

Obsolescence Provision

The stock write-down provision reflects management estimates regarding the expected impairment of the assets, determined based on past experience and historical performance and expected performance of the market, including following specific actions by the Company. This estimate makes it possible to bring the value of the inventories to the lower of the cost and the presumably realizable value.

Contract asset related to the sale of warranty extension services

The extension of a product guarantee over and above the guarantee required of the manufacturer by the law is among the services that the Group offers to its customers. This service is sold directly in the sales outlets by recognising an additional amount to that of the product sold. Sales reps are awarded an incentive for each additional sale of extended warranty services.

When guarantee services are sold, the Group recognises an asset equal to the value of bonuses paid to employees, then recognises this asset as cost throughout the time that the services are being provided. The release of this asset as a cost is determined on the basis of the estimated interventions for repairs under warranty in line with the reversal of the contract liability relating to the sale of warranty extension services.

Trade payables

The Unieuro Group has contracts for the supply of goods which include receipt of premiums and, in certain circumstances, contributions classified in trade payables. These premiums and contributions are recognised either as a percentage of the quantities purchased, or as a fixed figure on the quantities purchased or sold, or as a defined contribution. Especially with reference to those agreements whose term falls after the reporting date, which account for a minor share of the premiums and contributions for the year, their calculation is a complex accounting estimate entailing a high level of judgement as it is affected by many factors. The parameters and information used for the estimate are based on the purchased or sold volumes and valuations that consider historical figures of premiums and contributions actually paid by suppliers.

Contract liability related to the sale of warranty extension services

The extension of a product guarantee over and above the guarantee required of the manufacturer by the law is among the services that the Group offers to its customers. This service is offered by the Group and its affiliates and it is sold directly at the points of sale against an additional amount over and above the sales price.

The warranty extension compared to the legal requirement can be in timing (more years covered) and/or the risks covered (e.g., product damage) depending on the product category sold.

When guarantee services are sold, the Group recognises a liability equal to the sales value of this service, and then recognises it as revenue throughout the time that the services are being provided. The recognition of this liability as revenue is determined based on the interventions that have been estimated for repairs that are covered by the guarantee. The interventions for repairs that are under guarantee are estimated based on historical information regarding the nature, frequency and costs of the interventions under guarantee, duly interpolated to stimulate future curves of such events occurring.

Lease liabilities and right-of-use assets

The Group recognises the right-of-use asset and the lease liability. The right-of-use asset is initially valued at cost, and subsequently at cost, net of amortisation and cumulative impairment losses, and adjusted to reflect the revaluations of the lease liability.

The Group evaluates the lease liability at the present value of the payments due for unpaid leases at the effective date.

The lease liability is subsequently increased by the interest accruing on said liability and decreased by the payments due for the lease made and is revalued in the event of a change in future payments due for the lease deriving from a change in the index or rate, or when the Group changes its valuation with reference to the exercise or otherwise of an extension or termination.

Lease contracts in which the Group acts as lessee may provide for renewal options with effects, therefore, on the duration of the contract. Valuations on the existence of a relative certainty that this option is (or not) exercised can influence, even significantly, the amount of lease liabilities and right-of-use assets.

The Group classifies sub-leases in which it acts as a lessor, as financial leases.

Defined benefit plans and other post-employment benefits

The Group provides a defined benefit plan to its employees (employees severance indemnity).

For the employee benefits, the costs and net financial expenses are measured using actuarial methods requiring the use of estimates and assumptions for determination of the net value of an obligation. The actuarial method considers parameters of a financial nature such as, for example, the discount rate, rates of growth of remuneration and considers the probability of potential future events occurring through the use of parameters of a demographic nature such as for example the rates relative to mortality and resignations or retirement of employees. In particular, the discount rates used as a reference are rates or rate curves for corporate bonds with a high credit rating in their respective markets of reference. The changes in each of these parameters could affect the amount of the liability.

Provisions

The Group creates a provision for disputes and legal proceedings under way when it is considered probable that there will be a financial outlay and when the amount of the relative expenses can be reasonably estimated. If the amount of the financial outlay cannot be reasonably estimated or the probability of such a financial outlay becomes possible, no provision is established and the fact is indicated in the notes.

During the normal course of business, the Group monitors the status of the disputes which are ongoing and consults with its own legal and tax advisors. It is therefore possible that the value of the provisions for the disputes and lawsuits involving the Group may change as a result of future developments in the proceedings that are ongoing.

Share based payment plan settled with equity instruments

Long-Term Incentive Plan

The theories underlying the calculation were (i) volatility, (ii) risk rate (equal to the return on Eurozone zero-coupon bond securities maturing close to the date the options will be exercised), (iii) the exercise deadline equal to the period between the grant date and the exercise date of the option and (iv) the amount of expected dividends. Lastly, in line with the provisions of IFRS 2, the probability of the recipients leaving the plan and the probability of achieving the performance targets were taken into account. For more details, please see Note 5.28.

Performance shares 2020-2025

The fair value measurement is recorded according to an actuarial method. The assumptions underlying the calculation were: (i) the exercise term equal to the duration between the grant date and the assignment date, (ii) the share price at the time of valuation, (iii) the amount of expected dividends. Lastly, consistent with the requirements of IFRS 2, the probability of Recipients leaving and the probability of achieving performance targets of 100%. For more details, please see Note 5.28.

Hedging derivatives

The fair value of derivative instruments is determined based on the values observed on regulated markets or prices provided by financial counterparties. If the values and the sources mentioned are not available, the estimate is made using valuation models that take into account the objective valuations such as for example estimates of cash flows and expected volatility of prices.

2.7 Significant accounting standards

The accounting criteria and standards adopted for the preparation of these Consolidated Financial Statements were the same as those applied in preparing the Unieuro consolidated financial statements for the year ended 29 February 2020 apart from the new standards and/or supplements adopted described in Note 2.7.1. Changes to the accounting standards, listed below.

2.7.1 Changes to the accounting standards

On 28 May 2020, the IASB issued amendments to IFRS 16 "*Leases Covid-19-Related Rent Concessions*" introducing a practical expedient in the chapter “Changes to Leases" which allows lessees not to consider any concessions related to the effects of Covid-19 as concessions on lease payments received from 1 January 2020 that amend the original contract. On the basis of these changes, these concessions can be accounted for as positive variable rents without requiring a contractual change.

All the following conditions must be fulfilled in order for this exemption to be applied:

- the concession involving the payments is a direct consequence of the Covid-19 pandemic and the reduction in payments refers only to those originally due by June 2021;

- the change in payments has either left the same amount to be paid or reduced the amount of payment compared to the original terms and conditions;

- there are no material changes to other lease terms or conditions.

The amendments to IFRS 16 are effective from 1 June 2020 and early adoption is allowed. The approval process was concluded on 12 October 2020 and was published in the Official Journal of the European Union.

The concessions signed by the reference date of the Financial Report and recorded as positive variable lease payments in the income statement amount to Euro 9,911 thousand.

It should be noted that on 31 March 2021, the IASB published the amendment to IFRS 16 Leases: *Covid-19-Related Rent Concessions beyond 30 June 2021*, which extends by one year the period of application of the amendment to IFRS 16, issued in 2020, relating to the accounting of the concessions granted to lessees due to Covid-19. The European Union is still in the midst of the process of adopting this measure.

2.7.2 Significant accounting standards

Business combinations and goodwill

Business combinations are recognised using the acquisition method. As at the date the control is acquired, this requires recognition of their value of identifiable assets (including intangible fixed assets which had previously not been recognized) and identifiable liabilities (including contingent liabilities but not including future restructuring) of the acquired company.

Every contingent consideration is also recognised by the Group at its fair value on its acquisition date. Fair value gains and losses of the contingent consideration classified as assets or liabilities are recognized in profit or loss as required by IFRS 9. If the contingent liability is classified in shareholders' equity, its initial value will never be subsequently re-determined.

Goodwill arising from a business combination is initially measured at cost as the amount by which the fair value of the consideration paid exceeds the Group's portion of the net fair value of the assets, liabilities and contingent liabilities of the acquired company. Goodwill from a business combination is allocated, as at the acquisition date, to the individual cash generating units of the Group or groups of cash generating units that would benefit from the synergies of the combination, regardless whether other assets or liabilities of the Group have been assigned to these units or groups of units. Every unit or group of units to which goodwill is allocated:

- represent the lowest level within the Group at which the goodwill is monitored for internal management purposes;

- is not larger than the operating segments that have been identified.

When goodwill constitutes a part of a cash generating unit and a part of that internal asset and unit is sold, the goodwill associated with the sold asset is included in the book value of the asset for determination of the profit or the loss from the sale. The goodwill disposed of in those circumstances is measured based on the relative values of the activity disposed of and the portion of the units retained.

Any profits from the purchase of a company at favourable prices are immediately recognised in the income statement, while costs related to the combination, other than those which refer to the issue of bonds or equity instruments, are recognised as expenses in the profit/(loss) of the year in which they are incurred.

After initial recognition, goodwill is not amortised and it is decreased by any impairment losses, which are measured using the procedures described in the paragraph "Impairment losses of non-financial assets".

Operations which are under common control are recognized at their book values, without any capital gain, pursuant to the reference accounting standards, and the guidelines issued by the OPI 1 (preliminary Assirevi guidelines for IFRS), relative to the "accounting treatment of business combinations of entities under common control in the separate and consolidated financial statements". According to these guidelines, in the event of business combinations in which the acquired company is controlled by the same entity, whether before or after the acquisition, the net assets must be recognised at their book value recorded in the books of the acquired company prior to the operation. When the transfer values are higher than the historical values, the excess must be eliminated by adjusting the acquiring company's shareholders equity downwards.

Hierarchical levels of fair value measurement

Various accounting standards and several disclosure obligations require measurement of the fair value of assets and liabilities whether financial or non-financial. The fair value is the price that could be secured for the sale of an asset or which could be paid for the transfer of a liability in an arm's length transaction on the measurement date. To increase comparability of the data and the fair value measurements, the standard establishes a hierarchy identified in three different levels which reflects the significance of the inputs used in measuring the fair value. The levels identified are the following:

- Level 1: the inputs consist of listed prices (not amended) in active markets for identical assets or liabilities which the company can access on the measurement date. A listed price on an active market which is liquid is the most reliable proof for the fair value measurement, and if the market for the asset/liability is not unique it is necessary to identify the most beneficial market for the instrument;

- - Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or the liability has a specific duration, a level 2 input must be observable for the entire duration of the asset or the liability. Some examples of instruments which fall within the second hierarchical level are the following: assets or liabilities in markets which are not active or interest rates and yield curves which are observable at intervals that are commonly listed;

- - Level 3: unobservable inputs for the asset or liability. The non-observable inputs shall be used only if the inputs of level 1 and 2 are not available. Notwithstanding this, the purpose remains the same, that is to determine a closing price on the valuation date, therefore reflecting the assumptions that the market operators would use in determining the price of the asset or the liability, including the assumptions related to the risk.

Plant, machinery, equipment and other assets (tangible fixed assets)

Recognition and measurement

The tangible fixed assets are measured at cost of acquisition including the directly imputable ancillary expenses net of the depreciation and losses due to accumulated impairment.

Any financial expenses incurred for the acquisition or construction of capitalised assets for which a specific period of time is normally required in order to render the asset ready for usage or sale, are capitalised and amortised throughout the life of the asset class they refer to. All other financial expenses are recognised in the income statements during the year they refer to.

If a tangible fixed asset is composed of various components with differing useful lives, these components are recognised separately (if they are significant components).

The profit or the loss generated by the sale of property, plant, machinery, equipment and other assets is measured as the difference between the net consideration of the sale and the net residual value of the asset, and it is recognised in the income statement during the year in which the elimination takes place.

Subsequent costs

The costs incurred subsequently to the purges of the assets and the replacement cost of certain parts of the assets recognised in this category are added to the book value of the element they refer to and they are capitalised only if they increase the future economic benefits of the asset itself. All other costs are recognised in the income statement once incurred.

When the replacement cost of certain parts of the asset is capitalised, the net book value of the replaced parts is allocated to the income statement. The extraordinary maintenance expenses which increase the useful life of the tangible fixed assets are capitalised and amortised on the basis of the residual possibility of use of that asset. The costs for ordinary maintenance are recognised in the income statement in the year in which they are incurred.

Assets under construction are recognised at cost under assets under construction for as long as their construction is not available for use; when they become available for use, the cost is classified in the relative item and depreciated.

Depreciation

The depreciation period begins from the time the asset becomes available for use and ends on the earliest of the date on which the asset is classified as held for sale, pursuant to IFRS 5, and the date on which the asset is eliminated from the books. Any changes to the depreciation schedule are applied prospectively.

The value to be depreciated is the book value minus the presumable net sales value at the end of the asset's useful life, if it is significant and can be reliably measured.

The depreciation rates are determined according to economic - technical rates in relation to the estimated useful life of the individual assets established pursuant to the company plans for usage which also consider the physical and technological wear and take into account the presumable realizable value estimated net of costs for scrapping the asset. When the tangible asset consists of several significant components with different useful lives, each component is appreciated separately. When events occur that indicate possible impairment of tangible fixed assets, or when there are significant reductions in the market value of these assets, significant technological changes or significant obsolescence, the net book value, regardless of the depreciation that has already been recognised, is subject to verification based on an estimate of the current value of future cash flows and eventually adjusted. Subsequently if such conditions do not come to pass, the impairment will be written down to the book value that would have existed (net of depreciation) if the impairment of the asset had never been recognised.

The depreciation is calculated on an accrual basis according to the estimated useful life of the asset, by applying the following percentages:

Category	% used
Plant and machinery	15%
Fixtures and fittings, tools and other equipment	15%
Electronic machinery	20%
Furniture	15%
Office fixtures and fittings and machinery	12%
Automobiles	25%
Mobile phones	20%
Leasehold improvements	throughout the duration of the contract
Other assets	15%-20%

Intangible assets with definite useful life

Initial recognition and measurement

The intangible fixed assets acquired separately are initially capitalized at cost while those that are acquired through business combinations are capitalized at fair value on their acquisition date. After initial recognition the intangible fixed assets are recognised at cost, net of amortization and any accumulated impairment.

Subsequent costs

Costs incurred subsequently to purchase are capitalised only when the expected future economic benefits which are attributable to the asset they refer to are increased. All other subsequent costs are recognised in the income statement once incurred.

Depreciation

Intangible fixed assets are amortized based on their useful life and they are tested for impairment whenever there are indications of a possible loss in their value. The period and method of amortization applied to them is re-examined at the end of each financial year or more frequently if necessary. Any changes to the depreciation schedule are applied prospectively.

The profits or the losses from elimination of an intangible fixed asset are measured from the difference between the net revenue from the sale and the book value of the intangible asset, and they are recognised in profit and loss in the year during which the elimination takes place.

The amortisation is calculated on an accrual basis according to the estimated useful life of the asset, by applying the following percentages:

Category	% used
Software	20%
Software- ERP	10%
Entry rights	Based on the duration of the lease beginning from the date that the shop opens
Brands	5-10%

Leased assets

The right-of-use asset is initially valued at cost, including the amount of the initial valuation of the lease liability, adjusted for the payments due for the lease made on or before the effective date, increased by the initial direct costs incurred and an estimate of the costs that the lessee will have to incur for the dismantling and removal of the underlying asset or for the restoration of the underlying asset or the site where it is located, net of lease incentives received.

The right-of-use asset is subsequently amortised on a straight-line basis from the effective date to the end of the lease term. Furthermore, the asset for the right of use is regularly reduced by any impairment losses and adjusted to reflect any changes deriving from subsequent valuations of the lease liability.

At the effective date of the lease, the Group recognises lease liabilities by measuring them at the present value of the payments due for the lease not yet paid at that date. Payments due include fixed payments (including fixed payments in substance) net of any lease incentives to be received, variable lease payments that depend on an index or rate, and amounts that are expected to be paid as residual value guarantees. The lease payments also include the exercise price of a purchase option if it is reasonably certain that this option will be exercised by the Group and the lease termination penalty payments, if the lease term takes into account the exercise by the Group of the termination option of the lease. Variable lease payments that are not dependent on an index or rate are recognised as costs in the period in which the event or condition that generated the payment occurs.

In calculating the present value of the payments due, the Group uses the marginal borrowing rate. After the effective date, the amount of the lease liability increases to reflect interest on the lease liability and decreases to reflect payments made. Furthermore, the carrying amount of lease payables is restated in the event of any changes to the lease or the revision of the contractual terms for the modification of payments; it is also restated in the presence of changes in future payments resulting from a change in the index or rate used to determine such payments.

The Group applies the exemption for the recognition of leases relating to assets of modest value and to contracts with a duration of 12 months or less.

The Group, in its capacity as intermediate lessor in a sub-lease agreement, classifies the sub-lease as financial with reference to the assets consisting in the right of use deriving from the main lease.

The Group adopted the amendment to IFRS 16 *Leases Covid-19-Related Rent Concessions*, which allows lessees not to consider as an amendment to the original contract any rent concessions provided from 1 January 2020 extended to offset the effects of Covid-19. On the basis of these changes, the above-mentioned concessions were accounted for as positive variable rents without requiring a contractual amendment. For more details, please refer to section 2.7.1 Changes to the accounting standards.

Financial assets

The Group determines the classification of its financial assets on the basis of the business model adopted to manage them and the characteristics of the related cash flows and, where appropriate and permitted, reviews this classification at the end of each year.

a) Financial assets measured at amortised cost

Financial assets for which the following requirements are met are classified in this category:

(i) the asset is held as part of a business model the objective of which is to own the asset aimed at collecting contractual cash flows; and

(ii) the contractual terms of the asset provide for cash flows represented solely by payments of principal and interest on the amount of principal to be repaid.

These are mainly receivables from customers, loans and other receivables.

Trade receivables that do not contain a significant financial component are recognised at the price defined for the related transaction (determined according to the provisions of IFRS 15 Revenue from contracts with customers).

Other receivables and loans are initially recognised in the financial statements at their fair value increased by any accessory costs directly attributable to the transactions that generated them.

Assigned receivables are derecognised if the assignment provides for the total transfer of the connected risks and benefits (contractual rights to receive the flows from a financial asset). The difference between the carrying amount of the asset sold and the consideration received is recognised as financial components of income.

In the subsequent measurement, financial assets at amortised cost, with the exception of receivables that do not contain a significant financial component, use the effective interest rate. The effects of this measurement are recognised as financial components of income.

With reference to the impairment model, the Group evaluates receivables by adopting an expected loss logic.

For trade receivables, the Group adopts a simplified approach to valuation that does not require the recognition of periodic changes in credit risk, but rather the accounting of an Expected Credit Loss (ECL) calculated over the entire life of the credit (lifetime ECL). In particular, trade receivables are fully written down in the absence of a reasonable expectation of recovery (e.g. bankruptcy situations).

Write-downs made pursuant to IFRS 9 are recognised in the consolidated income statement net of any positive effects associated with releases or write-backs of value and are represented under operating costs.

b) Financial assets at fair value with balancing entry in the comprehensive income statement (FVOCI)

Financial assets for which the following requirements are met are classified in this category:

(i) the asset is held as part of a business model the objective of which is achieved both through the collection of contractual cash flows and through the sale of the asset; and

(ii) the contractual terms of the asset provide for cash flows represented solely by payments of principal and interest on the amount of principal to be repaid.

These assets are initially recognised in the financial statements at their fair value increased by any accessory costs directly attributable to the transactions that generated them. In the subsequent measurement, the valuation made at the time of recognition is updated and any changes in fair value are recognised in the comprehensive income statement.

With reference to the impairment model, as described in point a) above is followed.

c) Financial assets at fair value with balancing entry in the consolidated income statement (FVPL)

Financial assets that are not classified in any of the previous categories (i.e. residual category) are classified in this category. These are mainly derivative instruments.

The assets belonging to this category are recognised at fair value at the time of their initial recognition.

The ancillary costs incurred when recording the asset are immediately recognised in the consolidated income statement.

In the subsequent measurement, FVPL financial assets are measured at fair value.

Gains and losses deriving from changes in fair value are accounted for in the consolidated income statement in the period in which they are recognised.

Purchases and sales of financial assets are accounted for at the settlement date.

Financial assets are removed from the financial statements when the related contractual rights expire, or when the Group transfers all the risks and benefits of ownership of the financial asset.

Inventories

The inventories are measured at the lower of the cost and net realizable value. The cost of inventories includes all costs required to bring the inventories to their current location and status. This includes in particular the purchase price net of premiums attributable to products and other costs which are directly attributable to the purchase of the merchandise. Commercial discounts, returns and other similar items are deducted when determining the acquisition cost. The method used for the cost of inventories is the average weighted cost method.

The value of the obsolete and slow moving inventories is written down in relation to the possibility of use or realization, through Inventory bad debt provision.

Cash and cash equivalents

The cash and cash equivalents include cash on hand and sight and short term deposits of no more than three months. For the purpose of the cash flow, the cash and cash equivalents are represented as cash on hand as defined above, net of bank overdrafts.

Financial liabilities

The financial liabilities are initially recognized at the fair value of the consideration received net of the transaction costs that are directly attributable to the loan itself. After initial recognition, the financial liabilities are measured using the amortised cost criteria, applying the effective interest rate method. Amortization at the effective interest rate method is included among financial liabilities in the income statement.

If there is a change in expected cash flows, the value of the liabilities is recalculated to reflect that change on the basis of the present value of the new expected cash flows and the internal rate of return determined initially.

Liabilities arising from employee benefits

Post-employment benefits may be offered to employees through defined contribution plans and/or defined benefit plans. These benefits are based on the remuneration and the years of service of the employees.

Defined contribution plans are post-employment benefit plans based on which the Group and, sometimes, its employees pay contributions of a specific amount into a distinct entity (a fund) and the Group does not and will not have a legal or implicit obligation to pay additional contributions if the fund does not have assets that are sufficient to cover the obligations to the employees.

The defined benefit plans are plans for benefits after the end of the employment relationship, which differ from defined contribution plans. Defined benefit plans can be financed either completely or partially by contributions paid by the company, and sometimes by its employees, to a company or a fund, which is legally distinct from the company that provides the benefits to the employees.

The amount which accrues is projected into the future to estimate the amount payable upon termination of the employment relationship and subsequently discounted to take into account the time that has passed prior to the actual payment.

The adjustments to the liabilities regarding employee benefits are determined on the basis of actuarial assumptions, which are based on demographic and financial assumptions and recognised on an accrual basis concurrently with the employment services required in order to obtain the benefit. The amount of the rights accrued during the year by the employees and the portion of the interests on the accrued amount at the beginning of the period and the corresponding movements referring to the same period observed is allocated to the income statement under the item "Personnel expenses" while the financial expense arising from the actuarial calculation is recognised in the comprehensive statement of income under the item "Profit (loss) from restatement of defined benefit plans".

The actuarial valuation is carried out by an actuary who is not employed by the Group.

Following the amendments made to the employee severance indemnity ("TFR") provisions of Law 296 of 27 December 2006 and the subsequent decrees and regulations ("Social Security Reform") issued in the initial months of 2007:

- the TFR accrued up to 31 December 2006 is considered to be a defined benefit plan pursuant to IAS 19. Benefits provided to employees in the form of TFR which are granted upon termination of the employment relationship are recognised in the vesting period;

- TFR which accrues subsequently to 1 January 2007 is considered to be a defined contribution plan and therefore the contributions accrued during the period are recognised as a cost in their entirety and the portion which has not yet been paid is recognised as a liability under "Other current liabilities".

Provisions

The allocations to provisions are made when the Group is required to fulfil an actual obligation (whether legal or implicit) which refers to a past event, when an outlay is possible for discharge of the obligation and it is possible to reliably estimate the amount thereof. When the Group believes that allocation to the provision will be partially or fully refunded, for example in the case of risks covered by insurance policies, the indemnification is recognised distinctly and separately in assets if, and only if, it is practically certain. In this case, the cost of the eventual allocation is shown in the income statement net of the amount recognised for the indemnification. If the effect of discounting the value of money is significant, the non-current portion of the allocations is discounted.

Restructuring provision

A provision is established for restructuring when there is a detailed and official programme for restructuring that has been approved and the restructuring has begun or the main aspects of which have been publicly disclosed to third parties.

Trade payables

Trade payables are recognized at their nominal amount, net of premiums, discounts, returns or invoicing adjustments, which is equal to the fair value of the company's obligation. When a financial transaction takes place based on the terms of payment that have been agreed, the payables are measured at amortised cost through discounting of the nominal value receivable, with a discount recognised as a financial expense.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment of tangible and intangible assets. If there is any such indication, the Group tests the asset for impairment.

The accounting standard does not request formal preparation of an estimate of the recoverable value unless there are indications of impairment. Assets which are not available for use and goodwill acquired in business combinations which must be tested for impairment annually and whenever there is indication of impairment constitute the exception to this principle. The Group has set the balance sheet closing date as the time for testing of impairment of all assets for which annual testing is mandatory.

The impairment test is assigned to an expert who is not employed by the Group.

In evaluating whether there is an indication of impairment of an asset, the Group considers:

- an increase in the market interest rates or other investments that could influence the calculation of the Group's discount rate, thereby diminishing the recoverable value of the asset;

- significant changes in the technological environment and market in which the Group operates;

- physical obsolescence not related to the depreciation that the asset has undergone in a specific period of time;

- any extraordinary plans implemented during the year the impact of which is reflected on the asset constituting the object of the analysis (for example corporate restructuring plans);

- operating losses resulting from interim results.

If the analysis shows that there are potential losses due to impairment, the management will make a preliminary check relative to the useful life, the amortisation criterion, and the residual value of the asset and, based on the applicable accounting standard, shall make any amendments to these parameters; specific analysis relative to the impairment of the asset will take place at a later time.

As described in IAS 36, the recoverable value of an asset is the higher of the value in use and the fair value (net of costs to sell) of the asset itself. Furthermore, in the definition provided in the international accounting standard, the instructions are the same whether they refer to a single asset or to cash flow generating units.

In order to better understand the provisions of IAS 36, we provide below some key definitions:

Value in use: the value in use is the current value of all the cash flows of an asset or a generating unit, constituting the object of the valuation, which are expected to originate from it. In particular, an asset generates cash flows, which will be discounted at a pre-tax rate which reflects the market valuations on the current value of money and the specific risks inherent in the asset. These cash flows are determined based on the company's business plan. These plans are constructed on the basis of detailed budgets and separate calculations for each asset/cash generating unit. The budgets used do not include the effects arising from the extraordinary activities (restructuring, sales and acquisitions) and cover a period of time of up to five financial years;

Fair value: it represents the price that could be secured for the sale of an asset or which could be paid for the transfer of a liability in an arm’s length transaction on the measurement date. To determine the fair value of an asset, the Group uses valuation models that use listed shares, models with valuation multipliers and other available indicators as a reference;

Cash generating units (or cash flows): a cash generating unit (CGU) is a group of assets which, together, generate cash flows that are incoming or outgoing regardless of the cash flows generated by other assets and activities. A group of assets is the smallest identifiable group able to generate incoming cash flows;

Book value: the book value is the value of assets net of depreciation, write-downs and write backs.

The accounting standard provides the option of selecting either the fair value or the value in use. In fact, if one of the two values is higher than the book value, it is not necessary to identify the other amount as well. It may not be possible to determine fair value of an asset or a cash-generating unit because there is no basis for making a reliable estimate of the amount obtainable from the sale of the asset in an orderly transaction between market operators. In these cases, the value in use can be considered as the recoverable value of the asset.

Once all the useful values have been identified and determined in terms of evaluating the asset or the CGU, the book value is compared with the recoverable value and if the book value is higher than the recoverable value, the Group will write down the asset to its recoverable value.

On each balance sheet closing date, the Group will furthermore measure, in regard to all the assets other than goodwill, eventual existence or non-existence of impairment that has previously been recognised and, should these indications exist, the recoverable value is estimated. The value of an asset that has previously been written down can be written back only if there are changes in the estimates on which the recoverable value calculation which resulted in recognition of the last impairment was based.

The write-back cannot exceed the book value that would have existed, net of depreciation and amortization, if no impairment loss had been recognised in previous years. This write back is recognised in the income statement.

Derivative financial instruments and hedge accounting

The Group holds no derivative financial interests for speculative purposes. However, if the derivative financial instruments do not satisfy all the terms and conditions required for hedge accounting, the changes in fair value of these instruments are recognised in the income statement as financial expenses and/or income.

Therefore, the derivative financial instruments are recognised using hedge accounting rules when:

- the formal designation and documentation of the hedging relation itself exists from the beginning of the hedge;
- it is presumed that the hedge is highly effective;
- the effectiveness can be reliably measured and the hedge itself is highly effective during the periods of designation.

The Group uses the derivative financial instruments to cover their exposure to interest rate and currency risk.

The derivatives are initially measured at fair value; the transaction costs attributable to them are recognised in the income statement at the time that they are incurred. After initial recognition, the derivatives are measured at fair value. The relative changes are recognised as described below.

Cash flow hedges

The changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised directly in equity to the extent that the hedge is effective. For the non-effective portion, the changes in fair value are recognised in the income statement.

Recognition of the hedge, as indicated above, ceases prospectively if the instrument designated as the hedge:

- no longer satisfies the criteria for recognition as a hedge;
- reaches maturity;
- is sold;
- is ceased or exercised.

The accumulated profit or loss is kept in equity until the expected operation takes place. When the hedged element is a non-financial asset, the amount recognised in equity is transferred to the book value of the asset at the time that it is recognised. In other cases, the amount recognised in equity is transferred to the income statement in the same year in which the hedged element has an effect on the income statement.

Share based payment

Key executives and certain managers of the Group may receive a portion of their remuneration in the form of share based payments. Pursuant to IFRS 2, these are equity settled plans. The right to payment accrues over the vesting period during which the managers perform their duties as employees and reach performance targets. Therefore, during the vesting period, the current value of share based payments as at the assignment date is recognized in the income statement at cost with an offsetting entry in a special shareholders' equity reserve. Changes in the current value subsequent to the assignment date have no effect on the initial valuation. In particular, the cost, which corresponds to the current value of the options on the assignment date, is recognised among personnel costs on a straight line basis throughout the period from the date of the assignment and the date of maturity, with an offsetting entry recognised in shareholders' equity.

Cancellation of financial assets and liabilities

A financial asset (or, where applicable, the part of the similar financial asset) is cancelled from the balance sheet when:

- the rights to receive the cash flows from an asset have been extinguished;
- the Group reserves the right to receive cash flows from the asset, but has assumed the contractual obligation to pay them in full and without delay to a third party.

A financial liability is cancelled from the balance sheet when the obligation underlying the liability has been extinguished, or cancelled or fulfilled.

Revenue

Revenues from contracts with customers are recognised in accordance with IFRS 15. On the basis of the five-step model introduced by IFRS 15, the Group recognises revenues after identifying the contracts with its customers and the related services to be performed (transfer of goods and/or services), determining the amount to which it considers to be entitled in exchange for the performance of each of these services, and assessing the means of performing these services (fulfillment at a given time versus fulfillment over time).

Revenues are recognised when the performance obligations are met through the transfer of the goods or services promised to the customer. It is probable that the economic benefits will be achieved by the Group and the related amount can be reliably determined, regardless of the collection. The transaction price, which represents the amount of consideration that the entity expects to receive for the supply of goods or services to the customer, is allocated on the basis of separate sales prices (stand-alone selling prices) of the related performance obligations.

Revenues are measured not including discounts, reductions, bonuses or other taxes on sales.

The following specific recognition criteria for revenues must be complied with prior to allocation to the income statement:

Sale of assets

The revenue is recognised when the control of the asset is transferred to the customer and the company has transferred to the buyer all the significant risks and benefits connected to ownership of the asset, generally at the time that the consumer purchases the product at the point of sale, the delivery of the good to customer's home in the event of home delivery, or when the ownership is transferred in the wholesale and B2B channel. Moreover, sales in which delivery is deferred upon request of the purchaser ("bill and hold") are recognised as revenue at the time that the consumer makes the purchase. The revenue is recognised when the asset is available, has been identified and is ready to be delivered and furthermore deferral of the delivery has been requested by the purchaser. In the same way, the sales revenue is recognised at the time of purchase of the goods by the consumer even if the installation of the asset is necessary. The revenue is recognised immediately upon acceptance of the delivery by the buyer when the procedure installation is very simple (for example the installation of an appliance that requires only unpacking, electrical connection and connection).

The Group has a customer loyalty program which is based on points, the Unieuro Club, with which customers can accumulate loyalty points when they acquire products in points of sale bearing the Unieuro Brand. Once a specific minimum number of points have been collected, they can be used as a discount on the purchase of another product. The duration of the programme coincides with the fiscal year. The Group records an adjustment to the estimated revenues based on the points accrued which had not yet been spent, the value of the discount to be paid as provided by the loyalty program and the historical information regarding the percentage of loyalty point usage by customers.

Right of return

To account for the transfer of products with right of return, the Group records the following elements:

a) adjusts the sales revenues by the amount of the consideration for the products for which the return is expected;

b) recognises a liability for future repayments;

c) recognises an asset (and the corresponding adjustment of the cost of sales) for the right to recover the products from the customer upon settlement of the liability for future repayments.

Provision of services

Revenues and costs deriving from the provision of services (revenues realised over time) are recognised on the basis of the assessment of the entity's progress towards complete fulfillment of the obligation over time. In particular, the transfer over time is assessed on the basis of the input method, or considering the efforts or inputs employed by the Group to fulfill the single performance obligation.

For the sale of guarantee extension services over and above the guarantee provided by the manufacturer pursuant to the law, the Group recognises the revenue throughout the duration that the services are provided, based on the estimated interventions for repairs under guarantee. The interventions for repairs that are under guarantee are estimated based on historical information regarding the nature, frequency and costs of the interventions under guarantee, duly interpolated to stimulate future curves of such events occurring.

The Group incurs costs for the acquisition of the contract with multi-year duration.

These costs, typically represented by the bonuses paid to employees for each additional sale made and which will be recovered by means of the revenues deriving from the contract, have been capitalised as contract costs and amortised based on the assessment of the entity's progress in transferring the services and goods transferred to the customer over time.

Commissions

The payments received on the sale of specific goods and services such as for example consumer loans, telephony contracts, etc., are calculated as a percentage of the value of the service that is carried out or, sometimes on the basis of a fixed consideration and they correspond with the amount of the commission received by the Group.

Costs

The costs and other operating expenses are recognised in the income statement when they are incurred on the basis of the accruals principle and the correlation of revenues, when they do not produce future economic benefits or when the latter do not have to be recognised as assets.

The cost to acquire goods is recognized when the company assumes all the risks and rewards of ownership of the good, measured at fair value of the consideration due net of any returns, rebates, trade discounts, contributions and premiums.

Agreements with suppliers involve recognising premiums and contributions. These premiums and contributions are recognised either as a percentage of the quantities purchased, or as a fixed figure on the quantities purchased or sold, or as a defined contribution. For commercial agreements with a maturity date that is later than the end of the financial year, an estimate is made based on the amount of purchase or sale and on valuations that take into account historical data regarding the effective recognition of premiums and contributions by suppliers.

The costs for services are recognised on the basis of the progress of the services at the closing date of the year.

The costs arising from operating leases that do not fall within the scope of application of IFRS 16 are recognised on a straight line basis throughout the duration of the reference contracts. Additional costs which depend on and are determined by the revenues achieved in a specific point of sale, are recognised on an accruals basis during the contractual period.

Interest income and interest expense

Interest income and expenses are recognised in the net result for the year on an accruals basis using the effective interest rate method. The effective interest method is the rate that exactly discounts the future expected cash flows to the net book value of the financial asset or liability, based on the expected life of the financial instrument.

Taxes

Current taxes

The current taxes are determined based on a realistic forecasts of tax expenses payable on an accruals basis and in application of the applicable tax laws. The rates and tax laws used to calculate the amount are the applicable rates and laws, or essentially those which are in force, as at the balance sheet closing date. The current taxes which are relative to elements that are not included in the income statement, are allocated directly to the statement of comprehensive income and thereafter to shareholders' equity, in line with the recognition of the element to which they refer.

It is hereby specified that beginning from 29 February 2020, Unieuro S.p.A. had exercised an option for the Domestic Tax Consolidation regime in its capacity as the "Consolidating Company" (pursuant to Article 117 of Presidential Decree No. 917 of 22/12/1986) together with the

"Consolidated Company" Monclick S.r.l.. The option makes it possible to determine IRES (corporate income tax) due on a tax base which corresponds to the algebraic sum of the taxable revenue and tax losses of the individual companies that are included in the Consolidation. The economic relations, responsibilities and reciprocal obligations between the "Consolidating Company" and the "Consolidated Company" have been set out in detail in a specific contract that establishes the operating procedures for management of the tax positions between the various companies that belong to the Domestic Tax Consolidation.

Deferred taxes

Deferred taxes are accounted for using the liability method on temporary differences between the tax base of an asset or liability and its carrying amount in the statement of financial position. The deferred tax liabilities are recognised against all taxable temporary differences, except when the deferred taxes arise from initial recognition of goodwill of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, has no effect either on the profit for the year calculated for the balance sheet statement purposes or the profit or the loss calculated for tax purposes.

The deferred tax assets are recognised against all the deductible temporary differences and for tax losses brought forward, to the extent that the existence of adequate future taxable profits sufficient for usage of the deductible temporary differences and tax losses brought forward is probable. The value to post in the balance sheet of the deferred tax assets is re-examined on each balance sheet closing date and reduced to the extent that it is no longer probable that there will be sufficient taxable profits in the future for the recovery of these assets. The deferred tax assets which are not recognised are re-examined periodically on the balance sheet closing date and they are recognised to the extent that it has become probable that there will be taxable profit that can absorb these deferred taxes.

The deferred taxes are measured based on the tax rates that are expected will be applicable in the financial year in which these assets will be realised or these liabilities will be extinguished, considering the rates applicable and those already issued or essentially issued on the balance sheet date.

The deferred tax assets and liabilities are offset if they refer to taxes payable to the same tax authority and there exists a legal right that allows offsetting of the assets and liabilities for current taxes.

Effects of the changes in foreign exchange rates

The financial statements are presented in Euro, which is the Group's functional and presentation currency. The transactions in a foreign currency are recognised initially at the exchange rate (which refers to the functional currency) existing as at that transaction date. The monetary assets and liabilities which are denominated in a foreign currency are converted back to the functional currency at the exchange rate applicable on the balance sheet closing date. All foreign exchange differences are recognised in the income statement. The non-monetary items which are measured at their historical cost in a foreign currency are converted using the exchange rate applicable as at the initial date on which the transaction was recorded. The non-monetary items which are measured at their fair value in a foreign currency are converted using the exchange rate applicable as at the initial date the value was recorded.

Earnings per share

Earnings per share - basic

The diluted earnings per share are calculated by dividing the profit of the Group by the number of Unieuro S.p.A. shares on the date the financial statements are approved.

Earnings per share - diluted

The diluted earnings per share are calculated by dividing the profit of the Group by the number of Unieuro S.p.A. shares on the date the financial statements are approved. For the purpose of calculating the diluted earnings per share, the shares are modified assuming that all holders of rights that potentially have a dilutive effect exercise these rights.

Segment Reporting

An operating segment is defined by IFRS 8 as a component of an entity that: i) undertakes business activities and generates revenues and costs (including revenues and costs that refer to the operations with other components of the same entity); ii) the operating results of which are reviewed periodically at the highest decision-making level of the entity in order to adopt decisions regarding resources to allocate to this segment and measurement of the results; iii) for which separate financial information is available.

The information regarding the business segments was prepared pursuant to the instructions set forth in IFRS 8 "Operating Segments", which provide for presentation of information in line with the procedures adopted at the top management level for assumption of operating decisions. Therefore, identification of the operating segments and the information presented are defined on the basis of internal reports used by the Group for allocation of resources and for analysis of the relative performances.

2.8 New accounting standards

The accounting standards, amendments, IFRSs and IFRICs endorsed by the European Union

- On 22 October 2018, the IASB published amendments to *IFRS 3 - Business Combinations*. The purpose of the amendment is to help determine whether a transaction is an acquisition of a business or group of assets that does not meet the definition of a business in IFRS 3. The amendments apply to acquisitions after 1 January 2020.

- On 28 May 2020, the IASB published amendments to IFRS 16 Leases Covid-19-Related Rent Concessions. These amendments introduce a practical expedient on the basis of which renegotiations of lease contracts, made as a result of the Covid-19 pandemic and relating to the reduction in rents due for periods up to 30 June 2021, are not considered contractual amendments and their effects are accounted for as variable rents with a positive impact on the income statement. For more details, please refer to Note 2.7.1 Changes to the accounting standards.

- On 25 June 2020, the IASB published amendments to IFRS 4 *Extension of the Temporary Exemption from Applying IFRS 9.* The amendments apply to acquisitions after 1 January 2021.

- On 27 August 2020, the IASB published, in the light of the interbank interest rate reform such as IBOR, the Interest Rate Benchmark Reform-Phase 2 which contains amendments to the following standards: (i) IFRS 9 Financial Instruments; (ii) IAS 39 Financial Instruments: Recognition and Measurement; (iii) IFRS 7 Financial Instruments: Disclosures; (iv) IFRS 4 Insurance Contracts; and (v) IFRS 16 Leases. The amendments apply to acquisitions after 1 January 2021.

The accounting standards, amendments and IFRS interpretations which have not yet been endorsed by the European Union

- On 18 May 2017, the IASB issued *IFRS 17 Insurance Contracts*. The standard aims to improve understanding by investors, but not only them, of the risk exposure, the profitability and the financial position of the insurers. IFRS 17 replaces IFRS 4 issued in 2004 as interim Standard. The amendments go into effect on 1 January 2023.

- On 23 January 2020, the IASB published amendments to *IAS 1 - Business Combinations IAS 1 Presentation of Financial Statements.* The purpose of the amendment is to clarify how to classify payables and other liabilities as short or long term. The amendments will apply to acquisitions after 1 January 2023.

On 14 May 2020, the IASB published amendments to: (i) IFRS 3 Business Combinations; (ii) IAS 16 Property, Plant and Equipment; (iii) IAS 37 Provisions, Contingent Liabilities and Contingent Assets; (iv) Annual Improvements 2018-2020. The amendments will apply to acquisitions after 1 January 2022.

- On 12 February 2021, the IASB published the amendment to IAS 1 Presentation of Financial Statements and to IFRS Practice Statement 2: Disclosure of Accounting policies. The amendments will apply to acquisitions after 1 January 2023.

- On 12 February 2021, the IASB published the amendment to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates. The amendments will apply to acquisitions after 1 January 2023.

- On 31 March 2021, the IASB published the amendment to IFRS 16 Leases: Covid-19-Related Rent Concessions beyond 30 June 2021, which extends by one year the period of application of the amendment to IFRS 16, issued in 2020, relating to the accounting of the concessions granted due to Covid-19 to lessees.

Based on the circumstances and cases to which the new documents apply and taking into account the current accounting standards adopted by the Group, it is believed that there will be no significant impact from the first application of these documents. With reference to the amendment IFRS 16 Leases: Covid-19-Related Rent Concessions beyond 30 June 2021, the impacts will be determined according to any agreements that will be signed with the lessors.

3. INFORMATION ON FINANCIAL RISKS

With respect to business risks, the main risks identified, monitored and, as specified below, actively managed by the Group are as follows:

- credit risk (both in relation to normal trading transactions with customers as well as financing activities);
- liquidity risk (with respect to the availability of financial resources and access to the credit market and financial instruments in general);
- market risk (including currency and interest rate risks).

The objective is to maintain over time balanced management of the financial exposure so as to ensure a liability structure that is coherent in terms of the composition of the asset structure and able to ensure the necessary operating flexibility through the usage of liquidity generated from current operations and usage of bank lending.

The main financing instruments used are:

- medium-long term loans, to cover investments in fixed assets;
- short-term loans, current account credit lines to finance working capital.

Furthermore, hedges have been established to cover the risk of interest rate fluctuation, that have influenced the cost of financial indebtedness in the medium - long-term and consequently also the economic results. The following section provides qualitative and quantitative information regarding the incidence of these risks.

For information regarding the risks from Covid-19, see section 12 Coronavirus Epidemic in the Report on Operations.

3.1 Credit risk

Credit risk is the possibility that an unexpected change in the credit rating of a counterparty will expose the Group to the risk of default, subjecting it to potential lawsuits. By way of introduction, we note that the credit risk which the Group is subject to is minimal since its sales are mainly to the end consumers who pay the consideration upon purchasing the product. Sales to affiliates (Indirect channel[42]) and wholesale customers (B2B channel), which represent a total of approximately 15.9% of the Group's revenues as at 28 February 2021, require the Group to use strategies and instruments to reduce this risk. The Group has credit control processes which include obtaining bank guarantees to cover a significant amount of the existing turnover with customers, customer reliability analysis, the allocation of credit, and the control of the exposure

[42] The Indirect channel includes sales to the network of affiliated stores and revenues produced in large scale retailing through partnerships with leading industry operators.

by reporting with the breakdown of the deadlines and average collection times. There are no significant concentrations of risk. The other receivables are mainly receivables from the tax authorities and public administrations and advances paid for services which therefore carry a limited credit risk.

The financial assets are recognised net of write-downs calculated based on counterparty default risk. This is determined according to procedures that can involve both write-downs of individual positions, if they are individually significant, and for which there is an objective condition of total or partial non-collectability, or on collective write-downs based on historical and statistical data. Furthermore, the book value of its financial assets represents the Group's maximum exposure to credit risk.

3.2 Liquidity risk

Liquidity risk is the risk of failure to fulfil contractual obligations. The contractual obligations consist of discharging financial liabilities within the deadlines that have been set. Liquidity risk management is the management of incoming funds, guaranteeing a balance between cash inflows and outflows and thereby minimizing the cost of financial management. This translates into procuring financial resources sufficient to maintain the company's financial structure streamlined, reducing that cost to the minimum level (in terms of financial expenses). Liquidity risk is limited by:

- cash flows from operations: optimal management of incoming cash flows from normal operations as compared to cash outflows;
- usage of short-term loans (*hot money*);
- usage of committed credit lines: these are credit lines that pools of banks commit to having available for the Group until maturity;
- usage of non-committed financial assets only for funding purposes;
- usage of medium/long-term loans able to maintain the Company's ordinary and other operations: the usage of this type of resource requires constant monitoring of expirations of financial debts as well as contingent market terms and conditions.

The liquidity risk consists of the possible difficulty of obtaining financial resources at an acceptable cost in order to conduct normal operating activities. The factors that influence liquidity risk refer both to resources that are generated or absorbed by current operations as well as to those that are generated or absorbed by investments and financing, the latter referring to repayment schedules or accessing short and long-term financial loans and the availability of funds in the financial market.

For details on the impact of Covid-19, see section 12 Coronavirus in the Report on Operations.

The financial structure in its entirety is constantly monitored by the Group to ensure coverage of its liquidity needs. Below is the Group's financial structure by deadline for the year ended 28 February 2021 and for the year ended 29 February 2020:

(In thousands of Euro)	Balance as at 28 February 2021	Within 12M	Between 12M and 60M	Over 60M	Total
Financial liabilities	48,727	9,659	39,068	-	48,727
Other financial liabilities	467,764	68,202	232,368	167,194	467,764
Total	516,491	77,861	271,436	167,194	516,491

(In thousands of Euro)	Balance as at 29 February 2020	Within 12M	Between 12M and 60M	Over 60M	Total
Financial liabilities	41,163	9,520	31,643	-	41,163
Other financial liabilities	513,951	69,419	241,957	202,575	513,951
Total	555,114	78,939	273,600	202,575	555,114

The trend in the period is influenced by the seasonal nature of the business, for further details see Notes 5.12 Financial liabilities and 5.14 Other financial liabilities.

3.3 Market risk

3.3.1 Interest rate risk

The Group uses external financial resources in the form of debt and available liquidity from bank deposits. Changes in the market interest rate levels influence the cost and return of various forms of financing and usage, thereby affecting the level of the Group's financial income and expenses.

To address these risks, the Company has stipulated with a pool of banks derivative contracts consisting of Interest Rate Swaps (IRS) in order to mitigate the potential effect of changes in the interest rates on the economic result, with economically acceptable terms and conditions.

The interest rate swaps in existence as at 29 February 2020 were stipulated following the conclusion of a loan contract with a pool of banks, led by Banca IMI S.p.A. On 12 February 2018, following the closing which took place on 9 January 2018, the date on which the loan agreement known as the *Senior Facilities Agreement* (the "Loan Agreement") was entered into, new interest rate swaps associated with the term loan currently provided by the syndicate were signed.

(In thousands of Euro)			Nominal value as at		*Fair value* as at	
Derivative contracts	Stipulated on	Expires on	28 February 2021	29 February 2020	28 February 2021	29 February 2020
Interest Rate Swaps (IRS)	12/02/2018	09/01/2023	22,500	32,500	(222)	(462)

Interest Rate Swaps, which meet the requirements of IFRS 9 for cash flow hedge transactions, are accounted for using the hedge accounting method. The amount recognised in shareholders' equity in the cash flow hedge reserve, as an effective component of the hedging relationship, was Euro 133 thousand (negative) after tax at 28 February 2021, compared with Euro 353 thousand (negative) after tax at 29 February 2020.

Sensitivity Analysis

The exposure to interest rate risk was measured by means of a sensitivity analysis that indicates the effects on the income statement and on shareholders' equity arising from a hypothetical change in market rates which discount appreciation or depreciation equal to 50 BPS compared to the forward rate curves as at 28 February 2021.

Effect of changes on financial expenses - income statement

To address the risk of changes in interest rates, the Group has stipulated with a pool of banks derivative contracts consisting of interest rate swaps in order to mitigate, under economically acceptable terms and conditions, the potential effect of changes in the interest rates on the economic result. A change in the interest rates, from a hypothetical change in market rates which respectively discount appreciation and depreciation of 50 bps, would have resulted in an effect on financial expenses for 2019 as follows below.

(In thousands of Euro)	- 50 bps	+ 50 bps
At 28 February 2021	1	(22)

Note: the positive sign indicates a higher profit and an increase in equity; the negative sign indicates a lower profit and a decrease in equity.

We note that the sensitivity analysis arising from a hypothetical change in the market rates which respectively discount appreciation and depreciation equal to 50 BPS, takes into account the hedges established by the Group.

We note that for the purposes of this analysis, no hypothesis has been made relative to the effect of the amortised cost.

Effect of a change in the cash flow hedge- shareholders' equity reserve

The impact on the fair value of IRS derivatives arising from a hypothetical change in interest rates is summarized in the table below.

(In thousands of Euro)	- 50 bps	+ 50 bps
Sensitivity analysis as at 28 February 2021	(116)	114

3.3.2 Currency risk

The Group is exposed to exchange rate risk, i.e., the risk of fluctuations in future supplies denominated in foreign currencies due to the volatility of certain exchange rates, mainly as a result of commodity import transactions.

In view of the nature of the business and on a going concern basis, this risk is not considered relevant for the Group due to the reduced volume of transactions for the purchase of goods in currencies other than the Euro, and therefore the risk is not managed on a recurring basis from an operational point of view. If the need arises to manage the exchange rate risk, generated by changes in exchange rates with respect to the main short-term import transactions involving payments to suppliers in US Dollars, the Group manages its exposure to risk with forward purchase contracts (i.e., FX Forward) in US Dollars. This strategy aims to 'fix' the amount of currency in US Dollars for future purchases at a pre-defined exchange rate level, thereby rendering it immune to changes in market rates.

As at 28 February 2021 there were no forward currency sales contracts in place. If, at the reporting date, currency contracts are in place, the effects of these derivative financial instruments will be recognised in the statement of financial position with a direct contra entry in the income statement in accordance with the standard accounting treatment provided by IFRS 9. If the substantive and formal requirements were met, the Group would also reserve the right to assess whether to apply the cash flow hedge accounting treatment to these operating events.

3.4 Fair value estimates

The fair value of the financial instruments listed on an active market is based on market prices as at the balance sheet date. The fair value of the instruments which are not listed on an active market is determined by using valuation techniques which are based on a series of methods and assumptions which are connected to market conditions as at the balance sheet date.

The classification of the fair value of financial instruments based on the following hierarchical levels is set out below:

- Level 1: fair value determined based on listed prices (not adjusted) on active markets for identical financial instruments;
- Level 2: fair value determined using valuation techniques that refer to variables that are observable on active markets;
- Level 3: fair value determined using valuation techniques that refer to variables that are not observable on active markets.

Financial instruments measured at fair value are classified at level 2 and the general criterion used to calculate them is the current value of future cash flows provided for the instrument constituting the object of the measurement.

The liabilities relative to the bank indebtedness are measured using the amortised cost criterion. Trade payables and receivables are measured at their book value, net of any provision for bad debts, as this is considered to be close to the current value.

The table below separates financial assets and liabilities by category as at 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended 28 February 2021			
	Loans and receivables	Fair value of hedging instruments	Other liabilities	Total
Financial assets not designated at fair value				

Cash and cash equivalents	219,366	-	-	219,366
Trade receivables	65,314	-	-	65,314
Other assets	29,151	-	-	29,151
Financial assets designated at fair value				
Other assets		-	-	-
Financial liabilities not designated at fair value				
Financial liabilities	-	-	48,727	48,727
Trade payables	-	-	505,066	505,066
Other liabilities	-	-	261,200	261,200
Other financial liabilities	-	-	467,591	467,591
Financial liabilities designated at fair value				
Other financial liabilities	-	173	-	173

(In thousands of Euro)	Year ended 29 February 2020			
	Loans and receivables	Fair value of hedging instruments	Other liabilities	Total
Financial assets not designated at fair value				
Cash and cash equivalents	96,712	-	-	96,712
Trade receivables	51,288	-	-	51,288
Other assets	37,286	-	-	37,286
Financial assets designated at fair value				
Other assets	-	-	-	-
Financial liabilities not designated at fair value				
Financial liabilities	-	-	41,163	41,163
Trade payables	-	-	479,608	479,608
Other liabilities	-	-	221,454	221,454
Other financial liabilities	-	-	513,488	513,488
Financial liabilities designated at fair value				
Other financial liabilities	-	463	-	463

The items "Other assets" and "Other financial liabilities" include the effects deriving from the application of the accounting standard IFRS 16 (Leases), adopted starting from 1 March 2019 using the modified retrospective application method by virtue of which the comparative information has not been restated. For more details see notes 2.7.1 Changes to accounting standards, 5.6 Other current assets and other non-current assets and 5.14 Other financial liabilities in the consolidated financial statements for the year ended at 29 February 2020.

4. INFORMATION ON OPERATING SEGMENTS

The Group has identified just one operating segment, which is the entire company and covers all the services and products provided to customers. The Group's view of itself as a single omnichannel business means that the company has identified a single Strategic Business Unit ("SBU"). Furthermore, within the SBU, the management has identified three Cash Generating Units ("CGUs") to which the goodwill was allocated. This approach is supported by the operating control model by the corporate management which considers the entire activity uniformly, disregarding the product lines or geographic locations whose division is not considered significant for the purpose of taking corporate decisions.

The operating segment's results are measured by analysing trends of revenue and gross operating profit or loss.

(In thousands of Euro and as a percentage of revenues)	Year ended	
	28 February 2021	29 February 2020
Revenue	2,685,224	2,444,897
GROSS OPERATING RESULT	163,390	129,385
% of revenues	6.1%	*5.3%*
Amortisation, depreciation and write-downs	(91,186)	(88,802)
NET OPERATING RESULT	72,204	40,583
Financial income	76	91
Financial expenses	(13,365)	(14,299)
PROFIT BEFORE TAX	58,915	26,375
Income taxes	(5,365)	(779)
PROFIT/(LOSS) FOR THE YEAR	53,550	25,596

The incidence of gross operating profit on revenues was 6.1% as at 28 February 2021.

The table below contains a breakdown of the revenues per geographical area:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Abroad	7,465	4,001
Italy	2,677,759	2,440,896
Total	2,685,224	2,444,897

The revenues are attributed based on the invoicing in Italy/abroad.

The Group does not have non-current assets in countries where it does not have offices.

5. NOTES TO THE INDIVIDUAL CONSOLIDATED FINANCIAL STATEMENT ITEMS

5.1 Plant, machinery, equipment and other assets

Below is the balance of the item "Plant, machinery, equipment and other assets" by category as at 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Amounts as at 28 February 2021			Amounts as at 29 February 2020		
	Historical cost	Accumulated Amortisation and Depreciation	Net book value	Historical cost	Accumulated Amortisation and Depreciation	Net book value
Plant and machinery	144,581	(115,360)	29,221	142,898	(106,091)	36,807
Equipment	22,512	(17,330)	5,182	24,335	(16,175)	8,160
Other assets	185,261	(157,271)	27,990	184,440	(149,680)	34,759
Tangible assets under construction	9,133	-	9,133	4,969	-	4,969
Total plant, machinery, equipment and other assets	361,487	(289,961)	71,526	356,642	(271,946)	84,696

The change in the item "Plant, machinery, equipment and other assets" for the period from 28 February 2019 to 28 February 2021 is shown below:

(In thousands of Euro)	Plant and machinery	Equipment	Other assets	Tangible assets under construction and payments on account	Total
Balance as at 28 February 2019	39,543	7,380	36,168	1,851	84,942
Increases	5,837	1,807	8,231	4,394	20,269
First consolidation Carini Retail	940	26	1,013	-	1,979
Decreases	(121)	-	(99)	(1,276)	(1,496)
Amortisation, depreciation and write downs/(write backs)	(9,417)	(1,053)	(10,561)	-	(21,030)
Decreases in Amortisation, Depreciation Provision	25	-	7	-	31
Balance as at 29 February 2020	36,807	8,160	34,759	4,969	84,696
Increases	3,523	1,963	8,956	7,321	21,763
Decreases	(1,840)	(3,786)	(8,135)	(3,157)	(16,918)
Amortisation, depreciation and write downs/(write backs)	(9,352)	(1,155)	(11,399)	-	(21,906)
Decreases in Amortisation, Depreciation Provision	83	-	3,808	-	3,891
Balance as at 28 February 2021	29,221	5,182	27,990	9,133	71,526

In the year ended 28 February 2021, the Company made investments referring to the item plant and machinery, equipment and other assets totalling Euro 14,442 thousand.

In particular, the net investments refer mainly to: (i) interventions related to the restructuring of selected sales outlets through the restyling of the layout and the reduction or expansion of the sales area and investments in the relocation of existing sales outlets in catchment areas deemed more strategic for Euro 2,070 thousand; (ii) investments relating to the opening of new stores in new catchment areas deemed strategic or in areas not sufficiently covered by the current portfolio of stores and the refurbishment of the stores acquired for Euro 7,494 thousand; (iii) minor extraordinary maintenance and renewal of plants in various sales outlets for Euro 1,778 thousand; (iv) investments attributable to the creation of electrified display tables dedicated to the display of specific supplier brands at the sales outlets for Euro 1,326 thousand; (v) additional investments connected to the logistics hub based in Piacenza for Euro 1,774 thousand.

Net assets under construction equal to Euro 9,133 thousand mainly refer to investments relating to the new headquarters in Palazzo Hercolani (Forlì) and the warehouse in Via Zampeschi (Forlì) for Euro 3,650 thousand and investments attributable to the purchase of new hardware for the sales outlets for Euro 2,058 thousand.

The item "Amortisation, depreciation and write-downs/(write backs)" of Euro 21,906 thousand includes Euro 20,915 thousand in depreciation and Euro 991 thousand of write-downs and write backs.

With reference to the year ended 29 February 2020, the Company made investments net, including the assets acquired in the first consolidation of Carini Retail S.r.l. for Euro 20,784 thousand.

In particular, the net investments refer mainly to: (i) interventions related to the restructuring of selected sales outlets through the restyling of the layout and the reduction or expansion of the sales area and investments in the relocation of existing sales outlets in catchment areas deemed more strategic for Euro 3,686 thousand; (ii) investments relating to the opening of new stores in new catchment areas deemed strategic (Gela, Portogruaro, Mistebianco, Savignano, Verona) or in areas not sufficiently covered by the current portfolio of stores and the refurbishment of the stores acquired from the former Pistone S.p.A. business units for Euro 6,361 thousand; (iii) minor extraordinary maintenance and renewal of the anti-theft and electrical systems in various sales outlets for Euro 2,310 thousand; (iv) investments attributable to the creation of electrified display tables dedicated to the display of specific supplier brands at the sales outlets for Euro 1,935 thousand; (v) additional investments connected to the logistics hub based in Piacenza for Euro 1,523 thousand, and (vi) investments relating to the expansion of the Paderno Dugnano sales area for Euro 55 thousand.

Note that the acquisitions of the 12 sales outlets belonging to the former Pistone business unit are configured as business combinations and therefore come under the application scope of IFRS 3. As required by the principle, the tangible assets were measured and recorded at their fair value on the acquisition date, which meets the requirements under IAS 16.

For the fair value measurement, the Company relied on the information from the expert's sworn appraisal drawn up pursuant to Article 2465 et seq. of the Italian Civil Code, which estimated the value of the assets acquired at Euro 1,979 thousand. The amortisation and depreciation was calculated based on the depreciation rates adopted for the respective category.

The values and useful life have been reflected in the financial statements from the date Unieuro acquired control. For further details, see note 5.29 "Business unit combinations" in the Consolidated Financial Statements of the Unieuro Group as at 29 February 2020.

Net non-current assets under construction of Euro 4,969 thousand refer mainly to (i) the opening of new sales outlets and projects in the amount of Euro 2,433 thousand; (ii) investments in restructuring/relocation of Euro 851 thousand; (iii) minor extraordinary maintenance work in various point of sales totalling Euro 619 thousand; (iv) investments related to the creation of electrified display tables dedicated to the display of specific supplier brands inside the points of sale of Euro 279 thousand; and (v) additional investments related to the logistics hub based in Piacenza of Euro 213 thousand.

The item "Amortisation, depreciation and write-downs/(write backs)" of Euro 21,030 thousand includes Euro 20,590 thousand in depreciation and Euro 440 thousand of write-downs and write backs.

The item "Plant, machinery, equipment and other assets" includes assets held under financial leases consisting mainly of furnishings, energy saving lighting installations, air conditioning installations, servers, computers and printers. These assets are guaranteed by the lessor until the residual amount due is fully paid. For further details on the amount of the debts to the leasing company, see note 5.14 "Other financial liabilities."

5.2 Goodwill

The breakdown of the item "Goodwill" as at 28 February 2021 and as at 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Goodwill	195,238	195,238
Total Goodwill	**195,238**	**195,238**

The change in the "Goodwill" item for the period from 28 February 2019 to 28 February 2021 is shown below:

(In thousands of Euro)	Goodwill
Balance as at 28 February 2019	**177,965**
Acquisitions	17,273
Increases	-
Write-downs	-
Balance as at 29 February 2020	**195,238**
Acquisitions	
Increases	-

Write-downs	
Balance as at 28 February 2021	195,238

Goodwill as at 28 February 2021 and 29 February 2020 can be broken down as follows:

(In thousands of Euro)	Goodwill at 28 February 2021	Goodwill at 29 February 2020
Resulting from mergers:		
Marco Polo Holding S.r.l.	94,993	94,993
Formerly Unieuro	32,599	32,599
Rialto 1 S.r.l. and Rialto 2 S.r.l.	9,925	9,925
Marco Polo Retail S.r.l.	8,603	8,603
Other minor mergers	5,082	5,082
Resulting from acquisitions of equity investments:		
Monclick S.r.l.	7,199	7,199
Carini Retail S.r.l.	17,273	17,273
Resulting from the acquisition of business units:		
Andreoli S.p.A.	10,500	10,500
Cerioni S.p.A.	5,748	5,748
Galimberti S.p.A.	1,882	1,882
DPS Group S.r.l.	1,240	1,240
Dixons Travel	194	194
Total Goodwill	195,238	195,238

5.2.1 Impairment testing

Based on the provisions of international accounting standard IAS 36, the Group should carry out a check, at least once a year, to ensure the recoverability of the value of the goodwill through an impairment test, comparing the carrying amount of the Cash Generating Units ("CGUs") to which the goodwill is allocated with the recoverable value. The value in use has consistently been adopted as the recoverable value in relation to market volatility and the difficulty of collecting information related to determining fair value.

The goodwill impairment test for each CGU was approved by the Company's Board of Directors on 06 May 2021. In the elaboration of the impairment test the Directors used an appropriate report provided by an external expert under specific assignment of the Company.

IAS 36 identifies the CGUs as the smallest groups of assets that generate incoming cash flows. The financial flows resulting from the CGUs identified should be independent of one another, because a single Unit must be able to be autonomous in the realisation of incoming cash flows, but all the assets within the Unit should be interdependent. Pursuant to IAS 36 the correlation that exists between the goodwill acquired during the business combination and the CGUs takes shape. In effect, at the time of the acquisition of the goodwill, it must be allocated to the CGU or the CGUs which are expected to benefit the most from the synergies of the combination. In this sense, the decisions linked to the definition of these synergies strongly depend on the Group's strategic organisation models, the commercial purchase and sales decisions which, specifically, disregard the number of sales points which do not enjoy decision-making autonomy.

The Group has identified an operating segment, which is the entire Group and covers all the services and products provided to customers. The Group's corporate vision as a single omnichannel business ensures that the Group has identified a single Strategic Business Unit (SBU). Within the SBU, the Group has identified three CGUs to which the goodwill was allocated. This approach is supported by the operating control model by the corporate management which considers the entire activity uniformly, disregarding the product lines or geographic locations whose division is not considered significant for the purpose of taking corporate decisions.

The Group identified three CGUs to which the goodwill was allocated:

- *Retail;*
- *Indirect;*
- *B2B.*

The three units benefit from shared resources, like administration, back office and logistics, but each of them features a different expected growth, with different risks and opportunities and with specific features which cannot be provided in the other CGUs.

The Retail CGU relates to all financial flows coming from the Retail, Online and Travel distribution channels. The Online and Travel channels are included in the Retail CGU because the website uses the sales points for the delivery of goods, while the Travel channel includes sales points located at the main public transport hubs.

The Indirect CGU, previously known as Wholesale, includes sales to the network of affiliated stores and revenues produced in large scale retailing through partnerships with leading industry operators.

The B2B CGU relates to the wholesale supply of products under the scope of the business-to-business channel.

The allocation of goodwill to the three CGUs took place in line with the specific activity of the individual CGU in order to include the best exploitation of internal and external synergies in the business model used. As described previously, the Group opted for identifying the value in use to determine the recoverable fair value. The value in use is calculated through an estimate of the current value of the future financial flows that the CGUs could generate.

The source of the data on which the assumptions are made for determining the financial flows are the final balances and the business plans.

The Economic/Financial Plan used for the impairment test relating to the goodwill recognised in the Consolidated Financial Statements of the Unieuro Group and referring to the year ended 28

February 2021 is based in the strategic lines of the plan on that approved by the Board of Directors on 12 December 2016 as subsequently updated. The Economic/Financial Plan underlying the impairment test was prepared on a consolidated basis, taking into account recent business performance. Specifically, the stocktaking data referred to the years ending 28 February 2021 have been taken into consideration, and, as a result, the financial data until 28 February 2026 were updated. The impairment test was approved by the Board of Directors on 6 May 2021.

The reference market growth estimates included in the business plan used for the impairment test at 28 February 2021 are based, among other things, on external sources and on the analyses conducted by the Group. Specifically, the Group projects growth, in line with its strategy, thanks to its ability to increase its customer base, promote and foster complementary services and increase its market penetration compared with competitors.

The evaluation assumptions used for determining the recoverable value are based on the above-mentioned business plans and on several main hypotheses:

- the explicit period to be adopted for the business plan is 5 years;

- terminal value: actualisation of the latest plan explicit estimate period. It should be stressed that a long-term growth rate "g" equal to 0% was envisaged because the result that the company will manage to achieve in the last financial year of the business plan was considered stable over a period of time;

- the discount rate applied to the various cash flows (WACC - weighted average cost of capital) for the CGUs analysed is 11.59%.

The discount rate (or actualisation rate) applied is the rate which reflects the current evaluations of the market, the time value of money and the specific risks of the asset. For the purpose of calculating the discount rate there must be consistency between the parameters used and the reference market of the Company and consistency between the Company's operating activities and incoming flows. All the parameters used for calculating the actualisation rate should be used in the corporate context, so that it expresses "normal" conditions over a medium-/long-term time span.

The estimation procedure adopted for defining the parameters determining the WACC is reported below:

- Risk-free rate (r_f) – The risk-free rate adopted is equal to the 6-month average (compared with the reference date) of the returns of the ten-year government bonds (BTP) issued by the Italian government. The adoption of the average figure makes it possible to compensate for possible short-term distorting dynamics.

- Equity risk premium ($r_m - r_f$) – The equity risk premium, which represents the yield spread (historical and long-term) between equity securities and debt securities on financial markets, was determined with reference to the Italian market.

- Beta (β) – The beta, which indicates the regression coefficient of a straight line which represents the relationship between the rate of return offered by the security and that of the overall market, was calculated on the basis of a panel of listed companies operating mainly or exclusively in the sale of consumer electronics, through a combination of sales channels (in store and online sales, in the majority of cases alongside wholesale and/or business-to-business sales).

- Specific risk premium (α) - An additional premium was applied in order to take into account potential risks relating to the implementation of the corporate strategy in the reference market context (execution risk) also taking into consideration the size of the Company compared with comparable businesses identified (size premium).

- Cost of debt capital i_d (1-t) - The cost of debt of a financial nature was estimated as equal to the average 6-month 10-year Euro Swap Rate (compared with the reference date), plus a spread. The corporate tax rate in force in Italy (IRES) was adopted as the tax rate (t).

- *Financial structure* - A debt/equity ratio calculated based on the average figure expressed at the reference date by the panel of comparable companies selected was adopted.

There were no differences in calculating these parameters between the external sources used and the value used for the purpose of the test.

The Group has a well-established history of operating on the market and, to date, there has been no evidence of anything that would suggest an interruption to activities in the medium-/long-term. Based on these considerations it is reasonable to assume the business is a going concern in perpetuity.

The operating cash flow used for the purpose of calculating the terminal value was calculated on the basis of the following main assumptions:

- EBITDA - During the estimation of the terminal value, an amount of revenues equal to the level projected for the last year of the plan was considered. For the purpose of estimating sustainable EBITDA in the medium-/long-term the EBITDA margin equal to the average figure in the plan was applied to the revenues identified in order to reflect the competitive dynamics featured in the reference sector. For the Group overall, this latter figure is located within the current range expressed by the estimates of the analysts relating to the panel of comparable companies used to determining the WACC.

- Investments in fixed assets and amortisation and depreciation - Annual investments were estimated as equal to investments in fixed assets projected for the last year of the plan. Annual amortisation and depreciation were in line with these investments, assuming that the investments were mainly maintenance and/or replacements.

- Net working capital and Funds - In line with the theory of growth in perpetuity at a g rate equal to 0%, there were no theories of variations in the items that make up NWC and the other funds in the long-term.

Below is a summary table containing the basic assumptions (WACC and g) and the percentage value attributed to the terminal value compared with the recoverable value of the Group's three CGUs relating to the analyses of the impairment tests conducted with reference to 28 February 2021.

as at 28 February 2021	WACC	g	Terminal Value (TV)	Recoverable Amount (RA)	% TV over RA
(In millions of Euro)					
CGU Retail	11.59%	0.0%	192.7	320.1	60.2%
CGU Indirect	11.59%	0.0%	32.5	39.0	83.5%
CGU B2B	11.59%	0.0%	18.2	26.9	67.7%

The results of the impairment tests as at 28 February 2021 are given below:

as at 28 February 2021		Carrying Amount (CA)	Recoverable Amount (RA)	RA compared with CA
(In millions of Euro)				
CGU Retail	EUR/mln	(30.3)	320.1	350.4
CGU Indirect	EUR/mln	0.8	39.0	38.1
CGU B2B	EUR/mln	6.0	26.9	20.8

Based on the estimates made there was no need to adjust the value of the goodwill recorded.

Note that the carrying amount of the CGU Retail as at 28 February 2021 was negative as a result of the negative net working capital allocated to the CGU Retail.

The carrying amount does not include entries of a financial nature. Assets and liabilities for deferred taxes are also excluded because the theoretical tax rate was used for the purpose of estimating taxes when calculating the cash flows.

As set out in IAS 36, the appropriate sensitivity analyses were also conducted to test the recoverable value of the goodwill as the main parameters used, as the change in the percentage of EBIT (net operating profit or loss), WACC and the growth rate vary.

The results are given below in terms of the difference between the recoverable amount and the carrying amount for the CGUs subject to impairment tests as at 28 February 2021, the sensitivity analysis conducted assuming a percentage reduction in EBIT, in the years of the explicit forecast and in the terminal value, up to a maximum of -20.0%:

as at 28 February 2021	Terminal plan EBIT				
(In millions of Euro)					
RA Sensitivity Difference compared with CA	0	(5.0%)	(10.0%)	(15.0%)	(20.0%)
CGU Retail	320.1	310.3	282.5	263.8	245.0
CGU Indirect	39.0	36.0	33.0	30.0	27.0
CGU B2B	26.9	25.3	23.8	22.2	20.7

The results are given below in terms of the difference between the recoverable amount and the carrying amount for the CGUs subject to impairment tests as at 28 February 2021, the sensitivity analysis conducted assuming a percentage increase in WACC:

as at 28 February 2021	WACC				
(In millions of Euro)					
RA Sensitivity Difference compared with CA	11.59%	12.09%	12.59%	13.09%	13.59%
CGU Retail	320.1	306.3	293.6	281.9	271.0
CGU Indirect	39.0	36.7	34.7	32.8	31.1
CGU B2B	26.9	25.6	24.5	23.4	22.4

The results are given below in terms of the difference between the recoverable amount and the carrying amount for the CGUs subject to impairment tests as at 28 February 2021, the sensitivity analysis conducted assuming a reduction in the perpetual growth rate (g), in the years of the explicit forecast and in the terminal value, up to a maximum of -2.0%:

as at 28 February 2021		Perpetual growth rate (g)				
(In millions of Euro)	WACC					
RA Sensitivity Difference compared with CA		(2.0%)	(1.5%)	(1.0%)	(0.5%)	(0.0%)
CGU Retail	11.69%	288.4	295.4	303.0	311.2	320.1
CGU Indirect	11.69%	33.6	34.8	36.1	37.5	39.0
CGU B2B	11.69%	23.9	24.5	25.2	26.0	26.9

Lastly, the Group has developed another analysis simulating the impacts on the recoverable amount of the CGU Retail in the event of excluding the planned opening of new sales points over the span of the business plan. The results of the analysis conducted are given below:

as at 28 February 2021		Carrying Amount (CA)	Recoverable Amount (RA)	RA compared with CA
(in millions of Euro)				
CGU Retail	EUR/mln	(30.3)	296.9	327.2

It should be pointed out that the parameters and information used for verifying the recoverability of the goodwill are affected by the macroeconomic, market and regulatory situation, and by the subjectivity of several projections of future events which may not necessarily take place, or which could take place differently from how they were projected, and therefore unforeseen changes could occur. Unfavourable and unpredictable changes to the parameters used for the impairment test could, in future, result in the need to write-down the goodwill with consequences to the results and the operating results, financial position and cash flows of the Group.

5.3 Intangible assets with definite useful life

The balance of the item "Intangible assets with a finite useful life" is given below, broken down by category as at 28 February 2021 and as at 29 February 2020:

(In thousands of Euro)	Amounts as at 28 February 2021			Amounts as at 29 February 2020		
	Historical cost	Accumulated Amortisation and Depreciation	Net book value	Historical cost	Accumulated Amortisation and Depreciation	Net book value
Software	76,911	(52,392)	24,519	61,692	(46,119)	15,573
Concessions, licences and brands	13,361	(9,472)	3,889	13,361	(8,621)	4,740
Key Money	1,572	(1,572)	-	1,572	(1,572)	-
Intangible fixed assets under construction	4,519	-	4,519	6,935	-	6,935
Total intangible assets with a finite useful life	96,363	(63,436)	32,927	83,560	(56,313)	27,247

The change in the item "Intangible assets with a finite useful life" for the period from 28 February 2019 to 28 February 2021 is given below:

(In thousands of Euro)	Software	Concessions, licences and brands	Key Money	Intangible fixed assets under construction	Total
Balance as at 28 February 2019	12,819	5,735	6,558	3,200	28,312
Increases	8,423	-	-	6,792	15,215
Adjustment - application of IFRS 16	-	-	(6,558)	-	(6,558)
Decreases	-	-	-	(3,057)	(3,057)
Amortisation, depreciation and write downs/(write backs)	(5,669)	(995)	-	-	(6,665)
Decreases in Amortisation, Depreciation Provision	-	-	-	-	-
Balance as at 29 February 2020	15,573	4,740	-	6,935	27,247
Increases	15,219	-	-	4,235	19,454
Decreases	-	-	-	(6,650)	(6,650)
Amortisation, depreciation and write downs/(write backs)	(6,273)	(851)	-	-	(7,124)
Decreases in Amortisation, Depreciation Provision	-	-	-	-	-
Balance as at 28 February 2021	24,519	3,889	-	4,519	32,927

With regard to the financial year ended 28 February 2021, the increases net of decreases in the "Assets under construction" category totalled Euro 12,804 thousand and are mainly attributable to the "Software" category in the amount of Euro 15,219 thousand.

The increases relating to the "Software" category of Euro 15,219 thousand, are mainly due to: (i) the transition to the new SAP S/4HANA management software, (ii) new software and licenses, (iii) costs incurred in developing and updating the website http://www.unieuro.it/ and (iv) costs incurred for extraordinary operations on pre-existing management software.

The net increases in assets under construction of Euro 4,235 thousand are due to implementations of new software and existing software.

With regard to the financial year ended 29 February 2020, the increases net of decreases in the "Assets under construction" category totalled Euro 12,258 thousand and are mainly attributable to the "Software" category in the amount of Euro 8,423 thousand.

The increases relating to the "Software" category of Euro 8,423 thousand, are mainly due to: (i) new software and licenses, (ii) costs incurred for the development and updating of the website www.unieuro.it and (iii) costs incurred for extraordinary work on existing management software.

The increases in assets under construction of Euro 6,792 thousand are due to the implementation of new software (ERP) and existing software.

5.4 Right-of-use assets

The balance of the item "Right-of-use assets" is given below, broken down by category as at 28 February 2021 and as at 29 February 2020:

(In thousands of Euro)	Amounts as at 28 February 2021			Amounts as at 29 February 2020		
	Historical cost	Accumulated Amortisation and Depreciation	Net book value	Historical cost	Accumulated Amortisation and Depreciation	Net book value
Buildings	562,240	(121,758)	440,482	537,197	(60,308)	476,889
Automobiles	2,777	(1,505)	1,272	2,196	(799)	1,397
Other assets	9,868	-	9,868	-	-	-
Total intangible assets with a finite useful life	574,885	(123,263)	451,622	539,393	(61,107)	478,286

The change in the item "Right-of-use assets" for the period from 29 February 2020 to 28 February 2021 is broken down below:

(In thousands of Euro)	Buildings	Automobiles	Other assets	Total
Balance as at 29 February 2020	476,889	1,397		478,286
Increases / (Decreases)	25,043	581	9,868	35,492
Amortisation, depreciation and write-downs/(write backs)	(61,450)	(706)		(62,156)
Balance as at 28 February 2021	440,842	1,272	9,868	451,622

The increases recorded in the year mainly refer to new leases relating to the opening or relocation of retail stores, the opening of the new Palazzo Hercolani (Forlì) headquarters and the new via Zampeschi (Forlì) warehouse and the renewal of existing operating lease contracts.

5.5 Deferred tax assets and deferred tax liabilities

The change in the item "Deferred tax assets" and the item "Deferred tax liabilities" for the period from 28 February 2019 to 28 February 2021 is given below:

Deferred tax assets

(In thousands of Euro)	Bad debt provision - amount due from suppliers	Obsolescence Provision	Fixed assets and rights for use	Intangible assets	Capital Reserves	Provision for risks and charges	Other current liabilities	Net deferred tax assets	Deferred tax assets relating to tax losses	Total net deferred tax assets
Balance as at 28 February 2019	678	2,337	907	4,281	272	1,456	2,280	12,211	22,968	35,179
Provision/Releases to the Income Statement	55	1,269	1,213	-	-	357	(985)	1,909	1,386	3,295
First consolidation Carini - Comprehensive Income Statement	-	-	-	-	38	-	-	38		38
Provision/Releases to the Comprehensive Income Statement	-	-	-	-	105	-	-	105	-	105
Balance as at 29 February 2020	733	3,606	2,120	4,281	415	1,813	1,295	14,263	24,354	38,617
Provision/Releases to the Income Statement	583	(907)	(371)	(207)		3,080	(1,075)	1,103	1,000	2,103
Provision/Releases to the Comprehensive Income Statement					46			46		46
Balance as at 28 February 2021	1,316	2,699	1,749	4,074	461	4,893	220	15,412	25,354	40,766

The balance as at 28 February 2021 was Euro 40,766 thousand and was mainly composed of: (i) temporary differences mainly attributable to the provision for risks and charges and goodwill for Euro 15,412 thousand and (ii) deferred tax assets recognised on tax losses for Euro 25,354 thousand.

The balance as at 29 February 2020 was € 38,617 thousand and was mainly composed of: (i) temporary differences mainly attributable to goodwill and the inventory write-down reserve totalling Euro 14,263 thousand and (ii) deferred tax assets recognized on tax losses of Euro 24,354 thousand.

Tax losses, which were still available at 28 February 2021, totalled Euro 298,471 thousand in relation to Unieuro and Euro 6,248 thousand in relation to Monclick.

In calculating deferred tax assets, the following aspects were taken into consideration:

- the tax regulations of the country in which the Company operates and the impact on the temporary differences, and any tax benefits resulting from the use of tax losses carried over;
- the forecast of the Company's earnings in the medium and long-term.

On this basis, the Group expects to generate future taxable earnings and, therefore, to be able, with reasonable certainty, to recover the recorded deferred tax assets.

Deferred tax liabilities

(In thousands of Euro)	Intangible assets	Other current assets	Total net deferred taxes
Balance as at 28 February 2019	2,587	1,125	3,712
Provision/Releases to the Income Statement	138	(387)	(249)
Provision/Releases to the Comprehensive Income Statement			-
Balance as at 29 February 2020	2,725	738	3,463
Provision/Releases to the Income Statement	142	32	174
Provision/Releases to the Comprehensive Income Statement			-
Balance as at 28 February 2021	2,867	770	3,637

Deferred tax liabilities relating to Intangible Assets result mainly from goodwill with a different statutory value from the value for tax purposes.

It is estimated that the debt refers to differences which will be reabsorbed in the medium-/long-term.

5.6 Other current assets and other non-current assets

Below is a breakdown of the items "Other current assets" and "Other non-current assets" as at 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Contract assets	8,012	6,771
Prepaid expenses and accrued income	8204	13,324
Tax credits	801	2,896
Financial receivables from leases - current portion	1,090	1,430
Other current assets	962	910

Advances to suppliers	0	24
Other current assets	**19,069**	**25,355**
Financial receivables from leases - non-current portion	7,184	8932
Deposit assets	2,319	2,373
Deposits to suppliers	571	531
Other non-current assets	8	95
Other non-current assets	**10,082**	**11,931**
Total Other current assets and Other non-current assets	**29,151**	**37,286**

The items "Prepaid expenses" and "Accrued income" equal to Euro 8,204 thousand, mainly include prepaid expenses referring to insurance, condominium expenses and rental of road signs that took place prior to 28 February 2021 and accruals coinciding with the calendar year. The decrease in this item is mainly due to insurance.

The item "Contract assets" amounting to Euro 8,012 thousand, includes the costs for obtaining the contract which qualify as contract costs, represented by the premiums paid to employees for each additional sale of extended warranty services.

Tax receivables as at 28 February 2021 decreased mainly due to the collection during the year of the IRES credit for IRAP not deducted.

The item "Other non-current assets" includes financial receivables from leases, equity investments, deposit assets and deposits to suppliers. The decrease is essentially due to the recognition of the non-current portion of financial receivables for leases.

5.7 Inventories

Warehouse inventories break down as follows:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Merchandise	382,747	384,246
Consumables	731	640
Gross stock	**383,478**	**384,886**
Warehouse obsolescence provision	(11,425)	(15,098)
Total Inventories	**372,053**	**369,788**

The value of gross inventories went from Euro 384,886 thousand as at 29 February 2020 to Euro 383,478 thousand as at 28 February 2021, substantially in line with the value of the previous year.

The value of inventories reflects the loss of value of the goods in cases where their cost exceeds their presumed realisable value, allowing the value of the warehouse to be restored to its current market value, and is adjusted by the warehouse obsolescence provision which includes the write-down of the value of the goods with possible obsolescence indicators. The change in the provision for obsolete inventory for the period from 28 February 2019 to 28 February 2021 is broken down below:

(In thousands of Euro)	Warehouse obsolescence provision
Balance as at 28 February 2019	(9,779)
Direct write-down	-
Provisions	(5,319)
Reclassifications	-
Releases to the Income Statement	-
Utilisation	-
Balance as at 29 February 2020	(15,098)
Direct write-down	-
Provisions	-
Reclassifications	-
Releases to the Income Statement	3,673
Utilisation	-
Balance as at 28 February 2021	(11,425)

The decrease of the warehouse obsolescence provision, equal to Euro 3,673 thousand, is attributable to the adjustment of warehouse obsolescence provision that includes the prudential write-down of the value of the goods at 28 February 2021.

5.8 Trade receivables

A breakdown of the item "Trade receivables" as at 28 February 2021 and as at 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Trade receivables from third-parties	68,354	54,426
Trade receivables from related-parties	-	-
Gross trade receivables	68,354	54,426
Bad debt provision	(3,040)	(3,138)
Total Trade receivables	65,314	51,288

The value of receivables, referring mainly to the Indirect and B2B channels, has increased by Euro 14,026 thousand compared to the same period of the previous year. The change in trade receivables is mainly attributable to an increase in volumes following calendar effects.

The change in the bad debt provision for the period from 28 February 2019 to 28 February 2021 is broken down below:

(In thousands of Euro)	Bad debt provision
Balance as at 28 February 2019	(2,491)
Provisions	(747)
Releases to the Income Statement	-
Utilisation	100
Balance as at 29 February 2020	(3,138)
Provisions	
Releases to the Income Statement	98
Utilisation	
Balance as at 28 February 2021	(3,040)

Bad debts refer mainly to disputed claims or customers subject to insolvency proceedings. Drawdowns follow credit situations for which the elements of certainty and accuracy, or the presence of existing insolvency proceedings, determine the deletion of the actual position.

Credit risk represents the exposure to risk of potential losses resulting from the failure of the counterparty to comply with the obligations undertaken. Note, however, that for the periods under consideration there are no significant concentrations of credit risk, especially taking into consideration the fact that the majority of sales are paid for immediately by credit or debit card in the Retail, Travel and Online channels, and in cash in the Retail and Travel channels. The Group has credit control processes which include obtaining bank guarantees and receivables insurance contracts to cover a significant amount of the existing turnover with customers, customer reliability analysis, the allocation of credit, and the control of the exposure by reporting with the breakdown of the deadlines and average collection times.

Past due credit positions are, in any event, monitored by the administrative department through periodic analysis of the main positions and for those for which there is an objective possibility of partial or total irrecoverability, they are written-down.

It is felt that the book value of trade receivables is close to the fair value.

5.9 Current tax assets and liabilities

Below is a breakdown of the item "Current tax liabilities" as at 28 February 2021 and as at 29 February 2020:

Current tax liabilities

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020

Payables for IRAP (income tax)	1,703	154
Payables for IRES (income tax)	1,045	255
Taxes payable	1,041	1040
Total Current tax liabilities	3,789	1,449

As at 28 February 2021, the item "Payables for IRAP" and "Payables for IRES" include payables respectively of Euro 1,703 thousand and Euro 1,045 thousand deriving from the estimate of taxes for the year ending on 28 February 2021, and "Payables for tax liabilities" of Euro 1,041 thousand.

5.10 Cash and cash equivalents

A breakdown of the item "Cash and cash equivalents" as at 28 February 2021 and as at 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Bank accounts	206,065	85,690
Petty cash	13,301	11,022
Total cash and cash equivalents	219,366	96,712

Cash and cash equivalents stood at Euro 219,366 thousand as at 28 February 2021 and Euro 96,712 thousand as at 29 February 2020.

The item consists of cash on hand, deposits and securities on demand or at short notice at banks that are available and readily usable.

For further details regarding the dynamics that affected Cash and cash equivalents, please refer to the Cash Flow Statement. Instead, for more details of the net financial position, please refer to Note 5.12.

5.11 Shareholders' equity

Details of the item "Shareholders' equity" and the breakdown of the reserves in the reference periods are given below:

(In thousands of Euro)	Share capital	Legal reserve	Extraordinary reserve	Cash flow hedge reserve	Reserve for actuarial profits/ (losses) on defined benefits plans	Reserve for share-based payments	Other reserves	Profits/ (losses) carried forward	Total shareholders' equity	Minority interests	Total shareholders' equity

Balance as at 29 February 2020	4,000	800	6,769	(353)	(1,571)	5,727	26,944	53,842	96,158	-	96,158
Profit/(loss) for the period	-	-	-	-	-	-	-	53,550	53,550	-	53,550
Other components of comprehensive income	-	-	-	220	(291)	-			(71)	-	(71)
Total comprehensive income for the period	-	-	-	220	(291)	-	-	53,550	53,479	-	53,479
Allocation of prior year result	-	-	35,750	-	-	-	-	(35,750)	-	-	-
Covering retained losses and negative reserves	-	-	-	-	-	-		-	-	-	-
Distribution of dividends	-	-	-	-	-	-	-	-	-	-	-
Share-based payment settled with equity instruments	53	-	-	-	-	(1,658)	3,251	2,012	3,658	-	3,658
Total transactions with shareholders	53	-	35,750	-	-	(1,658)	3,251	(33,738)	3,658	-	3,658
Balance as at 28 February 2021	4,053	800	42,519	(133)	(1,862)	4,069	30,195	73,654	153,295	0	153,295

Shareholders' Equity, equal to Euro 153,295 thousand as at 28 February 2021 (equal to Euro 96,158 thousand as at 29 February 2020), increased during the year mainly due to the effect: of the recognition of the consolidated profit for the year and other components of the comprehensive income statement for Euro 53,479 thousand.

The Share capital as at 28 February 2021 stood at Euro 4,053 thousand, broken down into 20,265,000 shares.

The Reserves are illustrated below:

- the legal reserve equal to Euro 800 thousand as at 28 February 2021 (Euro 800 thousand as at 29 February 2020), includes the provisions of profits in the amount of 5% for each year until the limit pursuant to article 2430 of the civil code; there were no increases in this reserve during the period.

- the extraordinary reserve of Euro 42,519 thousand as at 28 February 2021 (Euro 6,769 thousand as at 29 February 2020); this reserve increased during the period as a result of the allocation of the profit by the Shareholders' Meeting at 12 June 2020;

- the cash flow hedge reserve was Euro -133 thousand as at 28 February 2021 (Euro -353 thousand as at 29 February 2020); this reserve was recorded to offset the mark to market of the hedging Interest Rate Swap agreements, taken out as required by the Loan Agreement entered into during the year (for more details, please refer to Note 5.12).

- the reserve for actuarial gains and losses on defined-benefit plans of Euro 1,862 thousand as at 28 February 2021 (Euro 1,571 thousand as at 29 February 2020); it changed by Euro 291 thousand following the actuarial valuation relating to severance pay;

- the reserve for share-based payments amounting to Euro 4,069 thousand as at 28 February 2021 (Euro 5,727 thousand as at 29 February 2020); the reserve has changed due to: (i) the recognition of provisions by Euro 325 thousand net of the reclassification to the item "profit carried forward" for Euro 2,140 thousand as a result of the exercise of options, for a negative Euro 1,815 thousand, of the Long Term Incentive Plan 2018-2025 reserved for some managers and employees and (ii) the recognition of provisions for Euro 157 thousand for the 2020-2025 performance share plan. For more details, please see Note 5.28.

- other reserves equal to Euro 30,195 thousand at 28 February 2021 (Euro 26,944 thousand at 29 February 2020); it changed following the formation of the share premium reserve for Euro 3,251 thousand as a result of the exercise of the 2018-2025 Long Term Incentive Plan.

During the year ended 28 February 2021 there were no assets allocated to a specific business.

(In thousands of Euro)	Notes	Share capital	Legal reserve	Extraordinary reserve	Cash flow hedge reserve	Reserve for actuarial profits/ (losses) on defined benefits plans	Reserve for share-based payments	Other reserves	Profits / (losses) carried forward	Total shareholders' equity	Minority interests	Total shareholders' equity
Balance as at 28 February 2019	5.11	4,000	800	-	(315)	(1,247)	3,376	26,944	57,319	90,877	-	90,877
Effect of changes in accounting standard IFRS 16		-	-	-	-	-	-	-	-	-	-	-
Adjusted balance as at 1 March 2019		4,000	800	-	(315)	(1,247)	3,376	26,944	57,319	90,877	-	90,877
Profit/(loss) for the period		-	-	-	-	-	-	-	25,596	25,596	-	25,596
Other components of comprehensive income		-	-	-	(38)	(324)	-			(361)	-	(362)
Total comprehensive income for the period		-	-	-	(38)	(324)	-	-	25,596	25,234	-	25,234
Allocation of prior year result		-	-	6,769	-	-	-	-	(6,769)	-	-	-
Covering retained losses and negative reserves		-	-	-	-	-	-	-	-	-	-	-
Distribution of dividends		-	-	-	-	-	-	-	(21,400)	(21,400)	-	(21,400)
Share-based payment settled with equity instruments		-	-	-	-	-	2,351	-	(904)	1,447	-	1,447
Total transactions with shareholders		-	-	6,769	-	-	2,351	-	(29,073)	(19,953)	-	(19,953)
Balance as at 29 February 2020	5.11	4,000	800	6,769	(353)	(1,571)	5,727	26,944	53,842	96,158	-	96,158

Shareholders' Equity totalled Euro 96,158 thousand as at 29 February 2020 (Euro 90,877 thousand as at 28 February 2019). It increased during the year due to the combined effect of: (i) the recognition of the consolidated profit for the year for Euro 25,596 thousand and the other components of the comprehensive income statement for Euro -362 thousand, (ii) the recognition in the reserve for share-based payments for Euro 1,447 thousand referable to the Long Term Incentive Plan reserved for certain managers and employees and (iii) the distribution of a dividend of Euro 21,400 thousand as resolved on 18 June 2019 by the Shareholders' Meeting.

The Share capital as at 29 February 2020 stood at €4,000 thousand, broken down into 20,000,000 shares.

The Reserves are illustrated below:

- the legal reserve of Euro 800 thousand as at 29 February 2020 (Euro 800 thousand as at 28 February 2019), includes the financial provisions at a rate of 5% for each financial year; there were no increases during the period in this reserve which reached the limit pursuant to Article 2430 of the Italian Civil Code and has maintained it to 29 February 2020;

- the extraordinary reserve of Euro 6,769 thousand as at 29 February 2020 (Euro 0 thousand as at 28 February 2019); this reserve increased during the period as a result of the allocation of the profit by the Shareholders' Meeting at 18 June 2019;

- the cash flow hedge reserve was Euro -353 thousand as at 29 February 2020 (Euro -315 thousand as at 28 February 2019); this reserve was recorded to offset the mark to market of the hedging Interest Rate Swap agreements, taken out as required by the Loan Agreement entered into during the year (for more details, please refer to Note 5.12).

- the reserve for actuarial gains and losses on defined-benefit plans of Euro 1,571 thousand as at 29 February 2020 (Euro 1,247 thousand as at 28 February 2019); it changed by Euro 324 thousand following the actuarial valuation relating to severance pay;

- the reserve for share-based payments equal to Euro 5,727 thousand as at 29 February 2020 (Euro 3,376 thousand as at 28 February 2019); there were changes because of the recognition of Euro 2,351 thousand as a contra-entry to the recognition of the cost of personnel for the share-based payment plan. For more details, please see Note 5.28.

The reconciliation between the shareholders' equity of the parent company and the consolidated shareholders' equity as at 28 February 2021 is illustrated below:

(In millions of Euro)	Shareholders' equity as at 28 February 2021	Net result as at 28 February 2021
Balances from the Parent Company's Annual Financial Statements	152.5	54.4
Difference between the carrying amount of equity investments and the profit/(loss)	(9.2)	(0.2)
Allocation of goodwill, brand, software and customer list, net of the tax effect	10.0	(0.6)
Consolidated Financial Statements of the Unieuro Group	153.3	53.6

The reconciliation between the shareholders' equity of the parent company and the consolidated shareholders' equity as at 29 February 2020 is illustrated below:

(In millions of Euro)	Shareholders' equity as at 29 February 2020	Net result as at 29 February 2020
Balances from the Parent Company's Annual Financial Statements	106.7	39.2
Difference between the carrying amount of equity investments and the profit/(loss)	(21.3)	(13.1)
Allocation of goodwill, brand, software and customer list, net of the tax effect	10.8	(0.6)
Consolidated Financial Statements of the Unieuro Group	96.2	25.6

5.12 Financial liabilities

A breakdown of the item current and non-current "Financial liabilities" as at 28 February 2021 and as at 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Current financial liabilities	9,659	9,520
Non-current financial liabilities	39,068	31,643
Total financial liabilities	48,727	41,163

On 22 December 2017 a Loan Agreement was signed, "Loan Agreement", with Banca IMI S.p.A., as the agent bank, Banca Popolare di Milano S.p.A., Crédit Agricole Cariparma S.p.A. and Crédit Agricole Corporate and Investment Bank – Milan Branch. The Loan Agreement was finalised on 9 January 2018 following the conclusion of relations and the repayment of the previous lines of credit and the provision of the new funding.

The transaction consisted of taking out three different lines of credit aimed, among other things, at providing Unieuro with additional resources to support future growth, through acquisitions and opening new sales outlets. The existing borrowings relating to the *Euro Term and Revolving Facilities Agreement* were completely settled on 9 January 2018.

The credit lines include Euro 190.0 million in term loan amortising, of which Euro 50.0 million (the "Term Loan") was set up to replace the previous existing lines of credit and Euro 50.0 million (the "Capex Facility") is for acquisitions and restructuring investments on the store network, while there are Euro 90.0 million in revolving facilities (the "Revolving Facility").

The interest on the loans agreed under the scope of the Loan Agreement is a floating rate, calculated taking into consideration the Euribor plus a contractually-agreed spread.

At the same time as the provision of the loans, Unieuro S.p.A. agreed contractual clauses (covenants) that give the lender the right to renegotiate or revoke the loan if the events in this clause are verified. These clauses require compliance by Unieuro S.p.A. with a consolidation ratio which will be summarised below:

- leverage ratio (defined as the ratio between the consolidated net financial debt and Consolidated Adjusted LTM EBITDA, as defined in the Loan Agreement).

At 28 February 2021 the covenant was calculated and complied with.

The Loan Agreement includes Unieuro's right of early repayment, in full or in part (in such a case of minimum amounts equal to Euro 1,000,000.00) and prior notification of the Agent Bank, of both the Term Loan and the Capex Facility. In addition, when certain circumstances and/or events are verified, Unieuro is obliged to repay the Loan early. As at 28 February 2021 and until the date these financial statements were prepared, no events occurred that could give rise to the early repayment of the loan.

Financial liabilities as at 28 February 2021 and at 29 February 2020 are illustrated below:

(In thousands of Euro)	Maturity	Original amount	Interest rate	At 28 February 2021		
				Total	of which current portion	of which non-current portion
Short-term lines of credit (1)	n.a.	74,500	0.35% - 6.5%	59	59	-
Revolving Credit Facility	jan-23	90,000	Euribor 1m+spread	-	-	-
Current bank payables				59	59	-
Term Loan	jan-23	50,000	Euribor 3m+spread	22,500	10,000	12,500
Capex Facility	jan-23	50,000	Euribor 3m+spread	27,000	-	27,000
Ancillary expenses on loans (2)				(832)	(400)	(432)
Non-current bank payables and current part of non-current debt				48,668	9,600	39,068
Total				48,727	9,659	39,068

(In thousands of Euro)	Maturity	Original amount	Interest rate	At 29 February 2020		
				Total	of which current portion	of which non-current portion
Short-term lines of credit (1)	n.a.	74,500	0.35% - 6.5%	52	52	-
Revolving Credit Facility	jan-23	90,000	Euribor 1m+spread	-	-	-
Current bank payables				52	52	-
Term Loan	jan-23	50,000	Euribor 3m+spread	32,500	10,000	22,500
Capex Facility	jan-23	50,000	Euribor 3m+spread	10,000	-	10,000
Ancillary expenses on loans (2)				(1,389)	(532)	(857)
Non-current bank payables and current part of non-current debt				41,111	9,468	31,643
Total				41,163	9,520	31,643

(1) The short-term lines of credit include the subject to collection advances, the hot money, the current account overdrafts and the credit limit for the letters of credit.

(2) The financial liabilities are recorded at the amortised cost using the effective interest rate method. The ancillary expenses are therefore distributed over the term of the loan using the amortised cost criterion.

The financial liabilities at 28 February 2021 total Euro 48,727 thousand with an increase of Euro 7,564 thousand compared to 29 February 2020. This change is mainly due to the combined effect of: (i) regular repayment of principal of the Loan of Euro 10,000 thousand, (ii) drawdown of the Capex Facility of additional Euro 17,000 thousand, used to repay the instalments of the debt for investments in equity investments and business units.

The loans are evaluated using the amortised cost method based on the provisions of IFRS 9 and therefore their value is reduced by the ancillary expenses on the loans, equal to Euro 832 thousand as at 28 February 2021 (Euro 1,389 thousand as at 29 February 2020).

The breakdown of the financial liabilities according to maturity is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Within 1 year	9,659	9,520
From 1 to 5 years	39,068	31,643
More than 5 years	-	-
Total	48,727	43,567

A breakdown of the net financial debt as at 28 February 2021 and as at 29 February 2020 is shown below. Note that the net financial debt is presented in accordance with the provisions of Consob Communication No. 6064293 of 28 July 2006 and in conformity with the recommendations of ESMA/2013/319.

(In millions of Euro)	as at 28 February 2021		as at 29 February 2020	
		of which with Related-Parties		*of which with Related-Parties*
(A) Cash	219.4	-	96.7	-
(B) Other cash and cash equivalents	0.0	-	0.0	-
(C) Securities held for trading	0.0	-	0.0	-
(D) Liquidity (A)+(B)+(C)	219.4	-	96.7	-
- of which is subject to a pledge	0.0		0.0	-
(E) Current financial receivables	0.1		0.0	-
(F) Current bank payables	(0.1)	-	(0.0)	-
(G) Current part of non-current debt	(9.6)	-	(9.5)	-
(H) Other current financial payables	(67.2)	-	(68.0)	-
(I) Current financial debt (F)+(G)+(H)	(76.9)	-	(77.5)	-
- of which is secured	0.0	-	0.0	-
- of which is unsecured	(76.9)	-	(77.5)	-
(J) Net current financial position (I)+(E)+(D)	142.6	-	19.3	-
(K) Non-current bank payables	(39.1)	-	(31.6)	-
(L) Bonds issued	0.0	-	0.0	-
(M) Other non-current financial payables	(392.4)	-	(435.6)	-
(N) Non-current financial debt (K)+(L)+(M)	(431.4)	-	(467.2)	-
- of which is secured	0.0	-	0.0	-
- of which is unsecured	(431.4)	-	(467.2)	-
(O) (Net financial debt) / Net cash(J)+(N)	(288.8)	-	(448.0)	-

The decrease in net financial debt is mainly due to the combined effect of: (i) cash generation from operating activities of Euro 210,924 thousand, (ii) investments of Euro 32,433 thousand, particularly due to costs incurred for the development of the direct store network and the refurbishment of the existing store network and costs incurred for the purchase of new hardware, software, licences and application developments with a view to improving the technological infrastructure, including costs relating to the project aimed at adopting a new ERP and (iii) drawdowns on the Capex Facility totalling Euro 17,000 thousand.

The table below summarises the breakdown of the items "Other current financial payables" and "Other non-current financial payables" for the periods ending 28 February 2021 and 29 February 2020. See Note 5.14 "Other financial liabilities" for more details.

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Other financial liabilities	68,202	69,419
Other current financial payables	68,202	69,419
Other financial liabilities	399,562	444,532

Other non-current loans	399,562	444,532
Total financial payables	467,764	513,951

5.13 Employee benefits

The change in the item "Employee benefits" for the year from 28 February 2019 to 28 February 2021 is broken down below:

(In thousands of Euro)	
Balance as at 28 February 2019	10,994
First consolidation Carini Retail	946
First consolidation Carini Retail - Actuarial (Profits)/losses	136
Service cost	77
Interest cost	67
Settlements/advances	(551)
Actuarial (profits)/losses	319
Balance as at 29 February 2020	11,988
Service cost	67
Interest cost	64
Transfers in/(out)	916
Settlements/advances	(463)
Actuarial (profits)/losses	407
Balance as at 28 February 2021	12,979

This item includes the TFR (severance pay) required by Law No. 297 of 25 May 1982 which guarantees statutory compensatory settlements to an employee when the employment relationship is ended. Severance pay, regulated by Article 2120 of the Italian Civil Code, is recalculated in accordance with the provisions of IAS 19, expressing the amount of the actual value of the final obligation as a liability, where the actual value of the obligation is calculated through the "projected unit credit" method.

Settlements recorded in the year ended 28 February 2021 relate to advances against severance indemnities paid to employees during the year and termination of employees with fixed-term contracts.

Below is a breakdown of the economic and demographic recruitment used for the purpose of the actuarial evaluations:

	Year ended	
Economic recruitment	28 February 2021	29 February 2020
Inflation rate	0.80%	1.20%
Actualisation rate	0.23%	0.45%

Severance pay increase rate	2.10%	2.40%

	Year ended	
Demographic recruitment	28 February 2021	29 February 2020
Fatality rate	Demographic tables RG48	Demographic tables RG48
Disability probability	INPS tables differentiated by age and gender	INPS tables differentiated by age and gender
Retirement age	Reaching of minimum requirements under the compulsory general insurance	Reaching of minimum requirements under the compulsory general insurance
Probability of leaving	5%	5%
Probability of anticipation	3.50%	3.50%

With regard to the actualisation rate, the *iBoxx Eurozone Corporates AA* index with a duration of 7-10 years at the evaluation date was taken as a reference for the evaluation of this parameter.

Below is the sensitivity analysis, as at 28 February 2021, relating to the main actuarial assumptions in the calculation model taking into consideration the above and increasing and decreasing the average annual turnover rate, the early request rate, the average inflation and actualisation rate, respectively by 1%, -1%, 0.25% and -0.25%. The results are summarised in the table below:

(In thousands of Euro)	Impact on DBO as at 28 February 2021	
Change to the parameter	UNIEURO	MONCLICK
1% increase in turnover rate	12,455	402
1% decrease in turnover rate	12,700	415
0.25% increase in inflation rate	12,746	417
0.25% decrease in inflation rate	12,399	400
0.25% increase in actualisation rate	12,294	398
0.25% decrease in actualisation rate	12,857	419

5.14 Other financial liabilities

A breakdown of the item current and non-current “Other financial liabilities” as at 28 February 2021 and 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Payables to leasing companies	60,362	59,931
Payables for equity investments and business units	7,758	9,355

Fair value of derivative instruments	82	133
Other current financial liabilities	68,202	69,419
Payables to leasing companies	398,247	436,420
Payables for equity investments and business units	1,224	7,782
Fair value of derivative instruments	91	330
Other non-current financial liabilities	399,562	444,532
Total financial liabilities	467,764	513,951

Payables for equity investments and business units

Payables owed to leasing companies amount to a total of Euro 8,982 thousand at 28 February 2021 and Euro 17,137 thousand at 29 February 2020. The decrease of Euro 8,155 thousand is due to the amounts paid for the acquisition of former Pistone S.p.A., former Cerioni and Monclick.

Lease liabilities

Lease liabilities totalled Euro 458,609 thousand as at 28 February 2021 and Euro 496,351 thousand as at 29 February 2020. The assets that are the subject of the finance lease agreement are buildings, automobiles, furnishings, LEDs, climate control systems, servers, computers and printers. The above payables to the leasing company are secured to the lessor via rights on the leased assets. This item includes the present value of lease liabilities relating to operating leases in regard to which the Group has recorded a liability reflecting the obligation to make lease payments and settle lease liabilities following the application of the accounting standard IFRS 16. There are no hedging instruments for the interest rates. It is here by noted that at 28 February 2021, the Group adopted the practical expedient relating to "Leases Covid-19-Related Rent Concessions" which allows the lessee not to consider any concessions on the payment of rents resulting from the effects of Covid-19 as an amendment to the original contract. On the basis of these changes, the above-mentioned concessions were accounted for as positive variable rents without requiring a contractual amendment. For more details, please refer to Note 2.7.1 "Changes to the accounting standards".

The following table shows the cash flows relating to lease liabilities.

(In thousands of Euro)	Balance as at 28 February 2021	Within 12M	Between 12M and 60M	Over 60M	Total
Payables to leasing companies	458,609	60,362	231,053	167,194	458,609
Total	458,609	60,362	231,053	167,194	458,609

Fair value of derivative instruments

Financial instruments for hedging, as at 28 February 2021, refer to contracts entered into with Intesa Sanpaolo S.p.A., Banca Popolare di Milano S.p.A. and Crédit Agricole Cariparma S.p.A., hedging the fluctuation of financial expenses related to the Loan Agreement. The financial liability amounted to Euro 173 thousand as at 28 February 2021 (Euro 463 thousand as at 29 February 2020). These derivative financial transactions on the interest rates are designated as hedge accounting in accordance with the requirements of IFRS 9 and are therefore dealt with under hedge accounting.

5.15 Provisions

The change in the item "Funds" for the period from 28 February 2019 to 28 February 2021 is broken down below:

(In thousands of Euro)	Tax dispute provision	Other disputes provision	Onerous contracts provision	Restructuring provision	Other risks provision	Total
Balance as at 28 February 2019	3,409	3,142	124	359	2,032	9,066
- of which current portion	-	502	*124*	*359*	363	*1,348*
- of which non-current portion	*3,409*	*2,640*	-	-	1,669	*7,718*
Adjustment at the date of the first time adoption of IFRS 16	-	-	*(126)*		808	682
Adjustment - application of IFRIC 23	*(1,040)*	-			-	(1,040)
Provisions	330	1,971	2	280	358	2,941
Draw-downs/releases	(802)	(487)	-	(259)	(177)	(1,725)
Balance as at 29 February 2020	1,897	4,626	-	380	3,021	9,924
- of which current portion	-	849	-	*380*	16	*1,245*
- of which non-current portion	*1,897*	*3,777*	-	-	3,005	*8,679*
Provisions	17	10,071	-	-	3,123	10,548
Draw-downs/releases	-	(1,628)	-	-	-	(1,282)
Balance as at 28 February 2021	1,914	13,069	-	380	6,144	21,507
- of which current portion	-	346	-	380	28	754
- of which non-current portion	1,914	12,723	-	-	6,115	20,752

The "Tax dispute provision", equal to Euro 1,914 thousand as at 28 February 2021 and Euro 1,897 thousand as at 29 February 2020, was set aside mainly to hedge the liabilities that could arise following disputes of a tax nature.

The "Provision for other disputes" amounted to Euro 12,273 thousand as at 28 February 2021 and Euro 4,626 thousand as at 29 February 2020. The increase in the year main refers to allocations for suppliers and sub-suppliers of services for which requests have been received in the area of legal and labour law from third parties who hold Unieuro jointly liable. Please also note that in January 2021, proceedings were lodged by the Competition and Market Authority for alleged unfair commercial practices by Unieuro and Monclick; the assessment of the risk that penalties may be imposed after the proceedings was performed with the support of lawyers and the risk was qualified as possible. At 28 February 2021, an allocation of Euro 2,316 thousand was recognised referring to estimated costs expected for the adoption of corrective measures to be applied for the benefit of consumers.

The “Restructuring provision”, equal to Euro 380 thousand as at 28 February 2021, unchanged compared to 29 February 2020, refer mainly to the personnel restructuring process of the closing sales outlets.

“Other provisions for risks" totalled Euro 6,144 thousand as at 28 February 2021 and Euro 3,021 thousand as at 29 February 2020. The item mainly includes costs for risks with reference to logistic contracts, the costs for returning the shops to their original condition, allocated against the costs to be incurred for the restoration of the property when it is handed over to the lessor in cases where the lessee is contractually obliged to do so.

5.16 Other current liabilities and other non-current liabilities

A breakdown of the items “Other current liabilities” and “Other non-current liabilities” as at 28 February 2021 and 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Contract liabilities	187,450	154,835
Payables to personnel	42,945	38,717
Payables for VAT	17,531	16,393
Payables to welfare institutions	4,103	3,051
Payables for IRPEF (income tax)	3,623	3,036
Deferred income and accrued liabilities	3,364	2,656
Long Term Incentive Plan monetary bonus	1,694	2436
Other tax payables	458	236
Other current liabilities	6	68
Total other current liabilities	261,174	221,428
Deposit liabilities	26	26
Total other non-current liabilities	26	26
Total other current and non-current liabilities	261,200	221,454

The item "Other current and non-current liabilities" increased to Euro 39,746 thousand in the year ended 28 February 2021 compared with the year ended 29 February 2020. The increase in the item recorded in the year in question is mainly due to greater contract liabilities relating to the servicing of the extended warranty.

The balance of the item “Other current liabilities” is mainly composed of:

- contract liabilities of Euro 187,450 thousand at 28 February 2021 (Euro 154,835 thousand at 29 February 2020) mainly attributable to (i) deferred revenues for warranty extension services. Revenues from sales are recorded on the basis of the contractual duration, i.e., the period for which there is a performance obligation, thus deferring sales for future periods, (ii) advances received from customers, (iii) liabilities relating to purchase vouchers and (iv) liabilities relating to sales with right of return;

- payables to personnel of Euro 42,945 thousand as at 28 February 2021 (Euro 38,717 thousand as at 29 February 2020) composed of payables for salaries, holidays, leave and thirteenth and fourteenth month pay. These payables refer to items accrued but not yet settled;

- VAT payables of Euro 17,531 thousand as at 28 February 2021 (Euro 16,393 thousand as at 29 February 2020) composed of payables resulting from the VAT settlement with regard to February 2021;

- deferred income and accrued expenses of Euro 3,364 thousand as at 28 February 2021 (Euro 2,656 thousand as at 29 February 2020) mainly relating to the recording of deferred income on revenues that were settled during the year, though they fall due later.

The balance of the item "Other non-current liabilities" is made up of deposits payable, totalling Euro 26 thousand.

5.17 Trade payables

A breakdown of the item "Trade payables" as at 28 February 2021 and as at 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Trade payables to third-parties	503,511	477,996
Trade payables to related-parties	0	0
Gross trade payables	**503,511**	**477,996**
Bad debt provision - amount due from suppliers	1,555	1,612
Total Trade payables	**505,066**	**479,608**

The balance includes payables relating to carrying out normal trade activities involving the supply of goods and services. This item takes into account the exposure to the risk of potential losses resulting from the failure of the counterparty to comply with the obligations undertaken. Gross trade payables increased by Euro 25,515 thousand as at 28 February 2021 compared with 29 February 2020. The increase is correlated with a change in the promotional calendar compared to the previous year and the increase in volumes.

The change in the "Bad debt provision and suppliers account debit balance" for the year from 28 February 2019 to 28 February 2021 is given below:

(In thousands of Euro)	Bad debt provision - amount due from suppliers
Balance as at 28 February 2019	1,925
Provisions	-
Releases to the Income Statement	(248)

Utilisation	(65)
Balance as at 29 February 2020	1,612
Provisions	355
Releases to the Income Statement	(412)
Utilisation	-
Balance as at 28 February 2021	1,555

There are no payables for periods of more than 5 years or positions with a significant concentration of payables.

5.18 Revenue

In the tables below the revenues are broken down by channel, category and geographic market. The Group has identified just one operating segment, which is the entire company and covers all the services and products provided to customers. The Group's view of itself as a single omnichannel business means that the company has identified a single Strategic Business Unit ("SBU"). For further details, please refer to Note 4 Information on operating segments. The Group's revenues are affected by seasonal factors typical of the consumer electronics market, which records higher revenues in the final part of every financial year.

Below is a breakdown of revenues by channel:

(In thousands of Euro and as a percentage of revenues)	Year ended				Changes	
	28 February 2021	%	28 February 2020	%	2021 vs. 2020	%
Retail	1,711,560	63.7%	1,708,595	69.9%	2,965	0.2%
Online	525,207	19.6%	297,058	12.2%	228,149	76.8%
Indirect	307,535	11.5%	263,164	10.8%	44,371	16.9%
B2B	116,861	4.4%	136,472	5.6%	(19,611)	(14.4%)
Travel	24,061	0.9%	39,608	1.6%	(15,547)	(39.3%)
Total revenues by channel	2,685,224	100.0%	2,444,897	100.0%	240,327	9.8%

The Retail channel (63.7% of total revenues) - which as at 28 February 2021 included 262 direct sales outlets - recorded sales of Euro 1,711,560 thousand, in line with the previous year. After the criticalities of the first lockdown phase, the significant growth recorded in the second (+10.3%) and third quarters (+9.1%) was also confirmed in the fourth (+8.3%), despite the persistence of limitations to the accessibility of the direct network by customers. The move to direct management of 18 Unieuro by Iper shop-in-shops, previously affiliated and internalised during the year, contributed positively to the performance of the channel.

The Online channel (19.6% of total revenues) posted growth of 76.8%, which pushed revenues to Euro 525,207 thousand, compared to Euro 297,058 thousand in the previous year. The performance, to all intents and purposes exceptional, is the result of the emergency situation that has arisen, which has led customers to favor e-commerce to the detriment of physical stores. The double presence on the web, guaranteed by two well-known and distinct brands such as Unieuro and Monclick, has further contributed to the success recorded by the channel.

The Indirect channel (11.5% of total revenues) - which includes sales made through the network of affiliated stores and revenues produced in large scale retailing through partnerships with the leading industry operators at a total of 254 sales outlets as at 28 February 2021 - recorded revenues of Euro 307,535 thousand, an increase of 16.9% compared with Euro 263,164 thousand in the previous year. In general, the distinctive characteristics of the affiliated stores - small to medium size and focused on proximity service - allowed significant business resilience only marginally impacted by the restrictions and full recovery of lost revenues from the first wave of the pandemic already in the second quarter. In addition to this is the launch in November of the partnership with the Partenope Group, which led to the launch of the Unieuro brand in the city of Naples and which partially offset the passage to the Retail channel of the Unieuro by Iper shop-in-shops previously affiliates.

The B2B channel (4.4% of total revenues) - which targets professional domestic and foreign customers that operate in industries other than those where Unieuro operates, such as hotel chains and banks, as well as operators that need to purchase electronic products to be distributed to their regular customers or to employees to accumulate points or participate in prize competitions or incentive plans (B2B2C segment) - recorded sales of Euro 116,861 thousand, down 14.4% from Euro 136,472 thousand in the previous year. The uncertain nature of revenues in this channel is confirmed, featuring an opportunistic approach influenced by multiple exogenous factors.

Lastly, the Travel channel (0.9% of total revenues) - composed of 11 direct sales outlets located at some of the main public transport hubs such as airports, railway and underground stations - recorded a decrease of 39.3% and sales equal to Euro 24,061 thousand. The performance was inevitably affected by the collapse in air traffic generated by the pandemic and the total or partial closure of some airports, while the decrease in turnover of the stores in Milan San Babila (underground) and Turin Porta Nuova (railway station) was more contained.

Below is a breakdown of revenues by category:

(in millions of Euro and as a percentage of revenues)	Year ended				Changes	
	28 February 2021	%	28 February 2020	%	2021 vs. 2020	%
Grey	1,309,556	48.8%	1,160,174	47.5%	149,382	12.9%
White	728,804	27.1%	683,983	28.0%	44,821	6.6%
Brown	404,426	15.1%	384,494	15.7%	19,932	5.2%
Other products	134,082	5.0%	113,901	4.7%	20,181	17.7%
Services	108,356	4.0%	102,345	4.2%	6,011	5.9%
Total revenues by category	2,685,224	100.0%	2,444,897	100.0%	240,327	9.8%

The Grey category (48.8% of total revenues) - i.e., telephony, tablets, information technology, telephone accessories, cameras, as well as all wearable technological products - generated a turnover of Euro 1,309,556 thousand, an increase of 12.9% compared to Euro 1,160,174 thousand in the previous year, thanks to the ongoing purchasing trends related to smart working, e-learning and communication, which were particularly emphasised during this period. In the fourth quarter, in particular, the Grey continued to grow significantly (+16.6%), driven by smartphones and laptops.

The White category (27.1% of total revenues) - composed of large appliances (MDA) such as washing machines, tumble dryers, refrigerators or freezers and cooktops, small appliances (SDA), such as vacuum cleaners, food processors, coffee machines as well as the climate control segment - recorded sales of Euro 728,804 thousand, up by 6.6% compared with Euro 683,983 thousand in the previous year. In the last quarter, the category grew in particular thanks to the positive results of vacuum and large appliances.

The Brown category (15.1% of revenues) - including televisions and accessories, audio devices, devices for smart TVs, car accessories and memory systems - recorded total revenues of Euro 404,426 thousand, +5.2% compared with Euro 384,494 thousand in the previous year. After the strong performance in the third quarter, the category continued its growth trend in the fourth as well (+13.9%), definitively offsetting the weakness recorded in the first part of the year, also justified by the cancellation of sporting events imposed by Covid-19.

The Other products category (5% of total revenues) - which includes both the sales of the Entertainment sector and other products not included in the consumer electronics market such as hoverboards or bicycles - recorded revenues of Euro 134,082 million, up 17.7% compared to the previous year. The category benefited mainly from the increase in turnover generated by electric mobility products, as a consequence of the incentives and social distancing rules imposed. There was also significant growth in the entertainment segment, including consoles and video games, driven by the search for utmost home comfort.

The Services category (4% of total revenues) grew by 5.9% to Euro 108,356 thousand: the positive performance in the third and fourth quarters (+13.5% and +12.2% respectively) offset the weakness recorded in the first six months of the year, also thanks to Unieuro's continued focus on providing services to its customers, particularly the extended warranty service.

The table below contains a breakdown of the revenues per geographical area:

(In thousands of Euro)	Year ended	
	29 February 2021	29 February 2020
Abroad	7,465	4,001
Italy	2,677,759	2,440,896
Total	2,685,224	2,444,897

5.19 Other income

Below is a breakdown of the item "Other income" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Insurance reimbursements	109	3,575

Other income	796	1,551
Total Other Income	**905**	**5,126**

The item mainly includes income from the rental of computer equipment to affiliates and insurance reimbursements relating to theft or damage caused to stores. The decrease in the item "Other income" is mainly attributable to the insurance reimbursement obtained in the previous year in relation to the theft that occurred in 2017 at the Piacenza logistics platform for Euro 2,600 thousand.

5.20 Purchases of materials and external services

Below is a breakdown of the item "Purchases of materials and external services" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Purchase of goods	2,115,728	1,935,199
Transport	90,878	69,153
Marketing	49,792	52,978
Utilities	13,430	15,075
Maintenance and rental charges	12,921	13,558
General sales expenses	15,770	11,707
Other costs	24,921	20,929
Consulting	9,592	7,335
Purchase of consumables	8,045	6,267
Travel expenses	598	2,527
Payments to administrative and supervisory bodies	699	686
Total Purchases of materials and external services	**2,342,374**	**2,135,414**
Changes in inventory	(2,264)	(7,446)
Total, including the change in inventories	**2,340,110**	**2,127,968**

The item "Purchases of materials and external services", taking into account the item "Change in inventories", rose from Euro 2,127,968 thousand as at 29 February 2020 to Euro 2,343,110 thousand in the year ended 28 February 2021, an increase of Euro 212,142 thousand or 10.0%.

The main increase is attributable to the item "Purchase of goods" and "Change in inventories" for Euro 185,711 thousand, the increase of which is attributable to the increase in volumes and the implementation of the new strategy focused on increasing the turnover of stock and a different planning and mix of purchases compared to the previous year.

The item "Transport" increased by Euro 69,153 thousand at 29 February 2020 to Euro 90,878 thousand at 28 February 2021. The performance is mainly attributable to the increase in weight of the sales of the period recorded in the Online channel compared to the physical network and the ever-increasing weighting of home deliveries for online orders as a result of the increase recorded in requests for non-standard delivery services (timed delivery slot, delivery to a specified floor, etc.) and promotional campaigns which include free delivery.

The item "Marketing" fell from Euro 52,978 thousand as at 29 February 2020 to Euro 49,792 thousand as at 28 February 2021. The decrease is mainly attributable to the company's choice to focus more on digital consumption, making a progressive cut of paper and the distribution of flyers and partially reinvesting the savings thus obtained to strengthen the visibility of its digital version and to consolidate communication both in the digital channel and in the more traditional communication channels TV and Radio.

The item "Utilities" and "Maintenance and rental charges" decreased by Euro 1,645 thousand and Euro 637 thousand respectively compared to 29 February 2020. The decrease is mainly due to the reduction in operating costs, mainly of utilities and maintenance fees, caused by the reduced operation of the stores in the first quarter of the year.

The item "General sales expenses" increased from Euro 11,707 thousand as at 29 February 2020 to Euro 15,770 thousand as at 28 February 2021. The item mainly includes the costs for commissions on sales transactions, the increase is due to the cost of collections through electronic payment instruments (cards, PayPal, etc.) due to the growth in sales volumes in the online channel.

The item "Other costs" mainly includes costs for variable rents, condominium expenses, vehicles, hiring, cleaning, insurance and security. The item rose by Euro 3,992 thousand compared with 29 February 2020 or 19.1%. The increase is mainly attributable to both an increase in the costs incurred in response to the pandemic, such as costs for cleaning and sanitising the sales outlets and for the purchase of personal protective equipment, and to an increase in allocations to the provision for risks and charges mainly relating to suppliers and sub-suppliers of services for which requests have been received in the area of legal and labour law from third parties who hold Unieuro jointly liable and allocations for the commitments undertaken by the Group for the proceeding initiated January 2021, by the AGCM - Competition and Market Authority. This trend was partially offset by the implementation of the practical expedient provided by Covid-19-Related Rent Concessions, which allows lessees not to consider as an amendment to the original contract any rent concessions provided from 1 January 2020 extended to offset the effects of Covid-19. The aforesaid concessions signed by the reference date of the Consolidated Financial Statements, totalling Euro 9.9 million, have been recorded as positive variable lease payments with an impact on the income statement.

The item "Consultancy" went from Euro 7,335 thousand as at 29 February 2020 to Euro 9,592 thousand as at 28 February 2021, up compared to the previous year. The increase is due to strategic, smart working project and privacy project consultancy.

5.21 Personnel costs

Below is a breakdown of the item "Personnel costs" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended

	28 February 2021	29 February 2020
Salaries and wages	129,071	133,520
Welfare expenses	37,745	40,763
Severance pay	8,242	8,162
Other personnel costs	766	2,962
Total personnel costs	175,824	185,407

Personnel costs went from Euro 185,407 thousand in the year ended 29 February 2020 to Euro 175,824 thousand in the year ended 28 February 2021, a decrease of Euro 9,583 thousand or 5.2%.

"Salaries and wages" and "Welfare expenses" decreased by Euro 4,449 thousand and Euro 3,018 thousand, respectively. The decrease is mainly due to the effect of the actions taken to mitigate the impact of the epidemic, mostly reflecting the use of the Exceptional Redundancy Payments and the completion of previous holidays and leaves.

The item "Other personnel costs", which amounted to Euro 766 thousand as at 28 February 2021 (Euro 2,962 thousand as at 29 February 2020), mainly includes the cost of the share-based payment plan (the Long Term Incentive Plan) which completed its vesting period on 31 July 2020 and for the 2020-2025 Performance Share plan. Refer to Note 5.28 for more details about the share-based payment agreements.

5.22 Other operating costs and expenses

Below is a breakdown of the item "Other operating costs and expenses" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Non-income based taxes	5,445	6,152
Provision/(releases) for supplier bad debts	355	0
Provision/(releases) for the write-down of other assets	0	0
Bad debt provision/(releases)	(52)	322
Other operating expenses	1,057	789
Total other operating costs and expenses	6,805	7,263

"Other operating costs and expenses" went from Euro 7,263 thousand in the year ended 29 February 2020 to Euro 6,805 thousand in the year ended 28 February 2021, a decrease of Euro 458 thousand or 6.3%.

The item "non-income taxes" mainly includes costs associated with the running of the business such as waste disposal tax and taxes for advertising and promotional activities.

The item “Other operating costs” includes costs for charities, customs and capital losses.

5.23 Amortisation, depreciation and write-downs

Below is a breakdown of the item "Depreciation, amortisation and write-downs" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Amortisation of tangible fixed assets	20915	20590
Amortisation/depreciation of Right-of-use assets	62156	61,107
Intangible Assets Amortisation	7,124	6,665
Write-downs/(write backs) of tangible and intangible non-current assets	991	440
Total depreciation, amortisation and write-downs	**91,186**	**88,802**

The item "Depreciation, amortisation and write-downs" went from Euro 88,802 thousand in the year ended 29 February 2020 to Euro 91,186 thousand in the year ended 28 February 2021, recording an increase of Euro 2,384 thousand.

The item "Write-downs/(write backs) of tangible and intangible non-current assets" includes write-downs of certain assets in Forlì following the decision to transfer the registered office and write-downs of assets following the work carried out on the sales outlets.

5.24 Financial income and Financial expenses

Below is a breakdown of the item "Financial income" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Other financial income	75	89
Interest income	1	2
Total financial income	**76**	**91**

"Financial income" went from Euro 91 thousand in the year ended 29 February 2020 to Euro 76 thousand in the year ended 28 February 2021, a decrease of Euro 15 thousand. This item mainly includes exchange gains realised during the year.

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The breakdown of the item "Financial expenses" is given below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Interest expense on bank loans	2,007	2,369
Other financial expense	11,358	11,930
Total Financial Expenses	13,365	14,299

"Financial expenses" went from Euro 14,299 thousand in the year ended 29 February 2020 to Euro 13,365 thousand in the year ended 28 February 2021, a decrease of Euro 934 thousand or -6.5%.

The item "Interest expense on bank loans" decreased as at 28 February 2021 by Euro 362 thousand compared to the same period of the previous year; this is due to improved treasury management.

The item "Other financial expenses" amounted to Euro 11,358 thousand as at 28 February 2021 (Euro 11,930 thousand as at 29 February 2020). The change refers primarily to financial expenses relating to financial liabilities for leases pursuant to IFRS 16.

5.25 Income taxes

Below is a breakdown of the item "Income taxes" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Current taxes	(7,270)	(4,308)
Deferred taxes	1,929	3,544
Allocation to tax provision and Taxes payable	(24)	(15)
Total	(5,365)	(779)

The table below contains the reconciliation of the theoretical tax burden with the actual one:

(In thousands of Euro and as a percentage of the profit before tax)	Year ended			
	28 February 2021	%	29 February 2020	%
Pre-tax result for the period	58,915		26,375	
Theoretical income tax (IRES)	(14,140)	24.0%	(6,330)	24.0%
IRAP	(4,355)	(7.4%)	(2,620)	(9.9%)
Tax effect of permanent differences and other differences	13,154	22.3%	8,186	31.0%
Taxes for the period	(5,341)		(764)	
(Allocation)/release to tax provision and Taxes payable	(24)		(15)	

Total taxes	(5,365)	(779)
Actual tax rate	(9.1%)	(3.0%)

The impact of taxes on income is calculated considering (accrual to)/release from the tax provision for tax disputes. In the years ended at 28 February 2021 and at 29 February 2020, the effect of taxes on profit before taxes was negative by 9.1% and 3.0%, respectively;

It is hereby specified that beginning from 28 February 2019, Unieuro S.p.A. had exercised an option for the Domestic Tax Consolidation regime in its capacity as the "Consolidating Company" (pursuant to Article 117 of Presidential Decree No. 917 of 22/12/1986) together with the "Consolidated Company" Monclick S.r.l.. The option made it possible to determine the payable IRES (corporate income tax) due on a tax base which corresponds to the algebraic sum of the taxable revenue and tax losses of the individual companies that are included in the Consolidation.

The item "Allocation to tax provision" and "Taxes payable" went from a release of Euro 15 thousand in the financial year ended 29 February 2020 to a provision of Euro 24 thousand in the financial year ended 28 February 2021.

5.26 Basic and diluted earnings per share

The basic earnings per share are calculated by dividing the result for the consolidated period by the average number of ordinary shares. The details of the calculation are given in the table below:

	Year ended	
(In thousands of Euro)	28 February 2021	29 February 2020
Profit/(loss) for the year [A]	53,550	25,596
Number of shares (in thousands) taken into consideration for the purpose of calculating the basic earnings per share [B] (1)	20,016	20,000
Earnings per share (*in Euro*) [A/B]	**2.68**	**1.28**

(1) The average number of shares (in thousands) considered for the purpose of calculating the basic earnings per share was defined using the number of Unieuro S.p.A. shares as at 28 February 2021.

The details of the calculation of the diluted earnings per share are given in the table below:

	Year ended	
(In thousands of Euro)	28 February 2021	29 February 2020
Profit/(loss) for the year/year [A]	53,550	25,596
Average number of shares (in thousands) [B] (1)	20,016	20,000
Effect of the options on shares upon issuance [C] (2)	-	.

Diluted earnings per share (*in Euro*) [A/(B+C)]	2.68	1.28

(1) The average number of shares (in thousands) considered for the purpose of calculating the diluted earnings per share was defined using the number of Unieuro S.p.A. shares issued on 12 December 2016.

(2) The effect of the share options on the issue, considered for the purpose of calculating the result for the diluted earnings per share refers to the shares assigned under the share-based payment plan known as the Long Term Incentive Plan which, as required by IFRS 2 can be converted based on the conditions accrued in the respective financial years.

5.27 Cash flow statement

The key factors that affected cash flows in the three years are summarised below.

Net cash flow generated/(absorbed) by operating activities

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Cash flow from operations		
Consolidated profit/(loss) for the consolidated year	53,550	25,596
Adjustments for:		
Income taxes	5,365	779
Net financial expenses (income)	13,289	14,208
Depreciation, amortisation and write-downs of fixed assets	91,186	88,802
Other changes	354	1,446
	163,744	130,831
Changes in:		
- Inventories	(2,265)	(7,446)
- Trade receivables	(14,026)	(10,000)
- Trade payables	26,333	7,992
- Other changes in operating assets and liabilities	52,039	28,558
Cash flow generated/(absorbed) by operating activities	62,081	19,104
Taxes paid	(2,535)	(3,677)
Interest paid	(12,359)	(13,515)
Net cash flow generated/(absorbed) by operating activities	210,931	132,743

The Consolidated net cash flow generated/(used) by operating activities was Euro 210,931 thousand (Euro +132,743 thousand in the previous year ended 29 February 2020). Cash generation is linked to the good performance of the Group's operating profitability and the careful management of working capital, due to structural and sustainable interventions on the level of stocks and one-off actions taken by management to tackle the epidemic.

Cash flow generated/(absorbed) by investment activities

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Cash flow from investment activities		
Purchases of plant, machinery, equipment and other assets	(17,789)	(16,003)
Purchases of intangible assets	(14,463)	(11,844)
Investments for business combinations and business units	(8,418)	(11,964)
Net cash inflow from acquisition	-	10
Cash flow generated/(absorbed) by investing activities	(40,851)	(39,801)

Investment activities absorbed liquidity of Euro 40,851 thousand and Euro 39,801 thousand, respectively, in the year ended 28 February 2021 and 29 February 2020.

With reference to the year ended 28 February 2021, the Company's main requirements involved:

- Investments in companies and business units totalled Euro 8,418 thousand. These investments refer to the portion paid for the acquisition of former Pistone S.p.A., former Cerioni S.p.A. and Monclick and the advance for the purchase of the former Galimberti store.
- investments in plant, machinery and equipment of Euro 17,557 thousand, mainly relating to interventions at points of sale opened, relocated or renovated during the year;
- investments in intangible assets for Euro 14,876 thousand relating to costs incurred for the purchase of new hardware, software, licenses and development of applications with a view to improving the technological infrastructure, including costs relating to the project - still being implemented - aimed at adopting a new ERP.

Cash flow generated/(absorbed) by financing activities

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020

Cash flow from investment activities[43]		
Increase/(Decrease) in financial liabilities	6,846	(3,223)
Increase/(Decrease) in other financial liabilities	(1,669)	(1,660)
Increase/(Decrease) in financial liabilities - IFRS 16 Leases	(55,907)	(54,435)
Exercise - Long Term Incentive Plan	3,304	-
Distribution of dividends	-	(21,400)
Cash flow generated/(absorbed) by financing activities	(47,426)	(80,718)

Financing absorbed liquidity of Euro 47,426 thousand in the year ended 28 February 2021 and Euro 80,718 thousand in the year ended 29 February 2020.

The cash flow from financing activities as at 28 February 2021 mainly reflects the absence of the distribution of dividends during the year (in the previous year a dividend of Euro 21,400 thousand was distributed).

5.28 Share-based payment agreements

Long-Term Incentive Plan

On 6 February 2017, the Extraordinary Shareholders' Meeting of Unieuro approved the adoption of a stock option plan (the "Plan" or "Long-Term Incentive Plan" or "LTIP") reserved for Executive Directors, associates and employees (managers and others) of Unieuro. The Plan calls for assigning ordinary shares derived from a capital increase with no option rights pursuant to Art. 2441, paragraphs 5 and 8 of the Italian Civil Code approved by Unieuro's Shareholders' Meeting on the same date.

The Plan specifies the following objectives: (i) to get beneficiaries to focus on factors of strategic interest to Unieuro, (ii) to obtain the loyalty of plan beneficiaries and give them an incentive to remain with Unieuro, (iii) to increase the Company's competitiveness by identifying medium-term goals and fostering the creation of value for both Unieuro as well as its shareholders, and (iv) to ensure that the overall remuneration of Plan beneficiaries is competitive in the market.

The implementation and definition of the specific characteristics of the Plan were delegated by the Shareholders' Meeting itself to the Unieuro Board of Directors for its specific definition. On 29 June 2017, the Board of Directors approved the plan regulations ("Regulations") whereby the terms and conditions of implementation of the Plan were determined.

The Recipients subscribed to the Plan in October 2017. The parties expressly agreed that the effects of granting rights should be retroactive to 29 June 2017, the date the regulations were approved by the Board of Directors.

[43] For the purpose of better representation, the cash flows relating to IFRS 16 leases were reclassified from the item "Cash flow generated/(absorbed) by investment activities" to the item "Cash flow generated/(absorbed) by financing activities".

The Regulations also provide for the terms and conditions described below:

- *Condition:* the Plan and the grant of the options associated with it will be subject to the conclusion of the listing of Unieuro by 31 July 2017 (the "IPO");

- *Recipients*: the Plan is addressed to Directors with executive type positions, associates and employees (managers and others) of Unieuro ("Recipients") that were identified by the Board of Directors within those who have an ongoing employment relationship with Unieuro and/or other companies of the Group. Identification of the Recipients was made on the basis of a discretionary judgement of the Board of Directors that, given the purpose of Long Term Incentive Plan, the strategies of Unieuro and the Group and the objectives to be achieved, took into account, among other things, the strategic importance of the role and impact of the role on the pursuit of the objective;

- *Object:* the object of the Plan is to grant the Recipients option rights that are not transferable by act inter vivos for the purchase or subscription against payment of ordinary shares in Unieuro for a maximum of 860,215 options, each of which entitling the bearer to subscribe one newly issued ordinary share ("Options"). If the target is exceeded with a performance of 120%, the number of Options will be increased up to 1,032,258. A share capital increase was approved for this purpose for a nominal maximum of Euro 206,452, in addition to the share premium, for a total value (capital plus premium) equal to the price at which Unieuro's shares will be placed on the MTA through the issuing of a maximum of 1,032,258 ordinary shares;

- *Granting*: the options will be granted in one or more tranches and the number of Options in each tranche will be decided by the Board of Directors following consultation with the Remuneration Committee;

- *Exercise of rights*: the subscription of the shares can only be carried out after 31 July 2020 and within the final deadline of 31 July 2025;

- *Vesting*: the extent and existence of the right of every person to exercise options will happen on 31 July 2020 provided that: (i) the working relationship with the Recipient persists until that date, and (ii) the objectives are complied with, in terms of distributable profits, as indicated in the business plan on the basis of the following criteria:

    - in the event of failure to achieve at least 85% of the expected results, no options will be eligible for exercise;

    - if 85% of the expected results are achieved, only half the options will be eligible for exercise;

    - if between 85% and 100% of the expected results are achieved, the number of options eligible for exercise will increase on a straight line between 50% and 100%;

    - if between 100% and 120% of the expected results are achieved, the number of options eligible for exercise will increase proportionally on a straight line between 100% and 120% – the maximum limit.

- *Exercise price*: the exercise price of the Options will be equal to the issue price on the day of the IPO amounting to Euro 11 per share;

- *Monetary bonus*: the recipient who wholly or partly exercises their subscription rights shall be entitled to receive an extraordinary bonus in cash of an amount equal to the dividends that would have been received at the date of approval of this Long Term Incentive Plan until completion of the vesting period (29 February 2020) with the exercise of company rights pertaining to the Shares obtained during that year with the exercise of Subscription Rights;

- *Duration*: the Plan covers a time horizon of five years, from 31 July 2020 to 31 July 2025.

The vesting period of the rights provided for in the Plan ended at the close of the previous financial period (29 February 2020); on 18 June 2020, the Board of Directors verified that 101.11% of the quantitative and therefore objectively verifiable objectives had been achieved and approved the allocation of a total of 849,455 options, in compliance with the Plan Regulations. From 31 July 2020 to 31 July 2025, each beneficiary will be entitled to exercise their subscription rights in whole or in part, including in several tranches; at the end of each financial year in which the beneficiary will have exercised all or part of its subscription rights, as provided for by the Plan, that beneficiary will be entitled to receive an extraordinary cash bonus, already recognised in the financial statements, equal to the dividends that would have been forthcoming from the date of approval of the Plan until the end of the vesting period, pursuant to the exercise of the corporate rights attached to the shares obtained in the relevant year.

The cost for the Long-Term Incentive Plan included in the Consolidated Financial Statements as at 28 February 2021 was Euro 0.3 million.

The number of outstanding options as at 28 February 2021 is as follows:

	Number of options 28 February 2021
No. of options in circulation assigned	849,455
No. of options granted during the period	8,605
No. of options not granted	10,760
No. of options exercised	300377
No. of options expired	-

<u>*Performance shares 2020-2025*</u>

On 27 October 2020, after receiving the favourable opinion of the Nominations and Remuneration Committee, the Board of Directors of Unieuro S.p.A. approved the Information Document relating to the Performance Shares 2020-2025 Plan (the "Performance Shares" or "PS") drawn up pursuant to Article 114-bis of the Consolidated Finance Act (TUF), which was submitted to the Shareholders' Meeting in December 2020 for approval.

Description of the Plan's recipients

The implementation and definition of the specific characteristics of the Plan were delegated by the Shareholders' Meeting itself to the Unieuro Board of Directors for its specific definition. On 13 January 2021, the Board of Directors approved the plan regulations ("Regulations") whereby the terms and conditions of implementation of the Plan were determined.

The Recipients signed the Plan in January 2021.

The Plan is intended for executive directors and/or managers with strategic responsibilities and/or employees of the Company or Group companies, understood as personnel who have an employment relationship with the Company and/or the Group and fall into one of the following categories: (i) executive/senior level at the Company and/or Group companies; (ii) middle management (or higher) level employees at the Company and/or Group companies.

Essential elements relating to the characteristics of the financial instruments on which it is based

The Plan provides for the free granting of rights to receive ordinary shares of Unieuro (the "Shares") to each of the beneficiaries. This granting will be based, inter alia, on the achievement of certain performance objectives and specific vesting conditions, which reflect the most important variables related to the creation of value for the Group.

The free allocations of these Shares will be made in 2023 (1st cycle), 2024 (2nd cycle) and 2025 (3rd cycle).

As resulting from the relevant resolution of the Board of Directors, the actual allocation of the Shares, for each of the three cycles indicated, will be made on the basis of the degree to which the performance objectives were achieved and, in general, the continuation of the vesting conditions.

It is also provided that the aforesaid rights confer to each beneficiary the right to receive a cash bonus based on any cash dividends distributed and paid by the Company up to the allocation date. This bonus shall be payable jointly with, and subject to, the delivery of the shares relating to each cycle of the Plan, provided that the specific vesting conditions are met.

Plan rationale

The Plan is one of the instruments used by the Company and the Group to supplement the remuneration package of key personnel through variable components linked to the achievement of certain performance objectives, in accordance with best market practices.

In particular, the Company believes that a share-based incentive plan, with a five-year duration and specific performance targets, is the most effective incentive instrument and best suited to the interests of the Company and the Group. Therefore, the Plan has the following objectives: (i) to focus the attention of the beneficiaries on factors of strategic interest to the Company and to direct key resources towards strategies aimed at pursuing medium/long-term results; (ii) to build the loyalty of the beneficiaries and encourage them to remain with the Company by developing retention policies aimed at increasing the loyalty of key resources; (iii) to align the interests of the beneficiaries with those of the shareholders, with a view to developing confidence in the growth of the Company's value; and (iv) to ensure that the overall remuneration of the recipients of the Plan remains competitive while concurrently developing policies that will attract talented managerial and professional staff.

In the financial statements, the assumptions underlying the calculation were: (i) the exercise term equal to the duration between the grant date and the right assignment date, (ii) the share price at the time of valuation, (iii) the amount of expected dividends. Lastly, consistent with the requirements of IFRS 2, (iv) the probability of Recipients leaving and (v) the probability of achieving performance targets of 100%.

The number of outstanding rights is as follows:

	Number of rights 28 February 2021
In place at the beginning of period	-
Assigned during the period	-
Granted during the period	200,000
Contribution from merger	-
Withdrawn during the period (bad leavers)	-
Outstanding at end of period	200,000
Not allocated at the beginning of period	-
Exercisable at end of period	-
Not allocated at the end of the period	-

6. RELATED-PARTY TRANSACTIONS

The tables below summarise the Group's credit and debt relations with related parties as at 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Credit and debt relations with related parties (as at 28 February 2021)						
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Board of Directors	Main managers	Total	Total balance sheet item	Impact on balance sheet item
At 28 February 2021							
Other current liabilities	(70)	(61)	(148)	(3,125)	(3,404)	(261,174)	1.3%
Total	(70)	(61)	(148)	(3,125)	(3,404)		

(In thousands of Euro)	Credit and debt relations with related parties (as at 29 February 2020)						
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Board of Directors	Main managers	Total	Total balance sheet item	Impact on balance sheet item
At 29 February 2020							
Other current liabilities	-	(65)	(139)	(2,145)	(2,349)	(221,428)	1.1%
Total	-	(65)	(139)	(2,145)	(2,349)		

The following table summarises the economic relations of the Group with related parties as at 28 February 2021 and as at 29 February 2020:

(In thousands of Euro)	Economic relations with related parties (as at 28 February 2021)						
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Board of Directors	Main managers	Total	Total balance sheet item	Impact on balance sheet item
At 28 February 2021							
Purchases of materials and external services	(294)	(95)	(571)	-	(960)	(2,342,374)	0.00%
Personnel costs	-	-	-	(5,306)	(5,306)	(175,824)	3.00%
Total	(294)	(95)	(571)	(5,306)	(6,266)		

(In thousands of Euro)	Economic relations with related parties (as at 29 February 2020)						
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Board of Directors	Main managers	Total	Total balance sheet item	Impact on balance sheet item
At 29 February 2020							
Purchases of materials and external services	(278)	(96)	(524)	-	(898)	(2,135,414)	0.00%
Personnel costs	-	-	-	(5,323)	(5,323)	(185,407)	2.90%
Total	(278)	(96)	(524)	(5,323)	(6,221)		

With reference to the periods considered, the credit/debit and economic relations with related parties mainly refer to relations with Directors and Principal Executives, summarised in the following table:

Main managers	
Year ended 28 February 2021	Year ended 29 February 2020
Chief Executive Officer - Giancarlo Nicosanti Monterastelli	*Chief Executive Officer - Giancarlo Nicosanti Monterastelli*
Chief Financial Officer - Italo Valenti	*Chief Financial Officer - Italo Valenti*
Chief Corporate Development Officer - Andrea Scozzoli	*Chief Corporate Development Officer - Andrea Scozzoli*
Chief Omnichannel Officer - Bruna Olivieri	*Chief Omnichannel Officer - Bruna Olivieri*
Chief Commercial Officer - Gabriele Gennai	*Chief Operations Officer - Luigi Fusco*
Chief Operations Officer - Luigi Fusco	

The gross pay of the main managers includes all remuneration components (benefits, bonuses and gross remuneration).

The table below summarises the Group's cash flows with related parties as at 28 February 2021 and at 29 February 2020:

(In thousands of Euro)	Related parties						
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Board of Directors	Main managers	Total	Total balance sheet item	Impact on balance sheet item
Period from 1 March 2019 to 29 February 2020							
Net cash flow generated/(absorbed) by operating activities	(278)	(127)	(618)	(3,428)	(4,451)	132,743	(3.4%)
Total	(278)	(127)	(618)	(3,428)			
Period from 1 March 2020 to 28 February 2021							
Net cash flow generated/(absorbed) by operating activities	(224)	(99)	(562)	(4,326)	(5,211)	210,924	(2.5%)
Total	(224)	(99)	(562)	(4,326)	(5,211)		

7. OTHER INFORMATION

Contingent liabilities

Based on the information currently available, the Directors of the Company believe that, at the date of the approval of these financial statements, the provisions set aside are sufficient to guarantee the correct representation of the financial information.

Guarantees granted in favour of third-parties

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Guarantees and sureties in favour of:		
Parties and third-party companies	44,143	48,829
Total	44,143	48,829

Information on transparency obligations within the public funding system (Article 1, paragraphs 125-129 of Law No. 124/2017)

As required by the legislation on the transparency of public funding introduced by Article 1, paragraphs 125-129 of Law No. 124/2017 and subsequently supplemented by the 'security' Decree-Law (No. 113/2018) and the 'simplification' Decree-Law (No. 135/2018), please refer to the National Register of State Aid.

Please note that the Group benefitted from general measures that could be taken advantage of by all companies and which fall within the general structure of the reference system defined by the State, or general aid linked to the economic support measures taken by the government considering the coronavirus epidemiological emergency within the limits and under the conditions set forth in Communication from the European Commission of 19 March 2020 C(2020) 1863 final temporary framework for State aid measures to support the economy in the current COVID-19 outbreak.

In the year ended 28 February 2021, the Group had not received any further subsidies, contributions and economic benefits of any kind from public administrations and similar entities, subsidiaries of public administrations and state-owned companies.

Payments to the independent auditor

Payments to the independent auditor and its network for statutory audits and other services as at 28 February 2021 are highlighted below:

Type of service	Entity providing the service	Fees (in thousands of Euro)
Audit	KPMG S.p.A.	705
Attestation services	KPMG S.p.A.	46
Other services	KPMG Advisory S.p.A.	215
	Total	966

Significant events after the close of the year

The adoption of the SAP management system

The transition to the new SAP S/4HANA management software began on 1 March 2021. The adoption of the new ERP (Enterprise Resource Planning) has been planned for some time and implemented with the support of the consulting companies EY and Abstract, leaders in the sector, with the aim of radically evolving company information systems, making them technologically advanced and functional to the omnichannel growth strategy of Unieuro.

The acquisition of the Limbiate store

Following the participation in the competitive procedure announced by the Court, Unieuro was awarded the contract and on 01 March 2021, acquired the business unit of Galimberti S.p.A., in an arrangement with creditors consisting of a store located in Limbiate.

The expansion in the metropolitan area of Turin

On 31 March 2021, Unieuro announced a significant strengthening of the network in the Piedmont capital thanks to the acquisition of a business unit consisting of two 2C Srl stores and the signing of an affiliation contract for the third store managed by the same company. The three stores, previously members of the Expert purchasing group, reopened under the Unieuro sign in April.

The entry of iliad in the capital

On 6 April 2021, Unieuro acknowledged the purchase of an interest of approximately 12% of the share capital by iliad Italia, with which a successful commercial relationship is already in place and which declared its intention to accompany the Company in its long-term growth.

The consensual termination of the employment relationship with the CFO

On 9 April 2021, Unieuro and Italo Valenti signed an agreement for the consensual termination of the employment relationship, with effect from 31 May, as a result of which Italo Valenti will leave his role as Chief Financial Officer and the positions of manager in charge of preparing the corporate and accounting documents and investor relator of Unieuro and will pursue other professional opportunities.

Appendix 1

Consolidated Statement of Financial Position as at 28/02/2021 prepared applying the provisions pursuant to Consob Resolution 15519 of 27/07/2006 and Consob Communication DEM/6064293 of 28/07/2006.

(In thousands of Euro)	Year ended					
	28 February 2021	Of which with Related-Parties	% Weighting	29 February 2020	Of which with Related-Parties	% Weighting
Plant, machinery, equipment and other assets	71,526			84,696		
Goodwill	195,238			195,238		
Intangible assets with definite useful life	32,927			27,247		
Right-of-use assets	451,622			478,286		
Deferred tax assets	40,766			38,617		
Other non-current assets	10,082			11,931		
Total non-current assets	802,161	-	0.0%	836,015	-	0.0%
Inventories	372,053			369,788		
Trade receivables	65,314			51,288		
Current tax assets	-			-		
Other current assets	19,069			25,355		
Cash and cash equivalents	219,366			96,712		
Total current assets	675,802	-	0.0%	543,143	-	0.0%
Total Assets	1,477,963	-	0.0%	1,379,158	-	0.0%
Share capital	4,053			4,000		
Reserves	75,588			38,316		
Profit/(loss) carried forward	73,654	(6,266)	(8.5%)	53,842	(6,221)	(11.6%)
Total shareholders' equity	153,295	(6,266)	(4.1%)	96,158	(6,221)	(6.5%)
Financial liabilities	39,068			31,643		
Employee benefits	12,979			11,988		
Other financial liabilities	399,562			444,532		
Provisions	20,752			8,679		
Deferred tax liabilities	3,637			3,463		
Other non-current liabilities	26			26		
Total non-current liabilities	467,024	-	0.0%	500,331	-	0.0%
Financial liabilities	9,659			9,520		
Other financial liabilities	68,202			69,419		
Trade payables	505,066			479,608		
Current tax liabilities	3,789			1,449		

Provisions	754			1,245		
Other current liabilities	261,174	3,404	1.3%	221,428	2,349	1.1%
Total current liabilities	848,644	3,404	0.4%	782,669	2,349	0.3%
Total liabilities and shareholders' equity	1,477,963	(2,862)	(0.2%)	1,379,158	(3,872)	(0.3%)

Appendix 2

Consolidated Income Statement as at 28/02/2021 prepared applying the provisions pursuant to Consob Resolution 15519 of 27/07/2006 and Consob Communication DEM/6064293 of 28/07/2006.

(In thousands of Euro)	Year ended					
	28 February 2021	Of which with Related -Parties	% Weighting	29 February 2020	Of which with Related -Parties	% Weighting
Revenue	2,685,224			2,444,897		
Other income	905			5,126		
TOTAL REVENUE AND INCOME	2,686,129	-	0.0%	2,450,023	-	0.0%
Purchases of materials and external services	(2,342,374)	(960)	0.0%	(2,135,414)	(898)	0.0%
Personnel costs	(175,824)	(5,306)	3.0%	(185,407)	(5,323)	2.9%
Changes in inventory	2,264			7,446		
Other operating costs and expenses	(6,805)			(7,263)		
GROSS OPERATING RESULT	163,390	(6,266)	(3.8%)	129,385	(6,221)	(4.8%)
Depreciation, amortisation and write-downs of fixed assets	(91,186)			(88,802)		
NET OPERATING RESULT	72,204	(6,266)	(8.7%)	40,583	(6,221)	(15.3%)
Financial income	76			91		
Financial expenses	(13,365)			(14,299)		
PROFIT BEFORE TAX	58,915	(6,266)	(10.6%)	26,375	(6,221)	(23.6%)
Income taxes	(5,365)			(779)		
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR	53,550	(6,266)	(11.7%)	25,596	(6,221)	(24.3%)

Appendix 3

Consolidated Cash Flows Statement as at 28/02/2021 prepared applying the provisions pursuant to Consob Resolution 15519 of 27/07/2006 and Consob Communication DEM/6064293 of 28/07/2006.

(In thousands of Euro)	Year ended					
	28 February 2021	Of which with Related-Parties	% Weighting	29 February 2020	Of which with Related -Parties	% Weighting
Cash flow from operations						
Consolidated profit/(loss) for the consolidated year	53,550	(6,266)	(11.7%)	25,596	(6,221)	(24.3%)
Adjustments for:						
Income taxes	5,365			779		
Net financial expenses (income)	13,289			14,208		
Depreciation, amortisation and write-downs of fixed assets	91,186			88,802		
Other changes	354			1,446	1,468	101.5%
	163,744	(6,266)	(3.8%)	130,831	(4,753)	(3.6%)
Changes in:						
- Inventories	(2,265)			(7,446)		
- Trade receivables	(14,026)			(10,000)		
- Trade payables	26,333			7,992		
- Other changes in operating assets and liabilities	52,039	1,055	2.0%	28,558	302	1.1%
Cash flow generated/(absorbed) by operating activities	62,081	(5,211)	(8.4%)	19,104	(4,451)	(23.3%)
Taxes paid	(2,535)			(3,677)		
Interest paid	(12,359)			(13,515)		
Net cash flow generated/(absorbed) by operating activities	210,931	(5,211)	(2.5%)	132,743	(4,451)	(3.4%)
Cash flow from investment activities						
Purchases of plant, machinery, equipment and other assets	(17,789)			(16,003)		
Purchases of intangible assets	(14,463)			(11,844)		
Investments for business combinations and business units	(8,418)			(11,964)		
Cash contribution from merger				10		
Cash flow generated/(absorbed) by investment activities	(40,581)	-	0.0%	(39,801)	-	0.0%
Cash flow from investment activities						
Increase/(Decrease) in financial liabilities	6,846			(3,223)		
Increase/(Decrease) in other financial liabilities	(1,669)			(1,660)		
Increase/(Decrease) in financial liabilities - IFRS 16 Leases	(55,907)			(54,435)		
Increase/(Decrease) in shareholder loans	3,304					

Distribution of dividends				(21,400)		
Cash flow generated/(absorbed) by investment activities	(47,426)	-	0.0%	(80,718)	-	0.0%
Net increase/(decrease) in cash and cash equivalents	122,654	(5,211)	(4.2%)	12,224	(4,451)	(36.4%)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	96,712			84,488		
Net increase/(decrease) in cash and cash equivalents	122,654			12,224		
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	219,366			96,712		

Appendix 4

Consolidated Income Statement as at 28/02/2021 prepared applying the provisions pursuant to Consob Resolution 15519 of 27/07/2006 and Consob Communication DEM/6064293 of 28/07/2006.

	Year ended					
(In thousands of Euro)	28 February 2021	Of which non-recurring	% Weighting	29 February 2020	Of which non-recurring	% Weighting
Revenue	2,685,224			2,444,897		
Other income	905			5,126	2,746	53.6%
TOTAL REVENUE AND INCOME	2,686,129			2,450,023	2,746	0.1%
Purchases of materials and external services	(2,342,374)	(9,155)	0.4%	(2,135,414)	(8,412)	0.4%
Personnel costs	(175,824)	(303)	0.2%	(185,407)	(1,329)	0.7%
Changes in inventory	2,264			7,446	(1,589)	(21.3%)
Other operating costs and expenses	(6,805)			(7,263)	(726)	10.0%
GROSS OPERATING RESULT	163,390	(9,458)	(5.8%)	129,385	(9,310)	(7.2%)
Depreciation, amortisation and write-downs of fixed assets	(91,186)			(88,802)		
NET OPERATING RESULT	72,204	(9,458)	(13.1%)	40,583	(9,310)	(22.9%)
Financial income	76			91		
Financial expenses	(13,365)			(14,299)		
PROFIT BEFORE TAX	58,915	(9,458)	(16.1%)	26,375	(9,310)	(35.3%)
Income taxes	(5,365)	823	15.1%	(779)	810	0.0%
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR	53,550	(8,635)	(16.1%)	25,596	(8,500)	(33.2%)

CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 28 FEBRUARY 2021 PURSUANT TO ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS SUBSEQUENTLY AMENDED AND SUPPLEMENTED

The undersigned, Giancarlo Nicosanti Monterastelli, as Chief Executive Officer, and Italo Valenti, as the manager in charge of preparing the Unieuro Group's corporate and accounting documents, hereby certify, also considering the provisions of Article 154-bis, paragraphs 3 and 4 of Legislative Decree No. 58 of 24 February 1998:

- the adequacy in relation to the company's characteristics; and
- the effective implementation of the administrative and accounting procedures for the preparation of the Consolidated Financial Statements in 2021.

It is also certified that the 2021 Consolidated Financial Statements of the Unieuro Group:

- were prepared in accordance with the applicable international accounting standards recognised in the European Community pursuant to Regulation (EC) 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- correspond to the results of the books and accounting records;
- provide a true and accurate representation of the balance sheet, income statement and financial position of the issuer and of all the companies included in the consolidation.

The management report includes a reliable analysis of the changes and results of management, and of the position of the issuer and companies included in the scope of consolidation, together with a description of the principal risks and uncertainties faced.

06 May 2021

Giancarlo Nicosanti Monterastelli Managing director and Chief Executive Officer	Italo Valenti Executive Officer Responsible for the preparation of the financial statements of the company

SEPARATE FINANCIAL STATEMENTS
28/02/2021

CONTENTS

STATEMENT OF FINANCIAL POSITION

(In thousands of Euro)		Year ended	
	Notes	28 February 2021	29 February 2020
Plant, machinery, equipment and other assets	5.1	71,478	79,959
Goodwill	5.2	188,039	170,767
Intangible assets with definite useful life	5.3	28,606	22,148
Right-of-use assets	5.4	451,520	454,994
Deferred tax assets	5.5	40,766	38,307
Other non-current assets	5.6	22,633	42,250
Total non-current assets		803,042	808,425
Inventories	5.7	371,390	351,109
Trade receivables	5.8	75,287	86,486
Current tax assets	5.9	-	-
Other current assets	5.6	18,804	25,168
Cash and cash equivalents	5.10	203,873	80,191
Total current assets		669,354	542,954
Total assets		1,472,396	1,351,379
Share capital	5.11	4,053	4,000
Reserves	5.11	75,540	38,392
Profit/(loss) carried forward	5.11	72,901	60,831
Total shareholders' equity		152,494	103,223
Financial liabilities	5.12	39,068	31,643
Employee benefits	5.13	12,570	10,551
Other financial liabilities	5.14	399,558	426,675
Provisions	5.15	20,527	8,499
Deferred tax liabilities	5.5	2,475	2,082
Other non-current liabilities	5.16	26	26
Total non-current liabilities		474,224	479,476
Financial liabilities	5.12	9,659	9,520
Other financial liabilities	5.14	68,119	66,227
Trade payables	5.17	503,166	477,250
Current tax liabilities	5.9	3,803	1,473
Provisions	5.15	747	1,238
Other current liabilities	5.16	260,184	212,972
Total current liabilities		845,678	768,680
Total liabilities and shareholders' equity		1,472,396	1,351,379

The notes are an integral part of these annual financial statements.

INCOME STATEMENT

(In thousands of Euro)		Year ended	
	Notes	28 February 2021	29 February 2020
Revenue	5.18	2,659,283	2,425,895
Other income	5.19	1,610	5,491
TOTAL REVENUE AND INCOME		2,660,893	2,431,386
Purchases of materials and external services	5.20	(2,318,786)	(2,108,521)
Personnel costs	5.21	(173,865)	(170,157)
Changes in inventory	5.7	2,053	(11,024)
Other operating costs and expenses	5.22	(6,728)	(6,828)
GROSS OPERATING RESULT		163,567	134,856
Amortisation, depreciation and write-downs	5.23	(90,198)	(83,808)
NET OPERATING RESULT		73,369	51,048
Financial income	5.24	74	82
Financial expenses	5.24	(13,367)	(13,879)
PROFIT BEFORE TAX		60,076	37,251
Income taxes	5.25	(5,645)	(1,501)
PROFIT/(LOSS) FOR THE YEAR		54,431	35,750
Basic earnings per share (in Euro) [44]	5.26	2.68	1.79
Diluted earnings per share (in Euro) [49]	5.26	2.68	1.79

The notes are an integral part of these annual financial statements.

STATEMENT OF COMPREHENSIVE INCOME

(In thousands of Euro)		Year ended	
	Notes	28 February 2021	29 February 2020
PROFIT/(LOSS) FOR THE YEAR		54,431	35,750
Other components of comprehensive income that are or could be restated under profit/(loss) for the year:			
Gain/(losses) on cash flow hedges	5.14	290	(49)
Income taxes		(70)	12
Total other components of comprehensive income that are or could be restated under profit/(loss) for the year	5.11	220	(37)
Other components of comprehensive income that will not subsequently be restated under profit/(loss) for the year:			
Actuarial gains (losses) on defined benefit plans	5.13	(418)	(313)
Income taxes		116	87
Total other components of comprehensive income that will not subsequently be restated under profit/(loss) for the year:	5.11	(302)	(226)
Total statement of comprehensive income for the year		54,349	35,487

The notes are an integral part of these annual financial statements.

[44] The Base Result and diluted per share was computed with reference to the Profit/(Loss) for the year.

CASH FLOWS STATEMENT[45]

(In thousands of Euro)	Notes	Year ended	
		28 February 2021	29 February 2020
Cash flow from operations			
Profit/(loss) for the year	5.11	54,431	35,750
Adjustments for:			
Income taxes	5.25	5,645	1,501
Net financial expenses (income)	5.24	13,293	13,797
Depreciation, amortisation and write-downs of fixed assets	5.23	90,198	83,808
Other changes		354	1,446
		163,921	136,302
Changes in:			
- Inventories	5.7	(2,053)	11,024
- Trade receivables	5.8	13,886	(44,843)
- Trade payables	5.17	23,757	10,146
- Other changes in operating assets and liabilities	5.6-5.15-5.16	23,953	1,515
Cash flow generated/(absorbed) by operating activities		59,543	(22,158)
Taxes paid	5.25	(2,535)	(3,677)
Interest paid	5.24	(12,363)	(13,104)
Net cash flow generated/(absorbed) by operating activities	5.27	208,566	97,363
Cash flow from investment activities			
Purchases of plant, machinery, equipment and other assets	5.1	(17.782)	(12,569)
Purchases of intangible assets	5.3	(14.477)	(11,670)
Investments for business combinations and business units	5.6	(8,417)	(12,062)
Cash flow generated/(absorbed) by investment activities	5.27	(40,677)	(36,301)
Cash flow from investment activities			
Increase/(Decrease) in financial liabilities	5.12	6,846	(3,223)
Increase/(Decrease) in other financial liabilities	5.14	1,366	17,597
Increase/(Decrease) in financial liabilities - IFRS 16 Leases	5.14	(55,723)	(51,257)
Exercise - Long Term Incentive Plan	5.13	3,304	-
Distribution of dividends	5.11	-	(21,400)
Cash flow generated/(absorbed) by financing activities	5.27	(44,207)	(58,283)
Net increase/(decrease) in cash and cash equivalents		123,682	2,779
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		80,191	77,412
Net increase/(decrease) in cash and cash equivalents		123,682	2,779
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		203,873	80,191

The notes are an integral part of these annual financial statements.

[45] For the purpose of better representation, the cash flows relating to IFRS 16 Leases were reclassified from the item "Cash flow generated/(absorbed) by investment activities" to the item "Cash flow generated/(absorbed) by financing activities".

STATEMENT OF CHANGES IN EQUITY

(In thousands of Euro)	Notes	Share capital	Legal reserve	Extraordinary reserve	Cash flow hedge reserve	Reserve for actuarial gains/(losses) on defined benefit plans	Reserve for share-based payments	Other reserves	Profit/(loss) carried forward	Total shareholders' equity
Balance as at 28 February 2019	5.11	4,000	800	-	(315)	(1,270)	3,376	26,944	54,156	87,691
Effect of changes in accounting standard IFRS 16		-	-	-	-	-	-	-	-	-
Adjusted balance as at 1 March 2019	5.11	4,000	800	-	(315)	(1,270)	3,376	26,944	54,156	87,691
Profit/(loss) for the year		-	-	-	-	-	-	-	35,750	35,750
Other components of comprehensive income		-	-	-	(37)	(226)	-		-	(263)
Total statement of comprehensive income for the year		-	-	-	(37)	(226)	-	-	35,750	35,487
Allocation of prior year result		-	-	6,769	-	-	-	-	(6,769)	-
Distribution of dividends		-	-	-	-	-	-	-	(21,400)	(21,400)
Share-based payment settled with equity instruments		-	-	-	-	-	2,351	-	(906)	1,445
Total transactions with shareholders		-	-	6,769	-	-	2,351	-	(29,075)	(19,955)
Balance as at 29 February 2020	5.11	4,000	800	6,769	(352)	(1,496)	5,727	26,944	60,831	103,223
Carini Retail merger						(113)	-	-	(8,622)	(8,735)
Adjusted balance as at 1 March 2020		4,000	800	6,769	(352)	(1,609)	5,727	26,944	52,209	94,488
Profit/(loss) for the year		-	-	-	-	-	-	-	54,431	54,431
Other components of comprehensive income		-	-	-	220	(302)	-			(82)
Total statement of comprehensive income for the year		-	-	-	220	(302)	-	-	54,431	54,349
Allocation of prior year result		-	-	35,750	-	-	-	-	(35,750)	-
Share-based payment settled with equity instruments		53	-	-	-	-	(1,658)	3,251	2,011	3,657
Total transactions with shareholders		53	-	35,750	-	-	(1,658)	3,251	(33,739)	3,657
Balance as at 28 February 2021	5.11	4,053	800	42,519	(132)	(1,911)	4,069	30,195	72,901	152,494

The notes are an integral part of these annual financial statements.

NOTES

1. INTRODUCTION

Unieuro S.p.A. (hereinafter referred to as the "**Company**" or "**Unieuro**") is a company under Italian law with registered office in Forlì in Via Piero Maroncelli 10, operating in the retail and online distribution of electric appliances and consumer electronics.

On 9 June 2017 On 23 February 2017 Unieuro finalised a contract concerning the acquisition of 100% of the share capital of Monclick S.r.l. (hereinafter also referred to as "**Monclick**"). The price agreed upon between the parties was Euro 10,000 thousand. Through its acquisition of Monclick, Unieuro intends to strengthen its position in the online sales sector (exploiting Monclick's competitive position) and to launch and develop, as the leading specialist operator, the marketing of electronic consumer goods in the B2B2C channel.

On 1 March 2019 Unieuro finalised a contract concerning the acquisition of 100% of the share capital of Carini Retail S.r.l. (hereinafter also referred to as "**Carini Retail**"). The price agreed upon between the parties was Euro 17,400 thousand. With this acquisition, Unieuro announced its entry into Sicily, a region of five million inhabitants with little coverage until that time. The transaction took place through the acquisition of 100% of the share capital of a newly established company owning 12 stores in Sicily which belonged to Pistone S.p.A., one of the largest shareholders of the Expert purchasing group operating in Italy, headquartered in Carini (Palermo).

In execution of the resolutions passed on 18 March 2020, on 5 August 2020 the Board of Directors of Unieuro and the Extraordinary Shareholders' Meeting of Carini Retail Unieuro and Carini Retail S.r.l. with sole shareholder (hereinafter also referred to as "Carini" or "Carini Retail") each signed the deed for the merger by incorporation of the subsidiary Carini Retail into the parent company Unieuro (the "Merger"). The statutory effects of the Merger will take effect from 1 September 2020, while the accounting and tax effects will begin from the first day of the financial year during which the Merger was completed pursuant to Article 2504-bis, paragraph 2, of the Italian Civil Code. (1 March 2020). The Merger did not involve any increase in the share capital of the merging company Unieuro, as the latter holds the entire share capital of the merged company Carini Retail. The merger transaction was accounted for based on the principle of the continuity of values, with accounting effects backdated to 1 March 2020, the comparative data presented related exclusively to the separate financial statements of Unieuro S.p.A. at 29 February 2020.

Since April 2017, Unieuro shares have been listed on the STAR segment of the Milan stock exchange and the Company is in all respects a public company. In April 2020, the telecommunications operator iliad announced the purchase of a stake equal to approximately 12% of the share capital of Unieuro, of which 1.9% through an equity swap contract expiring on 17 September 2021[46].

[46] Ref. Press Release 6 April 2021.

Based on the information available to date, the other major shareholders of Unieuro are[47] the asset management company Amundi Asset Management (6.8% of the capital), some members of the Silvestrini family that overall own 7.3%, Mediolanum Gestione Fondi Sgr (4.9%) and J.P. Morgan Asset Management (3.3%).

[47] Sources: Consob; Minutes of the Shareholders' Meeting of 17 December 2020.

2. CRITERIA ADOPTED FOR PREPARATION OF THE SEPARATE FINANCIAL STATEMENTS OF THE COMPANY AND SUMMARY OF THE ACCOUNTING PRINCIPLES

Below are the preparation criteria, the main accounting principles and valuation criteria adopted for the drafting of the separate financial statements for the year of the company Unieuro S.p.A. (the "Separate Financial Statements"). Said principles and criteria have been applied consistently for all the years presented in this document, taking into account as specified in note 2.6.1 "Changes to accounting standards".

2.1 Basis of preparation of the financial statements

The Separate Financial Statements for the year comprised the statement of financial position and income statement, the statement of comprehensive income, a statement of cash flows and the statement of changes in equity for the years ended 28 February 2021 and 29 February 2020, accompanied by the relative notes.

On 5 August 2020, Unieuro and Carini Retail signed the merger deed relating to the merger by incorporation of the subsidiary Carini Retail into the parent company Unieuro. The merger transaction was accounted for based on the principle of the continuity of values, with accounting effects backdated to 1 March 2020, the comparative data presented relate exclusively to the separate financial statements of Unieuro at 29 February 2020. For further details, please refer to section 2.8 Carini Retail merger.

2.2 Preparation criteria for the financial statements

The Separate Financial Statements were drafted on a going-concern basis, since the directors verified that there were no indicators of a financial, operating or other nature of any critical areas regarding the Company's ability to honour its obligations in the foreseeable future and over the next 12 months; for further details on the impact of the Covid-19 pandemic please see section 12 Coronavirus Epidemic in the Report on Operations.

The Financial Statements were drafted on the basis of the historical cost criteria, except for the derivative financial instruments which were measured at their fair value.

Please see the Report on Operations for information regarding the nature of the company's operations and significant events after the balance sheet date.

The major shareholders of the Company as at 28 February 2021 are listed in the Introduction.

The Separate Financial Statements are presented in Euro, which is the Company's functional currency. The amounts are expressed in thousands of Euro, except as specifically indicated. The rounding is done at the individual account level and then totalled. It is hereby specified that any differences found in any tables are due to rounding of amounts which are expressed in thousands of Euro.

The Separate Financial Statements as at 28 February 2021, approved by the Company's Board of Directors on 6 May 2021, are audited and will be presented for the approval of the Shareholders' Meeting.

2.3 Statement of compliance with IFRS

The Financial Statements for the year were prepared in compliance with the International Accounting standards (IAS/IFRS) which are issued by the International Accounting Standards Board (IASB) and their relative interpretations (SIC/IFRIC), adopted by the European Union. The year during which the company first adopted the International Accounting standards (IAS/IFRS) was the year ended 28 February 2007.

Furthermore, the annual Financial Statements were prepared in compliance with the provisions adopted by Consob for financial statements in application of article 9 of Legislative Decree 38/2005 and other rules and provisions issued by Consob regarding financial statements. In particular, it is hereby noted that with regard to Consob resolution 15519 of 27 July 2006 and Communication no. DEM6064293 of 28 July 2006 regarding financial statements, specific schedules have been added to the income, balance sheet and cash flow statements indicating significant relations with related parties and specific income statement schedules indicating, for each item, the non-recurring component.

2.4 Financial statement schedules

In addition to these notes, the financial statements consist of the following schedules:

a) Statement of financial position: the company's equity and income is shown by distinctly presenting current and non-current assets and current and non-current liabilities with a description in the notes for each asset and liability items of the amounts that are expected to be recovered or settled within or later than 12 months from the balance sheet date.

b) Income statement: the classification of the costs in the income statement is based on their nature, showing the interim results relative to the gross operating result, the net operating result and the result before taxes.

c) Statement of comprehensive income: this item includes the profit/(loss) for the year as well as the income and expenses recognized directly in equity for transactions other than those with shareholders.

d) **Cash flows statement:** the cash flow statement contains the cash flows from operations, investments and financing. The cash flows from operations are shown using the indirect method through which the result for the year is adjusted for the effects of non-monetary transactions, any deferral or allocation of previous or future collections or payments related to operations and revenue elements connected to cash flows arising from investment or financing activities.

e) **Statement of changes in equity**: this schedule includes, in addition to the results of the comprehensive income statement, also the transactions that were carried out directly with shareholders that acted in their capacity as such and the breakdown of each individual component. Where applicable, the statement also includes the effects arising from changes in the accounting standards in terms of each equity item.

The annual Financial Statements are shown in comparative form.

2.5 The use of estimates and valuations in the preparation of the financial statements

In application of the IFRS, the preparation of the separate financial statements requires the usage of estimates and assumptions that have an effect on the values of the statement of financial position assets and liabilities and the information regarding the contingent assets and liabilities at the date of reference. Management uses estimates to make provisions for credit risks and the provision for risks, warehouse obsolescence, assets for which costs are capitalised in order to secure a contract, contract liability on the sale of warranty extension services, liabilities for leasing and right-of-use assets, performing asset valuations, testing goodwill and interests for impairment, determining employee benefits and the share-based payments plan on an actuarial basis, as well as estimating the fair value of derivatives and calculating the recoverability of deferred tax assets.

The estimates and assumptions are reviewed periodically and the effects of each change are reflected in profit and loss.

Following is a summary of the critical valuation processes and the key assumptions used by the company in applying the IFRS, which can have significant effects on the values recognised in the financial statements and for which there is a risk that differences of a significant amount could arise compared to the book value of the assets and liabilities in the future.

Recoverable value of non-current assets

Non-current assets include property, plant, machinery, equipment and other assets, goodwill, software and trademarks, equity investments and other non-current assets. The Company periodically reviews the book value of non-current assets held and used and the book value of assets that are held for sale, when the facts and circumstances require this review. In the case of goodwill, this analysis is conducted once per year and whenever facts and circumstances indicate a possibility of impairment. Analysis whether the book value of a non-current asset is recoverable is generally carried out using expected cash flow estimates from the sale or use of the asset and adequate discount rates for calculation of its current value. When the book value of a non-current asset has become impaired, the Company writes down the excess of the book value of the asset and its recoverable value through usage or sale thereof, determined with reference to the cash flows used for the recent business plans.

The estimates and assumptions used as part of this analysis, in particular in performing the impairment tests on interests and goodwill, reflect the status of the company's knowledge regarding the business developments and take into account provisions that are considered to be a reasonable insofar as the future developments on the market and in the sector, but they are nevertheless still subject to a high degree of uncertainty.

Recoverability of deferred tax assets

The Company recognises deferred tax assets up to the value which it considers to be probable that it will recover. Where necessary, the Company makes adjustments to reduce the value of a deferred tax asset down to the value that it considers probable to recover. In assessing the recoverability of deferred tax assets, budget results and provisions for subsequent years are used coherently with those used for the impairment testing which are described in the previous paragraph relative to the recoverable value of non-current assets.

Bad debt provision

The provision for bad debts reflects management estimates regarding losses from the trade receivables portfolio. The provision for bad debts is based on losses expected by management, determined depending on past experience for similar receivables, current and historical past due amounts, losses and collections, careful monitoring of credit quality and projections regarding the economic and market conditions.

Obsolescence Provision

The inventory bad debt provision reflects management estimates regarding the expected impairment of the assets, determined based on past experience and historical performance and expected performance of the market, including following specific actions by the Company. This estimate makes it possible to bring the value of the inventories to the lower of the cost and the presumably realizable value.

Contract asset related to the sale of warranty extension services

The extension of a product warranty over and above the warranty required of the manufacturer by the law is among the services that Unieuro offers to its customers. This service is sold directly in the sales outlets by recognising an additional amount to that of the product sold. Sales reps are awarded an incentive for each additional sale of extended warranty services.

When warranty services are sold, Unieuro recognises an asset equal to the value of bonuses paid to employees, then recognises this asset as cost throughout the time that the services are being provided. The release of this asset as a cost is determined on the basis of the estimated interventions for repairs under warranty in line with the reversal of the contract liability relating to the sale of warranty extension services.

Trade payables

The Company has contracts for the supply of goods which include receipt of premiums and, in certain circumstances, contributions classified in trade payables. These premiums and contributions are recognised either as a percentage of the quantities purchased, or as a fixed figure on the quantities purchased or sold, or as a defined contribution. Especially with reference to those agreements whose term falls after the reporting date, which account for a minor share of the premiums and contributions for the year, their calculation is a complex accounting estimate entailing a high level of judgement as it is affected by many factors. The parameters and information used for the estimate are based on the purchased or sold volumes and valuations that consider historical figures of premiums and contributions actually paid by suppliers.

Contract liability related to the sale of warranty extension services

The extension of a product warranty over and above the warranty required of the manufacturer by the law is among the services that Unieuro offers to its customers. This service is offered by Unieuro and its affiliates and it is sold directly at the points of sale against an additional amount over and above the sales price.

The warranty extension compared to the legal requirement can be in timing (more years covered) and/or the risks covered (e.g., product damage) depending on the product category sold.

When warranty services are sold, Unieuro recognises a liability equal to the sales value of this service, and then recognises it as revenue throughout the time that the services are being provided. The recognition of this liability as revenue is determined based on the interventions that have been estimated for repairs that are covered by the guarantee. The interventions for repairs that are under guarantee are estimated based on historical information regarding the nature, frequency and costs of the interventions under guarantee, duly interpolated to stimulate future curves of such events occurring.

Lease liabilities and right-of-use assets

The Company recognises the right-of-use asset and the lease liability. The right-of-use asset is initially valued at cost, and subsequently at cost, net of amortisation and cumulative impairment losses, and adjusted to reflect the revaluations of the lease liability.

The Company evaluates the lease liability at the present value of the payments due for unpaid leases at the effective date.

The lease liability is subsequently increased by the interest accruing on said liability and decreased by the payments due for the lease made and is revalued in the event of a change in future payments due for the lease deriving from a change in the index or rate, or when the Company changes its valuation with reference to the exercise or otherwise of an extension or termination.

Lease contracts in which the Company acts as lessee may provide for renewal options with effects, therefore, on the duration of the contract. Valuations on the existence of a relative certainty that this option is (or not) exercised can influence, even significantly, the amount of lease liabilities and right-of-use assets.

The Company classifies sub-leases in which it acts as a lessor, as financial leases.

Defined benefit plans and other post-employment benefits

The Company provides a defined benefit plan to its employees (employees severance indemnity).

For the employee benefits, the costs and net financial expenses are measured using actuarial methods requiring the use of estimates and assumptions for determination of the net value of an obligation. The actuarial method considers parameters of a financial nature such as, for example, the discount rate, rates of growth of remuneration and considers the probability of potential future events occurring through the use of parameters of a demographic nature such as for example the rates relative to mortality and resignations or retirement of employees. In particular, the discount rates used as a reference are rates or rate curves for corporate bonds with a high credit rating in their respective markets of reference. The changes in each of these parameters could affect the amount of the liability.

Provisions

The Company creates a provision for disputes and legal proceedings under way when it is considered probable that there will be a financial outlay and when the amount of the relative expenses can be reasonably estimated. If the amount of the financial outlay cannot be reasonably estimated or the probability of such a financial outlay becomes possible, no provision is established and the fact is indicated in the notes.

During the normal course of business, the Company monitors the status of the disputes which are ongoing and consults with its own legal and tax advisors. It is therefore possible that the value of the provisions for the disputes and lawsuits involving the Company may change as a result of future developments in the proceedings that are ongoing.

Share based payment plan settled with equity instruments

Long-Term Incentive Plan

The theories underlying the calculation were (i) volatility, (ii) risk rate (equal to the return on Eurozone zero-coupon bond securities maturing close to the date the options will be exercised), (iii) the exercise deadline equal to the period between the grant date and the exercise date of the option and (iv) the amount of expected dividends. Lastly, in line with the provisions of IFRS 2, the probability of the recipients leaving the plan and the probability of achieving the performance targets were taken into account. For more details, please see Note 5.28.

Performance shares 2020-2025

The fair value measurement is recorded according to an actuarial method. The assumptions underlying the calculation were: (i) the exercise term equal to the duration between the grant date and the assignment date, (ii) the share price at the time of valuation, (iii) the amount of expected dividends. Lastly, consistent with the requirements of IFRS 2, the probability of Recipients leaving and the probability of achieving performance targets of 100%. For more details, please see Note 5.28.

Hedging derivatives

The fair value of derivative instruments is determined based on the values observed on regulated markets or prices provided by financial counterparties. If the values and the sources mentioned are not available, the estimate is made using valuation models that take into account the objective valuations such as for example estimates of cash flows and expected volatility of prices.

2.6 Accounting principles

The accounting criteria and standards adopted for the preparation of these Separate Financial Statements were the same as those applied in preparing the Unieuro Financial Statements for the year ended 29 February 2020 apart from the new standards and/or supplements adopted described in Note 2.6.1. Changes to the accounting standards, listed below.

2.6.1 Changes to the accounting standards

On 28 May 2020, the IASB issued amendments to IFRS 16 "*Leases Covid-19-Related Rent Concessions*" introducing a practical expedient in the chapter "Changes to Leases" which allows lessees not to consider any concessions related to the effects of Covid-19 as concessions on lease payments received from 1 January 2020 that amend the original contract. On the basis of these changes, these concessions can be accounted for as positive variable rents without requiring a contractual change.

All the following conditions must be fulfilled in order for this exemption to be applied:

- the concession involving the payments is a direct consequence of the Covid-19 pandemic and the reduction in payments refers only to those originally due by June 2021;

- the change in payments has either left the same amount to be paid or reduced the amount of payment compared to the original terms and conditions;

- there are no material changes to other lease terms or conditions.

The amendments to IFRS 16 are effective from 1 June 2020 and early adoption is allowed. The approval process was concluded on 12 October 2020 and was published in the Official Journal of the European Union.

The concessions signed by the reference date of the Financial Report and recorded as positive variable lease payments in the income statement amount to Euro 9,911 thousand.

It should be noted that on 31 March 2021, the IASB published the amendment to IFRS 16 Leases: *Covid-19-Related Rent Concessions beyond 30 June 2021*, which extends by one year the period of application of the amendment to IFRS 16, issued in 2020, relating to the accounting of the concessions granted to lessees due to Covid-19. The European Union is still in the midst of the process of adopting this measure.

2.6.2 Significant accounting standards

Business combinations and goodwill

Business combinations are recognised using the acquisition method. As at the date the control is acquired, this requires recognition of their value of identifiable assets (including intangible fixed assets which had previously not been recognized) and identifiable liabilities (including contingent liabilities but not including future restructuring) of the acquired company.

Every contingent consideration is recognized by the Company at the fair value as at the acquisition date. Fair value gains and losses of the contingent consideration classified as assets or liabilities are recognized in profit or loss as required by IFRS 9. If the contingent liability is classified in shareholders' equity, its initial value will never be subsequently re-determined.

Goodwill arising from a business combination is initially measured at cost which is the amount by which the fair value of the consideration paid exceeds the Company's portion of the net fair value of the assets, liabilities and contingent liabilities of the acquired company. Goodwill from a business combination is allocated, as at the acquisition date, to the individual cash generating units of the Company or groups of cash generating units that would benefit from the synergies of the combination, regardless whether other assets or liabilities of the Company have been assigned to these units or groups of units. Every unit or group of units to which goodwill is allocated:

- represents the smallest level within the company at which goodwill is monitored for internal operating purposes;
- is not larger than the operating segments that have been identified.

When goodwill constitutes a part of a cash generating unit and a part of that internal asset and unit is sold, the goodwill associated with the sold asset is included in the book value of the asset for determination of the profit or the loss from the sale. The goodwill disposed of in those circumstances is measured based on the relative values of the activity disposed of and the portion of the units retained.

Any profits from the purchase of a company at favourable prices are immediately recognised in the income statement, while costs related to the combination, other than those which refer to the issue of bonds or equity instruments, are recognised as expenses in the profit/(loss) of the year in which they are incurred.

After initial recognition, goodwill is not amortised and it is decreased by any impairment losses, which are measured using the procedures described in the paragraph "Impairment losses of non-financial assets".

Transactions under common control are recognized at their carrying amount, i.e., without recognising a gain, pursuant to the IFRS and the guidance of OPI 1 (Assirevi's preliminary considerations about the IFRS) about the accounting treatment of business combinations of entities under common control in the separate and consolidated financial statements. According to these guidelines, in the event of business combinations in which the acquired company is controlled by the same entity, whether before or after the acquisition, the net assets must be recognised at their book value recorded in the books of the acquired company prior to the operation. When the transfer values are higher than the historical values, the excess must be eliminated by adjusting the acquiring company's shareholders equity downwards.

Hierarchical levels of fair value measurement

Various accounting standards and several disclosure obligations require measurement of the fair value of assets and liabilities whether financial or non-financial. The fair value is the price that could be secured for the sale of an asset or which could be paid for the transfer of a liability in an arm's length transaction on the measurement date. To increase comparability of the data and the fair value measurements, the standard establishes a hierarchy identified in three different levels which reflects the significance of the inputs used in measuring the fair value. The levels identified are the following:

- Level 1: the inputs consist of listed prices (not amended) in active markets for identical assets or liabilities which the company can access on the measurement date. A listed price on an active market which is liquid is the most reliable proof for the fair value measurement, and if the market for the asset/liability is not unique it is necessary to identify the most beneficial market for the instrument;

- - Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or the liability has a specific duration, a level 2 input must be observable for the entire duration of the asset or the liability. Some examples of instruments which fall within the second hierarchical level are the following: assets or liabilities in markets which are not active or interest rates and yield curves which are observable at intervals that are commonly listed;

- - Level 3: unobservable inputs for the asset or liability. The non-observable inputs shall be used only if the inputs of level 1 and 2 are not available. Notwithstanding this, the purpose remains the same, that is to determine a closing price on the valuation date, therefore reflecting the assumptions that the market operators would use in determining the price of the asset or the liability, including the assumptions related to the risk.

Plant, machinery, equipment and other assets (tangible fixed assets)

Recognition and measurement

The tangible fixed assets are measured at cost of acquisition including the directly imputable ancillary expenses net of the depreciation and losses due to accumulated impairment.

Any financial expenses incurred for the acquisition or construction of capitalised assets for which a specific period of time is normally required in order to render the asset ready for usage or sale, are capitalised and amortised throughout the life of the asset class they refer to. All other financial expenses are recognised in the income statements during the year they refer to.

If a tangible fixed asset is composed of various components with differing useful lives, these components are recognised separately (if they are significant components).

The profit or the loss generated by the sale of property, plant, machinery, equipment and other assets is measured as the difference between the net consideration of the sale and the net residual value of the asset, and it is recognised in the income statement during the year in which the elimination takes place.

Subsequent costs

The costs incurred subsequently to the purges of the assets and the replacement cost of certain parts of the assets recognised in this category are added to the book value of the element they refer to and they are capitalised only if they increase the future economic benefits of the asset itself. All other costs are recognised in the income statement once incurred.

When the replacement cost of certain parts of the asset is capitalised, the net book value of the replaced parts is allocated to the income statement. The extraordinary maintenance expenses which increase the useful life of the tangible fixed assets are capitalised and amortised on the basis of the residual possibility of use of that asset. The costs for ordinary maintenance are recognised in the income statement in the year in which they are incurred.

Assets under construction are recognised at cost under assets under construction for as long as their construction is not available for use; when they become available for use, the cost is classified in the relative item and depreciated.

Depreciation

The depreciation period begins from the time the asset becomes available for use and ends on the earliest of the date on which the asset is classified as held for sale, pursuant to IFRS 5, and the date on which the asset is eliminated from the books. Any changes to the depreciation schedule are applied prospectively.

The value to be depreciated is the book value minus the presumable net sales value at the end of the asset's useful life, if it is significant and can be reliably measured.

The depreciation rates are determined according to economic - technical rates in relation to the estimated useful life of the individual assets established pursuant to the company plans for usage which also consider the physical and technological wear and take into account the presumable realizable value estimated net of costs for scrapping the asset. When the tangible asset consists of several significant components with different useful lives, each component is appreciated separately. When events occur that indicate possible impairment of tangible fixed assets, or when there are significant reductions in the market value of these assets, significant technological changes or significant obsolescence, the net book value, regardless of the depreciation that has already been recognised, is subject to verification based on an estimate of the current value of future cash flows and eventually adjusted. Subsequently if such conditions do not come to pass, the impairment will be written down to the book value that would have existed (net of depreciation) if the impairment of the asset had never been recognised.

Depreciation is calculated on a straight-line basis over the asset's estimated useful life using the following rates:

Category	% used
Plant and machinery	15%
Fixtures and fittings, tools and other equipment	15%
Electronic machinery	20%
Furniture	15%
Office fixtures and fittings and machinery	12%
Automobiles	25%
Mobile phones	20%
Leasehold improvements	throughout the duration of the contract
Other assets	15%-20%

Intangible assets with definite useful life

Initial recognition and measurement

The intangible fixed assets acquired separately are initially capitalized at cost while those that are acquired through business combinations are capitalized at fair value on their acquisition date. After initial recognition the intangible fixed assets are recognised at cost, net of amortization and any accumulated impairment.

Subsequent costs

Costs incurred subsequently to purchase are capitalised only when the expected future economic benefits which are attributable to the asset they refer to are increased. All other subsequent costs are recognised in the income statement once incurred.

Depreciation

Intangible fixed assets are amortized based on their useful life and they are tested for impairment whenever there are indications of a possible loss in their value. The period and method of amortization applied to them are re-examined at the end of each financial year or more frequently if necessary. Any changes to the depreciation schedule are applied prospectively.

The profits or the losses from elimination of an intangible fixed asset are measured from the difference between the net revenue from the sale and the book value of the intangible asset, and they are recognised in profit and loss in the year during which the elimination takes place.

It is recognized in profit or loss when the asset is derecognized. Amortization is calculated on a straight-line basis over the asset's estimated useful life using the following rates:

Category	% used
Software	20%
Software- ERP	10%
Entry rights	Based on the duration of the lease beginning from the date that the shop opens
Brands	5-10%

Leased assets

The right-of-use asset is initially valued at cost, including the amount of the initial valuation of the lease liability, adjusted for the payments due for the lease made on or before the effective date, increased by the initial direct costs incurred and an estimate of the costs that the lessee will have to incur for the dismantling and removal of the underlying asset or for the restoration of the underlying asset or the site where it is located, net of lease incentives received.

The right-of-use asset is subsequently amortised on a straight-line basis from the effective date to the end of the lease term. Furthermore, the asset for the right of use is regularly reduced by any impairment losses and adjusted to reflect any changes deriving from subsequent valuations of the lease liability.

At the effective date of the lease, the Company recognises lease liabilities by measuring them at the present value of the payments due for the lease not yet paid at that date. Payments due include fixed payments (including fixed payments in substance) net of any lease incentives to be received, variable lease payments that depend on an index or rate, and amounts that are expected to be paid as residual value guarantees. The lease payments also include the exercise price of a purchase option if it is reasonably certain that this option will be exercised by the Company and the lease termination penalty payments, if the lease term takes into account the exercise by the Company of the termination option of the lease. Variable lease payments that are not dependent on an index or rate are recognised as costs in the period in which the event or condition that generated the payment occurs.

In calculating the present value of the payments due, the Company uses the marginal borrowing rate. After the effective date, the amount of the lease liability increases to reflect interest on the lease liability and decreases to reflect payments made. Furthermore, the carrying amount of lease payables is restated in the event of any changes to the lease or the revision of the contractual terms for the modification of payments; it is also restated in the presence of changes in future payments resulting from a change in the index or rate used to determine such payments.

The Company applies the exemption for the recognition of leases relating to assets of modest value and to contracts with a duration of 12 months or less.

The Company, in its capacity as intermediate lessor in a sub-lease agreement, classifies the sub-lease as financial with reference to the assets consisting in the right of use deriving from the main lease.

The Company adopted the amendment to IFRS 16 Leases Covid-19-Related Rent Concessions, which allows lessees not to consider as an amendment to the original contract any rent concessions provided from 1 January 2020 extended to offset the effects of Covid-19. On the basis of these changes, the above-mentioned concessions were accounted for as positive variable rents without requiring a contractual amendment. For more details, please refer to section 2.6.1 Changes to the accounting standards.

Financial assets

Unieuro determines the classification of its financial assets on the basis of the business model adopted to manage them and the characteristics of the related cash flows and, where appropriate and permitted, reviews this classification at the end of each year.

a) Financial assets measured at amortised cost

Financial assets for which the following requirements are met are classified in this category:

(i) the asset is held as part of a business model the objective of which is to own the asset aimed at collecting contractual cash flows; and

(ii) the contractual terms of the asset provide for cash flows represented solely by payments of principal and interest on the amount of principal to be repaid.

These are mainly receivables from customers, loans and other receivables.

Trade receivables that do not contain a significant financial component are recognised at the price defined for the related transaction (determined according to the provisions of IFRS 15 Revenue from contracts with customers).

Other receivables and loans are initially recognised in the financial statements at their fair value increased by any accessory costs directly attributable to the transactions that generated them.

Assigned receivables are derecognised if the assignment provides for the total transfer of the connected risks and benefits (contractual rights to receive the flows from a financial asset). The difference between the carrying amount of the asset sold and the consideration received is recognised as financial components of income.

In the subsequent measurement, financial assets at amortised cost, with the exception of receivables that do not contain a significant financial component, use the effective interest rate. The effects of this measurement are recognised as financial components of income.

With reference to the impairment model, Unieuro evaluates receivables by adopting an expected loss logic.

For trade receivables, Unieuro adopts a simplified approach to valuation that does not require the recognition of periodic changes in credit risk, but rather the accounting of an Expected Credit Loss (ECL) calculated over the entire life of the credit (lifetime ECL). In particular, trade receivables are fully written down in the absence of a reasonable expectation of recovery (e.g. bankruptcy situations).

Write-downs made pursuant to IFRS 9 are recognised in the consolidated income statement net of any positive effects associated with releases or write-backs of value and are represented under operating costs.

b) Financial assets at fair value with balancing entry in the comprehensive income statement (FVOCI)

Financial assets for which the following requirements are met are classified in this category:

(i) the asset is held as part of a business model the objective of which is achieved both through the collection of contractual cash flows and through the sale of the asset;

(ii) the contractual terms of the asset provide for cash flows represented solely by payments of principal and interest on the amount of principal to be repaid.

These assets are initially recognised in the financial statements at their fair value increased by any accessory costs directly attributable to the transactions that generated them. In the subsequent measurement, the valuation made at the time of recognition is updated and any changes in fair value are recognised in the comprehensive income statement.

With reference to the impairment model, as described in point a) above is followed.

c) Financial assets at fair value with balancing entry in the consolidated income statement (FVPL)

Financial assets that are not classified in any of the previous categories (i.e. residual category) are classified in this category. These are mainly derivative instruments.

The assets belonging to this category are recognised at fair value at the time of their initial recognition.

The ancillary costs incurred when recording the asset are immediately recognised in the income statement.

In the subsequent measurement, FVPL financial assets are measured at fair value.

Gains and losses deriving from changes in fair value are accounted for in the consolidated income statement in the period in which they are recognised.

Purchases and sales of financial assets are accounted for at the settlement date.

Financial assets are removed from the financial statements when the related contractual rights expire, or when Unieuro transfers all the risks and benefits of ownership of the financial asset.

Equity investments in subsidiary companies

Equity investments in subsidiary companies (not classified as held for sale) are classified under the item "other non-current assets" and they are recorded at cost, adjusted for losses in value.

The positive differences that emerge during the acquisition of equity investments between the price and the corresponding shares of shareholders' equity are maintained in the carrying amount of the actual equity investments. The purchase or sale values of equity investments, business units or corporate assets under joint control are reported in line with the historical carrying amounts of the cost without recording capital gains or capital losses.

If there are indications that the equity investments may have suffered a reduction in value, they are subjected to impairments tests and written down if necessary. For the impairment loss to be debited to the income statement there must be objective evidence that events have occurred which have an impact on the future estimated cash flows of the actual equity investments. Any losses exceeding the carrying amount of the equity investments that may emerge in the presence of legal or implicit obligations for hedging the losses of the investee companies are recorded under provision for risks and charges. The original value is restored in subsequent years if the reasons for the impairment no longer exist.

The related dividends are recorded under financial income from equity investments at the time the right to obtaining them is established, which usually coincides with the shareholders' meeting resolution.

Business combination under common control

The business combination under common control falls within the scope of those which OPI 2 revised defines as "mergers characterised as restructuring", mergers in which one or more subsidiaries are merged into the parent company. Given the elements characterising parent-subsidiary mergers by incorporation (absence of economic exchange with third parties and continuation of control over the acquired entity), these transactions cannot be considered business combinations. Therefore, they are not subject to the application of IFRS 3. These transactions are by their nature lacking in significant influence on the cash flows of the companies merged. The merger is recognised according to the principle of the continuity of values of consolidated financial statement.

Inventories

The inventories are measured at the lower of the cost and net realizable value. The cost of inventories includes all costs required to bring the inventories to their current location and status. This includes in particular the purchase price net of premiums attributable to products and other costs which are directly attributable to the purchase of the merchandise. Commercial discounts, returns and other similar items are deducted when determining the acquisition cost. The method used for the cost of inventories is the average weighted cost method.

The value of the obsolete and slow moving inventories is written down in relation to the possibility of use or realization, through Inventory bad debt provision.

Cash and cash equivalents

The cash and cash equivalents include cash on hand and sight and short term deposits of no more than three months. For the purpose of the cash flow, the cash and cash equivalents are represented as cash on hand as defined above, net of bank overdrafts.

Financial liabilities

The financial liabilities are initially recognized at the fair value of the consideration received net of the transaction costs that are directly attributable to the loan itself. After initial recognition, the financial liabilities are measured using the amortised cost criteria, applying the effective interest rate method. Amortization at the effective interest rate method is included among financial liabilities in the income statement.

If there is a change in expected cash flows, the value of the liabilities is recalculated to reflect that change on the basis of the present value of the new expected cash flows and the internal rate of return determined initially.

Liabilities arising from employee benefits

Post-employment benefits may be offered to employees through defined contribution plans and/or defined benefit plans. These benefits are based on the remuneration and the years of service of the employees.

Defined contribution plans are post-employment benefit plans based on which the company and sometimes its employees pay contributions of a specific amount into a distinct entity (a fund) and the Company does not and will not have a legal or implicit obligation to pay additional contributions if the fund does not have assets that are sufficient to cover the obligations to the employees.

The defined benefit plans are plans for benefits after the end of the employment relationship, which differ from defined contribution plans. Defined benefit plans can be financed either completely or partially by contributions paid by the company, and sometimes by its employees, to a company or a fund, which is legally distinct from the company that provides the benefits to the employees.

The amount which accrues is projected into the future to estimate the amount payable upon termination of the employment relationship and subsequently discounted to take into account the time that has passed prior to the actual payment.

The adjustments to the liabilities regarding employee benefits are determined on the basis of actuarial assumptions, which are based on demographic and financial assumptions and recognised on an accrual basis concurrently with the employment services required in order to obtain the benefit. The amount of the rights accrued during the year by the employees and the portion of the interests on the accrued amount at the beginning of the period and the corresponding movements referring to the same period observed is allocated to the income statement under the item "Personnel expenses" while the financial expense arising from the actuarial calculation is recognised in the comprehensive statement of income under the item "Profit (loss) from restatement of defined benefit plans".

The actuarial valuation is carried out by an actuary who is not employed by the Company.

Following the amendments made to the employee severance indemnity ("TFR") provisions of Law 296 of 27 December 2006 and the subsequent decrees and regulations ("Social Security Reform") issued in the initial months of 2007:

- the TFR accrued up to 31 December 2006 is considered to be a defined benefit plan pursuant to IAS 19. Benefits provided to employees in the form of TFR which are granted upon termination of the employment relationship are recognised in the vesting period;

- TFR which accrues subsequently to 1 January 2007 is considered to be a defined contribution plan and therefore the contributions accrued during the period are recognised as a cost in their entirety and the portion which has not yet been paid is recognised as a liability under "Other current liabilities".

Provisions

The allocations to provisions are made when the Company is required to fulfil an actual obligation (whether legal or implicit) which refers to a past event, when an outlay is possible for discharge of the obligation and it is possible to reliably estimate the amount thereof. When the Company believes that allocation to the provision will be partially or fully refunded, for example in the case of risks covered by insurance policies, the indemnification is recognised distinctly and separately in assets if, and only if, it is practically certain. In this case, the cost of the eventual allocation is shown in the income statement net of the amount recognised for the indemnification. If the effect of discounting the value of money is significant, the non-current portion of the allocations is discounted.

Restructuring provision

A provision is established for restructuring when there is a detailed and official programme for restructuring that has been approved and the restructuring has begun or the main aspects of which have been publicly disclosed to third parties.

Trade payables

Trade payables are recognized at their nominal amount, net of discounts, premiums, returns or invoicing adjustments, which is equal to the fair value of the company's obligation. When a financial transaction takes place based on the terms of payment that have been agreed, the payables are measured at amortised cost through discounting of the nominal value receivable, with a discount recognised as a financial expense.

Impairment of non-financial assets

The Company assesses whether there are any indicators of impairment of tangible and intangible assets. If there is any such indication, the Company tests the asset for impairment.

The accounting standard does not request formal preparation of an estimate of the recoverable value unless there are indications of impairment. Assets which are not available for use and goodwill acquired in business combinations which must be tested for impairment annually and whenever there is indication of impairment constitute the exception to this principle. The Company has set the balance sheet closing date as the time for testing of impairment of all assets for which annual testing is mandatory.

The impairment test is assigned to an expert who is not employed by the Group.

In evaluating whether there is an indication of impairment of an asset, the Company considers:

- an increase in the market interest rates or other investments that could influence the calculation of the Company's discount rate, thereby diminishing the recoverable value of the asset;

- significant changes in the technological environment and market in which the Company operates;

- physical obsolescence not related to the depreciation that the asset has undergone in a specific period of time;

- any extraordinary plans implemented during the year the impact of which is reflected on the asset constituting the object of the analysis (for example corporate restructuring plans);

- operating losses resulting from interim results.

If the analysis shows that there are potential losses due to impairment, the management will make a preliminary check relative to the useful life, the amortization criterion, and the residual value of the asset and, based on the applicable accounting standard, shall make any amendments to these parameters; specific analysis relative to the impairment of the asset will take place at a later time.

As described in IAS 36, the recoverable value of an asset is the higher of the value in use and the fair value (net of costs to sell) of the asset itself. Furthermore, in the definition provided in the international accounting standard, the instructions are the same whether they refer to a single asset or to cash flow generating units.

In order to better understand the provisions of IAS 36, we provide below some key definitions:

Value in use: the value in use is the current value of all the cash flows of an asset or a generating unit, constituting the object of the valuation, which are expected to originate from it. In particular, an asset generates cash flows, which will be discounted at a pre-tax rate which reflects the market valuations on the current value of money and the specific risks inherent in the asset. These cash flows are determined based on the company's business plan. These plans are constructed on the basis of detailed budgets and separate calculations for each asset/cash generating unit. The budgets used do not include the effects arising from the extraordinary activities (restructuring, sales and acquisitions) and cover a period of time of up to five financial years;

Fair value: it represents the price that could be secured for the sale of an asset or which could be paid for the transfer of a liability in an arm’s length transaction on the measurement date. To determine the fair value of an asset, the Company uses valuation models that use listed shares, models with valuation multipliers and other available indicators as a reference;

Cash generating units (or cash flows): a cash generating unit (CGU) is a group of assets which, together, generate cash flows that are incoming or outgoing regardless of the cash flows generated by other assets and activities. A group of assets is the smallest identifiable group able to generate incoming cash flows;

Book value: the book value is the value of assets net of depreciation, write-downs and write backs.

The accounting standard provides the option of selecting either the fair value or the value in use. In fact, if one of the two values is higher than the book value, it is not necessary to identify the other amount as well. It may not be possible to determine fair value of an asset or a cash-generating unit because there is no basis for making a reliable estimate of the amount obtainable from the sale of the asset in an orderly transaction between market operators. In these cases, the value in use can be considered as the recoverable value of the asset.

Once all the useful values have been identified and determined in terms of evaluating the asset or the CGU, the book value is compared with the recoverable value and if the book value is higher than the recoverable value, the company will write down the asset to its recoverable value.

On each balance sheet closing date the company will furthermore measure, in regard to all the assets other than goodwill, eventual existence or non-existence of impairment that has previously been recognised and, should these indications exist, the recoverable value is estimated. The value of an asset that has previously been written down can be written back only if there are changes in the estimates on which the recoverable value calculation which resulted in recognition of the last impairment was based.

The write-back cannot exceed the book value that would have existed, net of depreciation and amortization, if no impairment loss had been recognised in previous years. This write back is recognised in the income statement.

Derivative financial instruments and hedge accounting

The Company holds no derivative financial interests for speculative purposes. However, if the derivative financial instruments do not satisfy all the terms and conditions required for hedge accounting, the changes in fair value of these instruments are recognised in the income statement as financial expenses and/or income.

Therefore, the derivative financial instruments are recognised using hedge accounting rules when:

- the formal designation and documentation of the hedging relation itself exists from the beginning of the hedge;
- it is presumed that the hedge is highly effective;
- the effectiveness can be reliably measured and the hedge itself is highly effective during the periods of designation.

The Company uses the derivative financial instruments to cover their exposure to interest rate and currency risk.

The derivatives are initially measured at fair value; the transaction costs attributable to them are recognised in the income statement at the time that they are incurred. After initial recognition, the derivatives are measured at fair value. The relative changes are recognised as described below.

Cash flow hedges

The changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised directly in equity to the extent that the hedge is effective. For the non-effective portion, the changes in fair value are recognised in the income statement.

Recognition of the hedge, as indicated above, ceases prospectively if the instrument designated as the hedge:

- no longer satisfies the criteria for recognition as a hedge;
- reaches maturity;
- is sold;
- is ceased or exercised.

The accumulated profit or loss is kept in equity until the expected operation takes place. When the hedged element is a non-financial asset, the amount recognised in equity is transferred to the book value of the asset at the time that it is recognised. In other cases, the amount recognised in equity is transferred to the income statement in the same year in which the hedged element has an effect on the income statement.

Share based payment

Key executives and certain managers of the Company may receive a portion of their remuneration in the form of share based payments. Pursuant to IFRS 2, these are equity settled plans. The right to payment accrues over the vesting period during which the managers perform their duties as employees and reach performance targets. Therefore, during the vesting period, the current value of share based payments as at the assignment date is recognized in the income statement at cost with an offsetting entry in a special shareholders' equity reserve. Changes in the current value subsequent to the assignment date have no effect on the initial valuation. In particular, the cost, which corresponds to the current value of the options on the assignment date, is recognised among personnel costs on a straight line basis throughout the period from the date of the assignment and the date of maturity, with an offsetting entry recognised in shareholders' equity.

Cancellation of financial assets and liabilities

A financial asset (or, where applicable, the part of the similar financial asset) is cancelled from the balance sheet when:

- the rights to receive the cash flows from an asset have been extinguished;
- the Company reserves the right to receive cash flows from the asset, but has assumed the contractual obligation to pay them in full and without delay to a third party.

A financial liability is cancelled from the balance sheet when the obligation underlying the liability has been extinguished, or cancelled or fulfilled.

Revenue

Revenues from contracts with customers are recognised in accordance with IFRS 15. On the basis of the five-step model introduced by IFRS 15, Unieuro recognises revenues after identifying the contracts with its customers and the related services to be performed (transfer of goods and/or services), determining the amount to which it considers to be entitled in exchange for the performance of each of these services, and assessing the means of performing these services (fulfilment at a given time versus fulfilment over time).

Revenues are recognised when the performance obligations are met through the transfer of the goods or services promised to the customer. It is probable that the economic benefits will be achieved by the Group and the related amount can be reliably determined, regardless of the collection. The transaction price, which represents the amount of consideration that the entity expects to receive for the supply of goods or services to the customer, is allocated on the basis of separate sales prices (stand-alone selling prices) of the related performance obligations.

Revenues are measured not including discounts, reductions, bonuses or other taxes on sales.

The following specific recognition criteria for revenues must be complied with prior to allocation to the income statement:

Sale of assets

The revenue is recognised when the control of the asset is transferred to the customer and the company has transferred to the buyer all the significant risks and benefits connected to ownership of the asset, generally at the time that the consumer purchases the product at the point of sale, the delivery of the good to customer's home in the event of home delivery, or when the ownership is transferred in the wholesale and B2B channel. Moreover, sales in which delivery is deferred upon request of the purchaser ("bill and hold") are recognised as revenue at the time that the consumer makes the purchase. The revenue is recognised when the asset is available, has been identified and is ready to be delivered and furthermore deferral of the delivery has been requested by the purchaser. In the same way, the sales revenue is recognised at the time of purchase of the goods by the consumer even if the installation of the asset is necessary. The revenue is recognised immediately upon acceptance of the delivery by the buyer when the procedure installation is very simple (for example the installation of an appliance that requires only unpacking, electrical connection and connection).

Unieuro has a customer loyalty program which is based on points, the Unieuro Club, with which customers can accumulate loyalty points when they acquire products in points of sale bearing the Unieuro Brand. Once a specific minimum number of points have been collected, they can be used as a discount on the purchase of another product. The duration of the programme coincides with the fiscal year. Unieuro records an adjustment to the estimated revenues based on the points accrued which had not yet been spent, the value of the discount to be paid as provided by the loyalty programme and the historical information regarding the percentage of loyalty point usage by customers.

Right of return

To account for the transfer of products with right of return, Unieuro records the following elements:

a) adjusts the sales revenues by the amount of the consideration for the products for which the return is expected;

b) recognises a liability for future repayments and

c) recognises an asset (and the corresponding adjustment of the cost of sales) for the right to recover the products from the customer upon settlement of the liability for future repayments.

Provision of services

Revenues and costs deriving from the provision of services (revenues realised over time) are recognised on the basis of the assessment of the entity's progress towards complete fulfillment of the obligation over time. In particular, the transfer over time is assessed on the basis of the input method, or considering the efforts or inputs employed by the Group to fulfill the single performance obligation.

For the sale of warranty extension services over and above the warranty provided by the manufacturer pursuant to the law, Unieuro recognises the revenue throughout the duration that the services are provided, based on the estimated interventions for repairs under warranty. The interventions for repairs that are under guarantee are estimated based on historical information regarding the nature, frequency and costs of the interventions under guarantee, duly interpolated to stimulate future curves of such events occurring.

Unieuro incurs costs for the acquisition of the contract with multi-year duration.

These costs, typically represented by the bonuses paid to employees for each additional sale made and which will be recovered by means of the revenues deriving from the contract, have been capitalised as contract costs and amortised based on the assessment of the entity's progress in transferring the services and goods transferred to the customer over time.

Commissions

The payments received on the sale of specific goods and services such as for example consumer loans, are calculated as a percentage of the value of the service that is carried out or, sometimes on the basis of a fixed consideration and they correspond with the amount of the commission received by Unieuro.

Costs

The costs and other operating expenses are recognised in the income statement when they are incurred on the basis of the accruals principle and the correlation of revenues, when they do not produce future economic benefits or when the latter do not have to be recognised as assets.

The cost to acquire goods is recognized when the company assumes all the risks and rewards of ownership of the good, measured at fair value of the consideration due net of any returns, rebates, trade discounts, contributions and premiums.

Agreements with suppliers involve recognising premiums and contributions. These premiums and contributions are recognised either as a percentage of the quantities purchased, or as a fixed figure on the quantities purchased or sold, or as a defined contribution. For commercial agreements with a maturity date that is later than the end of the financial year, an estimate is made based on the amount of purchase or sale and on valuations that take into account historical data regarding the effective recognition of premiums and contributions by suppliers.

The costs for services are recognised on the basis of the progress of the services at the closing date of the year.

It is hereby specified that the costs relative to the listing of the shares of the Company on Mercato Telematico Azionario of Borsa Italiana S.p.A. are recognised in the income statement when they are incurred pursuant to the accruals principle. This accounting treatment arises from the structure of the offer solely for the placement of the shares sold by Italian Electronics Holdings, which did not generate income for the Company.

The costs arising from operating leases that do not fall within the scope of application of IFRS 16 are recognised on a straight line basis throughout the duration of the reference contracts. Additional costs which depend on and are determined by the revenues achieved in a specific point of sale, are recognised on an accruals basis during the contractual period.

Interest income and interest expense

Interest income and expenses are recognised in the net result for the year on an accruals basis using the effective interest rate method. The effective interest method is the rate that exactly discounts the future expected cash flows to the net book value of the financial asset or liability, based on the expected life of the financial instrument.

Taxes

Current taxes

The current taxes are determined based on a realistic forecasts of tax expenses payable on an accruals basis and in application of the applicable tax laws. The rates and tax laws used to calculate the amount are the applicable rates and laws, or essentially those which are in force, as at the balance sheet closing date. The current taxes which are relative to elements that are not included in the income statement, are allocated directly to the statement of comprehensive income and thereafter to shareholders' equity, in line with the recognition of the element to which they refer.

It is hereby specified that beginning from 29 February 2020, Unieuro S.p.A. had exercised an option for the Domestic Tax Consolidation regime in its capacity as the "Consolidating Company" (pursuant to Article 117 of Presidential Decree No. 917 of 22/12/1986) together with the "Consolidated Company" Monclick S.r.l.. The option makes it possible to determine IRES (corporate income tax) due on a tax base which corresponds to the algebraic sum of the taxable revenue and tax losses of the individual companies that are included in the Consolidation. The economic relations, responsibilities and reciprocal obligations between the "Consolidating Company" and the "Consolidated Company" have been set out in detail in a specific contract that establishes the operating procedures for management of the tax positions between the various companies that belong to the Domestic Tax Consolidation.

Deferred taxes

Deferred taxes are accounted for using the liability method on temporary differences between the tax base of an asset or liability and its carrying amount in the statement of financial position. The deferred tax liabilities are recognised against all taxable temporary differences, except when the deferred taxes arise from initial recognition of goodwill of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, has no effect either on the profit for the year calculated for the balance sheet statement purposes or the profit or the loss calculated for tax purposes.

The deferred tax assets are recognised against all the deductible temporary differences and for tax losses brought forward, to the extent that the existence of adequate future taxable profits sufficient for usage of the deductible temporary differences and tax losses brought forward is probable. The value to post in the balance sheet of the deferred tax assets is re-examined on each balance sheet closing date and reduced to the extent that it is no longer probable that there will be sufficient taxable profits in the future for the recovery of these assets. The deferred tax assets which are not recognised are re-examined periodically on the balance sheet closing date and they are recognised to the extent that it has become probable that there will be taxable profit that can absorb these deferred taxes.

The deferred taxes are measured based on the tax rates that are expected will be applicable in the financial year in which these assets will be realised or these liabilities will be extinguished, considering the rates applicable and those already issued or essentially issued on the balance sheet date.

The deferred tax assets and liabilities are offset if they refer to taxes payable to the same tax authority and there exists a legal right that allows offsetting of the assets and liabilities for current taxes.

Effects of the changes in foreign exchange rates

The financial statements are presented in Euro, which is the Company's functional and presentation currency. The transactions in a foreign currency are recognised initially at the exchange rate (which refers to the functional currency) existing as at that transaction date. The monetary assets and liabilities which are denominated in a foreign currency are converted back to the functional currency at the exchange rate applicable on the balance sheet closing date. All foreign exchange differences are recognised in the income statement. The non-monetary items which are measured at their historical cost in a foreign currency are converted using the exchange rate applicable as at the initial date on which the transaction was recorded. The non-monetary items which are measured at their fair value in a foreign currency are converted using the exchange rate applicable as at the initial date the value was recorded.

Earnings per share

Earnings per share - basic

The diluted earnings per share are calculated by dividing the profit of the company by the number of Unieuro S.p.A. shares on the date the financial statements are approved.

Earnings per share - diluted

The diluted earnings per share are calculated by dividing the profit of the company by the number of Unieuro S.p.A. shares on the date the financial statements are approved. For the purpose of calculating the diluted earnings per share, the shares are modified assuming that all holders of rights that potentially have a dilutive effect exercise these rights.

Segment Reporting

An operating segment is defined by IFRS 8 as a component of an entity that: i) undertakes business activities and generates revenues and costs (including revenues and costs that refer to the operations with other components of the same entity); ii) the operating results of which are reviewed periodically at the highest decision-making level of the entity in order to adopt decisions regarding resources to allocate to this segment and measurement of the results; iii) for which separate financial information is available.

The information regarding the business segments was prepared pursuant to the instructions set forth in IFRS 8 "Operating Segments", which provide for presentation of information in line with the procedures adopted at the top management level for assumption of operating decisions. Therefore, identification of the operating segments and the information presented are defined on the basis of internal reports used by the companies for allocation of resources and for analysis of the relative performances.

2.7 New accounting standards

The accounting standards, amendments, IFRSs and IFRICs endorsed by the European Union

- On 22 October 2018, the IASB published amendments to *IFRS 3 - Business Combinations*. The purpose of the amendment is to help determine whether a transaction is an acquisition of a business or group of assets that does not meet the definition of a business in IFRS 3. The amendments apply to acquisitions after 1 January 2020.

- On 28 May 2020, the IASB published amendments to IFRS 16 Leases Covid-19-Related Rent Concessions. These amendments introduce a practical expedient on the basis of which renegotiations of lease contracts, made as a result of the Covid-19 pandemic and relating to the reduction in rents due for periods up to 30 June 2021, are not considered contractual amendments and their effects are accounted for as variable rents with a positive impact on the income statement. For more details, please refer to Note 2.6.1 Changes to the accounting standards.

- On 25 June 2020, the IASB published amendments to IFRS 4 *Extension of the Temporary Exemption from Applying IFRS 9.* The amendments apply to acquisitions after 1 January 2021.

- On 27 August 2020, the IASB published, in the light of the interbank interest rate reform such as IBOR, the Interest Rate Benchmark Reform-Phase 2 which contains amendments to the following standards: (i) IFRS 9 Financial Instruments; (ii) IAS 39 Financial Instruments: Recognition and Measurement; (iii) IFRS 7 Financial Instruments: Disclosures; (iv) IFRS 4 Insurance Contracts; and (v) IFRS 16 Leases. The amendments apply to acquisitions after 1 January 2021.

The accounting standards, amendments and IFRS interpretations which have not yet been endorsed by the European Union

- On 18 May 2017, the IASB issued *IFRS 17 Insurance Contracts*. The standard aims to improve understanding by investors, but not only them, of the risk exposure, the profitability and the financial position of the insurers. IFRS 17 replaces IFRS 4 issued in 2004 as interim Standard. The amendments go into effect on 1 January 2023.

- On 23 January 2020, the IASB published amendments to *IAS 1 - Business Combinations IAS 1 Presentation of Financial Statements.* The purpose of the amendment is to clarify how to classify payables and other liabilities as short or long term. The amendments will apply to acquisitions after 1 January 2023.

On 14 May 2020, the IASB published amendments to: (i) IFRS 3 Business Combinations; (ii) IAS 16 Property, Plant and Equipment; (iii) IAS 37 Provisions, Contingent Liabilities and Contingent Assets; (iv) Annual Improvements 2018-2020. The amendments will apply to acquisitions after 1 January 2022.

- On 12 February 2021, the IASB published the amendment to IAS 1 Presentation of Financial Statements and to IFRS Practice Statement 2: Disclosure of Accounting policies The amendments will apply to acquisitions after 1 January 2023.

- On 12 February 2021, the IASB published the amendment to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates. The amendments will apply to acquisitions after 1 January 2023.
- On 31 March 2021, the IASB published the amendment to IFRS 16 Leases: Covid-19-Related Rent Concessions beyond 30 June 2021, which extends by one year the period of application of the amendment to IFRS 16, issued in 2020, relating to the accounting of the concessions granted due to Covid-19 to lessees.

Based on the circumstances and cases to which the new documents apply and taking into account the current accounting standards adopted by the Company, it is believed that there will be no significant impact from the first application of these documents. With reference to the amendment IFRS 16 Leases: Covid-19-Related Rent Concessions beyond 30 June 2021, the impacts will be determined according to the agreements that will be signed with the lessors.

2.8 Carini Retail merger

Unieuro and Carini Retail S.r.l. (hereinafter also referred to as "Carini"), in execution of the resolutions passed on 18 March 2020 by the Board of Directors of Unieuro and the Extraordinary Shareholders' Meeting of Carini Retail each signed the deed for the merger by incorporation of the subsidiary Carini Retail into the parent company Unieuro on 5 August 2020 (hereinafter also referred to as the "Merger" or the "Carini Merger"). The statutory effects of the Merger will take effect from 1 September 2020, while the accounting and tax effects will begin from the first day of the financial year during which the Merger was completed pursuant to Article 2504-bis, paragraph 2, of the Italian Civil Code. (1 March 2020). The Merger did not involve any increase in the share capital of the merging company Unieuro, as the latter holds the entire share capital of the merged company Carini Retail.

The merger transactions falls within the scope of those which OPI 2 revised defines as "mergers characterised as restructuring", mergers in which one or more subsidiaries are merged into the parent company. Given the elements characterising parent-subsidiary mergers by incorporation (absence of economic exchange with third parties and continuation of control over the acquired entity), these transactions cannot be considered business combinations. Therefore, they are not subject to the application of IFRS 3. These transactions are by their nature lacking in significant influence on the cash flows of the companies merged. The merger was recognised according to the principle of the continuity of values of financial statemet. Note that Carini drafted its financial statements according to international accounting standards, consistent with the standards adopted by Unieuro.

Below are the pro-forma financial statements of Unieuro SpA, reflecting for the data at 29 February 2020 the contribution of the company Carini Retail S.r.l. as a result of the merger.

STATEMENT OF FINANCIAL POSITION

(In thousands of Euro)	Year ended	
	28 February 2021	PRO FORMA 29 February 2020

Plant, machinery, equipment and other assets	71,478	84,627
Goodwill	188,039	188,039
Intangible assets with definite useful life	28,606	22,298
Right-of-use assets	451,520	477,878
Deferred tax assets	40,766	38,618
Other non-current assets	22,633	24,484
Total non-current assets	803,042	835,944
Inventories	371,390	369,337
Trade receivables	75,287	61,934
Other current assets	18,804	25,725
Cash and cash equivalents	203,873	81,197
Total current assets	669,354	538,193
Total assets	1,472,396	1,374,137
Share capital	4,053	4,000
Reserves	75,540	38,279
Profit/(loss) carried forward	72,901	52,208
Total shareholders' equity	152,494	94,487
Financial liabilities	39,068	31,643
Employee benefits	12,570	11,625
Other financial liabilities	399,558	444,285
Provisions	20,527	8,679
Deferred tax liabilities	2,475	2,082
Other non-current liabilities	26	26
Total non-current liabilities	474,224	498,340
Financial liabilities	9,659	9,520
Other financial liabilities	68,119	69,261
Trade payables	503,166	476,925
Current tax liabilities	3,803	1,473
Provisions	747	1,238
Other current liabilities	260,184	222,893
Total current liabilities	845,678	781,310
Total liabilities and shareholders' equity	1,472,396	1,374,137

INCOME STATEMENT

(In thousands of Euro)	Year ended	
	28 February 2021	PRO FORMA 29 February 2020
Revenue	2,659,283	2,425,365
Other income	1,610	5,450
TOTAL REVENUE AND INCOME	2,660,893	2,430,815

Purchases of materials and external services	(2,318,786)	(2,116,887)
Personnel costs	(173,865)	(183,619)
Changes in inventory	2,053	7,204
Other operating costs and expenses	(6,728)	(7,177)
GROSS OPERATING RESULT	163,567	130,336
Amortisation, depreciation and write-downs	(90,198)	(87,791)
NET OPERATING RESULT	73,369	42,545
Financial income	74	82
Financial expenses	(13,367)	(14,266)
PROFIT BEFORE TAX	60,076	28,361
Income taxes	(5,646)	(1,234)
PROFIT/(LOSS) FOR THE YEAR	54,430	27,127

CASH FLOWS STATEMENT

(In thousands of Euro)	Year ended	
	28 February 2021	PRO FORMA 29 February 2020
Cash flow from operations		
Profit/(loss) for the year	54,431	27,127
Adjustments for:		
Income taxes	5,645	1,234
Net financial expenses (income)	13,293	14,184
Depreciation, amortisation and write-downs of fixed assets	90,198	87,791
Other changes	354	1,446
	163,921	131,782
Changes in:		
- Inventories	(2,053)	(7,204)
- Trade receivables	13,886	(47,530)
- Trade payables	23,757	37,022
- Other changes in operating assets and liabilities	23,953	9,669
Cash flow generated/(absorbed) by operating activities	59,543	(8,014)
Taxes paid	(2,535)	(3,677)
Interest paid	(12,363)	(13,491)
Net cash flow generated/(absorbed) by operating activities	208,566	106,600
Cash flow from investment activities		
Purchases of plant, machinery, equipment and other assets	(17,550)	(15,953)
Purchases of intangible assets	(14,710)	(11,841)
Investments for business combinations and business units	(8,417)	(13,496)
Cash flow generated/(absorbed) by investment activities	(40,677)	(41,290)
Cash flow from investment activities		
Increase/(Decrease) in financial liabilities	6,846	(3,223)
Increase/(Decrease) in other financial liabilities	1,366	17,597

Increase/(Decrease) in financial liabilities - IFRS 16 Leases	(55,723)	(54,499)
Exercise - Long Term Incentive Plan	3,304	-
Distribution of dividends	-	(21,400)
Cash flow generated/(absorbed) by financing activities	(44,207)	(61,525)
Net increase/(decrease) in cash and cash equivalents	123,682	3,785
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	80,191	77,412
Net increase/(decrease) in cash and cash equivalents	123,682	3,785
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	203,873	81,197

STATEMENT OF CAHNGE IN EQUITY

(In thousands of Euro)	Share capital	Legal reserve	Extraordinary reserve	Cash flow hedge reserve	Reserve for actuarial profits/ (losses) on defined benefits plans	Reserve for share-based payments	Other reserves	Profits/ (losses) carried forward	Total shareholders' equity
Balance as at 28 February 2019	4,000	800	-	(315)	(1,270)	3,376	26,944	54,156	87,691
Effect of changes in accounting standard IFRS 16	-	-	-	-	-	-	-	-	-
Adjusted balance as at 1 March 2019	4,000	800	-	(315)	(1,270)	3,376	26,944	54,156	87,691
Profit/(loss) for the year	-	-	-	-	-	-	-	27,128	27,128
Other components of comprehensive income	-	-	-	(37)	(339)	-		-	-376
Total statement of comprehensive income for the year	-	-	-	(37)	(339)	-	-	27,128	26,752
Allocation of prior year result	-	-	6,769	-	-	-	-	(6,769)	0
Covering retained losses and negative reserves	-	-	-	-	-	-	-	-	0
Distribution of dividends	-	-	-	-	-	-	-	(21,400)	(21,400)
Share-based payment settled with equity instruments	-	-	-	-	-	2,351	-	-906	1,445
Total transactions with shareholders	-	-	6,769	-	-	2,351	-	(29,075)	(19,955)
Balance as at 29 February 2020 PROFORMA	4,000	800	6,769	(352)	(1,609)	5,727	26,944	52,209	94,488

3. INFORMATION ON FINANCIAL RISKS

In terms of business risks, the main risks identified, monitored and, as specified below, actively managed by the Company are as follows:

- credit risk (both in relation to normal trading transactions with customers as well as financing activities);

- liquidity risk (with respect to the availability of financial resources and access to the credit market and financial instruments in general);
- market risk (including currency and interest rate risks).

The objective is to maintain over time balanced management of the financial exposure so as to ensure a liability structure that is coherent in terms of the composition of the asset structure and able to ensure the necessary operating flexibility through the usage of liquidity generated from current operations and usage of bank lending.

The main financing instruments used are:

- medium-long term loans, to cover investments in fixed assets;
- short-term loans, current account credit lines to finance working capital.

Furthermore, hedges have been established to cover the risk of interest rate fluctuation, that have influenced the cost of financial indebtedness in the medium - long-term and consequently also the economic results. The following section provides qualitative and quantitative information regarding the incidence of these risks.

For information regarding the risks from Covid-19, see section 12 Coronavirus Epidemic in the Report on Operations.

3.1 Credit risk

Credit risk is the possibility that an unexpected change in the credit rating of a counterparty will expose the Company to the risk of default, subjecting it to potential lawsuits. By way of introduction we note that the credit risk which the Company is subject to is minimal since its sales are mainly to the end consumers who pay the consideration upon purchasing the product. Sales to affiliates (*Indirect* channel) and wholesale customers (B2B channel) which represent a total of around 15.5% of the company's revenues as at 28 February 2021, require the Company to use strategies and instruments to reduce this risk. The Company has in place processes for credit monitoring that provide for obtaining bank guarantees to cover a significant amount of the turnover in existence with customers, analyse the reliability of customers, the attribution of a credit line, control of exposures through reporting with separate payment deadlines and average collection times. There are no significant concentrations of risk. The other receivables are mainly receivables from the tax authorities and public administrations and advances paid for services which therefore carry a limited credit risk.

The financial assets are recognised net of write-downs calculated based on counterparty default risk. This is determined according to procedures that can involve both write-downs of individual positions, if they are individually significant, and for which there is an objective condition of total or partial non-collectability, or on collective write-downs based on historical and statistical data. Furthermore, the book value of the financial assets represents the Company’s maximum exposure to credit risk.

3.2 Liquidity risk

Liquidity risk is the risk of failure to fulfil contractual obligations. The contractual obligations consist of discharging financial liabilities within the deadlines that have been set. Liquidity risk management is the management of incoming funds, guaranteeing a balance between cash inflows and outflows and thereby minimizing the cost of financial management. This translates into procuring financial resources sufficient to maintain the company's financial structure streamlined, reducing that cost to the minimum level (in terms of financial expenses). Liquidity risk is limited by:

- cash flows from operations: optimal management of incoming cash flows from normal operations as compared to cash outflows;
- usage of short-term loans (*hot money*);
- usage of committed credit lines: these are credit lines that pools of banks commit to having available for the Company until maturity;
- usage of non-committed financial assets only for funding purposes;
- usage of medium/long-term loans able to maintain the Company's ordinary and other operations: the usage of this type of resource requires constant monitoring of expirations of financial debts as well as contingent market terms and conditions.

The liquidity risk consists of the possible difficulty of obtaining financial resources at an acceptable cost in order to conduct normal operating activities. The factors that influence liquidity risk refer both to resources that are generated or absorbed by current operations as well as to those that are generated or absorbed by investments and financing, the latter referring to repayment schedules or accessing short and long-term financial loans and the availability of funds in the financial market.

For details on the impact of Covid-19, see section 12 Coronavirus in the Report on Operations.

The financial structure in its entirety is constantly monitored by the Company to ensure coverage of its liquidity needs. Below is the Company's financial structure by deadline for the years and at 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Balance as at 28 February 2021	Within 12M	Between 12M and 60M	Over 60M	Total
Financial liabilities	48,727	9,659	39,068	-	48,727
Other financial liabilities	467,677	68,119	232,364	167,194	467,677
Total	516,404	77,778	271,432	167,194	516,404

(In thousands of Euro)	Balance as at 29 February 2020	Within 12M	Between 12M and 60M	Over 60M	Total
Financial liabilities	41,163	9,520	31,643	-	41,163
Other financial liabilities	492,902	66,227	229,991	196,684	492,902
Total	534,065	75,747	261,634	196,684	534,065

For further details see Notes 5.12 Financial liabilities and 5.14 Other financial liabilities.

3.3 Market risk

3.3.1 Interest rate risk

The Company uses external financial resources in the form of debt and available liquidity from bank deposits. Changes in the market interest rate levels influence the cost and return of various forms of financing and usage, thereby affecting the level of the Company's financial income and expenses.

To address these risks, the Company has stipulated with a pool of banks derivative contracts consisting of interest rate swaps (IRS) in order to mitigate the potential effect of changes in the interest rates on the economic result, with economically acceptable terms and conditions.

The interest rate swaps in existence as at 28 February 2021 were stipulated following the conclusion of a loan contract with a pool of banks, led by Banca IMI S.p.A. On 12 February 2018, following the closing which took place on 9 January 2018, the date on which the loan agreement known as the *Senior Facilities Agreement* (the "Loan Agreement") was entered into, new interest rate swaps associated with the term loan currently provided by the syndicate were signed.

(In thousands of Euro)			Nominal value as at		*Fair value* as at	
Derivative contracts	Stipulated on	Expires on	28 February 2021	29 February 2020	28 February 2021	29 February 2020
Interest Rate Swaps (IRS)	12/02/2018	09/01/2023	22,500	32,500	(222)	(462)

The interest rate swaps, which satisfy the requirements of IFRS 9, are recognised using the hedge accounting method. The amount recognised in shareholders' equity in the cash flow hedge reserve, as an effective component of the hedge, was Euro 132 thousand (negative) after tax at 28 February 2021, compared with Euro 352 thousand (negative) after tax at 29 February 2020.

Sensitivity Analysis

The exposure to interest rate risk was measured by means of a sensitivity analysis that indicates the effects on the income statement and on shareholders' equity arising from a hypothetical change in market rates which discount appreciation or depreciation equal to 50 BPS compared to the forward rate curves as at 28 February 2021.

Effect of changes on financial expenses - income statement

To address the risk of changes in interest rates, the Company has stipulated with a pool of banks derivative contracts consisting of interest rate swaps in order to mitigate, under economically acceptable terms and conditions, the potential effect of changes in the interest rates on the economic result. A change in the interest rates, from a hypothetical change in market rates which respectively discount appreciation and depreciation of 50 BPS, would have resulted in an effect on financial expenses for 2020 as follows below.

(In thousands of Euro)	- 50 bps	+ 50 bps
At 28 February 2021	1	(22)

Note: the positive sign indicates a higher profit and an increase in equity; the negative sign indicates a lower profit and a decrease in equity.

We note that the sensitivity analysis arising from a hypothetical change in the market rates which respectively discount appreciation and depreciation equal to 50 BPS, takes into account the hedges established by the Company.

We note that for the purposes of this analysis, no hypothesis has been made relative to the effect of the amortised cost.

Effect of a change in the cash flow hedge- shareholders' equity reserve

The impact on the fair value of IRS derivatives arising from a hypothetical change in interest rates is summarized in the table below.

(In thousands of Euro)	- 50 bps	+ 50 bps
Sensitivity analysis as at 28 February 2021	(116)	114

3.3.2 Currency risk

The Company is exposed to exchange rate risk, i.e., the risk of fluctuations in future supplies denominated in foreign currencies due to the volatility of certain exchange rates, mainly as a result of commodity import transactions.

In view of the nature of the business and on a going concern basis, this risk is not considered relevant for the Company due to the reduced volume of transactions for the purchase of goods in currencies other than the Euro, and therefore the risk is not managed on a recurring basis from an operational point of view. If the need arises to manage the exchange rate risk, generated by changes in exchange rates with respect to the main short-term import transactions involving payments to suppliers in US Dollars, the Company manages its exposure to risk with forward purchase contracts (i.e., FX Forward) in US Dollars. This strategy aims to 'fix' the amount of currency in US Dollars for future purchases at a pre-defined exchange rate level, thereby rendering it immune to changes in market rates.

As at 28 February 2021 there were no forward currency sales contracts in place. If, at the reporting date, currency contracts are in place, the effects of these derivative financial instruments will be recognised in the statement of financial position with a direct contra entry in the income statement in accordance with the standard accounting treatment provided by IFRS 9. If the substantive and formal requirements were met, the Company would also reserve the right to assess whether to apply the cash flow hedge accounting treatment to these operating events.

3.4 Fair value estimates

The fair value of the financial instruments listed on an active market is based on market prices as at the balance sheet date. The fair value of the instruments which are not listed on an active market is determined by using valuation techniques which are based on a series of methods and assumptions which are connected to market conditions as at the balance sheet date.

The classification of the fair value of financial instruments based on the following hierarchical levels is set out below:

- Level 1: fair value determined based on listed prices (not adjusted) on active markets for identical financial instruments;
- Level 2: fair value determined using valuation techniques that refer to variables that are observable on active markets;
- Level 3: fair value determined using valuation techniques that refer to variables that are not observable on active markets.

Financial instruments measured at fair value are classified at level 2 and the general criterion used to calculate them is the current value of future cash flows provided for the instrument constituting the object of the measurement.

The liabilities relative to the bank indebtedness are measured using the amortised cost criterion. Trade payables and receivables are measured at their book value, net of any provision for bad debts, as this is considered to be close to the current value.

The table below separates financial assets and liabilities by category as at 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended 28 February 2021			
	Loans and receivables	Fair value of hedging instruments	Other liabilities	Total
Financial assets not designated at fair value				
Cash and cash equivalents	203,873	-	-	203,873
Trade receivables	75,287	-	-	75,287
Other assets	41,437	-	-	41,437
Financial assets designated at fair value				
Other assets	-	-	-	-

Financial liabilities not designated at fair value				
Financial liabilities	-	-	48,727	**48,727**
Trade payables	-	-	503,166	**503,166**
Other liabilities	-	-	260,210	**260,210**
Other financial liabilities	-	-	467,504	**467,504**
Financial liabilities designated at fair value				
Other financial liabilities	-	173	-	**173**

(In thousands of Euro)	Year ended 29 February 2020			
	Loans and receivables	Fair value of hedging instruments	Other liabilities	Total
Financial assets not designated at fair value				
Cash and cash equivalents	80,191	-	-	**80,191**
Trade receivables	86,486	-	-	**86,486**
Other assets	67,418	-	-	**67,418**
Financial assets designated at fair value				
Other assets	-	-	-	-
Financial liabilities not designated at fair value				
Financial liabilities	-	-	41,163	**41,163**
Trade payables	-	-	477,250	**477,250**
Other liabilities	-	-	212,998	**212,998**
Other financial liabilities	-	-	492,439	**492,439**
Financial liabilities designated at fair value				
Other financial liabilities	-	463	-	**463**

The items "Other assets" and "Other financial liabilities" include the effects deriving from the application of the accounting standard IFRS 16 (Leases), adopted starting from 1 March 2019 using the modified retrospective application method by virtue of which the comparative information has not been restated. For more details see notes 2.6.1 Changes to accounting standards, 5.6 Other current assets and other non-current assets and 5.14 Other financial liabilities in the separate financial statements of Unieuro S.p.A. as at 29 February 2020.

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4. INFORMATION ON OPERATING SEGMENTS

The operating segment identified by the Company which encompasses all services and products provided to customers, is unique and consists of the entire company. As the Company is a single channel business, there is only one Strategic Business Unit ("SBU"). Furthermore, within the SBU, the management has identified three Cash Generating Units ("CGUs") to which the goodwill was allocated. This approach is supported by the operating control model by the corporate management which considers the entire activity uniformly, disregarding the product lines or geographic locations whose division is not considered significant for the purpose of taking corporate decisions.

The operating segment's results are measured by analysing trends of revenue and gross operating profit or loss.

(In thousands of Euro and as a percentage of revenues)	Year ended	
	28 February 2021	29 February 2020
Revenue	2,659,283	2,425,895
GROSS OPERATING RESULT	163,567	134,856
% of revenues	*6.2%*	*5.6%*
Amortisation, depreciation and write-downs	(90,198)	(83,808)
NET OPERATING RESULT	73,369	51,048
Financial income	74	82
Financial expenses	(13,367)	(13,879)
PROFIT BEFORE TAX	60,076	37,251
Income taxes	(5,645)	(1,501)
PROFIT/(LOSS) FOR THE YEAR	54,431	35,750

The incidence of gross operating profit on revenues was 6.2% as at 28 February 2021.

The table below contains a breakdown of the revenues per geographical area:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Abroad	7,465	3,681
Italy	2,651,818	2,422,214
Total	**2,659,283**	**2,425,895**

The revenues are attributed based on the invoicing in Italy/abroad.

Non-current assets in countries other than those in which the Company has branches are not recognised.

5. NOTES TO THE INDIVIDUAL FINANCIAL STATEMENT CAPTIONS

5.1 Plant, machinery, equipment and other assets

Below is the balance of the item "Plant, machinery, equipment and other assets" by category as at 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Amounts as at 28 February 2021			Amounts as at 29 February 2020		
	Historical cost	Accumulated Amortisation and Depreciation	Net book value	Historical cost	Accumulated Amortisation and Depreciation	Net book value
Plant and machinery	144,524	(115,302)	29,222	140,746	(105,745)	35,001
Equipment	22,511	(17,330)	5,181	23,734	(16,124)	7,610
Other assets	184,965	(157,024)	27,941	181,530	(149,067)	32,463
Tangible assets under construction	9,134	-	9,134	4,885	-	4,885
Total plant, machinery, equipment and other assets	361,134	(289,656)	71,478	350,895	(270,936)	79,959

The change in the item "Plant, machinery, equipment and other assets" for the period from 28 February 2018 to 28 February 2021 is shown below:

(In thousands of Euro)	Plant and machinery	Equipment	Other assets	Tangible assets under construction and payments on account	Total
Balance as at 28 February 2019	39,541	7,380	36,078	1,852	84,851
Increases	4,683	1,232	6,617	4,309	16,841
Decreases	(121)		(99)	(1,276)	(1,496)
Amortisation, depreciation and write downs/(write backs)	(9,127)	(1,002)	(10,140)		(20,269)
Decreases in Amortisation, Depreciation Provision	25		7		31
Balance as at 29 February 2020	35,001	7,610	32,463	4,885	79,959
Carini merger	1,807	550	2,225	86	4,668
Increases	3,523	1,962	8,951	7,321	21,757
Decreases	(1,840)	(3,786)	(8,135)	(3,158)	(16,919)
Amortisation, depreciation and write downs/(write backs)	(9,352)	(1,155)	(11,371)		(21,878)
Decreases in Amortisation, Depreciation Provision	83		3,808		3,891
Balance as at 28 February 2021	29,222	5,181	27,941	9,134	71,478

In the year ended 28 February 2021, the Company made net investments totalling Euro 14,436 thousand.

In particular, the net investments refer mainly to: (i) interventions related to the restructuring of selected sales outlets through the restyling of the layout and the reduction or expansion of the sales area and investments in the relocation of existing sales outlets in catchment areas deemed more strategic for Euro 2,070 thousand; (ii) investments relating to the opening of new stores in new catchment areas deemed strategic or in areas not sufficiently covered by the current portfolio of stores and the refurbishment of the stores acquired for Euro 7,494 thousand; (iii) minor extraordinary maintenance and renewal of plants in various sales outlets for Euro 1,772 thousand; (iv) investments attributable to the creation of electrified display tables dedicated to the display of specific supplier brands at the sales outlets for Euro 1,326 thousand; (v) additional investments connected to the logistics hub based in Piacenza for Euro 1,774 thousand.

The contribution of the Carini merger is Euro 4,668 thousand and primarily refers to the category other assets.

Net assets under construction equal to Euro 9,134 thousand mainly refer to investments relating to the new headquarters in Palazzo Hercolani (Forlì) and the warehouse in Via Zampeschi (Forlì) for Euro 3,650 thousand and investments attributable to the purchase of new hardware for the sales outlets for Euro 2,058 thousand.

The item "Amortisation, depreciation and write-downs/(write backs)" of Euro 21,878 thousand includes Euro 20,887 thousand in depreciation and Euro 991 thousand of write-downs and write backs.

In the year ended 29 February 2020, the Company made net investments totalling Euro 15,377 thousand.

In particular, the net investments refer mainly to: (i) interventions related to the restructuring of selected sales outlets through the restyling of the layout and the reduction or 340 expansion of the sales area and investments in the relocation of existing sales outlets in catchment areas deemed more strategic for Euro 3,686 thousand; (ii) investments relating to the opening of new stores in new catchment areas deemed strategic (Gela, Portogruaro, Mistebianco, Savignano, Verona) or in areas not sufficiently covered by the current portfolio of stores for Euro 3,088 thousand; (iii) minor extraordinary maintenance and renewal of the anti-theft and electrical systems in various sales outlets for Euro 2,285 thousand; (iv) investments attributable to the creation of electrified display tables dedicated to the display of specific supplier brands at the sales outlets for Euro 1,896 thousand; (v) additional investments connected to the logistics hub based in Piacenza for Euro 1,523 thousand, and (vi) investments relating to the expansion of the Paderno Dugnano sales area for Euro 55 thousand.

Net non-current assets under construction of Euro 4,885 thousand refer mainly to (i) the opening of new sales outlets and projects in the amount of Euro 2,358 thousand; (ii) investments in restructuring/relocation of Euro 851 thousand; (iii) minor extraordinary maintenance work in various point of sales totalling Euro 609 thousand; (iv) investments related to the creation of electrified display tables dedicated to the display of specific supplier brands inside the points of sale of Euro 279 thousand; and (v) additional investments related to the logistics hub based in Piacenza of Euro 213 thousand.

The item "Amortisation, depreciation and write-downs/(write backs)" of Euro 20,269 thousand includes Euro 19,829 thousand in depreciation and Euro 440 thousand of write-downs and write backs.

The item "Plant, machinery, equipment and other assets" includes assets held under financial leases consisting mainly of furnishings, energy saving lighting installations, air conditioning installations, servers, computers and printers. These assets are guaranteed by the lessor until the residual amount due is fully paid. For further details on the amount of the debts to the leasing company, see note 5.14 "Other financial liabilities."

5.2 Goodwill

The breakdown of the item "Goodwill" as at 28 February 2021 and as at 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Goodwill	188,039	170,767
Total Goodwill	188,039	170,767

The change in the "Goodwill" item for the period from 28 February 2018 to 28 February 2021 is shown below:

(In thousands of Euro)	Goodwill
Balance as at 28 February 2019	170,767
Acquisitions	-
Write-downs	-
Balance as at 29 February 2020	170,767
Carini merger	17,272
Write-downs	0
Balance as at 28 February 2021	188,039

Goodwill as at 28 February 2021 and 29 February 2020 can be broken down as follows:

(In thousands of Euro)	Goodwill at 28 February 2021	Goodwill at 29 February 2020
Resulting from mergers:		
Marco Polo Holding S.r.l.	94,993	94,993
Formerly Unieuro	32,599	32,599
Rialto 1 S.r.l. and Rialto 2 S.r.l.	9,925	9,925
Marco Polo Retail S.r.l.	8,603	8,603
Other minor mergers	5,082	5,082
Resulting from the acquisition of business units:		
Andreoli S.p.A.	10,500	10,500
Cerioni S.p.A.	5,749	5,749
Galimberti S.p.A.	1,882	1,882
DPS Group S.r.l.	1,240	1,240
Dixons Travel	194	194
Carini Retail S.r.l.	17,272	-
Total Goodwill	188,039	170,767

5.2.1 Impairment testing

Based on the provisions of international accounting standard IAS 36, the Company should carry out a check, at least once a year, to ensure the recoverability of the value of the goodwill through an impairment test, comparing the carrying amount of the Cash Generating Units ("CGU") to which the goodwill is allocated with the recoverable value. The value in use has consistently been adopted as the recoverable value in relation to market volatility and the difficulty of collecting information related to determining fair value.

The goodwill impairment test prepared by the Company for each CGU was approved by the Company's Board of Directors on 06 May 2021. In the elaboration of the impairment test the Directors used an appropriate report provided by an external expert under specific assignment of the Company.

IAS 36 identifies the CGUs as the smallest groups of assets that generate incoming cash flows. The financial flows resulting from the CGUs identified should be independent of one another, because a single Unit must be able to be autonomous in the realisation of incoming cash flows, but all the assets within the Unit should be interdependent. Pursuant to IAS 36 the correlation that exists between the goodwill acquired during the business combination and the CGUs takes shape. In effect, at the time of the acquisition of the goodwill, it must be allocated to the CGU or the CGUs which are expected to benefit the most from the synergies of the combination. In this sense, the decisions linked to the definition of these synergies strongly depend on the Company's strategic organisation models, the commercial purchase and sales decisions which, specifically, disregard the number of sales points, which do not enjoy decision-making autonomy.

The operating sector identified by the Company into which all the services and products supplied to the customer, converge coincides with the entire Company. The Company's corporate vision as a single omnichannel business ensures that the Company has identified a single Strategic Business Unit (SBU). Within the SBU the Company has identified three CGUs to which the goodwill was allocated. This approach is supported by the operating control model by the corporate management which considers the entire activity uniformly, disregarding the product lines or geographic locations whose division is not considered significant for the purpose of taking corporate decisions.

The Company identified three CGUs to which the goodwill was allocated:

- *Retail;*
- *Indirect;*
- *B2B.*

The three units benefit from shared resources, like administration, back office and logistics, but each of them features a different expected growth, with different risks and opportunities and with specific features which cannot be provided in the other CGUs.

The Retail CGU relates to all financial flows coming from the Retail, Online and Travel distribution channels. The Online and Travel channels are included in the Retail CGU because the website uses the sales points for the delivery of goods, while the Travel channel includes sales points located at the main public transport hubs.

The Indirect CGU, previously known as Wholesale, includes sales to the network of affiliated stores and revenues produced in large scale retailing through partnerships with leading industry operators.

The B2B CGU relates to the wholesale supply of products under the scope of the business-to-business channel.

The allocation of goodwill to the three CGUs took place in line with the specific activity of the individual CGU in order to include the best exploitation of internal and external synergies in the business model used.

As described previously, the Company opted for identifying the value in use to determine the recoverable fair value. The value in use is calculated through an estimate of the current value of the future financial flows that the CGUs could generate.

The source of the data on which the assumptions are made for determining the financial flows are the final balances and the business plans.

The Economic/Financial Plan used for the impairment test relating to the goodwill recognised in the Separate Financial Statements of Unieuro S.p.A. and referring to the year ended 28 February 2021 is based in the strategic lines of the plan on that approved by the Board of Directors on 12 December 2016 as subsequently updated. The Economic/Financial Plan underlying the impairment test was prepared taking into account recent business performance. Specifically, the stocktaking data referred to the years ending from 28 February 2017 have been taken into consideration, and, as a result, the financial data until 28 February 2026 were updated. The impairment test was approved by the Board of Directors on 6 May 2021.

The reference market growth estimates included in the business plan used for the impairment test at 28 February 2021 are based, among other things, on external sources and on the analyses conducted by the Company with the support of a leading consulting firm. Specifically, the Company projects growth, in line with its strategy, thanks to its ability to increase its customer base, promote and foster complementary services and increase its market penetration compared with competitors.

The evaluation assumptions used for determining the recoverable value are based on the above-mentioned business plans and on several main hypotheses:

- the explicit period to be adopted for the business plan is 5 years;
- terminal value: actualisation of the latest plan explicit estimate period. It should be stressed that a long-term growth rate "g" equal to 0% was envisaged because the result that the company will manage to achieve in the last financial year of the business plan was considered stable over a period of time;
- the discount rate applied to the various cash flows (WACC - weighted average cost of capital) for the CGUs analysed is 11,59%.

The discount rate (or actualisation rate) applied is the rate which reflects the current evaluations of the market, the time value of money and the specific risks of the asset. For the purpose of calculating the discount rate there must be consistency between the parameters used and the reference market of the Company and consistency between the Company's operating activities and incoming flows. All the parameters used for calculating the actualisation rate should be used in the corporate context, so that it expresses "normal" conditions over a medium-/long-term time span.

The estimation procedure adopted for defining the parameters determining the WACC is reported below:

- Risk-free rate (r_f) – The risk-free rate adopted is equal to the 6-month average (compared with the reference date) of the returns of the ten-year government bonds (BTP) issued by the Italian government. The adoption of the average figure makes it possible to compensate for possible short-term distorting dynamics.
- Equity risk premium (r_m – r_f) – The equity risk premium, which represents the yield spread (historical and long-term) between equity securities and debt securities on financial markets, was determined with reference to the Italian market.
- Beta (β) – The beta, which indicates the regression coefficient of a straight line which represents the relationship between the rate of return offered by the security and that of the overall market, was calculated on the basis of a panel of listed companies operating mainly or exclusively in the sale of consumer electronics, through a combination of sales channels (in store and online sales, in the majority of cases alongside Indirect and/or business-to-business sales).

- Specific risk premium (α) - An additional premium was applied in order to take into account potential risks relating to the implementation of the corporate strategy in the reference market context (execution risk) also taking into consideration the size of the Company compared with comparable businesses identified (size premium).

- Cost of debt capital i_d (1-t) - The cost of debt of a financial nature was estimated as equal to the average 6-month 10-year Euro Swap Rate (compared with the reference date), plus a spread. The corporate tax rate in force in Italy (IRES) was adopted as the tax rate (t).

- *Financial structure* - A debt/equity ratio calculated based on the average figure expressed at the reference date by the panel of comparable companies selected was adopted.

There were no differences in calculating these parameters between the external sources used and the value used for the purpose of the test.

The Company has a well-established history of operating on the market and, to date, there has been no evidence of anything that would suggest an interruption to activities in the medium-/long-term. Based on these considerations it is reasonable to assume the business is a going concern in perpetuity.

The operating cash flow used for the purpose of calculating the terminal value was calculated on the basis of the following main assumptions:

- EBITDA - During the estimation of the terminal value, an amount of revenues equal to the level projected for the last year of the plan was considered. For the purpose of estimating sustainable EBITDA in the medium-/long-term the EBITDA margin equal to the average figure in the plan was applied to the revenues identified in order to reflect the competitive dynamics featured in the reference sector. For the Company overall, this latter figure is located within the current range expressed by the estimates of the analysts relating to the panel of comparable companies used to determining the WACC.

- Investments in fixed assets and amortisation and depreciation - Annual investments were estimated as equal to investments in fixed assets projected for the last year of the plan. Annual amortisation and depreciation were in line with these investments, assuming that the investments were mainly maintenance and/or replacements.

- Net working capital and Funds - In line with the theory of growth in perpetuity at a g rate equal to 0%, there were no theories of variations in the items that make up NWC and the other funds in the long-term.

Below is a summary table containing the basic assumptions (WACC and g) and the percentage value attributed to the terminal value compared with the recoverable value of the Company's three CGUs relating to the analyses of the impairment tests conducted with reference to 28 February 2021.

as at 28 February 2021	WACC	g	Terminal Value (TV)	Recoverable Amount (RA)	% TV over RA
(In millions of Euro)					
CGU Retail	11.59%	0.0%	191.0	314.8	60.7%
CGU Indirect	11.59%	0.0%	32.5	39.0	83.3%
CGU B2B	11.59%	0.0%	17.1	24.5	69.8%

The results of the impairment tests as at 28 February 2021 are given below:

as at 28 February 2021		Carrying Amount (CA)	Recoverable Amount (RA)	RA compared with CA
(In millions of Euro)				
CGU Retail	EUR/mln	(26.7)	314.8	341.5
CGU Indirect	EUR/mln	0.8	39.0	38.2
CGU B2B	EUR/mln	3.4	24.5	21.1

Based on the estimates made there was no need to adjust the value of the goodwill recorded.

Note that the carrying amount of the CGU Retail as at 28 February 2021 was negative as a result of the negative net working capital allocated to the CGU Retail.

The carrying amount does not include entries of a financial nature. Assets and liabilities for deferred taxes are also excluded because the theoretical tax rate was used for the purpose of estimating taxes when calculating the cash flows.

As set out in IAS 36, the appropriate sensitivity analyses were also conducted to test the recoverable value of the goodwill as the main parameters used, as the change in the percentage of EBIT (net operating profit or loss), WACC and the growth rate vary.

The results are given below in terms of the difference between the recoverable amount and the carrying amount for the CGUs subject to impairment tests as at 28 February 2021, the sensitivity analysis conducted assuming a percentage reduction in EBIT, in the years of the explicit forecast and in the terminal value, up to a maximum of -20%:

as at 28 February 2021			Terminal plan EBIT		
(In millions of Euro)					
RA Sensitivity Difference compared with CA	0	(5.0%)	(10.0%)	(15.0%)	(20.0%)
CGU Retail	314.8	296.0	277.3	258.5	239.8
CGU Indirect	39.0	36.0	33.0	30.0	27.0
CGU B2B	24.5	23.1	21.6	20.1	18.6

The results are given below in terms of the difference between the recoverable amount and the carrying amount for the CGUs subject to impairment tests as at 28 February 2021, the sensitivity analysis conducted assuming a percentage increase in WACC:

as at 28 February 2021	WACC				
(In millions of Euro)					
RA Sensitivity Difference compared with CA	11.59%	12.09%	12.59%	13.09%	13.59%
CGU Retail	314.8	301.2	288.6	277.0	266.3
CGU Indirect	39.0	36.7	34.7	32.8	31.1
CGU B2B	24.5	23.4	22.3	21.3	20.4

The results are given below in terms of the difference between the recoverable amount and the carrying amount for the CGUs subject to impairment tests as at 28 February 2021, the sensitivity analysis conducted assuming a reduction in the perpetual growth rate (g), in the years of the explicit forecast and in the terminal value, up to a maximum of -2.0%:

as at 28 February 2021		Perpetual growth rate (g)				
(In millions of Euro)	WACC					
RA Sensitivity Difference compared with CA		(2.0%)	(1.5%)	(1.0%)	(0.5%)	(0.0%)
CGU Retail	11.59%	283.4	290.4	297.9	306.0	314.8
CGU Indirect	11.59%	33.6	34.8	36.1	37.5	39.0
CGU B2B	11.59%	21.7	22.4	23.0	23.8	24.5

Lastly, the Company has developed another analysis simulating the impacts on the recoverable amount of the CGU Retail in the event of excluding the planned opening of new sales points over the span of the business plan. The results of the analysis conducted are given below:

as at 28 February 2021		Carrying Amount (CA)	Recoverable Amount (RA)	RA compared with CA
(in millions of Euro)				
CGU Retail	EUR/mln	(26.7)	291.5	318.2

It should be pointed out that the parameters and information used for verifying the recoverability of the goodwill are affected by the macroeconomic, market and regulatory situation, and by the subjectivity of several projections of future events which may not necessarily take place, or which could take place differently from how they were projected, and therefore unforeseen changes could occur. Unfavourable and unpredictable changes to the parameters used for the impairment test could, in future, result in the need to write-down the goodwill with consequences to the results and the operating results, financial position and cash flows of the Company.

5.3 Intangible assets with definite useful life

The balance of the item "Intangible assets with a finite useful life" is given below, broken down by category as at 28 February 2021 and as at 29 February 2020:

(In thousands of Euro)	Amounts as at 28 February 2021			Amounts as at 29 February 2020		
	Historical cost	Accumulated Amortisation and Depreciation	Net book value	Historical cost	Accumulated Amortisation and Depreciation	Net book value
Software	75,497	(51,408)	24,089	60,227	(45,382)	14,845
Concessions, licences and brands	7,407	(7,364)	43	7,407	(7,039)	368
Key Money	1,572	(1,572)	-	1,572	(1,572)	-
Intangible fixed assets under construction	4,474	-	4,474	6,935	-	6,935
Total intangible assets with a finite useful life	88,950	(60,344)	28,606	76,141	(53,993)	22,148

The change in the item "Intangible assets with a finite useful life" for the period from 28 February 2019 to 28 February 2021 is given below:

(In thousands of Euro)	Software	Concessions, licences and brands	Key Money	Intangible fixed assets under construction	Total
Balance as at 28 February 2019	11,989	788	6,557	3,200	22,534
Increases	8,248	-	-	6,792	15,040
Adjustment - application of IFRS 16	-	-	(6,557)	-	(6,557)
Decreases	-	-	-	(3,057)	(3,057)
Amortisation, depreciation and write downs/(write backs)	(5,392)	(420)	-	-	(5,812)
Decreases in Amortisation, Depreciation Provision	-	-	-	-	-
Balance as at 29 February 2020	14,845	368	-	6,935	22,148
Carini merger	150				150
Increases	15,099			4,189	19,288
Decreases				(6,650)	(6,650)
Amortisation, depreciation and write downs/(write backs)	(6,005)	(325)			(6,330)
Decreases in Amortisation, Depreciation Provision					
Balance as at 28 February 2021	24,089	43		4,474	28,606

With regard to the financial year ended 28 February 2021, the increases net of decreases in the "assets under construction" category totalled Euro 12,638 thousand and are mainly attributable to the "Software" category in the amount of Euro 15,099 thousand.

The increases relating to the "Software" category of Euro 15,099 thousand, are mainly due to: (i) the transition to the new SAP S/4HANA management software, (ii) new software and licenses, (iii) costs incurred in developing and updating the website www.unieuro.it and (iv) costs incurred for extraordinary operations on pre-existing management software.

The net increases in assets under construction of Euro 4,189 thousand are due to implementations of new software and existing software.

The contribution of the Carini merger is Euro 150 thousand and primarily refers to the category software.

For the year ended 29 February 2020, the increases amount to Euro 15,040 thousand and are mainly due to the "Software" category for Euro 8,248 thousand.

The increases relating to the "Software" category of Euro 8,248 thousand, are mainly due to: (i) new software and licenses, (ii) costs incurred for the development and updating of the website www.unieuro.it and (iii) costs incurred for extraordinary work on existing management software.

The increases in assets under construction of Euro 6,792 thousand are due to the implementation of new software (ERP) and existing software.

5.4 Right-of-use assets

The balance of the item “Right-of-use assets” is given below, broken down by category as at 28 February 2021 and as at 29 February 2020:

(In thousands of Euro)	Amounts as at 28 February 2021			Amounts as at 29 February 2020		
	Historical cost	Accumulated Amortisation and Depreciation	Net book value	Historical cost	Accumulated Amortisation and Depreciation	Net book value
Buildings	558,629	(118,212)	440,417	510,562	(56,928)	453,634
Automobiles	2,740	(1,505)	1,235	2,159	(799)	1,360
Other assets	9,868	-	9,868	-	-	-
Total intangible assets with a finite useful life	**571,237**	**(119,717)**	**451,520**	**512,721**	**(57,727)**	**454,994**

The change in the item "Right-of-use assets" for the period from 29 February 2020 to 28 February 2021 is broken down below:

(In thousands of Euro)	Buildings	Automobiles	Other assets	Total
Balance as at 28 February 2019	-	-	-	-
Adjustment - application of IFRS 16	445,605	1,551		447,156
Carini Retail acquisition	8,805	-	-	8,805
Increases / (Decreases)	56,152	608	-	56,760
Amortisation, depreciation and write-downs/(write backs)	(56,928)	(799)	-	(57,727)
Balance as at 29 February 2020	**453,634**	**1,360**	**-**	**454,994**
Carini merger	22,884	-	-	22,884

Increases / (Decreases)	25,183	581	9,868	35,633
Amortisation, depreciation and write-downs/(write backs)	(61,284)	(706)	-	(61,990)
Balance as at 28 February 2021	440,417	1,235	9,868	451,520

The increases recorded in the year mainly refer to new leases relating to the opening or relocation of retail stores, the new Palazzo Hercolani (Forlì) headquarters, the new via Zampeschi (Forlì) warehouse and the renewal of existing operating lease contracts.

The contribution of the Carini merger is Euro 22,884 thousand.

5.5 Deferred tax assets and deferred tax liabilities

The change in the item "Deferred tax assets" and the item "Deferred tax liabilities" for the period from 28 February 2019 to 28 February 2021 is given below:

Deferred tax assets

(In thousands of Euro)	Bad debt provision - amount due from suppliers	Obsolescence Provision	Fixed assets and rights for use	Intangible assets	Capital Reserves	Provision for risks and charges	Other current liabilities	Net deferred tax assets	Deferred tax assets relating to tax losses	Total net deferred tax assets
Balance as at 28 February 2019	678	2,337	907	4,281	272	1,456	2,280	12,211	22,968	35,179
Provision/Releases to the Income Statement	55	1,003	1,213	-	-	357	(985)	1,643	1,386	3,029
First consolidation Carini	-	-	-	-	-	-	-	-	-	-
Provision/Releases to the Comprehensive Income Statement	-	-	-	-	99	-	-	99	-	99
Balance as at 29 February 2020	733	3,340	2,120	4,281	371	1,813	1,295	13,953	24,354	38,307
Carini merger		267	-	-	44	-	-	311	-	311
Provision/Releases to the Income Statement	583	(907)	(371)	(207)	-	3,079	(1,075)	1,102	1,000	2,102
Provision/Releases to the Comprehensive Income Statement	-	-	-	-	46	-	-	46	-	46
Balance as at 28 February 2021	1,316	2,700	1,749	4,074	461	4,892	220	15,412	25,354	40,766

The balance as at 28 February 2021 was Euro 40,766 thousand and was mainly composed of: (i) deferred tax assets recognised on tax losses for Euro 25,354 thousand, (ii) temporary differences mainly attributable to the provision for risks and charges and goodwill for Euro 15,412 thousand.

The balance as at 29 February 2020 was Euro 38,307 thousand and was mainly composed of: (i) deferred tax assets recognised on tax losses for Euro 24,354 thousand, (ii) deferred tax assets recognised on tangible assets and on right-of-use assets for Euro 2,120 thousand relating to temporary differences on leases signed prior to 1 March 2019, the date of application of the new accounting standard IFRS 16, (iii) deferred tax assets recognised on goodwill for Euro 4,281 thousand and (iv) deferred tax assets recognised on other current liabilities for Euro 1,295 thousand, consisting of contract liabilities relating to warranty extension services.

The tax losses still available at 28 February 2021 refer to Unieuro and amount to Euro 298,471 thousand.

In calculating deferred tax assets, the following aspects were taken into consideration:

- the tax regulations of the country in which the Company operates and the impact on the temporary differences, and any tax benefits resulting from the use of tax losses carried over.
- the forecast of the Company's earnings in the medium and long-term.

On this basis the Company expects to generate future taxable earnings and, therefore, to be able, with reasonable certainty, to recover the deferred tax assets recorded.

Deferred tax liabilities

(In thousands of Euro)	Intangible assets	Other current assets	Total net deferred taxes
Balance as at 28 February 2019	987	1,125	2,112
Adjustment at the date of the first time adoption of IFRS 15	361	(391)	(30)
Provision/Releases to the Income Statement	-	-	-
Balance as at 29 February 2020	1,348	734	2,082
Provision/Releases to the Income Statement	361	32	393
Provision/Releases to the Comprehensive Income Statement	-	-	-
Balance as at 28 February 2021	1,709	766	2,475

Deferred tax liabilities relating to Intangible Assets result from goodwill with a different statutory value from the value for tax purposes.

It is estimated that the debt refers to differences which will be reabsorbed in the medium-/long-term.

5.6 Other current assets and other non-current assets

Below is a breakdown of the items “Other current assets” and “Other non-current assets” as at 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Contract assets	8,012	7,063
Prepaid expenses and accrued income	8,129	13,136
Tax credits	764	2,772
Financial receivables from leases - current portion	1,090	1,429
Other current assets	809	744
Advances to suppliers	-	24
Other current assets	18,804	25,168
Other non-current assets	12,559	30,414
Financial receivables from leases - non-current portion	7,184	8,933
Deposit assets	2,319	2,372
Deposits to suppliers	571	531
Other non-current assets	22,633	42,250
Total Other current assets and Other non-current assets	41,437	67,418

The items "Prepaid expenses" and "Accrued income" equal to Euro 8,129 thousand, mainly include prepaid expenses referring to insurance, condominium expenses and rental of road signs that took place prior to 28 February 2021 and accruals coinciding with the calendar year. The decrease in this item is mainly due to insurance.

The item "Contract assets" amounting to Euro 8,012 thousand, includes the costs for obtaining the contract which qualify as contract costs, represented by the premiums paid to employees for each additional sale of extended warranty services.

The item “Other current assets” mainly includes receivables for withholding taxes applied for brokerage activities carried out.

Tax receivables as at 28 February 2021 decreased mainly due to the collection during the year of the IRES credit for IRAP not deducted.

The item “Other non-current assets” includes financial receivables from leases, equity investments, deposit assets and deposits to suppliers. The decline is essentially linked to the decrease in equity investments due to the Carini merger. The item “Other non-current assets” includes equity investments, deposit assets and deposits to suppliers. The breakdown of the item “Equity Investments” as at 28 February 2021 and as at 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Equity investment in Carini Retail S.r.l.	-	17,855
Equity investment in Monclick S.r.l.	12,551	12,551
Other equity investments	8	8
Equity investments	**12,559**	**30,414**

The change in the item "Equity investments" for the period from 28 February 2019 to 28 February 2021 is broken down below:

(In thousands of Euro)	Equity investments
Balance as at 28 February 2019	**12,559**
Acquisitions	17,855
Increases	-
Write-downs	-
Decreases	-
Balance as at 29 February 2020	**30,414**
Acquisitions	-
Carini merger	(17,855)
Increases	-
Write-downs	-
Decreases	-
Balance as at 28 February 2021	**12,559**

Information relating to the equity investments owned in associated companies at 28 February 2021 is given below pursuant to Article 2427 of the Italian Civil Code:

(In thousands of Euro)	Registered office	Carrying amount	Share Capital	Ownership percentage	Shareholders' equity	Profit (loss) for the year
Monclick S.r.l.	Vimercate (MB)	12,551	100	100%	3,191	(328)

Monclick S.r.l.

On 9 June 2017, Unieuro concluded the acquisition from Project Shop Land S.p.A. of 100% of Monclick, one of the leading online operators in Italy, active in the consumer electronics market and in the online B2B2C market.

Monclick represents a "pure player" in the Italian panorama of e-commerce, that is, a company that sells products only through the web channel, without having physical sales or pick-up points.

The investee operates in two business lines that appeal to the same consumers, while reaching them through two different channels: (i) *Online*, which includes online sales of consumer products directly to the final consumer through "Monclick" website, and (ii) *B2B2C,* that is, the channel for products and services sold to the final consumer through partnerships with large companies.

The Subsidiary recorded revenues in the year closed at 28 February 2021 of Euro 92,164 thousand (Euro 61,811 thousand in the year ended at 29 February 2020) and a loss for the year of Euro 328 thousand (loss equal to Euro 956 thousand in the year ended at 29 February 2020).

The reference market was characterised by: (i) the significant growth in the online segment following the Covid-19 pandemic, which made 2020 an atypical year, (ii) growing demand for a more punctual and efficient service on the part of customers, which increased logistics costs throughout the year, (iii) increasing competitive pressure to which pure players are subject, which led the Company to defend its market share by sacrificing pricing policies, especially in the first part of the year. The economic result for the year benefitted from several actions intended to mitigate the impacts on the income statement of the above-mentioned phenomena, including: (i) strengthening of the drop shipping flow from Unieuro, which entails an improvement in purchasing conditions, (ii) the exploitation of synergies generated with the current Unieuro distribution structure enacted through the transfer from a third-party logistics structure to the Unieuro Group logistics structure in Piacenza, (iii) efficiency in administrative services and general expenses.

In the course of the year ending on 28 February 2021, Monclick therefore continued an organisational and structural review process aimed at the gradual rebalancing of operations. Plans were prepared and developed for this process to strengthen business activities and a strategy was implemented to increase revenues and make costs more efficient.

On 29 June 2017, 10 January 2018 and 14 November 2018 the Unieuro Board of Directors approved payments to the provision to cover losses of Euro 1,192 thousand, Euro 1,783 thousand and Euro 1,269 thousand, respectively, and capital contribution payments of Euro 2,808 thousand, Euro 1,217 thousand and Euro 3,731 thousand, respectively.

5.6.1 Impairment test on the value of equity investments

The equity investment in Monclick at 28 February 2021 was subjected to an impairment test by comparing the respective recoverable value with the carrying amount of the equity investment. The recoverable value is represented by the greater of the fair value of the asset excluding sales costs and its value in use.

The value in use was calculated as the current value of future cash flows that are expected to be generated by the Cash Generating Unit "CGU" identified in Monclick, discounted at the rate that reflects the specific risks of the CGU at the valuation date.

The source of the data on which the assumptions made for determining the cash flows are based are the final balances and the business plan for the period from 28 February 2022 to 28 February 2026 of the investee company approved by the Sole Director of Monclick on 21 April 2021.

The impairment test was approved by the Board of Directors on 06 May 2020. In the elaboration of the impairment test the Directors used appropriate reports provided by a consultant under specific assignment of the Company.

The evaluation assumptions used for determining the recoverable value are based on the above-mentioned business plans and on several main hypotheses:

- the explicit period to be adopted for the business plan is 5 years;

- terminal value: actualisation of the latest plan explicit estimate period. It should be stressed that a long-term growth rate "g" of 0% was used;

- the discount rate applied to the various cash flows (WACC - weighted average cost of capital) is 12.63% for Monclick.

The estimation procedure adopted for defining the parameters determining the WACC is reported below:

- Risk-free rate (r_f) – The risk-free rate adopted is equal to the 6-month average (compared with the reference date) of the returns of the ten-year government bonds (BTP) issued by the Italian government. The adoption of the average figure makes it possible to compensate for possible short-term distorting dynamics.

- Equity risk premium *(r_m – r_f)* – The equity risk premium, which represents the yield spread (historical and long-term) between equity securities and debt securities on financial markets, was determined with reference to the Italian market.

- *Beta* *(β)* – The beta, which indicates the regression coefficient of a straight line which represents the relationship between the rate of return offered by the security and that of the overall market, was calculated on the basis of a panel of listed companies operating mainly or exclusively in the sale of consumer electronics.

- Specific risk premium (α) - An additional premium was applied in order to take into account potential risks relating to the implementation of the corporate strategy in the reference market context also taking into consideration the size of Monclick compared with comparable businesses identified.

- Cost of debt capital i_d (1-t) - The cost of debt of a financial nature was estimated as equal to the average 6-month 10-year Euro Swap Rate (compared with the reference date), plus a spread. The corporate tax rate in force in Italy (IRES) was adopted as the tax rate (t).

- *Financial structure* - A debt/equity ratio calculated based on the average figure expressed at the reference date by the panel of comparable companies selected was adopted.

The results of the impairment tests as at 28 February 2021 are given below:

as at 28 February 2021		Carrying Amount (CA)	Recoverable Amount (RA)	RA compared with CA
(In millions of Euro)				
Monclick S.r.l.	EUR/mln	12.5	22.2	9.7

Based on the estimates made there was no need to adjust the value of the equity investment.

As set out in IAS 36, the appropriate sensitivity analyses were also conducted as the main parameters used, such as the change in the percentage of EBIT and the growth rate, vary.

The results are given below in terms of the difference between the recoverable amount and the carrying amount for the equity investment in Monclick subject to impairment tests as at 28 February 2021, the sensitivity analyses conducted assuming a percentage reduction in EBIT, in the years of the explicit forecast and in the terminal value, up to a maximum of -20.0%:

as at 28 February 2021		Terminal plan EBIT				
(In millions of Euro)	WACC					
RA Sensitivity Difference compared with CA		0.0%	(5.0%)	(10.0%)	(15.0%)	(20.0%)
Monclick S.r.l.	12.57%	22.2	22.0	21.8	21.6	21.5

The results are given below in terms of the difference between the recoverable amount and the carrying amount for the CGUs subject to impairment tests as at 28 February 2021, the sensitivity analyses conducted assuming a reduction in the perpetual growth rate (g), in the years of the explicit forecast and in the terminal value, up to a maximum of -2.0%:

as at 28 February 2021		Perpetual growth rate (g)				
(In millions of Euro)	WACC					
RA Sensitivity Difference compared with CA		(2.0%)	(1.5%)	(1.0%)	(0.5%)	(0.0%)
Monclick S.r.l.	12.57%	21.7	21.8	21.9	22.0	22.2

It should be pointed out that the parameters and information used for the impairment test on the equity investment are affected by the macroeconomic, market and regulatory situation, and by the subjectivity of several projections of future events which may not necessarily take place, or which could take place differently from how they were projected, and therefore unforeseen changes could occur. Unfavourable and unpredictable changes to the parameters used for the impairment test could, in future, result in the need to write down the equity investment in Monclick with consequences on the results and the operating results, financial position and cash flows of the Companies.

5.7 Inventories

Warehouse inventories break down as follows:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Merchandise	381,912	364,388

Consumables	731	640
Gross stock	**382,643**	**365,028**
Warehouse obsolescence provision	(11,253)	(13,919)
Total Inventories	**371,390**	**351,109**

The value of gross inventories went from Euro 365,028 thousand as at 29 February 2020 to Euro 382,643 thousand as at 28 February 2021, an increase of 4.8% in total gross inventories. The increase is primarily linked to the merger of Carini Retail due to the increase in the number of stores. For more details, please refer to section 2.8 Carini Retail merger.

The value of inventories is adjusted by the warehouse obsolescence provision which includes the write-down of the value of merchandise with possible obsolescence indicators.

The change in the obsolescence fund for the period from 28 February 2018 to 28 February 2021 is broken down below:

(In thousands of Euro)	Warehouse obsolescence provision
Balance as at 28 February 2019	**(9,737)**
Provisions	(4,182)
Balance as at 29 February 2020	**(13,919)**
Carini merger	(1,109)
Releases to the Income Statement	3,775
Balance as at 28 February 2021	**(11,253)**

5.8 Trade receivables

A breakdown of the item "Trade receivables" as at 28 February 2021 and as at 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Trade receivables from third-parties	66,281	49,301
Trade receivables from related-parties	11,843	40,148
Gross trade receivables	**78,124**	**89,449**
Bad debt provision	(2,837)	(2,963)
Total Trade receivables	**75,287**	**86,486**

The value of trade receivables from third parties, referring to the *Indirect* and *B2B* channels, has increased by Euro 16,980 thousand compared to the previous year. The item trade receivables from third parties rose primarily as a result of the increase in volumes due to calendar effects.

Trade receivables from related parties declined mainly due to the Carini Merger.

The change in the bad debt provision for the period from 28 February 2019 to 28 February 2021 is broken down below:

(In thousands of Euro)	Bad debt provision
Balance as at 28 February 2019	(2,343)
Provisions	(719)
Releases to the Income Statement	-
Utilisation	99
Balance as at 29 February 2020	(2,963)
Carini merger	(1)
Provisions	-
Releases to the Income Statement	127
Utilisation	-
Balance as at 28 February 2021	(2,837)

Bad debts refer mainly to disputed claims or customers subject to insolvency proceedings. Drawdowns follow credit situations for which the elements of certainty and accuracy, or the presence of existing insolvency proceedings, determine the deletion of the actual position.

Credit risk represents the exposure to risk of potential losses resulting from the failure of the counterparty to comply with the obligations undertaken. Note, however, that for the periods under consideration there are no significant concentrations of credit risk, especially taking into consideration the fact that the majority of sales are paid for immediately by credit or debit card in the Retail, Travel and Online channels, and in cash in the Retail and Travel channels. The Company has credit control processes which include obtaining bank guarantees and receivables insurance contracts to cover a significant amount of the existing turnover with customers, customer reliability analysis, the allocation of credit, and the control of the exposure by reporting with the breakdown of the deadlines and average collection times.

Past due credit positions are, in any event, monitored by the administrative department through periodic analysis of the main positions and for those for which there is an objective possibility of partial or total irrecoverability, they are written-down.

It is felt that the book value of trade receivables is close to the fair value.

5.9 Current tax assets and liabilities

Below is a breakdown of the item "Current tax liabilities" as at 28 February 2021 and as at 29 February 2020:

Current tax liabilities

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Payables for IRAP (income tax)	1,695	156
Payables for IRES (income tax)	1,068	277
Taxes payable	1,040	1,040
Total Current tax liabilities	3,803	1,473

As at 28 February 2021, the item "Payables for IRAP" and "Payables for IRES" include payables respectively of Euro 1,695 thousand and Euro 1,068 thousand deriving from the estimate of taxes for the year ending on 28 February 2021, and "Payables for tax liabilities" of Euro 1,040 thousand.

5.10 Cash and cash equivalents

A breakdown of the item "Cash and cash equivalents" as at 28 February 2021 and as at 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Bank accounts	190,571	69,715
Petty cash	13,302	10,476
Total cash and cash equivalents	203,873	80,191

Cash and cash equivalents stood at Euro 203,873 thousand as at 28 February 2021 and Euro 80,191 thousand as at 29 February 2020.

The item consists of cash on hand, deposits and securities on demand or at short notice at banks that are available and readily usable.

For further details regarding the dynamics that affected Cash and cash equivalents, please refer to the Cash Flow Statement. Instead, for more details of the net financial position, please refer to Note 5.12.

5.11 Shareholders' equity

Details of the item "Shareholders' equity" and the breakdown of the reserves in the reference periods are given below:

(In thousands of Euro)	Share capital	Legal reserve	Extraordinary reserve	Cash flow hedge reserve	Reserve for actuarial profits/ (losses) on defined benefits plans	Reserve for share-based payments	Other reserves	Profits/ (losses) carried forward	Total shareholders' equity
Balance as at 29 February 2020	4,000	800	6,769	(352)	(1,496)	5,727	26,944	60,831	103,223
Carini Retail merger					(113)	-	-	(8,622)	(8,735)
Adjusted balance as at 1 March 2020	4,000	800	6,769	(352)	(1,609)	5,727	26,944	52,209	94,488
Profit/(loss) for the year	-	-	-	-	-	-	-	54,431	54,431
Other components of comprehensive income	-	-	-	220	(302)	-			(82)
Total statement of comprehensive income for the year	-	-	-	220	(302)	-	-	54,430	54,348
Allocation of prior year result	-	-	35,750	-	-	-	-	(35,750)	-
Share-based payment settled with equity instruments	53	-	-	-	-	(1,658)	3,251	2,011	3,657
Total transactions with shareholders	53	-	35,750	-	-	(1,658)	3,251	(33,739)	3,657
Balance as at 28 February 2021	4,053	800	42,519	(132)	(1,911)	4,069	30,195	72,901	152,494

Shareholders' Equity totalled Euro 152,494 thousand as at 28 February 2021 (Euro 103,223 thousand as at 29 February 2020). It increased during the year due to the combined effect of: (i) the recognition of the profit for the year for Euro 54,431 thousand and the other components of the comprehensive income statement for Euro -82 thousand; (ii) negative effect deriving from the merger of Carini Retail S.r.l. equal to Euro 8,735 thousand; and (iii) the recognition in the reserve for share-based payments for Euro 3,657 thousand referable to the 2018-2025 Long Term Incentive Plan reserved for certain managers and employees and the 2020-2025 performance share plan. For more details, please see Note 5.28.

The Share capital as at 28 February 2021 stood at Euro 4,053 thousand, broken down into 20,265,000 shares.

The Reserves are illustrated below:

– the legal reserve equal to Euro 800 thousand as at 28 February 2021 (Euro 800 thousand as at 29 February 2020), includes the provisions of profits in the amount of 5% for each year until the limit pursuant to article 2430 of the civil code; there were no increases in this reserve during the period.

- the extraordinary reserve of Euro 42,519 thousand as at 28 February 2021 (Euro 6,769 thousand as at 29 February 2020); this reserve increased during the period as a result of the allocation of the profit by the Shareholders' Meeting at 12 June 2020;

- the cash flow hedge reserve was Euro -132 thousand as at 28 February 2021 (Euro -352 thousand as at 29 February 2020); this reserve was recorded to offset the mark to market of the hedging Interest Rate Swap agreements, taken out as required by the Loan Agreement entered into during the year (for more details, please refer to Note 5.12).

- the reserve for actuarial gains and losses on defined-benefit plans for a negative Euro 1,909 thousand as at 28 February 2021 (negative Euro 1,496 thousand as at 29 February 2020); it changed by Euro 302 thousand following the actuarial valuation relating to severance pay and Euro 113 thousand due to the Carini merger;

- the reserve for share-based payments amounting to Euro 4,069 thousand as at 28 February 2021 (Euro 5,727 thousand as at 29 February 2020); the reserve has changed due to: (i) the recognition of provisions by Euro 325 thousand net of the reclassification to the item "profit carried forward" for Euro 2,140 thousand as a result of the exercise of options, for a negative Euro 1,815 thousand, of the Long Term Incentive Plan 2018-2025 reserved for some managers and employees and (ii) the recognition of provisions for Euro 157 thousand for the 2020-2025 performance share plan. For more details, please see Note 5.28.

- other reserves equal to Euro 30,195 thousand at 28 February 2021 (Euro 26,944 thousand at 29 February 2020); it changed following the formation of the share premium reserve for Euro 3,251 thousand as a result of the exercise of the 2018-2025 Long Term Incentive Plan.

(In thousands of Euro)	Share capital	Legal reserve	Extraordinary reserve	Cash flow hedge reserve	Reserve for actuarial profits/ (losses) on defined benefits plans	Reserve for share-based payments	Other reserves	Profits/ (losses) carried forward	Total shareholders' equity
Balance as at 28 February 2019	4,000	800	-	(315)	(1,270)	3,376	26,944	54,156	87,691
Effect of changes in accounting standard IFRS 16	-	-	-	-	-	-	-	-	-
Adjusted balance as at 1 March 2019	4,000	800	-	(315)	(1,270)	3,376	26,944	54,156	87,691
Profit/(loss) for the year	-	-	-	-	-	-	-	35,750	35,750
Other components of comprehensive income	-	-	-	(37)	(226)	-		-	(263)
Total statement of comprehensive income for the year	-	-	-	(37)	(226)	-	-	35,750	35,487
Allocation of prior year result	-	-	6,769	-	-	-	-	(6,769)	-
Covering retained losses and negative reserves	-	-	-	-	-	-	-	-	-
Distribution of dividends	-	-	-	-	-	-	-	(21,400)	(21,400)
Share-based payment settled with equity instruments	-	-	-	-	-	2,351	-	(906)	1,445
Total transactions with shareholders	-	-	6,769	-	-	2,351	-	(29,075)	(19,955)

Balance as at 29 February 2020	4,000	800	6,769	(352)	(1,496)	5,727	26,944	60,831	103,223

Shareholders' Equity totalled Euro 103,223 thousand as at 28 February 2021 (Euro 87,691 thousand as at 29 February 2020). It increased during the year due to the combined effect of: (i) the recognition of the profit for the year for Euro 35,750 thousand and the other components of the comprehensive income statement for Euro -263 thousand; (ii) the distribution of a dividend of Euro 21,400 thousand as resolved on 18 June 2019 by the Shareholders' Meeting; and (iii) the recognition in the reserve for share-based payments for Euro 1,445 thousand referable to the Long Term Incentive Plan reserved for certain managers and employees.

The Share capital as at 28 February 2021 stood at Euro 4,000 thousand, broken down into 20,000,000 shares.

The Reserves are illustrated below:

- the legal reserve of Euro 800 thousand as at 28 February 2021 (Euro 800 thousand as at 29 February 2020), includes the financial provisions at a rate of 5% for each financial year; there were no increases during the period in this reserve which reached the limit pursuant to Article 2430 of the Italian Civil Code and has maintained it to 28 February 2021;

- the extraordinary reserve of Euro 6,769 thousand as at 28 February 2021 (Euro 0 thousand as at 29 February 2020); this reserve increased during the year as a result of the allocation of the profit for the previous year as approved by the Shareholders' Meeting on 18 June 2019;

- the cash flow hedge reserve was Euro -352 thousand as at 28 February 2021 (Euro -315 thousand as at 29 February 2020); this reserve was recorded to offset the mark to market of the hedging Interest Rate Swap agreements, taken out as required by the Loan Agreement entered into during the year (for more details, please refer to Note 5.12);

- the reserve for actuarial gains and losses on defined-benefit plans for a negative Euro 1,496 thousand as at 28 February 2021 (negative Euro 1,270 thousand as at 29 February 2020); it decreased by Euro 226 thousand following the actuarial valuation relating to severance pay;

- the reserve for share-based payments equal to Euro 5,727 thousand as at 28 February 2021 (Euro 3,376 thousand as at 29 February 2020); there were changes because of (i) the recognition of Euro 2,351 thousand as a contra-entry to the recognition of the cost of personnel for the share-based payment plan, (ii) the distribution of the dividend approved by the Shareholders' Meeting on 18 June 2019 which involved the reclassification of the item that refers to the monetary bonus earned by managers and employees under the regulation from the item profits (losses) carried forward to the item other non-current liabilities for Euro 906 thousand. For more details, please see Note 5.28.

Pursuant to Article 2424 of the Civil Code, information is provided on the origin, nature and possibility of use of the Shareholders' Equity items at 28 February 2021:

(In thousands of Euro)	Amount

Nature / Description		Possibility for use (*)	Amount Available	Use in the previous 3 financial years to cover losses	Use in the previous 3 financial years for other reasons	
Capital	4,053	B	4,053			
Capital Reserves						
Share premium reserve	3,251	A, B, C	3,251	69		
Other capital reserves	26,944	A, B, C	26,944	14,247	20,000	(**)
Reserve for share-based payments	4,069	A, B	4,069			
Suspended tax retained earnings						
Reserve pursuant to Law No. 121/87		A, B, C		75		
Retained Earnings						
Legal Reserve	800	A, B	800			
Extraordinary Reserve	42,519	A, B, C	42,519	46,810	12,293	(**)
Severance Indemnity actuarial reserve	(1,911)		(1,911)			
Cash flow hedge reserve	(132)		(132)			
Profit (losses) carried forward - FTA other Reserves	4,038	A, B	4,038	(3,336)		
Profit (losses) carried forward - FTA other Reserves	23,321	B	23,321			
Profit (losses) carried forward - IAS adjustments				(22,106)		
Profit (losses) carried forward - Call option agreement		A, B, C		7,644		
Profit/(loss) carried forward - Share based payment	(267)		(267)			
Profit (losses) carried forward- other	(8,622)		(8,622)	(51,924)		
Profit (losses) for the period	54,431	A, B, C	54,420	8,521	21,400	(**)
Total	152,494		98,063		53,693	
Non-distributable portion			36,281			
Residual distributable portion gross of the results for the year			61,782			

(*) A: for capital increase; B: for covering losses; C: for distribution to shareholders

(**) Distribution of reserves

5.12 Financial liabilities

A breakdown of the item current and non-current "Financial liabilities" as at 28 February 2021 and as at 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Current financial liabilities	9,659	9,520
Non-current financial liabilities	39,068	31,643

Total financial liabilities	48,727	41,163

On 22 December 2017 a Loan Agreement was signed, "**Loan Agreement**", with Banca IMI S.p.A., as the agent bank, Banca Popolare di Milano S.p.A., Crédit Agricole Cariparma S.p.A. and Crédit Agricole Corporate and Investment Bank – Milan Branch. The Loan Agreement was finalised on 9 January 2018 following the conclusion of relations and the repayment of the previous lines of credit and the provision of the new funding.

The transaction consisted of taking out three different lines of credit aimed, among other things, at providing Unieuro with additional resources to support future growth, through acquisitions and opening new sales outlets. The existing borrowings relating to the *Euro Term and Revolving Facilities Agreement* were completely settled on 9 January 2018.

The credit lines include Euro 190.0 million in term loan amortising, of which Euro 50.0 million (the "Term Loan") was set up to replace the previous existing lines of credit and Euro 50.0 million (the "Capex Facility") is for acquisitions and restructuring investments on the store network, while there are Euro 90.0 million in revolving facilities (the "Revolving Facility").

The interest on the loans agreed under the scope of the Loan Agreement is a floating rate, calculated taking into consideration the Euribor plus a contractually-agreed spread.

At the same time as the provision of the loans, Unieuro S.p.A. agreed contractual clauses (covenants) that give the lender the right to renegotiate or revoke the loan if the events in this clause are verified. These clauses require compliance by Unieuro S.p.A. with a consolidation ratio on a twelve-month basis, which is summarised below:

- leverage ratio (defined as the ratio between the consolidated net financial debt and Consolidated Adjusted LTM EBITDA, as defined in the Loan Agreement).

At 28 February 2021 the covenant was calculated and complied with.

The Loan Agreement includes Unieuro's right of early repayment, in full or in part (in such a case of minimum amounts equal to Euro 1,000,000.00) and prior notification of the Agent Bank, of both the Term Loan and the Capex Facility. In addition, when certain circumstances and/or events are verified, Unieuro is obliged to repay the Loan early. As at 28 February 2021 and until the date these financial statements were prepared, no events occurred that could give rise to the early repayment of the loan.

Financial liabilities as at 28 February 2021 and at 29 February 2020 are illustrated below:

(In thousands of Euro)	Maturity	Original amount	Interest rate	as at 28 February 2021		
				Total	of which current portion	of which non-current portion
Short-term lines of credit (1)	n.a.	74,500	0.35% - 6.5%	59	59	-
Revolving Credit Facility	jan-23	90,000	Euribor 1m+spread	-		-
Current bank payables				**59**	**59**	**-**
Term Loan	jan-23	50,000	Euribor 3m+spread	22,500	10,000	12,500

Capex Facility	jan-23	50,000	Euribor 3m+spread	27,000	-	27,000
Ancillary expenses on loans (2)				(832)	(400)	(432)
Non-current bank payables and current part of non-current debt				48,668	9,600	39,068
Total				48,727	9,659	39,068

(1) The short-term lines of credit include the subject to collection advances, the hot money, the current account overdrafts and the credit limit for the letters of credit.

(2) The financial liabilities are recorded at the amortised cost using the effective interest rate method. The ancillary expenses are therefore distributed over the term of the loan using the amortised cost criterion.

(In thousands of Euro)	Maturity	Original amount	Interest rate	as at 29 February 2020		
				Total	of which current portion	of which non-current portion
Short-term lines of credit (1)	n.a.	74,500	0.35% - 6.5%	53	52	-
Revolving Credit Facility	jan-23	90,000	Euribor 1m+spread	-		-
Current bank payables				53	52	-
Term Loan	jan-23	50,000	Euribor 3m+spread	32,500	10,000	22,500
Capex Facility	jan-23	50,000	Euribor 3m+spread	10,000	-	10,000
Ancillary expenses on loans (2)				(1,389)	(531)	(857)
Non-current bank payables and current part of non-current debt				41,112	9,469	31,643
Total				41,163	9,520	31,643

(1) The short-term lines of credit include the subject to collection advances, the hot money, the current account overdrafts and the credit limit for the letters of credit.

(2) The financial liabilities are recorded at the amortised cost using the effective interest rate method. The ancillary expenses are therefore distributed over the term of the loan using the amortised cost criterion.

The financial liabilities at 28 February 2021 total Euro 48,727 thousand with an increase of Euro 7,564 thousand compared to 29 February 2020. This change is mainly due to the combined effect of: (i) regular repayment of principal of the Loan of Euro 10,000 thousand, (ii) drawdown of the Capex Facility of additional Euro 17,000 thousand, used to repay the instalments of the debt for investments in equity investments and business units.

The loans are evaluated using the amortised cost method based on the provisions of IFRS 9 and therefore their value is reduced by the ancillary expenses on the loans, equal to Euro 832 thousand as at 28 February 2021 (Euro 1,389 thousand as at 29 February 2020).

The breakdown of the financial liabilities according to maturity is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Within 1 year	9,659	9.250
From 1 to 5 years	39,068	31,643

More than 5 years	-	-
Total	48,727	43,567

A breakdown of the net financial debt as at 28 February 2021 and as at 29 February 2020 is shown below. Note that the net financial debt is presented in accordance with the provisions of Consob Communication No. 6064293 of 28 July 2006 and in conformity with the recommendations of ESMA/2013/319.

(In million of Euro)	as at 28 February 2021		as at 29 February 2020	
		of which with Related-Parties		*of which with Related-Parties*
(A) Cash	203.9	-	80.2	-
(B) Other cash and cash equivalents	0.0	-	0.0	-
(C) Securities held for trading	0.0	-	0.0	-
(D) Liquidity (A)+(B)+(C)	**203,9**	**-**	**80,2**	**-**
- of which is subject to a pledge	0,0		0,0	-
(E) Current financial receivables	**0,1**	**-**	**0,0**	**-**
(F) Current bank payables	(0,1)	-	(0,1)	-
(G) Current part of non-current debt	(9,6)	-	(9,5)	-
(H) Other current financial payables	(67,1)	-	(64,8)	-
(I) Current financial debt (F)+(G)+(H)	**(76,8)**	**-**	**(74,3)**	**-**
- of which is secured	0,0	-	0,0	-
- of which is unsecured	(76.8)	-	(74.3)	-
(J) Net current financial position (I)+(E)+(D)	**127.2**	**-**	**5.9**	**-**
(K) Non-current bank payables	(39.1)	-	(31.6)	-
(L) Bonds issued	0.0	-	0.0	-
(M) Other non-current financial payables	(392.4)	-	(417.7)	-
(N) Non-current financial debt (K)+(L)+(M)	**(431.4)**	**-**	**(449.4)**	**-**
- of which is secured	0.0	-	0.0	-
- of which is unsecured	(431.4)	-	(449.4)	-
(O) Net financial debt (J)+(N)	**(304.3)**	**-**	**(443.5)**	**-**

The decrease in net financial debt is mainly due to the combined effect of: (i) cash generation from operating activities of Euro 208,566 thousand and (ii) investments of Euro 32,260 thousand, mainly due to costs incurred for the development of the direct store network and the refurbishment of the existing store network and costs incurred for the purchase of new hardware, software, licences and application developments with a view to improving the technological infrastructure, including costs relating to the project - still being implemented - aimed at adopting a new ERP and (iii) the draw-down on the Capex Facility for Euro 17,000 thousand.

The table below summarises the breakdown of the items “Other current financial payables” and “Other non-current financial payables” for the periods ending 28 February 2021 and 29 February 2020. See Note 5.14 “Other financial liabilities” for more details.

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Other financial liabilities	68,119	66,227
Other current financial payables	68,119	66,227
Other financial liabilities	399,558	426,675
Other non-current loans	399,558	426,675
Total financial payables	467,677	492,902

5.13 Employee benefits

The change in the item "Employee benefits" for the period from 28 February 2018 to 28 February 2021 is broken down below:

(In thousands of Euro)	
Balance as at 28 February 2019	10,660
Interest cost	59
Settlements/advances	(482)
Actuarial (profits)/losses	314
Balance as at 29 February 2020	10,551
Carini merger	1,074
Transfers in/(out)	916
Interest cost	66
Settlements/advances	(447)
Actuarial (profits)/losses	418
Balance as at 28 February 2021	12,570

This item includes the TFR (severance pay) required by Law No. 297 of 25 May 1982 which guarantees statutory compensatory settlements to an employee when the employment relationship is ended. Severance pay, regulated by Article 2120 of the Italian Civil Code, is recalculated in accordance with the provisions of IAS 19, expressing the amount of the actual value of the final obligation as a liability, where the actual value of the obligation is calculated through the “projected unit credit” method.

Settlements recorded in the year ended 28 February 2021 relate to advances against severance indemnities paid to employees during the year and termination of employees with fixed-term contracts.

Below is a breakdown of the economic and demographic recruitment used for the purpose of the actuarial evaluations:

	Year ended	
Economic recruitment	28 February 2021	29 February 2020
Inflation rate	0.80%	1.20%
Actualisation rate	0.23%	0.45%
Severance pay increase rate	2.10%	2.40%

	Year ended	
Demographic recruitment	28 February 2021	29 February 2020
Fatality rate	Demographic tables RG48	Demographic tables RG48
Disability probability	INPS tables differentiated by age and gender	INPS tables differentiated by age and gender
Retirement age	Reaching of minimum requirements under the compulsory general insurance	Reaching of minimum requirements under the compulsory general insurance
Probability of leaving	5%	5%
Probability of anticipation	3.50%	3.50%

With regard to the actualisation rate, the *iBoxx Eurozone Corporates AA* index with a duration of 7-10 years at the evaluation date was taken as a reference for the evaluation of this parameter.

Below is the sensitivity analysis, as at 28 February 2021, relating to the main actuarial assumptions in the calculation model taking into consideration the above and increasing and decreasing the average annual turnover rate, the early request rate, the average inflation and actualisation rate, respectively by 1%, -1%, 0.25% and -0.25%. The results are summarised in the table below:

(In thousands of Euro)	28 February 2021
Change to the parameter	Impact on DBO
1% increase in turnover rate	12,455
1% decrease in turnover rate	12,700
0.25% increase in inflation rate	12,746
0.25% decrease in inflation rate	12,399
0.25% increase in actualisation rate	12,294
0.25% decrease in actualisation rate	12,857

5.14 Other financial liabilities

A breakdown of the item current and non-current “Other financial liabilities” as at 28 February 2021 and 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Payables to leasing companies	60,279	56,739
Payables for equity investments and business units	7,758	9,355
Fair value of derivative instruments	82	133
Other current financial liabilities	68,119	66,227
Payables to leasing companies	398,243	418,564
Payables for equity investments and business units	1,224	7,781
Fair value of derivative instruments	91	330
Other non-current financial liabilities	399,558	426,675
Total financial liabilities	467,677	492,902

Payables for equity investments and business units

Payables owed to leasing companies amount to a total of Euro 8,982 thousand at 28 February 2021 and Euro 17,136 thousand at 29 February 2020. The decrease of Euro 8,154 thousand is due to the amounts paid for the acquisition of former Pistone S.p.A., former Cerioni and Monclick.

Lease liabilities

Lease liabilities totalled Euro 458,522 thousand as at 28 February 2021 and Euro 475,303 thousand as at 29 February 2020. The assets that are the subject of the finance lease agreement are buildings, automobiles, furnishings, LEDs, climate control systems, servers, computers and printers. The above payables to the leasing company are secured to the lessor via rights on the leased assets. This item includes the present value of lease liabilities relating to operating leases in regard to which the Company has recorded a liability reflecting the obligation to make lease payments and settle lease liabilities following the application of the accounting standard IFRS 16. There are no hedging instruments for the interest rates. It is here by noted that at 28 February 2021, the Company adopted the practical expedient relating to "Leases Covid-19-Related Rent Concessions" which allows the lessee not to consider any concessions on the payment of rents resulting from the effects of Covid-19 as an amendment to the original contract. On the basis of these changes, the above-mentioned concessions were accounted for as positive variable rents without requiring a contractual amendment. For more details, please refer to Note 2.6.1 "Changes to the accounting standards".

The following table shows the cash flows relating to lease liabilities.

(In thousands of Euro)	Balance as at 28 February 2021	Within 12M	Between 12M and 60M	Over 60M	Total
Payables to leasing companies	458,522	60,279	231,049	167,194	458,522

Total	458,522	60,279		231,049	167,194	458,522

Fair value of derivative instruments

Financial instruments for hedging, as at 28 February 2021, refer to contracts entered into with Intesa Sanpaolo S.p.A., Banca Popolare di Milano S.p.A. and Crédit Agricole Cariparma S.p.A., hedging the fluctuation of financial expenses related to the Loan Agreement. The financial liability amounted to Euro 173 thousand as at 28 February 2021 (Euro 463 thousand as at 29 February 2020). These derivative financial transactions on the interest rates are designated as hedge accounting in accordance with the requirements of IFRS 9 and are therefore dealt with under hedge accounting.

5.15 Provisions

The change in the item "Funds" for the period from 29 February 2020 to 28 February 2021 is broken down below:

(In thousands of Euro)	Tax dispute provision	Other disputes provision	Onerous contracts provision	Restructuring provision	Other risks provision	Total
Balance as at 28 February 2019	3,409	3,135	124	359	2,032	9,059
- of which current portion	*-*	*495*	*124*	*359*	*363*	*1,341*
- of which non-current portion	*3,409*	*2,640*	*-*	*-*	*1,669*	*7,718*
Adjustment - application of IFRS 16	-	-	(126)	-	808	682
Adjustment - application of IFRIC 23	(1,040)	-	-	-	-	(1,040)
Provisions	330	1,978	2	280	171	2,761
Draw-downs/releases	(802)	(487)	-	(259)	(177)	(1,725)
Balance as at 29 February 2020	1,897	4,626	-	380	2,834	9,737
- of which current portion	*-*	*849*	*-*	*380*	*9*	*1,238*
- of which non-current portion	*1,897*	*3,777*	*-*	*-*	*2,825*	*8,499*
Carini merger	-	-	-	-	180	180
Provisions	16	9,500	-	-	3,123	12,639
Draw-downs/releases	-	(1,282)	-	-	-	(1,282)
Balance as at 28 February 2021	1,914	12,843	-	380	6,137	21,274
- of which current portion	*-*	*346*	*-*	*380*	*21*	*747*
- of which non-current portion	*1,914*	*12,497*	*-*	*-*	*6,116*	*20,527*

The "Tax dispute provision", equal to Euro 1,914 thousand as at 28 February 2021 and Euro 1,897 thousand as at 29 February 2020, was set aside mainly to hedge the liabilities that could arise following disputes of a tax nature.

The "Provision for other disputes" amounted to Euro 12,843 thousand as at 28 February 2021 and Euro 4,626 thousand as at 29 February 2020. The increase in the year main refers to allocations for suppliers and sub-suppliers of services for which requests have been received in the area of legal and labour law from third parties who hold Unieuro jointly liable. Please also note that in January 2021, proceedings were lodged by the Competition and Market Authority for the confirmation of alleged unfair commercial practices by Unieuro and Monclick; the assessment of the risk that penalties will be imposed after the proceedings, was performed with the support of lawyers and the risk was qualified as possible. At 28 February 2021, an allocation of Euro 2,091 thousand was recognised referring to estimated costs expected for the adoption of corrective measures to be applied for the benefit of consumers.

The "Restructuring provision", equal to Euro 380 thousand as at 28 February 2021, unchanged compared to 29 February 2020, refer mainly to the personnel restructuring process of the closing sales outlets.

"Other provisions for risks" totalled Euro 6,137 thousand as at 28 February 2021 and Euro 2,834 thousand as at 29 February 2020. The item mainly includes costs for risks with reference to logistic contracts, the costs for returning the shops to their original condition, allocated against the costs to be incurred for the restoration of the property when it is handed over to the lessor in cases where the lessee is contractually obliged to do so.

5.16 Other current liabilities and other non-current liabilities

Below is a breakdown of the items "Other current liabilities" and "Other non-current liabilities" as at 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Contract liabilities	186,370	148,840
Payables to personnel	42,505	36,044
Payables for VAT	18,140	16,487
Payables to welfare institutions	4,034	2,789
Payables for IRPEF (income tax)	3,578	2,816
Long Term Incentive Plan monetary bonus	1,694	2436
Deferred income and accrued liabilities	3,364	2,406
Other tax payables	455	229
Other current liabilities	44	914
Payments on account from customers	-	11
Total other current liabilities	260,184	212,972
Deposit liabilities	26	26

Total other non-current liabilities	26	26
Total other current and non-current liabilities	260,210	212,998

The item "Other current and non-current liabilities" increased to Euro 47,212 thousand in the year ended 28 February 2021 compared with the year ended 29 February 2020. The increase in the item recorded in the year in question is mainly due to the Carini merger and greater contract liabilities relating to the servicing of the extended warranty due to the increase in volumes and the number of stores.

The balance of the item "Other current liabilities" is mainly composed of:

- contract liabilities of Euro 186,370 thousand at 28 February 2021 (Euro 148,840 thousand at 29 February 2020) mainly attributable to (i) deferred revenues for warranty extension services. Revenues from sales are recorded on the basis of the contractual duration, i.e., the period for which there is a performance obligation, thus deferring sales for future periods, (ii) advances received from customers, (iii) liabilities relating to purchase vouchers and (iv) liabilities relating to sales with right of return;

- payables to personnel of Euro 42,505 thousand as at 28 February 2021 (Euro 36,044 thousand as at 29 February 2020) composed of payables for salaries, holidays, leave and thirteenth and fourteenth month pay. These payables refer to items accrued but not yet settled.

- VAT payables of Euro 18,140 thousand as at 28 February 2021 (Euro 16,487 thousand as at 29 February 2020) composed of payables resulting from the VAT settlement with regard to February 2021;

- deferred income and accrued expenses of Euro 3,364 thousand as at 28 February 2021 (Euro 2,406 thousand as at 29 February 2020) mainly relating to the recording of deferred income on revenues that were settled during the year, though they fall due later.

The balance of the item "Other non-current liabilities" is made up of deposits payable, totalling Euro 26 thousand.

5.17 Trade payables

A breakdown of the item "Trade payables" as at 28 February 2021 and as at 29 February 2020 is shown below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Trade payables to third-parties	499,510	474,292
Trade payables to related-parties	2,101	1,346
Gross trade payables	**501,611**	**475,638**
Bad debt provision - amount due from suppliers	1,555	1,612

Total Trade payables	503,166	477,250

The balance includes payables relating to carrying out normal trade activities involving the supply of goods and services. This item takes into account the exposure to the risk of potential losses resulting from the failure of the counterparty to comply with the obligations undertaken.

Gross trade payables increased by Euro 25,973 thousand as at 28 February 2021 compared with 29 February 2020. The increase is correlated with the Carini merger as well as an increase in volumes.

The change in the "Bad debt provision and suppliers account debit balance", referring to the receivable supplier items deemed non-recoverable, is shown below for the period from 28 February 2018 to 28 February 2021:

(In thousands of Euro)	Bad debt provision - amount due from suppliers
Balance as at 28 February 2019	1,922
Provisions	-
Releases to the Income Statement	(248)
Utilisation	(62)
Balance as at 29 February 2020	1,612
Provisions	341
Releases to the Income Statement	(398)
Utilisation	-
Balance as at 28 February 2021	1,555

There are no payables for periods of more than 5 years or positions with a significant concentration of payables.

5.18 Revenue

In the tables below the revenues are broken down by channel, category and geographic market. The operating segment identified by Unieuro which encompasses all services and products provided to customers, is unique and consists of the entire Company. As the Company is a single channel business, there is only one Strategic Business Unit ("SBU"). For further details, please refer to Note 4 Information on operating segments. The Company's revenues are affected by seasonal factors typical of the consumer electronics market, which records higher revenues in the final part of every financial year.

Below is a breakdown of revenues by channel:

(In thousands of Euro and as a percentage of revenues)	Year ended				Changes	
	28 February 2021	%	29 February 2020	%	Δ	%
Retail	1,711,598	64.4%	1,569,080	64.7%	142,518	9.1%
Online	446,618	16.8%	247,648	10.2%	198,970	80.3%
Indirect	307,535	11.6%	263,135	10.9%	44,400	16.9%
B2B	104,159	3.9%	121,993	5.0%	(17,834)	(14.6%)
Travel	24,061	0.9%	39,608	1.6%	(15,547)	(39.3%)
Intercompany	65,311	2.5%	184,431	7.6%	(119,120)	(64.6%)
Total revenues by channel	2,659,283	100.0%	2,425,895	100.0%	233,388	9.6%

The Retail channel (64.4% of total revenues) - which as at 28 February 2021 included 262 direct sales outlets - recorded sales of Euro 1,711,598 thousand. After the criticalities of the first lockdown phase, the significant growth recorded in the second and third quarters was also confirmed in the fourth, despite the persistence of limitations on the accessibility of the direct network by customers. The move to direct management of 18 Unieuro by Iper shop-in-shops, previously affiliated and internalised during the year, contributed positively to the performance of the channel.

The Online channel (16.8% of total revenues) posted growth of 80.3%, which pushed revenues to Euro 446,618 thousand, compared to Euro 247,648 thousand in the previous year. The performance, to all intents and purposes exceptional, is the result of the emergency situation that has arisen, which has led customers to favor e-commerce to the detriment of physical stores.

The Indirect channel (11.6% of total revenues) - which includes sales made through the network of affiliated stores and revenues produced in large scale retailing through partnerships with the leading industry operators at a total of 254 sales outlets as at 28 February 2021 - recorded revenues of Euro 307,535 thousand, an increase of 16.9% compared with Euro 263,135 thousand in the previous year. In general, the distinctive characteristics of the affiliated stores - small to medium size and focused on proximity service - allowed significant business resilience only marginally impacted by the restrictions and full recovery of lost revenues from the first wave of the pandemic already in the second quarter. In addition to this is the launch in November of the partnership with the Partenope Group, which led to the launch of the Unieuro brand in the city of Naples and which partially offset the passage to the Retail channel of the Unieuro by Iper shop-in-shops previously affiliates.

The B2B channel[48] (3.9% of total revenues) - which targets professional domestic and foreign customers that operate in industries other than those where Unieuro operates, such as hotel chains and banks, as well as operators that need to purchase electronic products to be distributed to their regular customers or to employees to accumulate points or participate in prize competitions or incentive plans (B2B2C segment) - recorded sales of Euro 104,159 thousand, down 14.6% from Euro

[48] For a better representation, supplies of business type goods were reclassified from the Online channel to the B2B channel.

121,993 thousand in the previous year. The uncertain nature of revenues in this channel is confirmed, featuring an opportunistic approach influenced by multiple exogenous factors.

Lastly, the Travel channel (0.9% of total revenues) - composed of 11 direct sales outlets located at some of the main public transport hubs such as airports, railway and underground stations - recorded a decrease of 39.3% and sales equal to Euro 24,061 thousand. The performance was inevitably affected by the collapse in air traffic generated by the pandemic and the total or partial closure of some airports, while the decrease in turnover of the stores in Milan San Babila (underground) and Turin Porta Nuova (railway station) was more contained.

Intercompany revenues were equal to Euro 65,311 thousand in the year ended 28 February 2021 (Euro 184,431 thousand in the year ended at 29 February 2020) and were composed of the sale of products to the subsidiary company Monclick S.r.l.

Below is a breakdown of revenues by category:

(In thousands of Euro and as a percentage of revenues)	Year ended				Changes	
	28 February 2021	%	29 February 2020	%	Δ	%
Grey	1,295,148	48.7%	1,155,198	47.6%	139,950	12.1%
White	721,992	27.1%	675,834	27.9%	46,158	6.8%
Brown	401,754	15.1%	384,176	15.8%	17,578	4.6%
Other products	132,480	5.0%	113,788	4.7%	18,692	16.4%
Services	107,910	4.1%	96,899	4.0%	11,011	11.4%
Total revenues by category	2,659,283	100.0%	2,425,895	100.0%	233,388	9.6%

The Grey category (48.7% of total revenues) - i.e., telephony, tablets, information technology, telephone accessories, cameras, as well as all wearable technological products - generated a turnover of Euro 1,295,148 thousand, an increase of 12.1% compared to Euro 1,155,198 thousand in the previous year, thanks to the ongoing purchasing trends related to smart working, e-learning and communication, which were particularly emphasised during this period. In the fourth quarter, in particular, the Grey continued to grow significantly, driven by smartphones and laptops.

The White category (27.1% of total revenues) - composed of large appliances (MDA) such as washing machines, tumble dryers, refrigerators or freezers and cooktops, small appliances (SDA), such as vacuum cleaners, food processors, coffee machines as well as the climate control segment - recorded sales of Euro 721,992 thousand, up by 6.8% compared with Euro 675,834 thousand in the previous year. In the last quarter, the category grew in particular thanks to the positive results of vacuum and large appliances.

The Brown category (15.1% of revenues) - including televisions and accessories, audio devices, devices for smart TVs, car accessories ad memory systems - recorded total revenues of Euro 401,754 thousand, +4.6% compared with Euro 384,176 thousand in the previous year. After the strong performance in the third quarter, the category continued its growth trend in the fourth as well, definitively offsetting the weakness recorded in the first part of the year, also justified by the cancellation of sporting events imposed by Covid-19.

The Other products category (5% of total revenues) - which includes both the sales of the Entertainment sector and other products not included in the consumer electronics market such as hoverboards or bicycles - recorded revenues of Euro 132,480 thousand, up 16.4% compared to the previous year. The category benefited mainly from the increase in turnover generated by electric mobility products, as a consequence of the incentives and social distancing rules imposed. There was also significant growth in the entertainment segment, including consoles and video games, driven by the search for utmost home comfort.

The Services category (4.1% of total revenues) grew by 11.4% to Euro 107,910 million: the positive performance in the third and fourth quarters offset the weakness recorded in the first six months of the year, also thanks to Unieuro's continued focus on providing services to its customers, particularly the extended warranty service.

The table below contains a breakdown of the revenues per geographical area:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Abroad	7,465	3,681
Italy	2,651,818	2,422,214
Total	**2,659,283**	**2,425,895**

5.19 Other income

Below is a breakdown of the item "Other income" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Insurance reimbursements	67	3,575
Rental and lease income	81	254
Other income	1,462	1,662
Total Other Income	1,610	5,491

The item mainly includes income from the rental of computer equipment to affiliates and insurance reimbursements relating to theft or damage caused to stores. The decrease in the item "Other income" is mainly attributable to the insurance reimbursement obtained in the previous year in relation to the theft that occurred in 2017 at the Piacenza logistics platform for Euro 2,600 thousand.

5.20 Purchases of materials and external services

Below is a breakdown of the item "Purchases of materials and external services" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Purchase of goods	2,101,874	1,930,844
Transport	86,000	60,469
Marketing	45,147	43,742
Utilities	13,395	14,275
Maintenance and rental charges	12,614	12,755
General sales expenses	14,911	10,694
Other costs	24.624	18.722
Consulting	9,155	6,529
Purchase of consumables	8,046	6,224
Travel expenses	596	2,207
Purchases of materials and intercompany services	1,757	1,407
Payments to administrative and supervisory bodies	667	653
Total Purchases of materials and external services	2,318,786	2,108,521
Changes in inventory	(2,053)	11,024
Total, including the change in inventories	2,316,733	2,119,545

The item “Purchases of materials and external services”, taking into account the item “Change in inventories”, rose from Euro 2,119,545 thousand as at 29 February 2020 to Euro 2,316,733 thousand in the year ended 28 February 2021, an increase of Euro 197,188 thousand or 9.3%.

The main increase is attributable to the item "Purchase of goods" for Euro 171,030 thousand, the increase of which is attributable to the increase in volumes and a different planning and mix of purchases compared to the previous year.

The item “Transport” increased by Euro 60,469 thousand at 29 February 2020 to Euro 86,000 thousand at 28 February 2021. The performance is mainly attributable to the increase in weight of the sales of the period recorded in the Online channel compared to the physical network and the ever-increasing weighting of home deliveries for online orders as a result of the increase recorded in requests for non-standard delivery services (timed delivery slot, delivery to a specified floor, etc.) and promotional campaigns which include free delivery.

The item “Marketing” increased from Euro 43,742 thousand as at 29 February 2020 to Euro 45,147 thousand as at 28 February 2021. The change can be attributed to the merger of Carini Retail S.r.l., which caused an increase primarily referring to flyer activities carried out at former Carini stores.

The item "Utilities" and "Maintenance and rental charges" decreased by Euro 880 thousand and Euro 141 thousand respectively compared to 29 February 2020. The decrease is mainly due to the reduction in operating costs, mainly of utilities and maintenance fees, caused by the reduced operation of the stores in the first quarter of the year.

The item “General sales expenses” increased from Euro 10,694 thousand as at 29 February 2020 to Euro 14,991 thousand as at 28 February 2021. The item mainly includes the costs for commissions on sales transactions, the increase is due to the cost of collections through electronic payment instruments (cards, PayPal, etc.) due to the growth in sales volumes in the online channel.

The item “Other costs” mainly includes costs for variable rents, condominium expenses, vehicles, hiring, cleaning, insurance and security. The item rose by Euro 5,902 thousand compared with 29 February 2020. The increase is due to the Carini merger and also mainly attributable to both an increase in the costs incurred in response to the pandemic, such as costs for cleaning and sanitising the sales outlets and for the purchase of personal protective equipment, and to an increase in allocations to the provision for risks and charges mainly relating to suppliers and sub-suppliers of services for which requests have been received in the area of legal and labour law from third parties who hold Unieuro jointly liable and allocations for the commitments undertaken by the Group for the proceeding initiated January 2021, by the AGCM - Competition and Market Authority. This trend was partially offset by the implementation of the practical expedient provided by Covid-19-Related Rent Concessions, which allows lessees not to consider as an amendment to the original contract any rent concessions provided from 1 January 2020 extended to offset the effects of Covid-19. The aforesaid concessions signed by the reference date of the financial statements, totalling Euro 9,911 thousand, have been recorded as positive variable lease payments with an impact on the income statement.

The item "Consultancy" went from Euro 6,529 thousand as at 29 February 2020 to Euro 9,155 thousand as at 28 February 2021, up compared to the previous year. The increase is due to strategic, smart working project and privacy project consultancy.

5.21 Personnel costs

Below is a breakdown of the item "Personnel costs" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Salaries and wages	127,646	121,960
Welfare expenses	37,317	37,684
Severance pay	8,137	7,550
Other personnel costs	765	2,963
Total personnel costs	173,865	170,157

Personnel costs went from Euro 170,157 thousand in the year ended 29 February 2020 to Euro 173,865 thousand in the year ended 28 February 2021, an increase of Euro 3,708 thousand or 2.2%.

The item “Salaries and wages” rose by Euro 5,686 thousand, equal to around 4.7%, due primarily to an increase in the number of employees following the merger of Carini Retail.

The item "Other personnel costs", which amounted to Euro 765 thousand as at 28 February 2021 (Euro 2,963 thousand as at 29 February 2020), mainly includes the cost of the share-based payment plan (the Long Term Incentive Plan) which completed its vesting period on 31 July 2020 and for the 2020-2025 Performance Share plan. Refer to Note 5.28 for more details about the share-based payment agreements.

5.22 Other operating costs and expenses

Below is a breakdown of the item "Other operating costs and expenses" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Non-income based taxes	5,424	5,789
Provision for supplier bad debts	57	(248)
Provision/(releases) for the write-down of other assets	-	(177)
Bad debt provision	217	719
Other operating expenses	1,030	745
Total other operating costs and expenses	6,728	6,828

"Other operating costs and expenses" went from Euro 6,828 thousand in the year ended 29 February 2020 to Euro 6,728 thousand in the year ended 28 February 2021, a decrease of Euro 100 thousand or 1.50%.

The item "non-income taxes" mainly includes costs associated with the running of the business such as waste disposal tax and taxes for advertising and promotional activities.

The item “Other operating costs” includes costs for charities, customs and capital losses.

5.23 Amortisation, depreciation and write-downs

Below is a breakdown of the item "Depreciation, amortisation and write-downs of fixed assets" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Amortisation/depreciation of Right-of-use assets	61,990	57727
Amortisation of tangible fixed assets	20,887	19,829

Intangible Assets Amortisation	6,330	5,812
Write-downs/(write backs) of tangible and intangible non-current assets	991	440
Write-downs/(write-backs) of equity investments	-	-
Total depreciation, amortisation and write-downs	**90,198**	**83,808**

The item "Depreciation, amortisation and write-downs" went from Euro 83,808 thousand in the year ended 29 February 2020 to Euro 90,198 thousand in the year ended 28 February 2021, recording an increase of Euro 6,390 thousand.

The item "Write-downs/(write backs) of tangible and intangible non-current assets" includes write-downs of certain assets in Forlì following the decision to transfer the registered office and write-downs of assets following the work carried out on the sales outlets.

5.24 Financial income and Financial expenses

Below is a breakdown of the item "Financial income" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Other financial income	74	82
Interest income	-	-
Total financial income	**74**	**82**

"Financial income" went from Euro 82 thousand in the year ended 29 February 2020 to Euro 74 thousand in the year ended 28 February 2021, a decrease of Euro 8 thousand. This item mainly includes exchange gains realised during the year.

The breakdown of the item "Financial expenses" is given below:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Interest expense on bank loans	2,007	2,369
Other financial expense	11,360	11,510
Total Financial Expenses	**13,367**	**13,879**

"Financial expenses" went from Euro 13,879 thousand in the year ended 29 February 2020 to Euro 13,367 thousand in the year ended 28 February 2021, a decrease of Euro 512 thousand or 3.7%.

The item "Interest expense on bank loans" decreased as at 28 February 2021 by Euro 362 thousand compared to the same period of the previous year; this is due to improved treasury management.

The item "Other financial expenses" amounted to Euro 11,360 thousand as at 28 February 2021 (Euro 11,510 thousand as at 29 February 2020). The change refers primarily to liabilities for leases pursuant to IFRS 16.

5.25 Income taxes

Below is a breakdown of the item "Income taxes" for the financial years ended 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Current taxes	(7,330)	(4,545)
Deferred taxes	1,709	3,059
Allocation to tax provision and Taxes payable	(24)	(15)
Total	**(5,645)**	**(1,501)**

The table below contains the reconciliation of the theoretical tax burden with the actual one:

(In thousands of Euro and as a percentage of the profit before tax)	Year ended			
	28 February 2021	%	29 February 2020	%
Pre-tax result for the period	60,076		37,251	
Theoretical income tax (IRES)	(14,418)	24.0%	(8,940)	24.0%
IRAP	(4,345)	(7.2%)	(2,620)	(7.0%)
Tax effect of permanent differences and other differences	13,142	21.9%	10. 074	27.0%
Taxes for the period	**(5,621)**		**(1,486)**	
Allocation/(release) to tax provision and Taxes payable	(24)		(15)	
Total taxes	**(5,645)**		**(1,501)**	
Actual tax rate		**(9.4%)**		**(4.0%)**

The impact of taxes on income is calculated considering (accrual to)/release from the tax provision for tax disputes. In the years ended at 28 February 2021 and at 29 February 2020, the effect of taxes on profit before taxes was negative by 9.4% and positive by 4.0%, respectively;

It is hereby specified that beginning from 28 February 2019, Unieuro S.p.A. had exercised an option for the Domestic Tax Consolidation regime in its capacity as the "Consolidating Company" (pursuant to Article 117 of Presidential Decree No. 917 of 22/12/1986) together with the "Consolidated Company" Monclick S.r.l.. The option made it possible to determine the payable IRES (corporate income tax) due on a tax base which corresponds to the algebraic sum of the taxable revenue and tax losses of the individual companies that are included in the Consolidation.

The item "Allocation to tax provision and Taxes payable" went from Euro 15 thousand in the financial year ended 29 February 2020 to Euro 24 thousand in the financial year ended 28 February 2021.

5.26 Basic and diluted earnings per share

The basic earnings per share are calculated with reference to the Group result showed in the note 5.26 of the Consolidated Financial Statement.

5.27 Cash flow statement

The key factors that affected cash flows in the three years are summarised below.

Net cash flow generated/(absorbed) by operating activities

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Cash flow from operations		
Profit/(loss) for the year	54,431	35,750
Adjustments for:		
Income taxes	5,645	1,501
Net financial expenses (income)	13,293	13,797
Depreciation, amortisation and write-downs of fixed assets	90,198	83,808
(Profits)/losses from the sale of property, plant and machinery		
Other changes	354	1,446
	163,921	136,302
Changes in:		
- Inventories	(2,053)	11,024
- Trade receivables	13,886	(44,843)
- Trade payables	23,757	10,146
- Other changes in operating assets and liabilities	23,953	1,515
Cash flow generated/(absorbed) by operating activities	59,543	(22,158)
Taxes paid	(2,535)	(3,677)
Interest paid	(12,363)	(13,104)
Net cash flow generated/(absorbed) by operating activities	208,566	97,363

The net cash flow generated/(used) by operating activities was a positive Euro 208,566 thousand (positive Euro 97,363 thousand in the previous year ended 29 February 2020). Cash generation is linked to the good performance of the Group's operating profitability and the careful management of working capital, due to structural and sustainable interventions on the level of stocks and one-off actions taken by management to tackle the epidemic.

Cash flow generated/(absorbed) by investment activities

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Cash flow from investment activities		
Purchases of plant, machinery, equipment and other assets	(17.782)	(12,569)
Purchases of intangible assets	(14.477)	(11,670)
Investments for business combinations and business units	(8,417)	(12,062)
Cash flow generated/(absorbed) by investment activities	**(40,677)**	**(36,301)**

Investment activities absorbed liquidity of Euro 40,677 thousand and Euro 36,301 thousand, respectively, in the year ended 28 February 2021 and 29 February 2020.

With reference to the year ended 28 February 2021, the Company's main requirements involved:

- Investments in companies and business units totalled Euro 8,417 thousand. These investments refer to the portion paid for the acquisition of former Pistone S.p.A., former Cerioni S.p.A. and Monclick and the advance for the purchase of the former Galimberti store.
- investments in plant, machinery and equipment of Euro 17,550 thousand, mainly relating to interventions at sales outlets opened, relocated or renovated during the year;
- investments in intangible assets for Euro 14,710 thousand relating to costs incurred for the purchase of new hardware, software, licenses and development of applications with a view to improving the technological infrastructure, including costs relating to the project - still being implemented - aimed at adopting a new ERP.

Cash flow generated/(absorbed) by financing activities

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Cash flow from investment activities[49]		
Increase/(Decrease) in financial liabilities	6,846	(3,223)
Increase/(Decrease) in other financial liabilities	1,366	17,597
Increase/(Decrease) in financial liabilities - IFRS 16 Leases	(55,723)	(51,257)

[49] For the purpose of better representation, the cash flows relating to IFRS 16 leases were reclassified from the item "Cash flow generated/(absorbed) by investment activities" to the item "Cash flow generated/(absorbed) by financing activities".

Exercise - Long Term Incentive Plan	3,304	-
Distribution of dividends	-	(21,400)
Cash flow generated/(absorbed) by financing activities	**(44,207)**	**(58,283)**

Financing absorbed liquidity of Euro 44,207 thousand in the year ended 28 February 2021 and Euro 58,283 thousand in the year ended 29 February 2020.

The cash flow from financing activities as at 28 February 2021 mainly reflects the absence of the distribution of dividends during the year (in the previous year a dividend of Euro 21,400 thousand was distributed).

5.28 Share-based payment agreements

Long-Term Incentive Plan

On 6 February 2017, the Extraordinary Shareholders' Meeting of Unieuro approved the adoption of a stock option plan (the "Plan" or "Long-Term Incentive Plan" or "LTIP") reserved for Executive Directors, associates and employees (managers and others) of Unieuro. The Plan calls for assigning ordinary shares derived from a capital increase with no option rights pursuant to Art. 2441, paragraphs 5 and 8 of the Italian Civil Code approved by Unieuro's Shareholders' Meeting on the same date.

The Plan specifies the following objectives: (i) to get beneficiaries to focus on factors of strategic interest to Unieuro, (ii) to obtain the loyalty of plan beneficiaries and give them an incentive to remain with Unieuro, (iii) to increase the Company's competitiveness by identifying medium-term goals and fostering the creation of value for both Unieuro as well as its shareholders, and (iv) to ensure that the overall remuneration of Plan beneficiaries is competitive in the market.

The implementation and definition of the specific characteristics of the Plan were delegated by the Shareholders' Meeting itself to the Unieuro Board of Directors for its specific definition. On 29 June 2017, the Board of Directors approved the plan regulations ("Regulations") whereby the terms and conditions of implementation of the Plan were determined.

The Recipients subscribed to the Plan in October 2017. The parties expressly agreed that the effects of granting rights should be retroactive to 29 June 2017, the date the regulations were approved by the Board of Directors.

The Regulations also provide for the terms and conditions described below:

- *Condition:* the Plan and the grant of the options associated with it will be subject to the conclusion of the listing of Unieuro by 31 July 2017 (the "IPO");

- *Recipients*: the Plan is addressed to Directors with executive type positions, associates and employees (managers and others) of Unieuro ("Recipients") that were identified by the Board of Directors within those who have an ongoing employment relationship with Unieuro and/or other companies of the Group. Identification of the Recipients was made on the basis of a discretionary judgement of the Board of Directors that, given the purpose of Long Term Incentive Plan, the strategies of Unieuro and the Group and the objectives to be achieved, took into account, among other things, the strategic importance of the role and impact of the role on the pursuit of the objective;

- *Object:* the object of the Plan is to grant the Recipients option rights that are not transferable by act inter vivos for the purchase or subscription against payment of ordinary shares in Unieuro for a maximum of 860,215 options, each of which entitling the bearer to subscribe one newly issued ordinary share ("Options"). If the target is exceeded with a performance of 120%, the number of Options will be increased up to 1,032,258. A share capital increase was approved for this purpose for a nominal maximum of Euro 206,452, in addition to the share premium, for a total value (capital plus premium) equal to the price at which Unieuro's shares will be placed on the MTA through the issuing of a maximum of 1,032,258 ordinary shares;

- *Granting*: the options will be granted in one or more tranches and the number of Options in each tranche will be decided by the Board of Directors following consultation with the Remuneration Committee;

- *Exercise of rights*: the subscription of the shares can only be carried out after 31 July 2020 and within the final deadline of 31 July 2025;

- *Vesting*: the extent and existence of the right of every person to exercise options will happen on 31 July 2020 provided that: (i) the working relationship with the Recipient persists until that date, and (ii) the objectives are complied with, in terms of distributable profits, as indicated in the business plan on the basis of the following criteria:

    - in the event of failure to achieve at least 85% of the expected results, no options will be eligible for exercise;

    - if 85% of the expected results are achieved, only half the options will be eligible for exercise;

    - if between 85% and 100% of the expected results are achieved, the number of options eligible for exercise will increase on a straight line between 50% and 100%;

    - if between 100% and 120% of the expected results are achieved, the number of options eligible for exercise will increase proportionally on a straight line between 100% and 120% – the maximum limit.

- *Exercise price*: the exercise price of the Options will be equal to the issue price on the day of the IPO amounting to Euro 11 per share;

- *Monetary bonus*: the recipient who wholly or partly exercises their subscription rights shall be entitled to receive an extraordinary bonus in cash of an amount equal to the dividends that would have been received at the date of approval of this Long Term Incentive Plan until completion of the vesting period (29 February 2020) with the exercise of company rights pertaining to the Shares obtained during that year with the exercise of Subscription Rights;

- *Duration*: the Plan covers a time horizon of five years, from 31 July 2020 to 31 July 2025.

The vesting period of the rights provided for in the Plan ended at the close of the previous financial period (29 February 2020); on 18 June 2020, the Board of Directors verified that 101.11% of the quantitative and therefore objectively verifiable objectives had been achieved and approved the allocation of a total of 849,455 options, in compliance with the Plan Regulations. From 31 July 2020 to 31 July 2025, each beneficiary will be entitled to exercise their subscription rights in whole or in part, including in several tranches; at the end of each financial year in which the beneficiary will have exercised all or part of its subscription rights, as provided for by the Plan, that beneficiary will be entitled to receive an extraordinary cash bonus, already recognised in the financial statements, equal to the dividends that would have been forthcoming from the date of approval of the Plan until the end of the vesting period, pursuant to the exercise of the corporate rights attached to the shares obtained in the relevant year.

The cost for the Long-Term Incentive Plan included in the Consolidated Financial Statements as at 28 February 2021 was Euro 0.3 million.

The number of outstanding options as at 28 February 2021 is as follows:

	Number of options 28 February 2021
No. of options in circulation assigned	849,455
No. of options granted during the period	8,605
No. of options not granted	10,760
No. of options exercised	300377
No. of options expired	-

Performance shares 2020-2025

On 27 October 2020, after receiving the favourable opinion of the Nominations and Remuneration Committee, the Board of Directors of Unieuro S.p.A. approved the Information Document relating to the Performance Shares 2020-2025 Plan (the "Performance Shares" or "PS") drawn up pursuant to Article 114-bis of the Consolidated Finance Act (TUF), which was submitted to the Shareholders' Meeting in December 2020 for approval.

Description of the Plan's recipients

The implementation and definition of the specific characteristics of the Plan were delegated by the Shareholders' Meeting itself to the Unieuro Board of Directors for its specific definition. On 13 January 2021, the Board of Directors approved the plan regulations ("Regulations") whereby the terms and conditions of implementation of the Plan were determined.

The Recipients signed the Plan in January 2021.

The Plan is intended for executive directors and/or managers with strategic responsibilities and/or employees of the Company or Group companies, understood as personnel who have an employment relationship with the Company and/or the Group and fall into one of the following categories: (i) executive/senior level at the Company and/or Group companies; (ii) middle management (or higher) level employees at the Company and/or Group companies.

Essential elements relating to the characteristics of the financial instruments on which it is based

The Plan provides for the free granting of rights to receive ordinary shares of Unieuro (the "Shares") to each of the beneficiaries. This granting will be based, inter alia, on the achievement of certain performance objectives and specific vesting conditions, which reflect the most important variables related to the creation of value for the Group.

The free allocations of these Shares will be made in 2023 (1st cycle), 2024 (2nd cycle) and 2025 (3rd cycle).

As resulting from the relevant resolution of the Board of Directors, the actual allocation of the Shares, for each of the three cycles indicated, will be made on the basis of the degree to which the performance objectives were achieved and, in general, the continuation of the vesting conditions.

It is also provided that the aforesaid rights confer to each beneficiary the right to receive a cash bonus based on any cash dividends distributed and paid by the Company up to the allocation date. This bonus shall be payable jointly with, and subject to, the delivery of the shares relating to each cycle of the Plan, provided that the specific vesting conditions are met.

Plan rationale

The Plan is one of the instruments used by the Company and the Group to supplement the remuneration package of key personnel through variable components linked to the achievement of certain performance objectives, in accordance with best market practices.

In particular, the Company believes that a share-based incentive plan, with a five-year duration and specific performance targets, is the most effective incentive instrument and best suited to the interests of the Company and the Group. Therefore, the Plan has the following objectives: (i) to focus the attention of the beneficiaries on factors of strategic interest to the Company and to direct key resources towards strategies aimed at pursuing medium/long-term results; (ii) to build the loyalty of the beneficiaries and encourage them to remain with the Company by developing retention policies aimed at increasing the loyalty of key resources; (iii) to align the interests of the beneficiaries with those of the shareholders, with a view to developing confidence in the growth of the Company's value; and (iv) to ensure that the overall remuneration of the recipients of the Plan remains competitive while concurrently developing policies that will attract talented managerial and professional staff.

In the financial statements, the assumptions underlying the calculation were: (i) the exercise term equal to the duration between the grant date and the right assignment date, (ii) the share price at the time of valuation, (iii) the amount of expected dividends. Lastly, consistent with the requirements of IFRS 2, (iv) the probability of Recipients leaving and (v) the probability of achieving performance targets of 100%.

The number of outstanding rights is as follows:

	Number of rights 28 February 2021
In place at the beginning of period	-
Assigned during the period	-
Granted during the period	200,000
Contribution from merger	-
Withdrawn during the period (bad leavers)	-
Outstanding at end of period	200,000
Not allocated at the beginning of period	-
Exercisable at end of period	-
Not allocated at the end of the period	-

6. RELATED-PARTY TRANSACTIONS

The tables below summarise the Company's credit and debt relations with related-parties as at 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Credit and debt relations with related parties (as at 28 February 2021)							
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Board of Directors	Main managers	Monclick	Total	Total balance sheet item	Impact on balance sheet item
At 28 February 2021								
Trade receivables	-	-	-	-	11,843	11,843	75,287	15.7%
Trade payables	-	-	-	-	(2,101)	(2,101)	(503,166)	0.4%
Other current liabilities	(70)	(30)	(148)	(3,125)	(52)	(3,425)	(260,184)	1.3%
Total	(70)	(30)	(148)	(3,125)	9,690	6,317		

(In thousands of Euro)	Credit and debt relations with related parties (as at 29 February 2020)								
Type	Pallacanestro Forlì 2015, s.a r.l.	Statutory Auditors	Carini Retail	Board of Directors	Main managers	Monclick	Total	Total balance sheet item	Impact on balance sheet item
At 29 February 2020									
Trade receivables	-	-	26,511	-	-	13,637	40,148	86,486	46.4%
Trade payables	-	-	(490)	-	-	(856)	(1,346)	477,250	(0.3%)

Other current liabilities	-	(33)	(23)	(139)	(2,145)	(914)	(3,254)	212,972	(1.5%)
Total	-	(33)	25,998	(139)	(2,145)	11,867	35,548		

The following table summarises the Company's related-part income statement positions as at 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Economic relations with related parties (as at 28 February 2021)							
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Board of Directors	Main managers	Monclick	Total	Total balance sheet item	Impact on balance sheet item
At 28 February 2021								
Revenue	-	-	-	-	65,314	65,314	2,659,283	2.5%
Other income	-	-	-	-	751	751	1,610	46.6%
Purchases of materials and external services	(294)	(63)	(571)	-	2,383	1,455	(2,318,786)	(0.1%)
Personnel costs	-	-	-	(5,306)	-	(5,306)	(173,865)	3.1%
Income taxes					(52)	(52)	(5,645)	0.9%
Total	(294)	(63)	(571)	(5,306)	68,396	62,162		

(In thousands of Euro)	Economic relations with related parties (as at 29 February 2020)								
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Carini Retail	Board of Directors	Main managers	Monclick	Total	Total balance sheet item	Impact on balance sheet item
At 29 February 2020									
Revenue	-	-	142,181	-	-	42,249	184,430	2,425,895	7.6%
Other income	-	-	(12)	-	-	468	456	5,491	8.3%
Purchases of materials and external services	(278)	(63)	2,243	(524)	-	(452)	926	(2,108,521)	0.0%
Personnel costs	-	-	-	-	(5,323)	-	(5,323)	(170,157)	3.1%
Income taxes						(238)	(238)	(1,501)	(15.9%)
Total	(278)	(63)	144,412	(524)	(5,323)	42,027	180,251		

With reference to the periods considered, the credit/debit and economic relations with related parties mainly refer to relations with Directors and Principal Executives, summarised in the following table:

Main managers	
Year ended 28 February 2021	Year ended 29 February 2020

Chief Executive Officer - Giancarlo Nicosanti Monterastelli	*Chief Executive Officer - Giancarlo Nicosanti Monterastelli*
Chief Financial Officer - Italo Valenti	*Chief Financial Officer - Italo Valenti*
Chief Corporate Development Officer - Andrea Scozzoli	*Chief Corporate Development Officer - Andrea Scozzoli*
Chief Omnichannel Officer - Bruna Olivieri	*Chief Omnichannel Officer - Bruna Olivieri*
Chief Commercial Officer - Gabriele Gennai	*Chief Operations Officer - Luigi Fusco*
Chief Operations Officer - Luigi Fusco	

The gross pay of the main managers includes all remuneration components (benefits, bonuses and gross remuneration).

The table below summarises the Company's cash flows with related-parties as at 28 February 2021 and 29 February 2020:

(In thousands of Euro)	Related parties								
Type	Pallacanestro Forlì 2015 s.a r.l.	Statutory Auditors	Carini Retail	Board of Directors	Main managers	Monclick S.r.l.	Total	Total balance sheet item	Impact on balance sheet item
Period from 1 March 2019 to 29 February 2020									
Net cash flow generated/(absorbed) by operating activities	(278)	93)	118,414	(618)	(3,428)	30,973	144,970	97,363	148.90%
Total	(278)	(93)	118,414	(618)	(3,428)	30,973			
Period from 1 March 2020 to 28 February 2021									
Net cash flow generated/(absorbed) by operating activities	(224)	(66)		(562)	(4,633)	70,573	65,088	208,566	31.2%
Total	(224)	(66)		(562)	(4,633)	70,573			

7. OTHER INFORMATION

Contingent liabilities

Based on the information currently available, the Directors of the Company believe that, at the date of the approval of these financial statements, the provisions set aside are sufficient to guarantee the correct representation of the financial information.

Guarantees granted in favour of third-parties

(In thousands of Euro)	Year ended	
	28 February 2021	29 February 2020
Guarantees and sureties in favour of:		
Parties and third-party companies	44,143	48,829
Total	44,143	48,829

Information on transparency obligations within the public funding system (Article 1, paragraphs 125-129 of Law No. 124/2017)

As required by the legislation on the transparency of public funding introduced by Article 1, paragraphs 125-129 of Law No. 124/2017 and subsequently supplemented by the 'security' Decree-Law (No. 113/2018) and the 'simplification' Decree-Law (No. 135/2018), please refer to the National Register of State Aid.

Please note that Unieuro benefitted from general measures that could be taken advantage of by all companies and which fall within the general structure of the reference system defined by the State, or general aid linked to the economic support measures taken by the government considering the coronavirus epidemiological emergency within the limits and under the conditions set forth in Communication from the European Commission of 19 March 2020 C(2020) 1863 final temporary framework for State aid measures to support the economy in the current COVID-19 outbreak.

In the year ended 28 February 2021, Unieuro had not received any further subsidies, contributions and economic benefits of any kind from public administrations and similar entities, subsidiaries of public administrations and state-owned companies.

Payments to the independent auditor

Payments to the independent auditor and its network for statutory audits and other services as at 28 February 2021 are highlighted below:

Type of service	Entity providing the service	Fees (in thousands of Euro)
Audit	KPMG S.p.A.	627
Attestaion services	KPMG S.p.A.	44
Other services	KPMG Advisory S.p.A.	215
	Total	886

Significant events after the close of the year

The adoption of the SAP management system

The transition to the new SAP S/4HANA management software began on 1 March 2021. The adoption of the new ERP (Enterprise Resource Planning) has been planned for some time and implemented with the support of the consulting companies EY and Abstract, leaders in the sector, with the aim of radically evolving company information systems, making them technologically advanced and functional to the omnichannel growth strategy of Unieuro.

The acquisition of the Limbiate store

Following the participation in the competitive procedure announced by the Court, Unieuro was awarded the contract and on 01 March 2021, acquired the business unit of Galimberti S.p.A., in an arrangement with creditors consisting of a store located in Limbiate.

The expansion in the metropolitan area of Turin

On 31 March 2021, Unieuro announced a significant strengthening of the network in the Piedmont capital thanks to the acquisition of a business unit consisting of two 2C Srl stores and the signing of an affiliation contract for the third store managed by the same company. The three stores, previously members of the Expert purchasing group, reopened under the Unieuro sign in April.

The entry of iliad in the capital

On 6 April 2021, Unieuro acknowledged the purchase of an interest of approximately 12% of the share capital by iliad Italia, with which a successful commercial relationship is already in place and which declared its intention to accompany the Company in its long-term growth.

The consensual termination of the employment relationship with the CFO

On 9 April 2021, Unieuro and Italo Valenti signed an agreement for the consensual termination of the employment relationship, with effect from 31 May, as a result of which Italo Valenti will leave his role as Chief Financial Officer and the positions of manager in charge of preparing the corporate and accounting documents and investor relator of Unieuro and will pursue other professional opportunities.

Draft resolution of the Board of Directors submitted to the Shareholders' Meeting

Dear Shareholders,

We propose to allocate the net profit for the year 2020-2021, amounting to Euro 54,431,041, as follows:

- to the legal reserve for Euro 10,544;

- for distribution to Shareholders of a gross unit dividend of Euro 2.60 per ordinary share outstanding at the date of payment/the coupon date, to be paid beginning on 23 June 2021, with entitlement to payment, pursuant to article 83-terdecies of Italian Legislative Decree no. 58 of 24 February 1998 and art. 2.6.6, paragraph 2 of the Regulation of the Markets organised and managed by Borsa Italiana S.p.A., on 22 June 2021 (the "record date"), after the detachment of coupon no. 4 of 21 June 2021;

- authorise the Board of Directors, with the right to sub-delegate, to ascertain, in due time, in relation to the exact final number of ordinary shares outstanding at the date of payment/coupon date, the amount to be allocated to the extraordinary reserve of the available and distributable profits".

Forlì 06 May 2021

Giancarlo Nicosanti Monterastelli
Chief Executive Officer

Appendix 1

Statement of financial position as at 28/02/2021 prepared applying the provisions pursuant to Consob Resolution 15519 of 27/07/2006 and Consob Communication DEM/6064293 of 28/07/2006.

(In thousands of Euro)	Year ended					
	28 February 2021	Of which with Related-Parties	% Weighting	29 February 2020	Of which with Related-Parties	% Weighting
Plant, machinery, equipment and other assets	71,478			79,959		
Goodwill	188,039			170,767		
Intangible assets with definite useful life	28,606			22,148		
Right-of-use assets	451,520			454,994		
Deferred tax assets	40,766			38,307		
Other non-current assets	22,633			42,250		
Total non-current assets	803,042	-	0.0%	808,425	-	0.0%
Inventories	371,390			351,109		
Trade receivables	75,287	11,843	15.7%	86,486	40,148	46.4%
Current tax assets	-			-		
Other current assets	18,804			25,168		
Cash and cash equivalents	203,873			80,191		
Total current assets	669,354	11,843	1.8%	542,954	40,148	7.4%
Total Assets	1,472,396	11,843	0.8%	1,351,379	40,148	3.0%
Share capital	4,053			4,000		
Reserves	75,540			38,392		
Profit/(loss) carried forward	72,901	62,162	85.3%	60,831	180,251	296.3%
Total shareholders' equity	152,494	62,162	40.8%	103,223	180,251	174.6%
Financial liabilities	39,068			31,643		
Employee benefits	12,570			10,551		
Other financial liabilities	399,558			426,675		
Provisions	20,527			8,499		
Deferred tax liabilities	2,475			2,082		
Other non-current liabilities	26			26		
Total non-current liabilities	474,224	-	0.0%	479,476	-	0.0%
Financial liabilities	9,659			9,520		
Other financial liabilities	68,119			66,227		
Trade payables	503,166	2,101	0.4%	477,250	1,346	0.3%
Current tax liabilities	3,803			1,473		
Provisions	747			1,238		

Other current liabilities	260,184	3,425	1.3%	212,972	3,254	1.5%
Total current liabilities	845,678	5,526	0.7%	768,680	4,600	0.6%
Total liabilities and shareholders' equity	1,472,396	67,688	4.6%	1,351,379	184,851	13.7%

Appendix 2

Income Statement as at 28/02/2021 prepared applying the provisions pursuant to Consob Resolution 15519 of 27/07/2006 and Consob Communication DEM/6064293 of 28/07/2006.

(In thousands of Euro)	Year ended					
	28 February 2021	Of which with Related-Parties	% Weighting	29 February 2020	Of which with Related-Parties	% Weighting
Revenue	2,659,283	65,314	2.5%	2,425,895	184,430	7.6%
Other income	1,610	751	46.6%	5,491	456	8.3%
TOTAL REVENUE AND INCOME	2,660,893	66,065	2.5%	2,431,386	184,886	7.6%
Purchases of materials and external services	(2,318,786)	1,455	(0.1%)	(2,108,521)	926	0.0%
Personnel costs	(173,865)	(5,306)	3.1%	(170,157)	(5,323)	3.1%
Changes in inventory	2,053			(11,024)		
Other operating costs and expenses	(6,728)			(6,828)		
GROSS OPERATING RESULT	163,567	62,214	38.0%	134,856	180,489	133.8%
Depreciation, amortisation and write-downs of fixed assets	(90,198)			(83,808)		
NET OPERATING RESULT	73,369	62,214	84.8%	51,048	180,489	353.6%
Financial income	74			82		
Financial expenses	(13,367)			(13,879)		
PROFIT BEFORE TAX	60,076	62,214	103.6%	37,251	180,489	484.5%
Income taxes	(5,645)	(52)	0.9%	(1,501)	(238)	15.9%
PROFIT/(LOSS) FOR THE YEAR	54,431	62,162	114.2%	35,750	180,251	504.2%

Appendix 3

Cash Flows Statement as at 28/02/2021 prepared applying the provisions pursuant to Consob Resolution 15519 of 27/07/2006 and Consob Communication DEM/6064293 of 28/07/2006.

	Year ended					
(In thousands of Euro)	28 February 2021	Of which with Related-Parties	% Weighting	29 February 2020	Of which with Related-Parties	% Weighting
Cash flow from operations						
Profit/(loss) for the year	54,431	62,162	114.2%	35,750	180,251	504.2%
Adjustments for:						
Income taxes	5,646			1,501		
Net financial expenses (income)	13,293			13,797		
Depreciation, amortisation and write-downs of fixed assets	90,198			83,808		
Other changes	353	316	89.5%	1,446	1,468	101.5%
	163,921	62,478	38.1%	136,302	181,719	133.3%
Changes in:						
- Inventories	(2,053)			11,024		
- Trade receivables	13,886	1,794	12.9%	(44,843)	(38,341)	85.5%
- Trade payables	23,757	1,245	5.2%	10,146	1,028	10.1%
- Other changes in operating assets and liabilities	23,953	(429)	(1.8%)	1,515	564	37.2%
Cash flow generated/(absorbed) by operating activities	59,543	65,088	109.3%	(22,158)	144,970	(654.3%)
Taxes paid	(2,535)			(3,677)		
Interest paid	(12,363)			(13,104)		
Net cash flow generated/(absorbed) by operating activities	208,566	65,088	31.2%	97,363	144,970	148.9%
Cash flow from investment activities						
Purchases of plant, machinery, equipment and other assets	(17.782)			(12,569)		
Purchases of intangible assets	(14.477)			(11,670)		
Investments for business combinations and business units	(8,417)			(12,062)		
Cash flow generated/(absorbed) by investment activities	(40,677)	-	0.0%	(36,301)	-	0.0%
Cash flow from investment activities						
Increase/(Decrease) in financial liabilities	6,846			(3,223)		
Increase/(Decrease) in other financial liabilities	1,366			17,597		
Increase/(Decrease) in financial liabilities - IFRS 16 Leases	(55,723)			(51,257)		
Increase/(Decrease) in shareholder loans	3,304			-		
Distribution of dividends	-			(21,400)		
Cash flow generated/(absorbed) by financing activities	(44,207)	-	0.0%	(58,283)	-	0.0%

Net increase/(decrease) in cash and cash equivalents	123,682	65,088	52.6%	2,779	144,970	5,216.6%
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	80,191			77,412		
Net increase/(decrease) in cash and cash equivalents	123,682			2,779		
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	203,873			80,191		

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Appendix 4

Income Statement as at 28/02/2021 prepared applying the provisions pursuant to Consob Resolution 15519 of 27/07/2006 and Consob Communication DEM/6064293 of 28/07/2006.

(In thousands of Euro)	Year ended					
	28/02/2021	Of which non-recurring	% Weighting	29/02/2020	Of which non-recurring	% Weighting
Revenue	2,659,283			2,425,895		
Other income	1,610			5,491	2,640	48.1%
TOTAL REVENUE AND INCOME	2,660,893			2,431,386	2,640	0.1%
Purchases of materials and external services	(2,318,786)	(8,930)	0.4%	(2,108,521)	(6,122)	0.3%
Personnel costs	(173,865)	(303)	0.2%	(170,157)	(996)	0.6%
Changes in inventory	2,053			(11,024)	(1,502)	13.6%
Other operating costs and expenses	(6,728)			(6,828)	(727)	10.6%
GROSS OPERATING RESULT	163,567	(9,233)	(5.6%)	134,856	(6,707)	(5.0%)
Depreciation, amortisation and write-downs of fixed assets	(90,198)			(83,808)		
NET OPERATING RESULT	73,369	(9,233)	(12.6%)	51,048	(6,707)	(13.1%)
Financial income	74			82		
Financial expenses	(13,367)			(13,879)		
PROFIT BEFORE TAX	60,076	(9,233)	(15.4%)	37,251	(6,707)	(18.0%)
Income taxes	(5,645)	803	(14.2%)	(1,501)	584	(38.9%)
PROFIT/(LOSS) FOR THE YEAR	54,431	(8,430)	(15.5%)	35,750	(6,123)	(17.1%)

CERTIFICATION OF THE SEPARATE FINANCIAL STATEMENTS AS AT 28 FEBRUARY 2021 PURSUANT TO ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS SUBSEQUENTLY AMENDED AND SUPPLEMENTED

The undersigned, Giancarlo Nicosanti Monterastelli, in his capacity as the Chief Executive Officer of Unieuro S.p.A. and Italo Valenti, as Chief Financial Officer and executive responsible for the preparation of the Company's separate financial statements, pursuant to Article 154-bis, paragraphs 3 and 4, of the Italian Legislative Decree 58 of 24 February 1998, hereby certify:

- the adequacy in relation to the company's characteristics; and
- the effective implementation of the administrative and accounting procedures for the preparation of the full-year financial statements of the Company, in financial year 2021.

It is also certified that the full-year Separate Financial Statements of the Company:

- were prepared in accordance with the applicable international accounting standards recognised in the European Community pursuant to Regulation (EC) 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- correspond to the results of the books and accounting records;
- provide an accurate and fair view of the assets and liabilities, profits and losses and financial position of the issuer.

The Directors' Report contains a reliable analysis of operating performance and results and of the position of the issuer, together with a description of the main risks and uncertainties to which it is exposed.

Forlì 6 May 2021

Giancarlo Nicosanti Monterastelli Managing director and Chief Executive Officer	Italo Valenti Executive Officer Responsible for the preparation of the financial statements of the company

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KPMG

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(Translation from the Italian original which remains the definitive version)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Unieuro S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Unieuro Group (the "group"), which comprise the statement of financial position as at 28 February 2021, the income statement and the statements of comprehensive income, cash flows and changes in equity for the year then ended and notes thereto, which include a summary of the significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Unieuro Group as at 28 February 2021 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Unieuro S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of goodwill

Notes to the consolidated financial statements: note 2.6 - The use of estimates and valuations in the preparation of the consolidated financial statements; note 2.7.2 - Significant accounting standards; note 5.2 - Goodwill

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 28 February 2021 include goodwill of €195.2 million. The directors determine the recoverable amount of goodwill by calculating its value in use. This method, by its very nature, requires a high level of directors' judgement about the forecast operating cash flows during the calculation period, as well as the discount and growth rates of those cash flows. The directors have forecast the operating cash flows used for impairment testing on the basis of the data included in the 28 February 2022 to 28 February 2026 business plan, which was originally approved by the parent's board of directors on 12 December 2016 and subsequently updated by it, most recently, on 6 May 2021 (the "plan"), and of the revenue's and related profitability's estimated long-term growth rates. The operating cash flow estimate reflects the potential impact of the Covid-19 outbreak. For the above reasons, we believe that the recoverability of goodwill is a key audit matter.	Our audit procedures, which also involved our own specialists, included: — understanding and analysing the process adopted to prepare the impairment tests approved by the parent's board of directors on 6 May 2021; — understanding and analysing the process used to draft the plan; — analysing the reasonableness of the main assumptions used by the directors to determine the recoverable amount of goodwill, including the potential impact of the Covid-19 outbreak. Our analyses included comparing the main assumptions used to the group's historical data and external information, where available; — analysing the valuation models adopted by the directors for reasonableness and consistency with professional practice; — checking the sensitivity analyses disclosed in the notes with reference to the main assumptions used for impairment testing, including the weighted average cost of capital, the long-term growth rate and the sensitivity of gross operating profit; — assessing the appropriateness of the disclosures provided in the notes about goodwill and the related impairment test.

Premiums and contributions from suppliers

Notes to the consolidated financial statements: note 2.6 - Use of estimates and judgements in the preparation of the consolidated financial statements; note 2.7.2 - Significant accounting standards

Key audit matter	Audit procedures addressing the key audit matter
The group has contracts for the supply of goods which include the receipt of premiums and, in certain circumstances, contributions. These premiums and contributions are recognised either as a percentage of the quantities purchased, or as a fixed figure on the quantities purchased or sold, or as a defined contribution. Especially with reference to those agreements whose term falls after the reporting date, which account for a minor share of the premiums and contributions for the year, their calculation is a complex accounting estimate entailing a high level of judgement as it is affected by many factors. The parameters and information used for the estimate are based on the purchased or sold volumes, also affected by the potential impact of the Covid-19 outbreak, and valuations that consider historical figures of premiums and contributions actually paid by suppliers. Despite being a minor share of total premiums and contributions for the year, the estimated premiums and contributions may have a significant impact on the group's profit or loss for the year. For the above reasons, we believe that the measurement of premiums and contributions from suppliers is a key audit matter.	Our audit procedures included: — understanding the process adopted to calculate premiums and contributions from suppliers through meetings and discussions with the group's management; — assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls; — checking, on a sample basis, the existence and accuracy of premiums and contributions from suppliers, including through external confirmations; — checking the accuracy of the premium and contribution calculation database, by tracing the amounts to the general ledger and sample-based checks of supporting documentation; — analysing the reasonableness of the assumptions in the estimate, including the potential impact of the Covid-19 outbreak, through discussions with the relevant internal departments, comparison with historical figures, our knowledge of the group and its operating environment and external information, where available; — assessing the appropriateness of the disclosures provided in the notes about premiums and contributions from suppliers.

Measurement of inventories

Notes to the consolidated financial statements: note 2.6 - The use of estimates and valuations in the preparation of the consolidated financial statements; note 2.7.2 - Significant accounting standards; note 5.7 - Inventories

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 28 February 2021 include inventories of €372.1 million, net of the allowance for inventory write-down of €11.4 million. Determining the allowance for goods write-down is a complex accounting estimate, entailing a high level of judgement as it is affected by many factors, including: — the characteristics of the group's business sector; — the sales' seasonality, with peaks in November and December; — the decreasing price curve due to technological obsolescence of products; — the high number of product codes handled; — the effects of the Covid-19 outbreak. For the above reasons, we believe that the measurement of inventories is a key audit matter.	Our audit procedures included: — understanding the process for the measurement of inventories and assessing the design and implementation of controls and procedures to assess the operating effectiveness of material controls; — checking the method used to calculate the allowance for inventory write-down by analysing documents and discussions with the relevant internal departments; — checking the mathematical accuracy of the allowance for inventory write-down; — analysing the reasonableness of the main assumptions used to measure the allowance for inventory write-down, including the potential impact of the Covid-19 outbreak, through discussions with the relevant internal departments and analysis of age bands and write-down rates applied and comparing the assumptions with historical figures, our knowledge of the group and its operating environment and external information, where available; — comparing the estimated realisable value to the inventories' carrying amount by checking management reports on average sales profits; — assessing the appropriateness of the disclosures provided in the notes about inventories.

Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a

material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 12 December 2016, the shareholders of Unieuro S.p.A. appointed us to perform the statutory audit of its consolidated financial statements as at and for the years ending from 28 February 2017 to 28 February 2025.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's directors' report and report on corporate governance and ownership structure at 28 February 2021 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the directors' report and the specific information presented in the report on corporate governance and ownership structure indicated by article 123-bis.4 of Legislative decree no. 58/98 with the group's consolidated financial statements at 28 February 2021 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure referred to above are consistent with the group's consolidated financial statements at 28 February 2021 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Statement pursuant to article 4 of the Consob regulation implementing Legislative decree no. 254/16

The directors of Unieuro S.p.A. are responsible for the preparation of a consolidated non-financial statement pursuant to Legislative decree no. 254/16. We have checked that the directors had approved such consolidated non-financial statement. In accordance with article 3.10 of Legislative decree no. 254/16, we attested the compliance of the non-financial statement separately.

Bologna, 20 May 2021

KPMG S.p.A.

(signed on the original)

Andrea Polpettini
Director of Audit

KPMG

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(Translation from the Italian original which remains the definitive version)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Unieuro S.p.A.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Unieuro S.p.A. (the "company"), which comprise the statement of financial position as at 28 February 2021, the income statement and the statements of comprehensive income, cash flows and changes in equity for the year then ended and notes thereto, which include a summary of the significant accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Unieuro S.p.A. as at 28 February 2021 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of goodwill

Notes to the separate financial statements: note 2.5 - The use of estimates and valuations in the preparation of the financial statements; note 2.6.2 - Significant accounting standards; note 5.2 - Goodwill

Key audit matter	Audit procedures addressing the key audit matter
The company's separate financial statements at 28 February 2021 include goodwill of €188.0 million. The directors determine the recoverable amount of goodwill by calculating its value in use. This method, by its very nature, requires a high level of directors' judgement about the forecast operating cash flows during the calculation period, as well as the discount and growth rates of those cash flows. The directors have forecast the operating cash flows used for impairment testing on the basis of the data included in the 28 February 2022 to 28 February 2026 business plan, which was originally approved by the company's board of directors on 12 December 2016 and subsequently updated by it, most recently, on 6 May 2021 (the "plan"), and of the revenue's and related profitability's estimated long-term growth rates. The operating cash flow estimate reflects the potential impact of the Covid-19 outbreak. For the above reasons, we believe that the recoverability of goodwill is a key audit matter.	Our audit procedures, which also involved our own specialists, included: — understanding and analysing the process adopted to prepare the impairment tests approved by the company's board of directors on 6 May 2021; — understanding and analysing the process used to draft the plan; — analysing the reasonableness of the main assumptions used by the directors to determine the recoverable amount of goodwill, including the potential impact of the Covid-19 outbreak. Our analyses included comparing the main assumptions used to the company's historical data and external information, where available; — analysing the valuation models adopted by the company for reasonableness and consistency with professional practice; — checking the sensitivity analyses disclosed in the notes with reference to the main assumptions used for impairment testing, including the weighted average cost of capital, the long-term growth rate and the sensitivity of gross operating profit; — assessing the appropriateness of the disclosures provided in the notes about goodwill and the related impairment test.

Premiums and contributions from suppliers

Notes to the separate financial statements: note 2.5 - The use of estimates and valuations in the preparation of the financial statements; note 2.6.2 - Significant accounting standards

Key audit matter	**Audit procedures addressing the key audit matter**
The company has contracts for the supply of goods which include the receipt of premiums and, in certain circumstances, contributions. These premiums and contributions are recognised either as a percentage of the quantities purchased, or as a fixed figure on the quantities purchased or sold, or as a defined contribution. Especially with reference to those agreements whose term falls after the reporting date, which account for a minor share of the premiums and contributions for the year, their calculation is a complex accounting estimate entailing a high level of judgement as it is affected by many factors. The parameters and information used for the estimate are based on the purchased or sold volumes, also affected by the potential impact of the Covid-19 outbreak, and valuations that consider historical figures of premiums and contributions actually paid by suppliers. Despite being a minor share of total premiums and contributions for the year, the estimated premiums and contributions may have a significant impact on the company's profit or loss for the year. For the above reasons, we believe that the measurement of premiums and contributions from suppliers is a key audit matter.	Our audit procedures included: — understanding the process adopted to calculate premiums and contributions from suppliers through meetings and discussions with the company's management; — assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls; — checking, on a sample basis, the existence and accuracy of premiums and contributions from suppliers, including through external confirmations; — checking the accuracy of the premium and contribution calculation database, by tracing the amounts to the general ledger and sample-based checks of supporting documentation; — analysing the reasonableness of the assumptions in the estimate, including the potential impact of the Covid-19 outbreak, through discussions with the relevant internal departments, comparison with historical figures, our knowledge of the company and its operating environment and external information, where available; — assessing the appropriateness of the disclosures provided in the notes about premiums and contributions from suppliers.

Measurement of inventories

Notes to the separate financial statements: note 2.5 - Use of estimates and judgements in the preparation of the financial statements; note 2.6.2 - Significant accounting standards; note 5.7 - Inventories

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 28 February 2021 include inventories of €371.4 million, net of the allowance for inventory write-down of €11.3 million. Determining the allowance for goods write-down is a complex accounting estimate, entailing a high level of judgement as it is affected by many factors, including: — the characteristics of the company's business sector; — the sales' seasonality, with peaks in November and December; — the decreasing price curve due to technological obsolescence of products; — the high number of product codes handled; — the effects of the Covid-19 outbreak. For the above reasons, we believe that the measurement of inventories is a key audit matter.	Our audit procedures included: — understanding the process for the measurement of inventories and assessing the design and implementation of controls and procedures to assess the operating effectiveness of material controls; — checking the method used to calculate the allowance for inventory write-down by analysing documents and discussions with the relevant internal departments; — checking the mathematical accuracy of the allowance for inventory write-down; — analysing the reasonableness of the main assumptions used to measure the allowance for inventory write-down, including the potential impact of the Covid-19 outbreak, through discussions with the relevant internal departments and analysis of age bands and write-down rates applied and comparing the assumptions with historical figures, our knowledge of the company and its operating environment and external information, where available; — comparing the estimated realisable value to the inventories' carrying amount by checking management reports on average sales profits; — assessing the appropriateness of the disclosures provided in the notes about inventories.

Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 12 December 2016, the shareholders of Unieuro S.p.A. appointed us to perform the statutory audit of its separate financial statements as at and for the years ending from 28 February 2017 to 28 February 2025.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The company's directors are responsible for the preparation of a directors' report and a report on corporate governance and ownership structure at 28 February 2021 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the directors' report and the specific information presented in the report on corporate governance and ownership structure indicated by article 123-bis.4 of Legislative decree no. 58/98 with the company's separate financial statements at 28 February 2021 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure referred to above are consistent with the company's separate financial statements at 28 February 2021 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Bologna, 20 May 2021

KPMG S.p.A.

(signed on the original)

Andrea Polpettini
Director of Audit

Report of the Board of Statutory Auditors to the Shareholders' Meeting of Unieuro S.p.A. pursuant to art. 153 of Legislative Decree 58/1998 ("T.U.F.") and Article 2429, paragraph 2, of the Civil Code

Dear Shareholders,

in compliance with the regulations in force for joint-stock companies with shares listed on regulated markets and in accordance with the provisions of the articles of association, during the financial year ended 28 February 2021, we carried out the supervisory activities for which we are responsible in accordance with the Rules of Conduct for the Board of Statutory Auditors of listed companies issued by the National Council of Chartered Accountants, the Consob recommendations on corporate controls and the activities of the Board of Statutory Auditors and the indications contained in the Self-Governance Code.

The structure and content of this Report comply with the recommendations of standard Q.7.1 of the National Council of Accountants.

Supervising compliance with the Law and the Statute

The Board of Statutory Auditors supervised the Company's activities, through specific audits and participation in Shareholders' Meetings and Board of Directors' meetings. In addition, it participated, at least in the person of its Chairman, in the meetings of the Remuneration and Appointments Committee, the Control and Risks Committee, the Related Parties Committee and the Supervisory Body pursuant to Legislative Decree no. 231/2001.

In particular, 15 meetings of the Board of Directors, 6 meetings of the Control and Risks Committee, 15 meetings of the Remuneration and Appointments Committee, 6 meetings of the Related Parties Committee and 1 meeting of the newly established Sustainability Committee were held during the year. During the financial year to which this Report refers, the Board of Statutory Auditors met 12 times and, as part of its activities, liaised with the Internal Audit Manager, the Supervisory Board, the DPO and the Independent Auditors.

The Board of Statutory Auditors acknowledges that it has obtained from the Directors the information concerning the general performance of operations and its foreseeable evolution, as well as the most important economic, financial and asset-related information carried out by the Company, deeming it to be in compliance with the Law and the Articles of Association.

In particular, the Board of Auditors reports the following transactions and events of particular interest during the year and up to the present date:

- following the worsening of the health situation due to the spread of the Covid-19 ("Coronavirus") epidemic and the extension of the restrictive measures to the entire national territory, the temporary closure to the public, on 14 March 2020, of the entire network of direct shops and the progressive reopening as of 30 March 2020;
- as part of the numerous actions taken by the Company as a result of the pandemic to safeguard the health of its staff, customers and the entire community, the taking out, on 20 March 2020, of insurance cover in the event of infection by the Coronavirus for all its employees;
- in the changed market scenario, the launch, on 19 June 2020, of a wide-ranging and innovative omnichannel project aimed at rethinking the customer experience with the aim of supporting drive-to-store by using the engagement opportunities generated by the e-commerce channel;
- the expansion of the sales network through new distribution models (including the internalisation of Finiper and Conad brand shops);

- on 5 August 2020, the merger by incorporation of the subsidiary Carini Retail S.r.l. into the parent company Unieuro S.p.A., with statutory effects from 1 September 2020 and accounting and fiscal implications from the first day of the financial year (i.e. 1 March 2020);
- due to the resurgence of the Covid-19 outbreak and the resulting restrictive measures imposed by the Government, starting on 4 November 2020 and still in force at the balance sheet date (i.e. 28 February 2021), the closure of around half of the direct shops on public holidays and pre-holidays;
- the constitution, on 12 November 2020, by the Board of Directors of the Sustainability Committee with propositional and advisory functions towards the same Board on sustainability issues, evaluating the processes, initiatives and activities aimed at monitoring the Company's commitment to create value in the long term to the benefit of all its stakeholders;
- the approval by the Shareholders' Meeting of Unieuro S.p.A, convened on 17 December 2020, (i) the new incentive plan called "2020 - 2025 Performance Shares Plan"; (ii) the authorisation to purchase and dispose of treasury shares, also to service the Plan, up to a maximum of 2,000,000 ordinary shares for a maximum period of 18 months; (iii) the authorisation to increase the share capital to service the Plan, up to a maximum of 900,000 shares; and (iv) the consequent amendments and additions to the first section of the Report on remuneration policy and compensation paid, already approved by the Shareholders' Meeting of 12 June 2020, in order to include the aforementioned "Performance Shares Plan 2020 - 2025" among the variable components of the remuneration of the executive directors and managers with strategic responsibilities of the Company and to redefine the *pay-mix* of the related remuneration package, as well as to acknowledge the establishment of the Sustainability Committee and the remuneration of its members;
- the announcement, on 13 January 2021, of the relocation of the company's registered office, as of 1 April 2021, from via Schiapparelli 31 to via Maroncelli 10, also in Forlì, at Palazzo Hercolani, an ancient building located in the historic centre of the city of Forlì, rented as of 14 October 2020;
- the transformation of the corporate structure of Unieuro S.p.A. into a public company following the gradual exit from the capital of the private equity operator Rhône (which in January 2020 reduced its interest to zero, initially equal to 70.5% of the capital), also confirmed following the sale of the share (equal to 7.17%) owned by Dixons Carphone plc through Alfa S.r.l., concluded on 15 January 2021;
- the change in the Company's organisational structure initiated with the establishment, on 17 February 2021, of the General Management entrusted, as of 1 March 2021, to Bruna Olivieri, former Chief Omni-Channel Officer of the Company;
- the beginning of the transaction phase, from 1 March 2021, to the adoption of the new SAP S/4HANA management software;
- the purchase, on 6 April 2021, of interest equal to approximately 12% of the share capital of Unieuro S.p.A., of which 1.9% through an equity swap contract expiring on 17 September 2021, by the telecommunications operator Iliad;
- on 9 April 2021, the consensual termination of the employment relationship, with effect from 31 May, with Italo Valenti, Chief Financial Officer of the Company and Executive Officer for Financial Reporting/the manager responsible for preparing the company's accounting documents;
- the announcement, on 6 May 2021, of the appointment of Marco Pacini to the position of Chief Financial Officer of the Company and Executive Officer for Financial Reporting/the manager responsible for preparing the company's accounting documents, as of 1 June 2021.

The Board of Statutory Auditors acknowledges that it has supervised both the decision-making process that led the Board of Directors to take the aforementioned resolutions and to conclude the other operations resolved upon, and the completion of the same, without finding any critical elements in this respect.

In addition, as mentioned above, it is to be noted that the 2020/2021 financial year was characterised by the resurgence of the Covid-19 epidemic. The social distancing measures taken by the government to stem the spread of the virus have been effective from a health perspective but have significantly affected the economy. In this context, the Company promptly assessed and implemented the organisational and operational measures required by the authorities in order to safeguard the health of all employees and company operations. In particular, the Directors, in paragraph 12, entitled "Coronavirus Epidemic", of the Report on Operations, listed the main actions implemented by the Company to protect not only customers and employees, but also the company's solidity and profitability.
In this respect, the Board of Statutory Auditors has constantly verified that the Company has taken all the necessary precautions to protect its staff, customers, and the community, and has also verified that the measures adopted in the pursuit of its activities comply with regulations.

Monitoring compliance with the principles of good governance
The Board of Statutory Auditors monitored compliance with the principles of proper administration, ensuring that the actions decided and implemented by the Directors were inspired by principles of economic rationality, were not manifestly imprudent, risky, atypical or unusual, in potential conflict of interest or in contrast with the resolutions passed by the Shareholders' Meeting or such as to compromise the integrity of the company's assets.

Supervising the adequacy of the organisational set-up
The Board of Statutory Auditors has supervised the organisational structure of the Company and considers, in light of the supervisory activities carried out and to the extent of its competence, that this structure, as a whole, is adequate and reliable in representing management events. In this context, the Board of Statutory Auditors also examined the adequacy of the new organisational structure launched by the Board of Directors on 17 February 2021, with effect from 1 March, which saw the establishment of the General Management in line with the strategic evolution in progress and, in this regard, has no observations to report.

Monitoring the adequacy of the internal control system
The Board of Statutory Auditors monitored the Company’s internal control system and acknowledges that, on the whole, it appeared to be adequate for the Company’s size and management, as also ascertained during the meetings of the Control and Risks Committee in which at least one member of the Board of Statutory Auditors participated, also taking into account the context resulting from the continuing health emergency linked to Covid-19.
As part of the audit of the adequacy of the internal control system, the Board of Statutory Auditors notes that the Company's Organisational Model is adequate in accordance with the provisions of Legislative Decree no. 231/2001 and which is constantly updated. This model, which concerns the Company's overall activities from a procedural, organisational and control point of view, appears to be adequate and incisive and is supervised by a specially appointed and regularly functioning body made up of an internal member (the Head of Internal Audit) and independent external experts. The Model is constantly monitored and updated with new developments and organisational developments.
The Board of Statutory Auditors has met and maintained a constant flow of information with the Supervisory Board and has examined the half-yearly reports of this body for the financial year 2020/2021 on which it has no observations to make.

The Company also adopted a Code of Ethics as part of the Organisational Model and continued to implement it during the 2020/2021 financial year.
In order to monitor the adequacy of the internal control system, the Board of Statutory Auditors liaised not only with the Control and Risks Committee and the Supervisory Board, but also with the Director in charge of the internal control and risk management system and the Internal Audit Manager.
The Board of Statutory Auditors reviewed the annual report of the Internal Audit function as at 28 February 2021, which was approved at the Board of Directors' meeting on 13 May 2021. The Annual Audit Plan was also approved at the same Council meeting.
The Board of Statutory Auditors acknowledges that the roles and responsibilities of the persons involved in the internal control and risk management system are distinct in order to avoid operational overlaps of their respective areas of activity and competence, as well as duplication of controls.

Supervision of the adequacy of the administrative and accounting system and of the statutory audit activities

The Board of Statutory Auditors monitored, to the extent of its competence, the Company's administrative and accounting system and its reliability in correctly representing management events by collecting information from the managers, examining company documentation and analysing the results of the work carried out by the Independent Auditors. The Board of Statutory Auditors believes that this system is substantially adequate and reliable for the purposes of the correct representation of management events and acknowledges that each body of the Company has fulfilled its disclosure obligations under applicable regulations.
The Board of Statutory Auditors notes that the Company has implemented the provisions of the new accounting standard IFRS 16 that have had an impact on the financial statements, as represented in the Notes to the financial statements, and that it has received analytical information regarding the *impairment tests* performed, in accordance with IAS 36, to confirm the values of the assets recognised in the Company's financial statements at 28 February 2021.
The Board of Statutory Auditors notes that the Manager responsible for preparing the company's financial reports has issued a statement to the effect that the financial statements give a true and fair view of the company's economic, equity and financial position of the Company.
The Board of Statutory Auditors has supervised the adequacy of the provisions given by Unieuro S.p.A. to the subsidiary company Monclick S.r.l., pursuant to Article 114, paragraph 2, of the T.U.F. and the correct flow of information between them and believes that the Company is able to fulfil its disclosure obligations provided for by the Law.
The Board of Statutory Auditors has also periodically met with the Board of Statutory Auditors of Monclick S.r.l. for the usual exchange of data and information. No significant facts or anomalies emerged during these meetings that needed to be reported in this Report.
The Board of Statutory Auditors met with the managers of the Independent Auditors in order to exchange relevant data and information with them and acknowledges that it has not received any communication of facts or anomalies of such importance as to need to be reported in this Report.
The Board of Statutory Auditors acknowledges that the report on the separate and consolidated financial statements, issued by the Auditing Firm on 20 May 2021, does not contain any remarks and/or requests for information and certifies that the separate and consolidated financial statements are clearly prepared and give a true and fair view of the Company's financial position, results of operations and cash flows.
The same report is also in line with the provisions of Art. 123-bis, T.U.F. and contains the relevant information referred to in paragraph 4 of that provision; the Auditing Company has expressed its opinion on the consistency of the information provided for by art. 14 (para.1) (lett. e) of Legislative Decree no. 39/2010.

The Board of Statutory Auditors acknowledges that, during the financial year ended 28 February 2021, Unieuro S.p.A. appointed the auditing firm KPMG S.p.A. and the entities belonging to its network for audit and other non-audit services for a total of euro 966,000 (of which euro 705,000 for audit services and euro 261,000 for other services).
In addition, on 20 May 2021, the Independent Auditors submitted to the Board of Statutory Auditors the Additional Report required by Article 11 of EU Regulation No. 537/2014, from which there are no significant deficiencies in the internal control system in relation to the reporting process, worthy of being brought to the attention of those responsible for governance activities.
In view of the above and having acknowledged the declaration of non-existence of causes of incompatibility attached to the Additional Report, the Board of Statutory Auditors considers that there are no critical issues regarding its independence.

Supervision of non-financial information
The Board of Statutory Auditors, with reference to the consolidated declaration of a non-financial nature (hereinafter "DNF") governed by Legislative Decree 254/2016, monitored compliance with the provisions of the Law provided for on the subject and the adequacy of the organisational, administrative and reporting and control system prepared by the Company in order to allow for a correct and complete representation, in the DNF, of the business activity, its results and its impacts with regard to non-financial issues.
The Board of Statutory Auditors obtained periodic updates on the performance of the activities required for the preparation of the DNF and monitored compliance with the provisions set out in Legislative Decree 254/2016, within the scope of the functions assigned to it by the law.
The DNF was also subject to a conformity assessment by the Independent Auditors, which issued a specific report certifying the conformity of the information provided pursuant to Article 3, paragraph 10, of Legislative Decree no. 254/16.
It should be noted that the DNF was made public together with the documents relating to the Annual Financial Report to 28 February 2021.

Proper implementation of corporate governance rules and initiatives undertaken
The Company's corporate governance structure is characterised by a set of rules, behaviours and processes aimed at ensuring an efficient and transparent corporate governance system and an efficient functioning of its corporate bodies and control systems.
In particular, the corporate governance structure adopted by the Company is based on a "traditional" organisational model, consisting of the following bodies: Shareholders' Meeting, Board of Directors and Board of Auditors. Pursuant to current legislation, the legal audit mandate is entrusted to the above-mentioned auditing company, registered with CONSOB. The governance of the Company is completed by the Organisational Model pursuant to Legislative Decree no. 231/2001, the Remuneration and Appointments Committee, the Control and Risks Committee, the Related Parties Committee and the Sustainability Committee, the structure of powers and delegations. The Company adheres to the Self-Governance Code of listed Italian companies, adapting it to its own characteristics.
The Board of Directors meeting on 13 May 2021, ascertained that each member of the Board of Statutory Auditors met the requirements of professionalism and independence set forth in Article 148, paragraph 4, of the TUF on Finance and in the Self-Governance Code. The Board of Statutory Auditors carried out its self-assessment of composition and independence on 21 April 2021. In addition, the Board of Directors meeting on 19 May 2021 approved the Report on remuneration policy and compensation paid pursuant to Article 123-ter of the TUF on Finance.

Please refer to the Report on Corporate Governance and Ownership Structure for further details on the Company's corporate governance, on which the Board of Statutory Auditors has no issues to report to the Shareholders' Meeting.
The Board of Statutory Auditors also informs that it participated in information sessions addressed to Directors and Auditors that allowed them to improve their knowledge of the sector in which the Company operates, of the main aspects relating to management and of the regulatory framework, and to obtain updates on the progress of the main initiatives.
The Board also acknowledges that it has supervised the activities related to Regulation (EU) 2016/279 on the protection of personal data (GDPR) and, in this respect, has no observations worthy of mention in this Report.

Supervision of transactions with Group companies and related parties

The Board of Statutory Auditors did not detect any atypical and/or unusual transactions with related parties during the financial year ended 28 February 2021. Transactions of an ordinary nature carried out with related parties, described, with evidence of the economic effects, by the Directors in the Report on Operations, to which reference should be made, are consistent and in the Company's interest.
The Board of Statutory Auditors has met and maintained a constant flow of information with the Related Parties Committee and acknowledges that it has not received notification of any facts or anomalies of such significance that they should be reported in this Report.

Indications of opinions issued to the College, omissions and reprehensible facts detected

Since the date of the previous Report and up to the present date, the Board has not issued any opinions as required by current legislation and no complaints have been received pursuant to Article 2408 of the Civil Code.
The Board of Statutory Auditors is not aware of any other complaints to be reported in this Report.

Proposals for the annual accounts

On the basis of the above, and in summary of the supervisory activities carried out during the year, the Board of Statutory Auditors has no observations to make, pursuant to Article 153 of Legislative Decree no. 58/1998, on the matters within its competence concerning the financial statements as at 28 February 2021 and unanimously – considering also that, on 20 May 2021, the Independent Auditors issued their reports without remarks – that there are no reasons to prevent your approval of the same, as per the draft prepared and approved during the meeting of the Board of Directors on 6 May 2021, together with the Report on Operations and the proposal for the allocation of the profit for the year formulated by the Board itself.

Milan, 20 May 2021

BOARD OF STATUTORY AUDITORS

President Dr Giuseppina Manzo Giuseppina Manzo

Statutory auditor Dr Federica Mantini Federica Mantini

Statutory auditor Dr Maurizio Voza Maurizio Voza

Unieuro S.P.A. - Registered Office in Forlì, Palazzo Hercolani, Via Piero Maroncelli 10, 47121-Forlì
Registration number with the Forlì-Cesena Companies Register and FC 00876320409

CONSOLIDATED NON-FINANCIAL STATEMENT

Pursuant to Legislative Decree 254/2016

Issuer: Unieuro S.p.A.

Website: www.unieurospa.com

Year to which the Report refers: the financial year ended 28 February 2021

CONTENTS

Letter to the Stakeholders

Stakeholders,

The path of Unieuro towards sustainability, understood as a model of conduct to be pursued without compromise, has gradually been strengthened and structured over the years. It draws inspiration from the values underlying the Group's history: passion in the desire to do, grow and anticipate, proximity both territorial and in understanding the needs of customers, experience inherent in its history and commitment to activities and actions towards the community.

The understanding of these values, together with the pursuit of the corporate mission and objectives, translates into respect for ethical principles, in the belief that this is an indispensable condition for the Group's sustainable growth in the long term, also through the affirmation of its reputation and credibility towards stakeholders.

All the more reason, in the complex context created in the year 2020/21 due to the pandemic, Unieuro's choices were guided by the intention - even before the need - to protect and safeguard its stakeholders from the risks deriving from the emergency. Customers benefited from the prompt adoption of sanitation measures in stores and the strengthening of the online channel. Employees were provided with Personal Protective Equipment, enabled for smart working, economically protected by an insurance policy in the event of Covid, reimbursed of the flu shot and finally rewarded with an extraordinary bonus. Finally, suppliers, partners, creditors and shareholders benefited from Unieuro's solidity and ability to react and adapt. Said qualities enabled them to protect their legitimate interests.

By virtue of the growing importance of social and environmental aspects in the corporate governance systems of listed companies, Unieuro's commitment to compliance with market best practices therefore found a winning impulse in the pandemic period, with the establishment within the Board of Directors of the Sustainability Committee, approved in November 2020. The latter is called upon to carry out propositional and advisory functions towards the Board on sustainability matters, evaluating the processes, initiatives and activities aimed at overseeing Unieuro's commitment to create long-term value for the benefit of all its stakeholders.

"The virtuous path of Unieuro is destined to continue unstoppably, pursuing the market consolidation and company strengthening that create sustainable value for everyone: shareholders, customers, employees, suppliers, partners, the community, even for competitors, who in Unieuro must be able to recognise a responsible market leader, respectful of business ethics and with a strong value base".

Stefano Meloni
Chairman of the Board of Directors

The creation of the Sustainability Committee clearly testifies that Unieuro's path towards sustainability does not follow a program in itself and disconnected from company management, but is an integral part of it, stimulating innovation and the achievement of economic and financial objectives.

Also in light of the ways in which the Group has been able to react to the epochal crisis still underway, innovation is confirmed as the key to a winning and differentiating approach. Indispensable from an omnichannel perspective, innovation is in fact the mother of all positive developments for companies: from it derive the consideration of consumers, the appreciation of the market, and therefore the best interest for shareholders.

Furthermore, sellers of innovation must inevitably focus on innovation themselves, even internally. It is on this that Unieuro constantly works, to add to innovation the value component for which stakeholders feel the need today. "Responsible" innovation, as a pervasive element of Unieuro's strategy, will make it possible to achieve not only an improvement in terms of economic results, but also of the Company's environmental and social impact.

Lastly, I would like to point out that this Consolidated Non-Financial Statement - which for the fourth consecutive year outlines in-depth the Company's commitment to the management of environmental, social, people-related and anti-corruption aspects, as well as effective and transparent governance - is for the first time a separate document from the Report on Operations. This too is a clear sign of Unieuro's renewed and growing attention to increasingly essential issues, for you as well as for us.

6 May 2021

Catia Cesari
Chair of the Sustainability Committee

1. INTRODUCTION

1.1 About us

Unieuro S.p.A.[1] is the leader in the distribution of consumer electronics and household appliances in Italy, thanks to an omnichannel approach that integrates direct stores (about 270), affiliated stores (about 250) and the digital platform unieuro.it., in addition to the digital pure player Monclick. The Company is based in Forlì. It has a central logistics platform in Piacenza and a staff of approximately 5,400 employees. Listed on the STAR segment of the Italian Stock Exchange since 2017, Unieuro recorded revenues of approximately Euro 2.7 billion in the year ended 28 February 2021.

Unieuro's mission is to combine the needs of today's customers with tomorrow's technological solutions, thanks to the convenience of its products and services and the acceptance of its people, the widespread presence, the very vast assortment, the ability to organise the offer in a pleasant, clear and relevant way.

In this regard, it should be noted that the concomitance of important company changes and new emerging sensitivities, also linked to the increasingly important role of sustainability, have led to a rethinking of the mission, currently under review.

SUSTAINABILITY AT THE CENTRE

For Unieuro **sustainability will be one of the central strategic topics for the coming years**, meeting the challenges of the various forces driving in this direction:

- **demanding and informed consumers**, who are increasingly asking companies to take a position;
- **careful investors** who use "ESG" (environmental, social and governance) criteria in their investment approaches;
- **interested talent motivated** to work for companies that operate sustainably;
- **well-established manufacturers** with "ESG" targets at the centre of their strategy.

Therefore, sustainability will be at the centre of the company's new mission, built based on the "ESG" initiatives that have already been launched.

The **corporate values** that inspire the Group's activities are:

PASSION
In the desire to do, to grow, to anticipate

CLOSENESS
Both territorial and in the timely and accurate understanding of its customers' needs

EXPERIENCE
Inherent in the history and tradition of Unieuro

COMMITMENT
In activities, actions and towards the community

[1] As specified in the "Procedural note", the terms "Unieuro" or "Group" shall mean the group of companies consisting of the parent company Unieuro S.p.A. and the wholly-owned subsidiary Monclick S.r.l., whereas by the terms "Unieuro S.p.A." or "Company" we refer exclusively to the parent company.

All the over 500 stores, both direct and affiliated, are marked by the Unieuro brand: one of the most recognisable and successful in the sector, with a claim - *"Batte. Forte. Sempre"* (Beating Strong Always) - unique and memorable in the retail context. Today, the Unieuro brand presents itself as an interlocutor of a systematic communication ecosystem across all channels, online and offline.

Through the five various distribution sectors - integrated and converging - in which it operates, Unieuro markets a wide range of consumer electronics products, household appliances as well as ancillary services. More specifically, the product categories in which the Company operates are:

- **GREY**, which includes telephony, tablets, information technology, telephone accessories, cameras, as well as all wearable technology products;
- **WHITE**, which includes both large household appliances (MDA) such as washing machines, dryers, refrigerators or freezers and ovens, and small appliances (SDA) such as vacuum cleaners, food processors, coffee machines, in addition to the air-conditioning segment;
- **BROWN**, consisting of televisions and related accessories, audio devices, smart TV devices, car accessories, as well as memory systems;
- **OTHER PRODUCTS**, includes both the sales of the entertainment sector and other products not included in the consumer electronics market such as hoverboards and bicycles;
- **SERVICES**, including home delivery, installation, collection of used items, extended warranty, consumer credit services through financial intermediaries and after-sales assistance.

In addition to the sale of products from third-party suppliers, Unieuro S.p.A. also markets products with private brand. This is some lines of appliances, large and small, produced by third parties that are marketed under the "Electroline" brand.

The subsidiary Monclick S.r.l., in turn, sells IT, electronics, telephony and household appliance products through the website www.monclick.it guaranteeing a total shopping experience, which ends with the home delivery and installation of the purchased product. It also operates in the segment Business to Business to Consumer (B2B2C), where the customers are operators which need to purchase electronic products to distribute to their regular customers or employees to accumulate points or participate in competitions or incentive plans.

Unieuro adheres to external associations, at local, national and international level with the aim of optimising public and institutional relations.

At local level, Unieuro is associated with **Confindustria** (Forlì), **Ascom** (Forlì) and **Confapi** (Piacenza), to protect its interests in the territories in which the head office and the logistics hub are located respectively.

At national level, Unieuro S.p.A. is a member of **Aires** (Italian Association of Specialised Appliances Retailers). It brings together the main companies and specialised distribution groups of household appliances and consumer electronics, and in turn is a member of Confcommercio Imprese for Italy. From 5 April 2018, Unieuro expresses the President of the Association. The Company also adheres to **Confimprese**, which groups primary operators with direct and franchised distribution networks, regardless of the product sector in which they operate.

At international level, Unieuro was one of the founders, at the end of 2019, of the new European association **EuCER** (European Consumer Electronic Retailer Council), based in Brussels. It brings together European consumer electronics chains and purchasing groups. EuCER was in turn admitted, in March 2020, to EUROCOMMERCE, one of the major associations representing European retailers.

Shareholding and corporate structure

Since April 2017, Unieuro shares have been listed on the STAR segment of the Italian Stock Exchange. Since January 2020, Unieuro S.p.A. has been a public company to all intents and purposes.

The new status was acquired following the gradual withdrawal from the capital by the private equity operator Rhône. Thanks to the IPO on the Italian Stock Exchange in April 2017 and three subsequent placements, it zeroed its interest in the beginning of 2020, initially equal to 70.5% of the share capital.

The free float expanded further in January 2021, following the sale on the market through an accelerated bookbuilding procedure of 7.17% of the share capital of Unieuro originally owned by Dixons Carphone Plc. through Alfa S.r.l.

In September 2020, Mr Giuseppe Silvestrini announced that his equity investment in the Issuer had exceeded the threshold of 3% in the previous April, as he directly and indirectly held 4.3% of the share capital of Unieuro.

On 6 April 2021, the telecommunications operator Iliad announced the purchase of a stake equal to approximately 12% of the share capital of Unieuro, of which 1.9% through an equity swap contract expiring on 17 September 2021.

At the date of this Report, the Unieuro free float amounted to roughly 80% of the Company's share capital.

The breakdown of the Company's share capital is provided below:

Share capital of Unieuro S.p.A.[2]

Share capital	%
Iliad S.A.[3]	10.2
Amundi Asset Management	6.8
Mediolanum Gestione Fondi SGR p.A.	4.9
Giuseppe Silvestrini	4.3
JP Morgan Asset Management Holding Inc.	3.3
Other institutional and individual shareholders	70.5

[2] In line with the *Report on Corporate Governance and ownership structure* at 28 February 2021, information on the shareholding structure, starting from the *Consolidated Non-Financial Statement* at 28 February 2021, is provided at the date of this Report and only on the basis of public information available to the Company (communications relating to significant equity investments reported by Consob pursuant to art. 120 of Italian Legislative Decree 58/1998).

[3] In addition to 1.9% subject to an equity swap contract signed by Iliad Holding S.p.A. expiring on 17 September 2021, with Unieuro shares as the underlying asset.

1.2 Stakeholder Engagement

Stakeholder engagement represents a moment for listening and dialogue for the Group, with a view to the utmost transparency, which is critical to understand the level of satisfaction with respect to its actions and to best pursue the dual objective of creating economic value and shared value. The stakeholder identification process was launched in the course of 2017 for the preparation of the Group's first Disclosure, also in order to identify material topics for the Group. In particular, a mapping of the stakeholders was carried out, in keeping with those identified in the Code of Ethics, selecting: the categories whose interests are relevant based on direct and indirect relationships with the Group, the categories whose interests may be directly or indirectly conditioned or influenced by the company's activities and, finally, those on which the effects of the activities carried out by the Group would have the most impact.

1.2.1 Open dialogue with Shareholders

In a critical and volatile year such as 2020/21, Unieuro guaranteed an even greater willingness to dialogue and discuss thanks to the Investor Relations (IR) function, which operated carefully and diligently to ensure information alignment of the financial market in light of the rapid succession of events, and to highlight the solidity of Unieuro and its medium and long-term prospects.

The unprecedented and challenging context, which began in March 2020, initially raised investors' fears of the sustainability of the business itself. In the first months of the year, Unieuro showed proactivity, seriousness and transparency in communication, seizing the most appropriate moments to share the current state of operations, highlighting risks and opportunities, objectives and actions adopted to deal with the emergency situation.

Starting from May, with the emergence of strong consumption trends favourable to the Company's business, the Corporate IR & Communication function focused on sharing gradually emerging messages with external stakeholders, with particular attention to the criterion of uniform information and the significance of the information for the purposes of the correct valuation of the stock on the Stock Exchange.

Among the main issues touched upon during the meetings with the Financial Community, it is worth mentioning the resilience capacity and solidity of Unieuro in the face of the pandemic emergency in progress; the levers available to Management to preserve people's health, profitability and corporate assets; medium and long-term prospects and the ability to return to remunerate capital once the emergency is over.

IR & CORPORATE COMMUNICATION ACTIVITIES

Specifically, IR & Corporate Communication activities for the year 2020/21 regarded:

- promotion of quality coverage of the Unieuro stock by brokers, followed by a pan-European broker (Kepler Cheuvreux) and three Italian brokers (Mediobanca, Banca Akros and Alantra);
- organisation of conference calls, dedicated to financial analysts and investors for a public and direct discussion with Management on the evolution of the emergency and on the economic, financial and equity results of the Company;
- participation in investor conferences and roadshows - strictly virtual - organised by third parties, with particular reference to the STAR Conference in May 2020 promoted by Borsa Italiana;
- constant updating of the corporate website, www.unieurospa.com, dedicated to all stakeholders, in particular financial ones, interested in exploring the corporate identity of Unieuro, its strategies, its results and, more generally, the investment case. The website also acts as an archive for corporate documentation, for the benefit of shareholders and investors;
- promoting the visibility of Unieuro on the main financial, traditional and digital media, on the occasion of the dissemination of periodic results and extraordinary transactions;
- use of the professional social network LinkedIn, functional to the sharing of corporate content for the benefit, in particular, of small shareholders and employees.

1.3 Materiality

Based on what is governed by the regulations and defined by the GRI Standards, an analysis of materiality (significance) of the Group's non-financial issues was carried out, which allowed the set of aspects to be reported in the Disclosure to be defined.

The materiality analysis process on the Group's non-financial topics was carried out for the first time on the occasion of the Consolidated Non-Financial Statement as at 28 February 2018 and subsequently updated during the year 2020/21, also to bring out the new sensitivities introduced by the pandemic context.

This process is divided into the three main phases: *1) preliminary identification*, *2) evaluation* and *3) definition* of the material issues.

1. Considering as a starting point the indications provided by Legislative Decree 254/2016, the potentially relevant issues were first identified on the basis of an analysis of the activities carried out by Unieuro, the characteristics of the sector, the approaches adopted by comparable companies at national and international level and the themes suggested by the GRI for each economic sector;

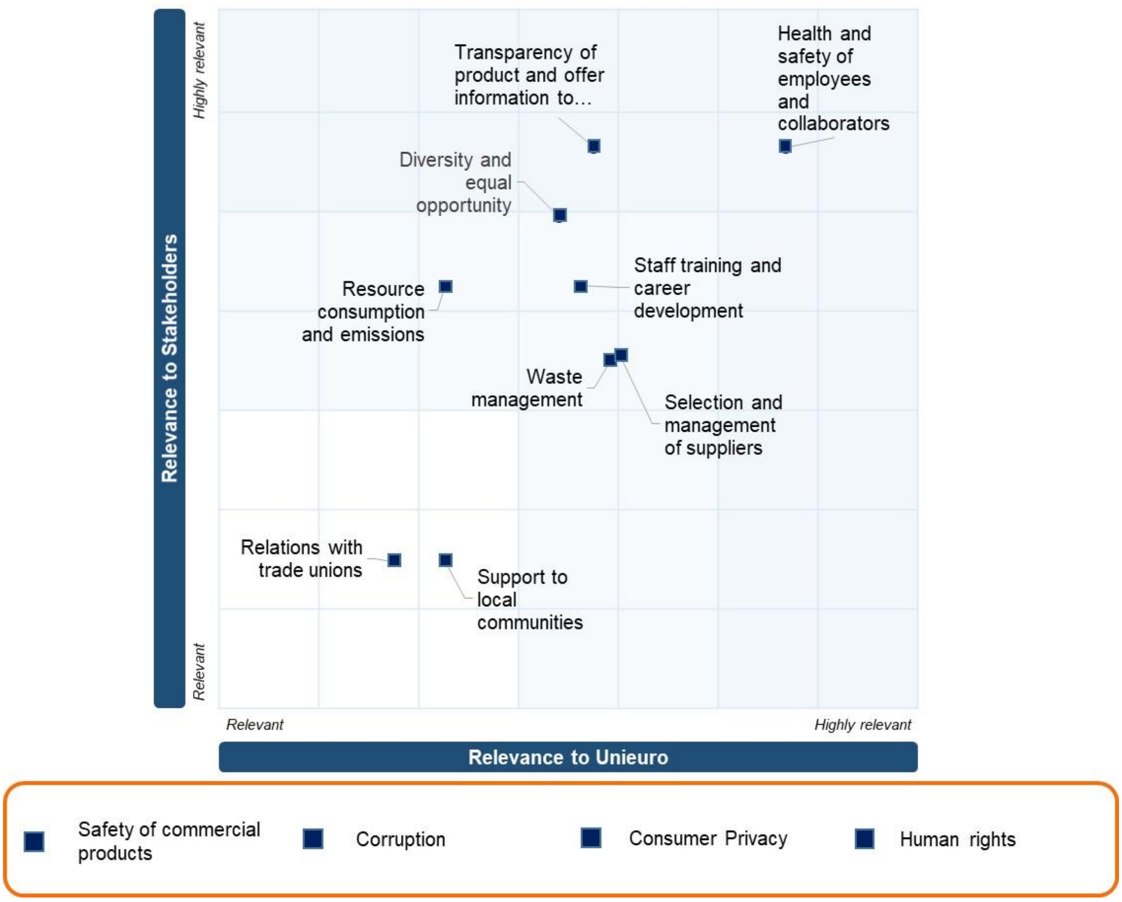
2. the issues that emerged were discussed and evaluated by Top Management in dedicated meetings, so as to allow the definition of those most representative of the socio-environmental impacts generated by the Group, based on their relevance for the achievement of corporate objectives (relevance for Unieuro) and for internal and external stakeholders of the Company (relevance for stakeholders);

3. at the end of the analysis, the **12 material issues** were defined, related to the aspects governed by Legislative Decree 254/2016.

Based on the most recent update, a higher priority was assigned to topics such as: "Health and safety of employees and collaborators", "Transparency of information on products and offers to customers" and "Diversity and equal opportunities". Three issues ("Safety of products on the market", "Combat against corruption" and "Consumer privacy protection") were characterised by utmost and unquestionable materiality, therefore acquired and correctly supervised by Unieuro also in compliance with applicable regulations.

The following matrix shows the Group's material topics organised in relation to the priorities of the topics in the two dimensions evaluated.

Materiality matrix



1.4 Beyond compliance: Unieuro's contribution to sustainable development and ESG risk management

1.4.1 Unieuro's contribution to the SDGs

Unieuro contributes to the achievement of the United Nations Sustainable Development Goals (SDGs). Based on the material issues identified and in light of the new emerging sensitivities, linked to the increasingly important role of sustainability, the Group is increasingly striving to communicate to stakeholders its commitment to achieving the sustainability objectives set. In this direction, we represent the link between the actions and projects undertaken by the Group and the SDGs, which represent a reference for Unieuro's strategies.

Activities and projects carried out by Unieuro
▪ Awarding of an extraordinary, one-off bonus of Euro 500 to Unieuro employees as a gesture of concrete gratitude to all those who, with great passion, have allowed record results in this particular year ▪ Activation of specific insurance coverage in the event of a Coronavirus infection ▪ The cost of the flu vaccine is expected to be reimbursed to all employees who have used it
▪ Since 2019 a company Academy has been active for new store managers and affiliated entrepreneurs. Participants, who are identified through an internal candidacy process, assessment centres and individual interviews, participate in on-the-job and classroom training that lasts 6 months.
▪ The Articles of Association have been adapted to the current regulatory provisions on gender balance in the composition of the administrative and control boards
▪ The company evaluation process was extended to all organisational roles, covering 83% of the company population in the year 2020/21 ▪ Defined a business model, conceived and developed in light of the Group's strategic vision, which provides, in addition to the continuous profitable growth of the business, also the enhancement of the centrality of the customer and the opportunities of omnichannel
▪ Installed energy efficiency systems at 88 points of sale ▪ Installed building automation systems to manage all the systems of a specific building in an integrated and intelligent way ▪ Installed 11 charging stations at some points of sale ▪ Signed an important commercial agreement for the provision of "Demand Response" services in 9 points of sale ▪ Started cutting 100% of paper copies, followed, from September 2020, by the launch of a specific site to allow the transition from paper to digital and that provides for a 50% cut of the print run in favor of an increase in digital readings ▪ Started pallet recovery activity for reuse (currently completed for the "HUB" circuit) ▪ Started the project for the renewal of Unieuro S.p.A. printer machines
▪ Started in 2016 the **NoCyberbullying** project, conceiving and promoting, with the State Police, the #Cuoriconnessi tour ▪ Renewed the support for the local basketball team, as main sponsor, and sponsorship of the sports hall in the city of Forlì "Unieuro Arena" ▪ Over 2,000 smartphones donated for the benefit of Covid-19 patients

1.4.2 Main ESG risks and management methods

For Unieuro, risk management is a priority. Aside from financial risks, the Group also focuses on environmental, social and governance risks, with the conviction that an effective risk management process cannot neglect these aspects as they are factors which enable sustainable success.

In consideration of the activities carried out by Unieuro and the characteristics of the reference market, the main non-financial risks, i.e. ESG risks, of the Group and the relative management methods are outlined below.

Environment

The Group companies operate in the retail sector of small and large household appliances, mainly through the retail and e-commerce channel, where there are environmental risks related above all to compliance with applicable regulations on correct waste disposal, which could imply limitations on business activity or significant additional costs. Specifically, there is the risk of incorrect or non-disposal of waste, in particular of WEEE (Waste Electrical and Electronic Equipment). Unieuro is in fact among the subjects that are obliged to the free collection of WEEE, as well as the possession of the technical requirements for carrying out the activities of preliminary deposit, collection, subsequent transport and conferment.

The Group's Code of Ethics promotes waste management in compliance with current legislation through selected suppliers, requiring verification of the authorisations, registrations and communications of third parties necessary for the exercise of the activities and the traceability of the process and control of the supply chain. To control this risk, the Group also has a specific operating manual that defines roles, responsibilities and operating methods for:

- initial and periodic verification of the possession and validity of communications/registrations required by regulations for the pick-up/collection/transport of WEEE and the relative deadlines and timing for renewal requests;
- correct management of activities in compliance with current regulations, with reference to: types of WEEE collected, compliance of the grouping place with the applicable regulatory requirements, maintenance of the documentation required by regulations;
- verification of compliance with the obligations required by regulations for third parties entrusted with the collection of WEEE;
- traceability of all activities relating to the pick-up/transport /collection of WEEE.

Furthermore, in order to limit any risks of co-responsibility in the disposal of waste (not WEEE), also due to the annual contractual obligation[4] with a single supplier, specific mitigation actions have been implemented, such as: the definition of a master contract (to be adapted on the basis of the suppliers and the sales points involved). It allows the Company to release itself from the supplier, with the possibility of terminating the contract at any time and for any reason (e.g. reasons for a supplier's actions, commercial choices, etc.), the conduct of audits on the supplier and respective subcontractors, as well as the identification of a new supplier for the diversification of the service. For further details, refer to the section on Waste management.

Additional possible environmental risks concern emissions into the atmosphere caused by network gas systems and refrigerant gas leaks from "rooftop refrigeration units" (air conditioners and/or

[4] It should be noted that the Company is introducing, on an experimental basis, three-year contracts for economic savings. Also in this case, the early termination clause included in the annual standard contracts applies.

climatisers). However, given the nature of its business, the management of energy consumption and related emissions does not represent a high risk factor for Unieuro.
With reference to these latter aspects, as recalled by the Code of Ethics, Unieuro conducts its business taking account of the need to protect the environment and the sustainable use of natural resources, in compliance with the environment regulations in force. For further details, refer to the section on Energy consumption and emissions.

Clients

As a retail distributor of consumer goods, the Group is exposed to the risk of actions for product liability pursuant to the provisions of the Consumer Code (Legislative Decree 205/2006).
Possible violations may emerge from: (i) advertising messages concerning the characteristics and quality of the products or about the mechanics of prize operations, published at points of sale and/or e-commerce site and/or media channels; (ii) warranty extension agreements; (iii) information contained in the product labels or in the illustrative documents inside the packages.
The sale by suppliers of products potentially harmful to the health or not in line with European standards in terms of safety or quality of products, albeit governed by supply framework agreements and subject to certification by third parties, could expose Unieuro to the risk of claims for compensation and criminal proceedings for damages caused by defects in products sold and negative repercussions on the Group's reputation with possible negative effects on its economic, asset and financial situation. Likewise, Unieuro could be exposed to reports to consumer associations or the Competition and Market Authority (AGCM) for complaints on various accounts.

The Unieuro Code of Ethics, in addition to promoting relationships with consumers based on full transparency and satisfaction with the products and services offered, guarantees the Group's commitment to safeguarding the safety and security of its customers. The high standing that characterises the selected suppliers and the stringent sector regulations currently in force in Europe for the marketing of products (in particular the RoHs Directive[5]), guarantee the maximum possible control over said risks. For further details, refer to the section on Health and safety of customers.

Being particularly active in online sales, further potential risks for Unieuro may be related to hacker attacks and the cloning of customer credit cards or personal data, but also to malfunctions or interruptions of computer systems. Unieuro is in fact exposed to the risk of negative repercussions on the perception of the quality of the e-commerce service offered, caused by potential cyber frauds perpetrated by third parties. Likewise, it is exposed to the risk that the personal data of customers and subjects with whom the Company entertains relationships might be damaged, stolen, lost, disclosed or processed for purposes other than those permitted.

The Group Code of Ethics requires particular caution in the processing of information relating to corporate activity and the data of employees and third parties in general (including customers), and undertakes to protect information generated or acquired within the corporate structure and/or during the management of business relationships. Unieuro S.p.A. has in fact implemented specific control systems to monitor physical and IT access, the data center, as well as e-mail. The Company has also implemented and shared a Disaster Recovery Plan with all corporate functions. This Plan, in addition to including a series of activities to be implemented in the event of an emergency, also includes a series of measures to be implemented periodically to verify their validity.
Furthermore, in 2018, Unieuro started a process of continuous adaptation to the data protection regulation (GDPR), adopting an organisational model that contains policies and procedures that aim

[5] The Directive establishes rules regarding the restriction of the use of hazardous substances in electrical and electronic equipment (EEE) in order to contribute to the protection of human health and the environment, including the environmentally correct recovery and disposal of EEE waste.

to mitigate possible data breaches. For further details on privacy aspects, refer to the section on Security and protection of customer data.

Lastly, with reference to the pandemic crisis, further risks may concern the health and safety of its customers at the points of sale. To this end, Unieuro S.p.A. has introduced new services designed to regulate entry flows to the points of sale in order to contain the risk of contagion as much as possible and therefore guarantee maximum safety. For further details, refer to the section on Customers.

Personal

Unieuro considers its people as valuable resources. In fact, the Group's results and success also depend on the ability to attract and retain qualified personnel and those who have held key positions in the business development stages. In this sense, the main risks relating to personnel management are connected to: difficulties in finding resources with specific IT and digital skills; loss of key resources with possible negative effects (albeit temporary) on company operations; possible changes and interpretability of the reference legislation (labour law, social security, tax and administrative practices related to personnel management); excessive branching of the sales network throughout the national territory and distance from the head office.

Additional risks may be attributable to inadequate or inefficient internal communication processes, inadequate personnel training and to occupational accidents and/or illnesses, mainly deriving from the manual handling of warehouse loads at the goods storage sites.

The Group is also very attentive to respect for the fundamental principles relating to human rights, universally recognised to all human beings indistinctly and ratified by the most important international declarations and agreements. From the assessments carried out by the management, no activities directly carried out by the Group that present risks of violation of human rights emerged (equality, life and security, personal freedom, economic, social and cultural freedoms).

Within the Code of Ethics, the Group undertakes to respect a series of fundamental principles for the management of human resources. Among these is the principle of equal opportunity and non-discrimination, to be respected both at the time of hiring and in the continuation of the employment relationship, ensuring fair and merit-based treatment. Unieuro undertakes to comply, in all personnel management policies, with the National Collective Labour Agreement and current labour legislation. In addition to the Code of Ethics, the Group has also formalised a Company Regulation with the aim of sharing and disseminating the Group's values, principles and rules of conduct to all its collaborators.

In order to attract and retain its employees, Unieuro has adopted an individual performance assessment system that examines organisational and professional conduct and offers managerial and professional training courses for both store and head office personnel.
The Group is also committed to building a work environment open to dialogue and discussion, giving all of its employees and collaborators the opportunity to contact their direct manager or the HR function when necessary, by direct contact, by telephone or by e-mail. Furthermore, thanks to the whistleblowing system implemented, Unieuro provides its employees with the possibility of reporting unlawful or illegitimate conduct or behaviour. For further information, refer to the sections on “Staff training and career development” and “Organisation, Management and Control Model and company regulatory system”.

To control the risk of occupational accidents and/or illnesses, Unieuro S.p.A. has adopted an Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 and related verification protocols, in compliance with Legislative Decree 81/2008. For further information, refer to the section on Well-being, health and safety.

Consistent with Monclick's business, the risk of occupational accidents and illnesses is not significant.

Moreover, regarding occupational health and safety, in response to the pandemic crisis, Unieuro promptly issued and disseminated specific protocols and operating procedures to all its people, in compliance with the "*Shared Protocol for regulating measures to combat and contain the spread of the Covid-19 virus in the workplace*" of 14/03/2020 as amended on 24/04/2020, in order to inform workers on the Covid issue. The protocols and operating procedures can be consulted by all employees in their personal area of the Zucchetti management system.

In the context of a health emergency, Unieuro S.p.A. has managed its personnel by making choices aimed at safeguarding health and has taken steps to ensure that employees at the head office can work remotely, where possible. For store personnel, the Company has introduced "aTUperTU" and "filaVia" services designed to regulate the flow of entry into the store and ensure maximum safety for workers and customers.

A special Committee has been set up in which the following actively participate: Employer, Head of the Prevention and Protection Service (RSPP), Company Doctor (MC) and Workers' Safety Representatives (RLS).

In addition, Unieuro has made available to all personnel the Personal Protective Equipment (PPE) required by the legislation, hydroalcoholic solutions for hand sanitation, barriers in checkout and financing areas, guarantee of daily cleaning and sanitation, quota rules for access to common areas and related signage. For further information, refer to the section on Well-being, health and safety.

Corruption

Among the activities identified by the Company as potentially susceptible to corruption, we highlight the relationships that the company may have with the authorities and public officials for the opening of new stores, for the organisation of promotional events or during tax audits. There may also be incidents of corruption during inspections on health and safety at work, on the protection of personal data or on the correct disposal of waste.

Risks of corruption among individuals can instead be generated in the relationships established for the identification of the properties for the points of sale and in the definition of the related contractual conditions, in relations with third parties in situations of litigation undertaken against the Company as well as in the negotiation of contracts of purchase with suppliers, to obtain advantageous conditions as well as during the verification of customs formalities.

In order to minimise the risk of conduct that may be attributable to corruption, the Unieuro Group has adopted a specific Anti-corruption Policy, in compliance with its Code of Ethics and in line with the best practices in terms of Anti-corruption Compliance Program and with the international standard ISO 37001:2016.
Furthermore, in order to encourage the collaboration of workers to encourage the emergence of corruption, the Group has implemented a whistleblowing process. It has been formalised in a specific company policy (Whistleblowing Policy), which provides stakeholders with tools for reporting of unlawful conduct or violations of Model 231, of the Code of Ethics, of the Anti-corruption Policy and, in general, of all internal company regulations adopted by the Company.
For further details, refer to the sections on Organisation, Management and Control Model and company regulatory system and the combat against corruption.

Supply chain

The Unieuro Group markets a wide range of products supplied by a large number of third parties, including the leading global manufacturers of home appliances, IT equipment and consumer electronic goods. Almost all the products marketed by the Company, as widely happens in the reference market, are produced in countries at risk of political, economic and social instability or potentially subject to possible import restrictions. The Company's success also depends on its ability to maintain lasting commercial relationships with these suppliers: otherwise, it could have an impact on the company's reputation and operations, with possible negative repercussions on its economic, equity and financial situation.

Furthermore, given the location of the main suppliers, the main environmental risks along the supply chain are the risks associated with the typical activities of manufacturers of household appliances and consumer electronic goods. Among these, the main ones are soil and water pollution due to incorrect disposal of water and liquids, pollution in the atmosphere caused by the fumes from the processing of materials and by the consumption of electricity and fuels, as well as incorrect waste disposal (e.g. processing and packaging waste).

From a social point of view and respect for human rights, the risks associated with the supply chain mainly refer to non-compliance with reference regulations. Especially in some countries characterised by social instability, they can concern risks of violation of human rights (e.g. child labour, forced labour and freedom of association and bargaining).
Other risks related to procurement may refer to delays in the arrival of goods or the receipt of goods in conditions that do not comply with the order (in terms of quantity and quality).
With specific reference to direct imports, products follow a qualification process during the production phase. Subsequently, they are certified by third parties to be able to enter the market in compliance with all the sector regulations in force in Europe (in particular the RoHs Directive). For further details, refer to the section on Health and safety of customers.

To mitigate these risks, the Group has set out in the Code of Ethics a series of principles that must be respected both by its employees when selecting new suppliers, and by suppliers in the context of relations with the Group. For further details, refer to the section on Selection and management of suppliers.

2. GOVERNANCE

2.1 Governance Bodies

SUSTAINABILITY COMMITTEE

Created in November 2020, in light of the increasing importance of ***social*** *and* ***environmental*** *aspects within corporate governance systems of listed companies*

4 ***women*** *within the Board of Directors*

20% reduction of directors' fees for the months of April and May 2020 approved to deal with the health emergency

Unieuro has adopted a so-called traditional management system, which enhances the role of the Board of Directors as an executive body while the audit function is delegated to the Board of Statutory Auditors. The Company's corporate bodies are the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors, whose powers and operating methods are governed by law, by the Articles of Association and by the resolutions adopted by the appropriate bodies, as the case may be.

The Board of Directors has set up three internal committees with advisory and propositional functions: the *Remuneration and Appointments* Committee, the *Control and Risks* Committee and the *Sustainability Committee*. In addition to these is the *Committee for Transactions with Related Parties*. It is assigned the duties and functions envisaged by the Consob Related Party Regulations.

Specifically, the establishment of *the Sustainability Committee* is part of the broader context of progressive integration of sustainability into the strategies, risk management and remuneration policies of listed companies. The increasing centrality of Corporate Social Responsibility (CSR) issues in corporate governance is also confirmed by the new Corporate Governance Code (previously called the Self-Conduct Code) approved by the Corporate Governance Committee in January 2020. For Unieuro, it will come into force starting from the year 2021/22. Among the objectives pursued by the Committee, in the overall revision of the Code, there is in fact also the greater importance and centrality of the "principle of sustainability of the business activity".

In terms of **diversity and gender balance**, in line with:

- the adaptation of the Articles of Association to the current regulatory provisions on gender balance in the composition of the administration and control boards, which took place, in an extraordinary session, on the occasion of the Shareholders' Meeting of 12 June 2020;
- the substantial uniformity of the provisions on the subject of diversity between the previous Corporate Governance Code - to which the Company was already aligned - and the new Corporate Governance Code;

the administration and control boards, in continuity with the previous year, confirmed, in their composition, compliance with current legislation, including regulations, on the subject of gender balance. In fact, at present the boards have a composition that takes into account the gender combination required by the regulations in force, as well as a composition of age, experience, professional and personal characteristics such as to make these boards adequately productive.

For further information on the Governance system, refer to the Report on Corporate Governance and ownership structures as at 28 February 2021

MEASURES FOR LIMITING THE EFFECTS OF THE HEALTH EMERGENCY

With reference to the package of measures aimed at containing the effects of the health emergency, on 14 April 2020, the Board of Directors of Unieuro S.p.A. approved a 20% reduction in the remuneration of the Directors for April and May 2020. This follows the complete waiver by the Chief Executive Officer of related remuneration for the same months and the simultaneous reduction in salary by the entire company management (by 20% for top managers and 10% for other managers and function managers). Said measures were already announced on 30 March 2020.

2.1.1 Board of Directors

The management of the Company is entrusted to a Board of Directors, pursuant to art. 12 of the Articles of Association, consisting of an odd number of members of not less than seven and not more than fifteen. The Meeting determines the number of members of the Board of Directors from time to time, before their appointment, and within the limit indicated above may increase during the term the number of directors who terminate their mandate together with those in office. Directors remain in office for the term set by the shareholders' resolution appointing them, subject to a maximum of three financial years and are re-eligible for office. The members of the Board of Directors must possess the requisites of professionalism and honourableness provided for by the regulations, also regulatory, in force and a minimum number, not less than that established by the pro tempore legislation in force, must meet the independence requisites prescribed by the applicable provisions.

The Company's Articles of Association provide that the appointment of directors takes place through the list voting mechanism and that the current Board of Directors as well as the shareholders who alone or in concert represent the percentage of share capital required by applicable regulations are entitled to submit lists. Article 14 of the Articles of Association also provides that if, after the vote and the application of the preceding paragraph a gender balance is not achieved as provided for by regulations, the candidate from the most represented gender elected last in order from the list with the highest number of votes will be excluded and replaced by the first unelected candidate in numerical order on the same list and from the least represented gender. If fewer candidates are elected based on the lists submitted than there are directors to be elected, the remainder will be elected by the shareholders' meeting, which will ensure that the minimum number of independent directors are elected and that the gender balance required by regulations is achieved.

If no lists are submitted or if the directors are not appointed for any reason in accordance with the procedures established herein, the shareholders' meeting will act according to the statutory majority, in compliance with any minimum allotment ratio between genders (male and female) provided by law and regulations.

Members of the Board of Directors

The Board of Directors, appointed on 18 June 2019 and integrated on 20 February following the resignation of three original directors, is currently made up of 9 members (5 men and 4 women) and will expire with the approval of the financial statements as at 28 February 2022.

As at the date of this Disclosure, the Board of Directors is therefore composed as indicated in the following table:

Members of the Board of Directors

Assignment	Age	Gender	Type	Independence	Membership of groups of stakeholder
Chair	72	M	Non-Executive	Independent[6]	-
Chief Executive Officer[7]	62	M	Executive	Not independent	*Management*
Director	59	M	Non-Executive	Independent	-
Director	56	M	Non-Executive	Independent	Assogestioni
Director	54	F	Non-Executive	Independent	-
Director	63	F	Non-Executive	Independent	-
Director	53	M	Non-Executive	Independent	-
Director	52	F	Non-Executive	Independent	-
Director	51	F	Non-Executive	Not independent	-

[6] Pursuant to the Consolidated Finance Act but not the Corporate Governance Code for listed companies (2018 version), as an important representative of the Company.
[7] CEO and Sole Director of Monclick S.r.l.

Members of the Board of Directors by age group

Age range	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
under the age of 30	N°	-	-	-	-	-	-	-	**-**	**-**
between 30 and 50 years		-	-	**-**	-	1	**1**	2	-	**2**
age over 50 years		5	4	**9**	5	3	**8**	5	-	**5**
Total		**5**	**4**	**9**	**5**	**4**	**9**	**7**	**0**	**7**

Control and Risk Committee

The Control and Risk Committee, appointed by the Board of Directors on 26 June 2019 and integrated into the current composition on 4 March 2020, has the task of assisting the Board of Directors with preparatory, advisory and consultative functions, in evaluations and decisions relating to the internal control and risk management system, as well as those concerning the approval of periodic financial reports.

As at the date of this Disclosure, the Control and Risk Committee is made up of 3 non-executive and independent directors (1 man and 2 women over the age of 50).

Remuneration and Appointments Committee

The Remuneration and Appointments Committee was appointed by the Board of Directors on 26 June 2019 and integrated into its current composition on 06 February 2020.
As a Remuneration Committee, the task is to assist the Board of Directors with preparatory, advisory and consultative functions, in evaluations and decisions relating to the remuneration policy of directors and managers with strategic responsibilities, evaluating periodically the adequacy, the overall consistency and the concrete application of the remuneration policy.
As an Appointments Committee, the task is instead to assist the Board of Directors with preparatory, advisory and consultative functions, in preparing the criteria for the designation of its members and in formulating opinions on the size and composition thereof. The Committee also formulates assessments on the designations of the managers and members of the corporate bodies and boards.

The Remuneration and Appointments Committees are made up of 3 non-executive and independent directors (2 men and one woman, over the age of 50).

Committee for Transactions with Related Parties

The Committee for Transactions with Related Parties, appointed by the Board of Directors on 26 June 2019, mainly has the task of formulating specific reasoned opinions on the interest of Unieuro in the performance of Transactions with Related Parties, whether these are of greater or lesser importance, expressing a judgement regarding the convenience and substantial correctness of the relative conditions, upon receipt of timely and adequate information flows.

The Committee for Transactions with Related Parties is made up of 3 non-executive and independent directors (2 men and 1 woman over the age of 50).

Sustainability Committee

In light of the above-mentioned growing importance of social and environmental aspects in the corporate governance systems of listed companies, on 12 November 2020, the Board of Directors approved the establishment of a Sustainability Committee within it. This body carries out propositional and advisory functions towards the Board on sustainability and responsible innovation matters, evaluating the processes, initiatives and activities aimed at overseeing Unieuro's commitment to create long-term value for the benefit of all its stakeholders.

The Committee is currently made up of 3 non-executive and independent directors (1 man and 2 women over the age of 50).

2.1.2 Board of Statutory Auditors

The Board of Statutory Auditors is appointed by the ordinary Shareholders' Meeting of the Company, pursuant to articles 21 and 22 of the Articles of Association, through a transparent procedure that guarantees, among other things, adequate and timely information on the personal and professional characteristics of the candidates for the position. As long as the Company's shares are listed on an Italian regulated market or other member states of the European Union, the Board of Statutory Auditors is elected by the ordinary Meeting on the basis of lists presented by shareholders and ensuring gender balance according to the provisions of applicable regulations. If the balance between the genders is not insured according to the provisions of regulations, the necessary substitutions will be carried out according to the progressive order in which the candidates are listed. Statutory Auditors remain in office for three financial years. Their term of office expires on the date of the shareholders' meeting convened to approve the financial statements for their third year in office.

Members of the Board of Statutory Auditors

The Board of Statutory Auditors, appointed on 18 June 2019 and in office for a period of three years, is made up of 5 auditors including the Chair, 2 standing auditors and 2 alternate auditors.

Members of the Board of Statutory Auditors

Assignment	Age	Gender	Independence	Membership of groups of stakeholder
Chair	40	F	Independent	Assogestioni
Statutory Auditor	48	F	Independent	-
Statutory Auditor	45	M	Independent	-
Alternate auditor	37	M	Independent	-
Alternate auditor	40	F	Independent	-

Members of the Board of Statutory Auditors by age group

Age range	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
under the age of 30	N°	-	-	-	-	-	**-**	-	-	**-**
between 30 and 50 years	N°	2	3	**5**	2	3	**5**	2	-	**2**
age over 50 years	N°	-	-	**-**	-	-	**-**	3	-	**3**
Total		**2**	**3**	**5**	**2**	**3**	**2**	**5**	**-**	**5**

2.2 Compliance and Ethical Business

2.2.1 Organisation, Management and Control Model and corporate regulatory system

Unieuro S.p.A. is sensitive to the need to ensure fairness and transparency in the conduct of business and related business activities, to protect its image and reputation, the expectations of its stakeholders and the work of its employees.

The Company has therefore adopted an Organisation, Management and Control Model in accordance with Legislative Decree 231/2001 (hereinafter also "Model 231"), suitable for preventing unlawful conduct on the part of its directors, employees and collaborators subject to management or supervision by the Company. Although the adoption of the Model 231 at the time of its adoption did not constitute an obligation, but an optional choice assigned to each individual body, the Company decided to adapt by launching a project to analyse its organisational, management and control tools, verify the correspondence of the behavioural principles and of the existing safeguards with respect to the requisites envisaged by Legislative Decree 231/2001 and, where necessary, proceed with the integration of the system in force. Through the adoption of the Model 231, Unieuro S.p.A. intends to prevent and combat the commission of crimes and to promote a corporate culture based on legality, compliance with regulations and internal regulations.

The Company has appointed a Supervisory Body (SB) to which it has entrusted the task of supervising the widespread and effective implementation of Model 231, its observance by the recipients, as well as proposing its updating in order to improve the efficiency of prevention of crimes and offenses. The Unieuro SB is configured as a multi-subject body with autonomous powers of initiative and control.

The Organisation, Management and Control Model is constantly updated in order to incorporate the new types of offenses which, from time to time, are introduced in the catalog of predicate offenses 231. The last update performed dates back to November 2020, with respect to which the Company has adapted to the new tax and smuggling offenses.

In compliance with the provisions on whistleblowing (Law no. 179 of 30 November 2017 - *"Provisions for the protection of the authors of reports of crimes or irregularities of which they have become aware in the context of a public or private employment relationship")*, a reporting system is made available to the recipients of Model 231 in order to highlight unlawful conduct, on the basis of specific and consistent facts (article 6, paragraph 2-bis of Legislative Decree no. 231/2001). The reports are collected through specific channels (the whistleblowing portal, made available on the company Intranet and the e-mail address odv@unieuro.com) and managed in line with the provisions of the Whistleblowing Policy (adopted starting from March 2019 and updated to November 2020). The Internal Audit Director prepares, at least every six months (on the occasion of the periodic meetings of the SB), a report summarising the reports received, the possible outcome of the analyses carried out and those in progress and sends them to the SB of the Company.

The Legal Director deals with updating and any revision of the Policy and undertakes to ensure that it is correctly disseminated and applied.

To share values, principles and behavioural rules with their collaborators and communicate them to all other stakeholders in order to build a transparent reality geared towards compliance with ethical and behavioural standards, Unieuro has also adopted a Code of Ethics in which it requires its employees and collaborators to operate in compliance with the laws in force, professional ethics and internal regulations, in no way justifying conduct contrary to the principles of fairness and honesty. Unieuro's success cannot be separated from ethics in the conduct of business and, consequently, the competitive context in which it operates must be inextricably linked with ethical sensitivity, social involvement and respect for the environment. The principles, sanctioned by the Company's Code of Ethics, concern transparency, fairness and honesty, impartiality, protection of competition, prevention of conflict of interest, confidentiality and protection of privacy, compliance with current regulations, workplace safety and environmental protection, accounting control and transparency, prevention of money laundering, prevention of computer crimes, protection of intellectual property and protection of company assets. Compliance with the provisions of the Code of Ethics is considered an essential part of the contractual obligations of the Company's employees (pursuant to and for the purposes of articles 2104 and 2105 of the Italian Civil Code) and of all those who have commercial relationships with the Company. Therefore, any breach of the above provisions may constitute non-fulfilment of these obligations, with all legal consequences.

As regards Monclick, with reference to the integration plan with the Parent Company, it is working to adopt the same Organisation, Management and Control Model of Unieuro S.p.A.

2.2.2 The combat against corruption

As required by the Code of Ethics, no employee must directly or indirectly accept, solicit, offer or pay sums of money or other benefits, even as a result of illicit pressures. Unieuro does not tolerate any kind of bribery of public officials, or any other party connected with public officials, in any form or manner, in any relevant jurisdiction, including those where such activities are permitted in practice or not prosecuted.

In addition to the principles and rules of conduct outlined in the Code of Ethics, Model 231 identifies the activities "sensitive" to the commission of the offenses referred to in Legislative Decree 231/2001, including the crime of corruption. It defines specific control measures to support the instrumental processes deemed exposed to the potential risk of commission of crimes. A sanctioning system is also adopted to ensure the effective implementation of Model 231 and information and training activities on its contents are outlined. The training courses are generally provided in the classroom with regard to the top managers (Directors and Area Managers) and through the e-learning platform for the remaining employees.

Training on anti-corruption was carried out together with the training pursuant to Legislative Decree 231/2001 and on the subject of whistleblowing, for a total of 2,157 hours and 4,314 participants[8] (of which 0.02% executives, 0.53% middle managers, 97.84% office workers and 1.6% blue collar workers), excluding members of the Board of Directors. The significant increase in terms of hours of training and participation, compared to the previous year (279 hours and 377 participations), is mainly attributable to the rescheduling of training activities that had been blocked in correspondence with the Covid emergency in the year 2019/20.

As already mentioned above, thanks to the whistleblowing system implemented, Unieuro also establishes the methods by which to report illegal or illegitimate conduct or behaviour, committed or omitted, which constitute or may constitute a violation, or induce a violation of Group controls.

On the basis of the principles defined in the Code of Ethics and in addition to Model 231, in March 2019, Unieuro defined a specific Anti-corruption Policy. It dictates to personnel a series of rules to follow in order to strengthen the anti-corruption controls. In particular, the Policy establishes the obligation to adhere to anti-corruption regulations, providing a definition of what can be interpreted as corruption and establishing the obligation to report illegal practices in which personnel may be actively or passively involved. This Policy was subsequently updated in November 2020, on the occasion of the updating of Model 231.

Performance indicators

During the risk assessment activities carried out by the Company during the year 2020/21 in order to identify "sensitive" activities and processes deemed to be exposed to the potential risk of commission of offences pursuant to Legislative Decree 231/2001, 34 sensitive activities were mapped, of which 25 potentially at risk of committing the crime of corruption (about 74%), considering both crimes in relations with the PA and corruption crimes between private individuals. At the same time, the related procedures and controls were defined.

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[8] This value does not represent the actual number of employees trained in the fiscal year, but the number of times they have taken part in training courses.

During the 2020/21 financial year, no reports were found for the Group that concerned incidents involving corruption.

2.2.3 Tax liability

Although the Unieuro Group has not formalised its own tax strategy, in implementation of the general principles of transparency, correctness and truthfulness of information, it applies Italian tax legislation in a timely manner (the only country in which the Group companies are based) to ensure the logic and purpose that the norm or legal system envisage for the matter being interpreted are observed. In cases where the tax legislation is not sufficiently clear or unambiguous in the meaning attributable to it, the competent tax unit pursues a reasonable interpretation thereof, inspired by the principles of legality and availing itself of the advice of external professionals.

The principles and general rules of the Code of Ethics are also respected in the fiscal area. Furthermore, following the introduction of tax offenses (article 25- *quinquiesdecies*) within the offenses envisaged by the catalog of Legislative Decree 231/2001, an update of the Organisation, Management and Control Model has been envisaged by providing for a specific Special Section "O": Tax offenses.

With regard to 231 compliance, the Parent Company's Supervisory Body, as part of its activities, checks the controls for the prevention of tax offenses, in order to ensure proper management of tax compliance.

Furthermore, the processes relating to tax compliance, with specific reference to the Parent Company, are the subject of the audit activity to support the issue of the certification pursuant to Law 262/2005 *"Provisions for the protection of savings and the regulation of financial markets"*, which provides for specific monitoring, control and responsibility obligations for listed companies regarding the preparation of accounting documents and financial communications disseminated to the market.

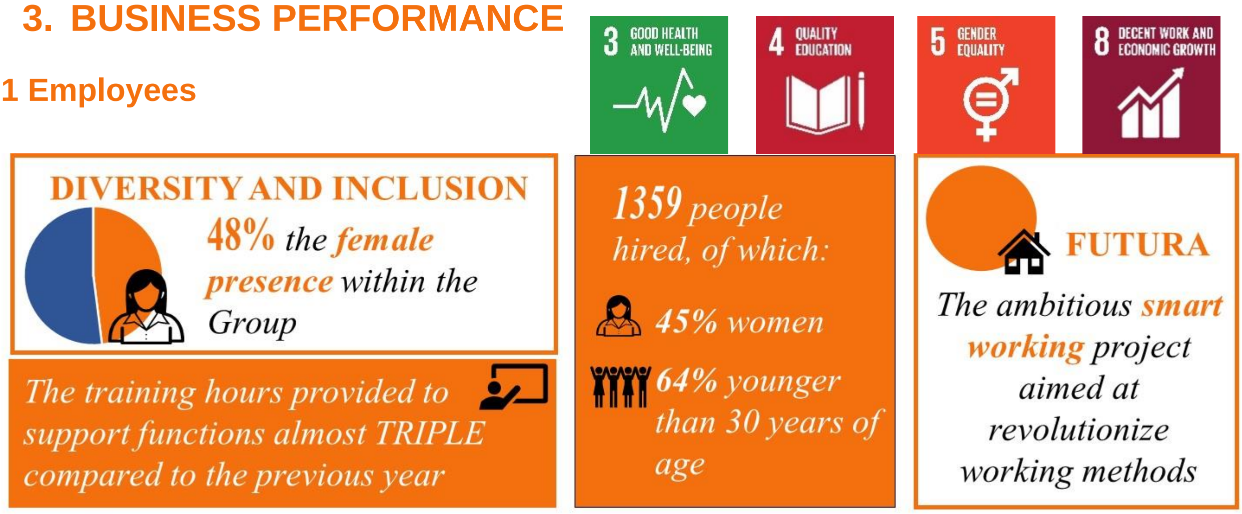
The organisation of the Parent Company provides for a Tax Manager on staff to the Administration & Control Director who reports directly to the Chief Financial Officer. With reference to the subsidiary Monclick, tax activities report directly to the Head of Administration.

In order to manage and contain the tax compliance risk, mapped as part of the Risk Assessment activity conducted by the Company, appropriate control measures and the associated risk owners have been defined.

The Unieuro Group adopts a collaborative approach with the tax authorities and guarantees transparency and fairness in relations with them, both in the event of audits relating to Group companies and to third parties.

3. BUSINESS PERFORMANCE

3.1 Employees



3.1.1 Personnel management

The Unieuro Group employs 5,391 resources, an increase of approximately 7% compared to the previous year.

Employees are divided between business activities (clerks, cashiers, storekeepers and store managers), amounting to 4,991 employees, and support activities (employees, specialists, coordinators, managers, director of headquarters functions - Finance and Control, Commercial, Omnichannel, Marketing, Property, Technical Office, Human Resources, IT, Logistics, Service, Customer Care and Sales, Investor Relations), equal to 400 employees. The majority of the resources (84%) are employed on permanent contracts, guaranteeing the Group the possibility to retain qualified personnel within the company. All employees are covered by collective bargaining agreements.

Effective employee management is central to Unieuro's success. The competence and commitment that every single individual dedicates to company activity are at the base of the competitive advantage achieved by the Group, to the point of considering the costs for professional growth and training among the most significant investments in intangible capital (in this respect, refer to section “Staff training and career development”). The dissemination of a real shared culture is promoted by the Code of Ethics, addressed to all employees and approved by the Board of Directors, in which the Group establishes the principles of equal opportunities and non-discrimination, health and safety of workers, prevention of corruption risk and conflicts of interest, correct remuneration policies and, finally, the centrality of employee orientation towards the client. All personnel management policies are also defined in the utmost compliance with the applied National Collective Labour Contract and of the current labour regulations.

In particular, the Company requires all the functions responsible for processes or procedures concerning personnel management to:

- adopt selection criteria based on merit and competence;
- select, hire, train and remunerate employees without discrimination;
- comply with employment laws and standards.
- guarantee the physical and moral integrity of the collaborators;
- guarantee the right to working conditions that respect the dignity of the person.

Through the e-mail address managed by the Supervisory Body and communicated to all employees, it is possible to send reports for violations of the Code of Ethics or Model 231. This tool allows to establish a direct dialogue with the supervisors and guarantees the anonymity of the reporter.

Unieuro has formalised a system that provides annual assessment interviews and direct interviews with store personnel by store managers and, informally, the Area Managers, during which employees can report any problems in a climate of open dialogue and mutual exchange.

Personnel management also involves the well-being and satisfaction of its employees. On 11 February 2021, the ambitious "FUTURA" smart working project was presented to the more than 300 employees of the central functions during a digital event via live streaming. The project is intended to revolutionise the methods of work and integration between people, placing them at the centre of an innovative, rewarding and more sustainable work experience. The project, implemented with the support of a specialised external consultancy company, was created from listening to the needs of employees through surveys, interviews and focus groups. Thanks to the adoption of cutting-edge technologies, during the transfer to the new Forlì office to Palazzo Hercolani, it was possible to start a more flexible way of working in terms of hours and spaces. There is a 45-day presence at the office throughout the year and each employee can benefit from ample time flexibility throughout the day and the right to log off. By focusing on trust and individual responsibility in achieving the objectives, Unieuro is evolving its offices into places of collaboration, sociality and support for the corporate culture, with significant benefits in terms of motivation of people, balance between private and working life and lower emissions related to transport.

UNIEURO PEOPLE AT THE CENTRE

Unieuro wanted to provide a sign of its specific focus on its employees, with the assignment of an extraordinary, one-off bonus of Euro 500 (excluding C-Levels). This initiative, unanimously approved by the Board of Directors of Unieuro S.p.A., represented a gesture of concrete gratitude towards all those who, with great passion, have allowed record results in this particular year.

Performance indicators

Employees divided by age group, gender and function

Employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Employees employed in support functions		**217**	**183**	**400**	**196**	**171**	**367**	**190**	**157**	**347**
under the age of 30		16	28	44	15	24	39	11	22	**33**
between 30 and 50 years		143	132	275	136	124	260	146	119	**265**
age over 50 years	*N°*	58	23	81	45	23	68	33	16	**49**
Employees employed in business activities		**2581**	**2,410**	**4,991**	**2,442**	**2,225**	**4,667**	**2,184**	**2,177**	**4,361**
under the age of 30		404	310	714	351	259	610	335	242	577
between 30 and 50 years		1753	1,736	3,489	1,730	1,675	3,405	1,634	1,648	**3,282**

age over 50 years		424	364	788	361	291	652	215	387	**502**
Total		**2,798**	**2,593**	**5,391**	**2,638**	**2,396**	**5,034**	**2,374**	**2,334**	**4,708**

Number of employees by type of contract and geographical area[9]

Employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Fixed-term contract	N°	**453**	**420**	**873**	**375**	**304**	**679**	**372**	**294**	**666**
North		297	288	585	231	195	426	240	198	438
Centre		90	83	173	89	53	142	115	83	198
South and Islands		66	49	115	55	56	111	17	13	30
Permanent contract		**2345**	**2,173**	**4,518**	**2,263**	**2,092**	**4,355**	**2,072**	**1,970**	**4,042**
North		1369	1,366	2,735	1,286	1,284	2,570	1,269	1,250	2,519
Centre		583	532	1,115	586	542	1,128	581	550	1,131
South and Islands		393	275	668	391	266	657	222	170	392
Total		**2,798**	**2,593**	**5,391**	**2,638**	**2,396**	**5,034**	**2,444**	**2,264**	**4,708**

Employees per region

Employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Valle d'Aosta	N°	7	10	**17**	5	10	**15**	5	10	**15**
Lombardy		488	459	**947**	381	338	**719**	378	328	**706**
Piedmont		229	291	**520**	193	257	**450**	200	274	**474**
Trentino Alto Adige		25	20	**45**	23	20	**43**	21	24	**45**
Veneto		298	273	**571**	305	258	**563**	304	239	**543**
Friuli-Venezia-Giulia		61	61	**122**	62	61	**123**	69	72	**141**
Liguria		135	142	**277**	125	144	**269**	116	131	**247**
Emilia-Romagna		423	398	**821**	423	391	**814**	416	370	**786**
Tuscany		100	116	**216**	95	114	**209**	93	116	**209**
Abruzzo		27	29	**56**	28	30	**58**	31	31	**62**
Marche		118	102	**220**	112	101	**213**	122	105	**227**
Umbria		20	15	**35**	18	15	**33**	17	14	**31**
Molise		22	15	**37**	24	15	**39**	24	15	**39**
Lazio		386	338	**724**	398	320	**718**	409	352	**761**
Sardinia		64	66	**130**	67	66	**133**	66	63	**129**

[9] The subdivision by geographical areas is distributed as follows:
North: Valle d'Aosta, Piedmont, Lombardy, Trentino Alto Adige, Friuli Venezia Giulia, Veneto, Emilia Romagna, Liguria
Centre: Tuscany, Abruzzo, Marche, Umbria, Molise, Lazio
South and Islands: Sardinia, Campania, Apulia, Basilicata, Calabria, Sicily

Campania	17	12	**29**	18	10	**28**	20	7	**27**
Apulia	86	51	**137**	88	47	**135**	93	60	**153**
Basilicata	36	24	**60**	35	24	**59**	35	24	**59**
Calabria	9	14	**23**	10	14	**24**	11	15	**26**
Sicily	247	157	**404**	228	161	**389**	14	14	**28**
Total	**2,798**	**2,593**	**5,391**	**2,638**	**2,396**	**5,034**	**2,444**	**2,264**	**4,708**

3.1.2 Diversity, equal opportunities and respect for human rights

For Unieuro, diversity represents a real value. This is why it constantly strives to guarantee its respect in all phases of personnel selection, ensuring that there is no room for discrimination on grounds of race, gender, nationality, sexual orientation, social status, physical appearance, religion and political orientation.

Unieuro's goal is to build a transparent reality oriented towards compliance with ethical and behavioural standards, in the belief that the success of the company cannot be separated from ethics in the conduct of business and that competitiveness must not only indissolubly accompany ethical sensitivity, but also social involvement and respect for the environment.

To this end, a Code of Ethics and Company Regulations have been formalised to share the values, principles and rules of conduct with their collaborators and communicate them to all other interlocutors. The Company has also adopted specific selection procedures based on the principles of impartiality, speed and economy in the performance of the selection and selection publication process. The processes are based on the adoption of objective and transparent criteria, suitable to ascertain the correspondence of the professional skills, abilities and aptitudes of the candidates to the characteristics of the positions to be filled, ensuring equal opportunities in access to employment and avoiding any type of discrimination. In specific cases, such as the selection of managerial or executive profiles, Unieuro can use companies specialised to guarantee greater impartiality and objectivity in the selection.

Unieuro's commitment to respecting diversity and equal opportunities does not end in the selection phase, but is reaffirmed at every stage of the relationship with its employees, adopting criteria based on merit and competence also in remuneration policies. As indicated in the Code of Ethics, the physical and moral integrity of employees is considered a primary value for the Group, which aims to ensure for its employees the right to working conditions that are always mindful of the dignity of the person.

In line with the previous year, training courses were provided for managers, focused on personnel management and labour regulations, aimed at guaranteeing all workers the same opportunities, so that everyone can enjoy fair treatment based on merit criteria and strict compliance with the law.

Confirming the Group's commitment to equal opportunities, female presence within the company is 48%. The age group that is composed of the largest number of employees is between 30 and 50 years (70%) for both female and male staff. During the last financial year, 1,359 resources were included, of which 45% were women, with a prevalence of the under-30s age group (64%).

Furthermore, the Group has activated a series of part-time employment contracts, prevalently to female personnel, in order to promote work-life balance.

Performance indicators

Employees divided by age group, gender and level

Employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Executives	N°	**27**	1	**28**	**24**	**1**	**25**	**23**	**1**	**24**
under the age of 30		-	-	-	-	-	-	-	-	-
between 30 and 50 years		11	1	12	15	1	16	17	1	18
age over 50 years		16	-	16	9	-	9	6	-	6
Middle managers		**45**	**18**	**63**	**39**	**15**	**54**	**38**	**14**	**52**
under the age of 30		-	-	-	-	-	-	-	-	-
between 30 and 50 years		32	13	45	29	10	39	31	11	42
age over 50 years		13	5	18	10	5	15	7	3	10
Office workers		**2726**	**2,573**	**5,299**	**2,505**	**2,359**	**4,864**	**2,383**	**2,248**	**4,631**
under the age of 30		420	338	758	359	281	640	346	264	610
between 30 and 50 years		1835	1,854	3,707	1,762	1,773	3,535	1,732	1,755	3,487
age over 50 years		453	381	834	384	305	689	305	229	534
Factory workers		**-**	**1**	**1**	**70**	**21**	**91**	**-**	**1**	**1**
under the age of 30		-	-	-	7	2	9	-	-	-
between 30 and 50 years		-	-	-	60	15	75	-	-	-
age over 50 years		-	1	1	3	4	7	-	1	1
Total		**2,798**	**2,593**	**5,391**	**2,638**	**2,396**	**5,034**	**2,444**	**2,264**	**4,708**
under the age of 30		420	338	758	366	283	**649**	346	264	**610**
between 30 and 50 years		1896	1,868	3,764	1,866	1,799	**3,665**	1,780	1,767	**3,547**
age over 50 years		482	387	869	406	314	**720**	318	233	**551**

Employees divided by type of employment and gender

Employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Full-time employees	N°	2126	1,193	**3,319**	2,036	1,141	**3,177**	1,897	1,103	**3,000**
Part-time employees		672	1,400	**2,072**	602	1,255	**1,857**	547	1,161	**1,708**
Total		**2,798**	**2,593**	**5,391**	**2,638**	**2,396**	**5,034**	**2,444**	**2,264**	**4,708**

New hires, by age group, gender and geographical area

Number of new hires	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
North	N°	**495**	**406**	**901**	**363**	**298**	**661**	**365**	**316**	**681**
under the age of 30		341	272	613	229	180	409	215	178	393
between 30 and 50 years		147	121	268	111	100	211	118	118	236
age over 50 years		7	13	20	23	18	41	32	20	52
Centre		**149**	**131**	**280**	**151**	**103**	**254**	**123**	**101**	**224**
under the age of 30		106	81	187	98	58	156	76	46	122

between 30 and 50 years	40	50	90	50	45	95	43	54	97
age over 50 years	3	-	3	3	0	3	4	1	5
South and Islands	**97**	**81**	**178**	**72**	**70**	**142**	**31**	**28**	**59**
under the age of 30	38	36	74	29	26	55	13	4	17
between 30 and 50 years	53	44	97	40	44	84	16	23	39
age over 50 years	6	1	7	3	0	3	2	1	3
Total	**741**	**618**	**1,359**	**586**	**471**	**1,057**	**519**	**445**	**964**
under the age of 30	485	389	874	365	264	620	304	228	532
between 30 and 50 years	240	215	455	201	189	390	177	195	372
age over 50 years	16	14	30	29	18	47	38	22	60

Employees who have left the company, by age group, gender and geographical area

Employees who have left the company	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
North	N°	**422**	**310**	**732**	**368**	**274**	**642**	**322**	**225**	**547**
under the age of 30		264	210	474	222	187	409	207	134	341
between 30 and 50 years		145	87	232	129	79	208	100	79	179
age over 50 years		13	13	26	17	8	25	15	12	27
Centre		**143**	**109**	**252**	**166**	**132**	**298**	**140**	**118**	**258**
under the age of 30		87	58	145	98	50	148	63	55	118
between 30 and 50 years		53	50	103	61	78	139	71	61	132
age over 50 years		3	1	4	7	4	11	6	2	8
South and Islands		**64**	**62**	**126**	**63**	**40**	**103**	**21**	**41**	**62**
under the age of 30		19	25	44	26	10	36	3	1	4
between 30 and 50 years		39	37	76	33	30	63	18	40	58
age over 50 years		6	-	6	4	-	4	-	-	-
Total		**629**	**481**	**1,110**	**597**	**446**	**1,043**	**483**	**384**	**867**
under the age of 30		370	293	663	346	247	593	273	190	463
between 30 and 50 years		237	174	411	223	187	410	189	180	369
age over 50 years		22	14	36	28	12	40	21	14	35

Turnover rate[10]

Turnover rate	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Inbound turnover rate	%	26.5%	23.8%	**25.2%**	22.2%	19.7%	**21.0%**	21.2%	19.7%	**20.5%**
Outgoing turnover rate		22.5%	18.2%	**20.6%**	22.6%	18.6%	**20.7%**	19.7%	17.0%	**18.4%**

Gender relationship between the average basic salary and the average remuneration divided by level[11]

[10] The figure is calculated as the ratio between total inbound/outgoing and total employees in the reference year.
[11] The figure is calculated as the ratio between the average basic salary of men over that of women and between the average remuneration of men over that of women. For 2020/21 and 2018/19, the value for the "Workers" level is not reported as it is made up of only one resource.

Employees by level	u.m.	28/02/2021		29/02/2020		28/02/2019	
		Basic salary	Remuneration	Basic salary	Remuneration	Basic salary	Remuneration
Executives	%	53%	39%	52%	39%	50%	39%
Middle managers	%	110%	108%	107%	111%	113%	112%
Office workers	%	121%	122%	120%	121%	126%	128%
Factory workers	%	-	-	112%	108%	-	-

The incoming turnover rate increased compared to the year 2019/20, from 21% to 26.5%. Specifically, the incoming turnover rate broken down by geographical area is equal to 27% for the north, 22% for the center and 23% for the south and islands; with reference to the breakdown by age group, it is equal to 115% for the age category under 30, 12% for the age category between 30 and 50 and 3% for the age category over 50 years.

The outgoing turnover rate is in line with the year 2019/20. Specifically, the outgoing turnover rate broken down by geographical area is equal to 22% for the north, 20% for the center and 16% for the south and islands; with reference to the breakdown by age group, it is equal to 87% for the age category under 30, 11% for the age category between 30 and 50 and 4% for the age category over 50 years.

The indicators referring to personnel remuneration should be read in conjunction with the composition of the company population, the high incidence of part-time contracts on the total of female employees (approximately 54%) and the limited presence of women in the managerial population (executives and middle managers). Specifically, the table "Gender ratio between the average basic salary and average remuneration divided by level" shows a higher value for the male gender for office workers and middle managers categories, both as regards the basic salary and remuneration. For the office workers category, the difference in average remuneration between men and women is 21% for the basic salary and 22% for remuneration. This gap is mainly attributable to the part-time effect and to the organisational framework, as the directors and heads of sectors are predominantly men and only the former receive an MBO (which compose the remuneration). For middle managers, the difference in average pay between men and women is 10% as regards the basic salary and 8% as regards remuneration. This gap is mainly attributable to a female presence equal to 29% of the category, to the presence of a single female manager who works part-time and to the presence of 17 Area Managers, men, who by the very nature of the role receive a significant result bonus linked to the commercial performance of the network they oversee. For the executive category, the gender ratio relating to remuneration is not significant, as over 96% of the category is represented by men and the only woman is a top manager who receives a basic salary and remuneration significantly above the average.

3.1.3 Staff training and career development

Training activity represents the instrument on which Unieuro bases its competitiveness and professionalism, which over the years has become an essential strategic lever for developing the potential of resources, creating a homogeneous corporate identity and culture, accompanying professional development paths and supporting business changes. Every year, Unieuro devotes important resources to the professional growth of employees through classroom lessons, webinars, conferences, tutoring, simulations, training on the job, e-learning and staff training. Unieuro S.p.A. has also established an Academy for aspiring Executives.

The Company aims, through training, to place its employees in the condition to perform their work in the best possible way, strengthen and develop professional skills and competences, create a homogeneous corporate identity and culture, as well as accompany the professional development paths and support changes.

In addition to the training courses provided or suggested for legal obligations (Health and Safety, Model 231, Privacy), the Group offers managerial and professional training courses, both for store and head office staff. The inclusion of employees in the company and their professional growth are supported through targeted training actions, activating insertion paths for new recruits, programs to support continuous updating on the product news of the various product categories (staff training) and to improve Client reception. Among the training tools made available is the portal dedicated to training, Human Resources module - Training in Zucchetti, through which it is possible to register for the courses, to trace all the training/informative initiatives and to collect satisfaction questionnaires on the initiatives carried out. The protocols and procedures issued during the health emergency are also available and can be consulted by all employees on the Zucchetti portal.

To complete the training offer, since 2009 a company Academy has been active for new store managers and affiliated entrepreneurs. Participants, who are identified through an internal candidacy process, assessment centres and individual interviews, participate in on-the-job and classroom training that lasts 6 months.

During the year 2020/21, 10,515 hours of training were provided to 7,396[12] employees, recording a decrease of approximately 81% compared to the previous year. This change is mainly attributable to the cyclical nature of training obligations and the pandemic period. On the other hand, considering only the support functions, the hours of training provided increased compared to the previous year. This is attributable to the training course on smart working, which recorded about 300 people at various times.

Performance indicators

Hours of training provided

Hours of training by gender and function	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Employees employed in support functions	Hours	1963	2,299	**4,282**	934	196	**1,130**	269	75	**344**
Employees employed in business functions		3835	2,399	**6,233**	34,637	18,296	**52,932**	23,915	10,574	**34,489**
Total		**5,818**	**4,698**	**10,515**	**35,571**	**18,491**	**54,062**	**24,184**	**10,649**	**34,833**

Number of participations in training activities by employees, broken down by gender and function

Participation in training activities	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Employees employed in support functions	N.	1050	1,173	**2,233**	169	59	**228**	71	18	**89**
Employees employed in business functions		2752	2,421	**5,173**	7,889	5,956	**13,845**	2,998	1,330	**4,328**
Total		**3,802**	**3,594**	**7,396**	**8,058**	**6,015**	**14,073**	**3,069**	**1,348**	**4,417**

Hours of training by type

Hours of training by type	u.m.	28/02/2021	29/02/2020	28/02/2019
Products	Hours	554	28,036	15,625
Commercial		304	3,380	-

[12] This value does not represent the actual number of employees trained in the fiscal year, but the number of times they have taken part in training courses.

Management development	-	768	140
Marketing	-	-	-
Inclusion of newly hired employees in the company	-	-	224
Safety (pursuant to Legislative Decree 81/2008)[13]	1314	7,791	11,588
Academy Aspiring Executives	-	3,297	4,484
Apprentices	1396	5,148	2,335
Legal obligations	523	326	309
Training pursuant to Legislative Decree 231/2001	2157	279	-
Language	199	268	
Privacy	497	4,770	128
IT[14]	2842	-	-
Smart working[14]	730	-	-
Total	**10,515**	**54,062**	**34,833**

Average hours of training divided by gender, level and function[15]

Average hours of training by gender and category of employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Employed in support functions		9.14	12.56	**10.71**	4.77	1.14	**3.08**	1.42	0.48	**0.99**
Employees in business functions		1.49	1.00	**1.25**	14.18	8.22	**11.34**	10.94	4.86	**7.90**
Executives	*Hours/N*	15.22	1.50	**14.73**	11.44	2.00	**11.06**	2.17	-	**2.08**
Middle managers		6.79	14.17	**8.90**	19.89	8.38	**16.69**	5.32	3.14	**4.73**
Office workers		1.84	1.72	**1.78**	13.34	7.66	**10.59**	10.04	4.72	**7.46**
Total		**2.08**	**1.81**	**1.95**	**13.48**	**7.72**	**10.74**	**9.89**	**4.70**	**7.40**

3.1.4 Performance evaluation

The individual performance evaluation system adopted by Unieuro examines the organisational and professional behaviours implemented by the individual employee in light of the role held in the company, with the aim of:

- directing his performance and development towards corporate objectives and professional behaviour towards the corporate organisational culture;
- highlighting the need for training and develop its potential;
- strengthening his strengths and intervene on areas for improvement;
- developing a sense of belonging and identification in the company mission;
- building an organisational culture based on results and merit;

[13] Starting from March 2018, training relating to regulatory obligations regarding health and safety at work (pursuant to Legislative Decree 81/2008) is managed directly by the Unieuro Safety Office, resulting therefore outsourced by the HR Office.
[14] New training categories provided in 2020/21.
[15] The figure is calculated as the ratio between the training hours provided and the total number of Group employees divided by gender, level and function.

- collecting feedback.

Evaluation cycles are managed by a specific portal, which monitors all phases and can be accessed at any time by all employees. The performance evaluation interviews are individual and involve the collaborator with the related manager, to which the Human Resources function and/or the Head of the evaluation can be added. The evaluation process is currently extended to all organisational roles, covering, in the year 2020/21, 4,148 people corresponding to 83% of the company population (84% of men out of total men and 82% of women out of total women).

Performance indicators

Performance evaluation[16]

Professional categories	u.m.	28/02/2021			29/02/2020		
		Man	Woman	Total	Man	Woman	Total
Executives	%	92	100	**92**	88	100	**88**
Middle managers	%	100	100	**100**	47	79	**56**
Office workers	%	84	82	**83**	85	86	**86**
Factory workers	%	91	87	**90**	87	74	**84**
Total		**84**	**82**	**83**	**85**	**86**	**85**

3.1.5 Well-being, health and safety

For Unieuro, health and safety at work are essential values for the sustainable, effective and lasting development of one's own business organisation. In particular, the Group undertakes to ensure working conditions that guarantee respect for the physical and moral integrity of workers, paying particular attention to the risks associated with carrying out activities in the workplace and deriving from the external environment.

The policies aimed at mitigating the risks have been structured and formalised on the basis of the internal management models used by the Company, or the Model 231 and the related verification protocols, in compliance with Legislative Decree 81/2008.
Inspired by the phases of an Occupational Health and Safety Management System, the Company has in fact defined its own company control system suitable for the fulfilment of all legal obligations relating to occupational health and safety, in order to guarantee the best safety standards for its people, reduce or eliminate any accidents and illnesses deriving from work activities, as well as improve risk management.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

[16] The figure posted as at 28/02/2021 is related to the performance appraisals for the period 01/03/2019 - 29/02/2020. For the period 01/03/2020 - 28/02/2021 the Company intends to pursue the same objectives as the previous year, but it will be possible to calculate the quantitative and qualitative data not before October 2021 (end of the evaluation cycles business). This note is in line with as reported in the previous NFD.

The company's occupational health and safety management control system, in compliance with Italian Legislative Decree 81/2008, provides:

- an organisation chart of roles and responsibilities;
- the creation and formalisation of the Risk Assessment Document (DVR), within which the risks relating to health and safety in the workplace are identified and assessed[17]. During the Covid-19 emergency, an appendix to the DVR dedicated to the pandemic risk was drawn up, with the aim of tracing the actions implemented, in order to combat and contain the spread of the Covid-19 virus in the workplace;
- the application of control protocols including the provision of infrastructural and individual security systems;
- the creation and dissemination of procedures relating to safety (present within the Zucchetti portal);
- the provision of specific training activities (carried out by an external certified company and contacted directly by the RSPP);
- health surveillance activities (organised directly by the RSPP);
- monitoring activity (carried out operationally by various company subjects: RSPP, Area Managers, Directors, etc.).

With respect to the functions of occupational health services, as required by current legislation on the subject, the definition of the health protocol is the responsibility of the Company Doctor (MC). The monitoring of the company health situation is guaranteed by the sending, by this figure, of the aggregated health data and information about the risk of workers subjected to health surveillance. Sending is by means of Annex 3B (as defined by article 40, paragraph 1 of Legislative Decree 81/2008) to the competent bodies. For each inspection carried out, the Company Doctor produces a report based on the findings. The RSPP and one or more Workers' Safety Representatives (RLS) also participate in the inspections.

In order to correctly comply with the dictates of the Legislative Decree 81/2008, the Company also has the task of promoting the culture of safety within the Company through appropriate information and training actions towards all staff at different levels of the organisation.
During the year, therefore, all the training activities required by current legislation on health and safety at work were carried out for a total of 1,314 hours of training provided to 137 employees[18], of which 54% men and 46% women (98% belonging to the "office workers" category and 2% to the "blue collar" category).
With regard to Monclick, it should be noted that the training activities provided for by article 37 of Legislative Decree 81/08 were carried out in e-learning mode, as required by the State-Regions Agreement, while those provided for the emergency team (fire-fighting and first aid) were carried out in person.

In order to promote the health of its people, in addition to training activities, the Company provides its personnel with personal protection equipment (PPE), also aimed at mitigating the risk of accidents in the workplace, with the main reference to the activities carried out at the points of sale. Company insurance coverage for accidents at work and health services is also provided for all employees (e.g. access to Fondo Est for employees, Quas for middle managers and Fasdac for Executives). As a sign of attention to the protection of its people, in this emergency period, a specific insurance

[17] As required by Legislative Decree 81/2008 (Consolidated Safety at Work Act), the DVR is processed by the Employer (DL), in collaboration with the Head of Safety, Prevention and Protection (RSPP), verified by the Company Doctor (MC) and brought to the attention of the Workers' Safety Representatives (RLS), in order to highlight the severity and probability of occurrence of specific risk events for each individual role and activity carried out by employees.
[18] This value does not represent the actual number of employees trained in the fiscal year, but the number of times they have taken part in training courses.

coverage has also been activated in the event of a Coronavirus infection. It provides for an indemnity both in the event of hospitalisation and convalescence, as well as a package of post-hospital care to manage health recovery together with all the practical aspects of personal daily life. Another concrete initiative to mention is represented by the decision taken by the Group to reimburse the cost of the flu vaccine to all employees who have used it.

MEASURES TO LIMIT AND COMBAT THE SPREAD OF COVID-19

In order to contain the spread of the Covid-19 virus in the workplace, the Company has also implemented specific control measures, outlined in detail in the operational procedures formalised by the RSPP, shared via video conference with the Direct Channel Directors and the Chief Operating Officer, as well as disseminated to the entire organisation. The main measures adopted include: distribution to its personnel of PPE (surgical and disposable masks); access to sites - head office and stores - with a quota and after measuring the temperature; adoption of specific signs on the floor and by means of information signs for customers both outside the point of sale and in the areas of greatest influx; transmission on Radio Unieuro of a specific message to recall the prevention measures; cleaning and sanitation of the company; shifts, smart working and reformulation of production levels.

The procedures have been drawn up for all employees and non-employees: for the Forlì office and the stores, for the Piacenza Logistics Center, for suppliers and external companies whose workers access and stay in the Company's workplaces. In addition, specific policies have been introduced for Direct Channel Directors, Area Managers, Indirect Channel Directors, Franchising Area Managers and for the Order Planning Director, as the performance of their duties involves the need to carry out visits and inspections at the points of sale, both inside and outside the Region of residence/domicile, and for the site workers of the Technical and Services Office, as the performance of the task requires the supervision of the sites both inside and outside the region of residence/domicile. The Company is also completing the drafting of the safety manual for the Directors.

Monclick also immediately implemented specific controls aimed at countering the spread of the virus in the workplace (e.g. shifts, quota access, temperature measurement, dissemination of sanitising gel stations, social distancing, access prohibited to personnel non-employee and suppliers, sanitation systems, etc.) and immediately adopted a Home Working policy, equipping its employees with the necessary company devices and utilities in order to reduce transit at the workplace as much as possible.

In order to promote suitable information flows on health and safety, in 2006, Unieuro S.p.A. activated a special "Help Desk" portal, accessible from all points of sale and managed centrally by the Technical and Services Office function. It aims to collect the requests of the points of sale regarding maintenance interventions, following failures or anomalies on plants and workplaces. Furthermore, any violations or problems in terms of health and safety can be reported through the whistleblowing system and/or communicated to the RSPP or RLS.

The Group's commitment to ensuring optimal levels of management of the health and safety of its employees is also evidenced by the number of accidents recorded[19], which decreased by about 40% compared to the previous year (this change could be partly attributable to the increase in the closing days imposed by the lockdowns and the greater use of smart working). At the same time, the accident indexes show the low magnitude of the episodes that occurred during the period.

[19] Accidents are mainly related to the manual handling of loads: muscle pain, bumps, minor trauma of the lower and upper limbs.

Although not under the direct control of Unieuro, it should be noted that during the year, no accidents at work were recorded by external collaborators (employees of the cooperatives operating at the Piacenza logistics center).

Lastly, it should be noted that no cases of occupational illnesses were recorded for Group employees and external collaborators for the year 2020/21.

Performance indicators

Employee accidents by type and gender

Employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Recordable occupational accidents[20]	N°	44	22	**66**	66	44	**110**	56	58	**114**
of which commuting[21]	N°	*11*	*12*	***23***	*24*	*14*	***38***	*13*	*18*	***31***
Occupational accidents with severe consequences (excluding deaths)	N°	-	-	-	-	-	-	-	-	-
of which commuting[21]	N°	-	-	-	-	-	-	-	-	-
Deaths resulting from occupational accidents	N°	-	-	-	-	-	-	-	-	-
of which commuting[21]	N°	-	-	-	-	-	-	-	-	-
Recordable occupational illnesses	N°	-	-	-	-	-	-	-	-	-
Deaths resulting from recordable occupational illnesses	N°	-	-	-	-	-	-	-	-	-

Employee accident rates

Accident indexes[22]	28/02/2021			29/02/2020			28/02/2019		
	Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Lost working hours rate	2.00	0.95	1.55	1.67	1.75	1.70	1.96	2.67	2.26
Absentee rate	3.29	1.18	4.46	2.86	2.27	5.13	3.13	3.22	6.35
Rate of occupational diseases	-	-	-	-	-	-	-	-	-
Rate of recordable occupational accidents	10.70	7.07	9.13	15.36	13.58	14.59	13.98	19.19	16.22
Rate of occupational accidents with severe consequences	-	-	-	-	-	-	-	-	-
Rate of deaths resulting from occupational accidents	-	-	-	-	-	-	-	-	-

Accidents of external collaborators by type and gender and accident indices

[20] As regards the subsidiary Monclick S.r.l., no occupational accidents or illnesses were recorded in the last two years.
[21] In line with the requirements of GRI 403-9, this item includes commuting accidents only when transport was arranged by the organisation.
[22] The accident rates take into account occupational accidents and commuting accidents and are calculated as follows:
Lost working hours rate: (total number of hours lost by accidents/total hours worked) * 1,000
Absentee rate: (absence days / working days in the period)
Rate of occupational diseases (ODR): (total number of occupational illnesses/total hours worked) *200,000
Rate of recordable occupational accidents: (total number of recordable accidents/ total hours worked) *1,000,000
Rate of occupational accidents with severe consequences: (total number of recordable accidents with serious consequences / total hours worked) *1,000,000
Rate of deaths resulting from occupational accidents (total number of deaths resulting from accidents / total hours worked) *1,000,000

External collaborators	u.m.	28/02/2021	29/02/2020	28/02/2019
Recordable occupational accidents	N°	**-**	**9**	**17**
of which commuting		-	2	3
Occupational accidents with severe consequences (excluding deaths)		-	-	-
of which commuting		-	-	-
Deaths resulting from occupational accidents		-	-	-
of which commuting		-	-	-
Recordable occupational illnesses		-	-	-
Deaths resulting from recordable occupational illnesses		-		

Injury rates of external collaborators

Accident indexes[22]	28/02/2021	29/02/2020	28/02/2019
Rate of recordable occupational accidents	**-**	**14.00**	**31.00**
Rate of occupational accidents with severe consequences	-	-	-
Rate of deaths resulting from occupational accidents	-	-	-

3.1.6 Relations with trade unions

Operating in a labour-intensive sector, in which the quality of the relationship between sales personnel and customers is a fundamental element of the competitive advantage, the correct management of trade union relations represents an important issue for Unieuro, in order to guarantee positive and constructive dialogue with the workers' representatives. Over the years, Unieuro has always practised a policy of mutual exchange and direct and transparent dialogue with trade unions, both national and regional, signing second level agreements or solidarity contracts, comparing and presenting the results of the company or individual stores and data relating to staff.

During the year 2020/21, specific meetings were held with national and territorial trade union organisations. Among the main topics of discussion and sharing were: the subject of the previous agreements, company results, data relating to personnel, but also the performance of the single store or of the specifications relating to the local reference situations. On 27 March 2020, in response to the Covid-19 health crisis, "CIGD agreements" (Cassa Integrazione Guadagni in Deroga) were signed with the trade unions for the companies Unieuro S.p.A. and Carini Retail Sr.l. Furthermore, on 9 April 2020, an Addendum was signed relating to the CIGD agreement for Unieuro S.p.A.

As required by applicable regulations and in line with the CCNL of reference, in the case of organisational changes, for example in the case of transfer of workers with executive management responsibilities that determine a change of residence, Unieuro agrees with its collaborators the timing of notice and, if there is no agreement between the parties, respects the provisions of article 170 of the CCNL that grants a written notice of 45 days or 70 days for those who have family dependants.

Performance indicators

Employees covered by collective bargaining agreements

Employees	28/02/2021	29/02/2020	28/02/2019
Number of employees covered by collective bargaining agreements	5,391	5,034	4,708

Total employees	5,391	5,034	4,708
Coverage rate	**100%**	**100%**	**100%**

3.2 Customers

An important project has been launched aimed at ***rethinking the customer experience*** *of customers in an* ***omnichannel*** *perspective, to* ***support the drive-to-store*** *by exploiting the engagement opportunities generated by the* ***e-commerce*** *channel*

aTUperTU ***and*** ***filaVIA*** *new services, designed to manage customers flow in the store*

Unieuro awarded ***«Retailer of the Year 2020/21»*** *for consumer electronics and household appliances*

In a constantly evolving retail scenario made even more complex by the health emergency, the creation of a lasting relationship with customers is closely related not only to the breadth of the offer and accessibility of products, but also to the ability to establish a relationship of trust and offer a quality service, close to the customer. The Unieuro approach is therefore focused on the satisfaction and protection of its customers, with particular attention to those requests able to improve brand reputation and to promote a real increase in the quality of the service provided.

As required by the Code of Ethics, the Company operates with the aim of ensuring that all relations with customers are based on full transparency, fairness and professionalism and compliance with the law, with particular reference to the provisions on anti-money laundering, anti-usury and transparency. Thanks to these principles, the cornerstone of its business model, Unieuro is able to adequately manage the needs and expectations of its customers, responding promptly to any reports or complaints, always offering a transparent and quality service.

Unieuro's service model is designed and developed in light of the Group's strategic vision, which includes not only the continuous profitable growth of the business but also the enhancement of the customer's centrality and the omnichannel opportunities, each declined in all contact points through which the Company relates every day with its end customers.

In particular, “proximity to the customer” has a dual significance, of customer needs and of proximity. The latter, in turn, is realised on the physical level, both thanks to the capillarity of the network of stores, now over 500, and thanks to the integration of the platform unieuro.it in the digital ecosystem, combining the functions offered by search engines and exploiting the interaction with the main social networks, from home, via mobile and near the store itself. From an omnichannel point of view, proximity also translates into the "click and collect" project, the withdrawal system at the physical points of sale of products purchased by customers on the online channel. Unieuro is in fact one of the first companies in Italy to have sensed the potential to use the over 410 collection points, selected among its points of sale, for orders placed via the web, thus further getting close to its customers that wish to cut waiting times and additional delivery costs, and use alternative payment methods to e-money.

In response to the pandemic crisis, Unieuro S.p.A. has launched an important project aimed at reconsidering the customer experience in an omnichannel perspective, to support the drive-to-store by exploiting the engagement opportunities generated by the e-commerce channel. Therefore, promptly seizing the opportunities that the "new normal" is enabling, in terms of purchasing habits, sales channels and in-store processes, the Company has launched a project roadmap that will lead to the release of new digital omnichannel services. The first two services, free and already active in all points of sale since June 2020, were designed to rationalise the flow of customers in the store, in a historical moment in which social distancing continues to be fundamental:

- **aTUperTU** offers the possibility to book, via the website and app, a dedicated appointment with an employee for personalised assistance.
- **filaVIA** instead, which can be activated both via the website and app and in front of the sales outlet via the appropriate QR Code, allows booking the first entry time available, avoiding waiting and crowding.

In parallel, the figure of the steward was created, specially trained to manage access to the store and the traffic inside it with method and courtesy, so as to ensure total compliance with safety measures in light of the capacity limits of each department and, in general, of the point of sale.
In support of these initiatives, the new communication campaign "Vediamoci come più ti piace" (Let's see each other as you prefer) was launched with which, for the first time, Unieuro focuses its message on the issue of customer service.

In continuing its strategy of adapting the customer experience, in July 2020, the Company presented the new digital service "AUTOritiro" through which customers can collect purchases made online at the nearest store, without having to get out of their vehicle. Once the desired product has been selected on the site and the purchase has been finalised, the store is chosen. Once at the store, the customer shows himself in the goods collection area and a Unieuro employee will load everything into the car trunk. “AUTOritiro” was also supported by a dedicated communication campaign.

“BRAND OF THE YEAR” PRIZE

Unieuro S.p.A.'s ability to maintain excellence in customer service, even in the difficult context caused by the health emergency, is also evidenced by the prestigious "Brand of the Year 2020/21" award - for the Appliances & Electronics category - received on 25 November. For the second consecutive year, the Company was the most voted among hundreds of retail brands.

3.2.1 Quality of services and customer centricity

In fact, customer satisfaction cannot ignore the management and development of Customer Satisfaction that the Group monitors thanks to specific indicators[23], including: churn rate, ticket number[24] incoming and management/resolution time for incoming tickets.

Through Customer Care, belonging to the Customer Relationship Management (CRM) function, the Group constantly carries out monitoring activities also in order to avoid possible disruptions relating to home delivery of products and delivery times, especially during peak sales periods. Thanks to the information gathered, Unieuro has developed a corrective action plan that resulted in an order

[23] For the year 2020/21, the indicators "Number of calls handled per hour" and "Sample check of the quality of tickets and calls", usually detected through the service provided by an external company, were not used to monitor Customer Care, as the suspension of this service has been envisaged, in consideration of the Covid-19 period. While, the indicator "Verification of online order allocations" is currently managed by the IT Team which, through a specific dashboard, monitors orders before they are fulfilled.
[24] Communication tool with the customer by completing an online form available on the Company's website.

management project to optimise inventory stocks and respond to customer requests quickly and effectively.
Furthermore, Customer Care periodically carries out analyses on the defects of the individual product categories put on the market, based on the complaints received and on historical data, in order to inform the competent Category Manager about any suppliers that may have a high defect rate.

As for Monclick, the Care Team constantly monitors customer satisfaction through reports prepared by the figure in charge of customer support. The performance is analysed in terms of contacts received, e-mails, phone calls and messages on social networks. The entire passive cycle is monitored in the same way in terms of claims managed, such as transport anomalies, breakdowns and withdrawals. The opinions of customers are monitored and managed in terms of customer satisfaction and the performance of the office is observed by analysing the opinions of customers on the contacts received. On average, the number of monthly contacts that reach the Care Team is about 13 thousand e-mails received (of which 80% managed) and about 8 thousand telephone calls received (of which 80% managed).
The Care Team also deals with all problems and requests concerning the "active cycle" and the "passive cycle" of orders placed on Monclick.it, that is customer management and care during the purchase process, from pre-sale product insights to assistance for browsing the web, from the completion of the transactions to the updating of information related to the tracking of shipments up to the management of any issues with the order. The treatment is reserved for all related platforms (private sales, external partners, Ebay, Facebook, etc.).

3.2.2 Health and safety of customers

In addition to competitiveness and the level of service offered, Unieuro's strength is also based on the level of trust that customers develop in the products sold. For this reason, the Group is committed to ensuring the highest level of quality and protection of consumers, both in terms of safety of the product sold, and from the point of view of protection of the data and information collected.

Regarding non-Electroline branded products, the trust in the product is protected first of all by procurement from high profile suppliers, often international, whose quality and reliability are a fundamental part of their positioning as market leader. The conformity of the products with the laws and regulations on safety is also periodically monitored by means of sample checks by the external authorities, in order to evaluate their real characteristics and certifications in the light of the European RoHs Directive (Restriction of Hazardous Substances Directive), laying down specific rules concerning the restriction on the use of hazardous substances in Electrical and Electronic Equipment in order to contribute to the protection of human health and the environment.

Non-compliance management

During the year 2020/2021, without prejudice to what is set forth below in the section “Transparency of information on products and offers to customers”, the Company did not receive any complaints or reports for non-compliance with regulations or laws which impacted consumer health and safety.

As regards Electroline branded products, compliance with laws and regulations is monitored by an external company, which did not find any non-compliance regarding the impact on the health and safety of consumers during the year 2020/21.

As already indicated in the paragraph "Main ESG risks and management methods", the sale of products harmful to the health of citizens or not in line with European safety or product quality standards, albeit governed by framework agreements and certified by third parties, could in fact expose Unieuro to the risk of claims for compensation for damage and loss of trust by consumers. To control this risk, the Company has activated insurance contracts relating to aspects for which it could not legitimately claim against the supplier or the manufacturer.

3.2.3 Transparency of product information and commercial offers to customers

The marketing and advertising communication activities, structured and planned in line with the Company's operations as an omnichannel distributor, are an important element of Unieuro's strategy as, in addition to supporting the development and recognition of the brand, they are conducive to the development of the market and play a fundamental role in customer relations.

The main advertising campaigns call for, alternatively or simultaneously, the distribution of promotional flyers, radio and television advertising and prize-based promotional operations, such as point collections, competitions, vouchers and targeted promotional operations such as the so-called "below cost".

Instead, Monclick promotes its business mainly on online channels, using content management and product marketing tools in order to guarantee its correctness in terms of product technical information and in terms of pricing of products on sale. All under the direct control of the company management.

Transparency in communications and offers, regulated by the Consumer Code, is one of the cardinal principles that Unieuro pursues in relations with the public. This is why, in line with the corporate ethical principles contained in the Model 231 and the Code of Ethics, the Company undertakes not to sell under any circumstances products with characteristics different from those indicated on the label (e.g. place of production, material), which may mislead the final consumer about the origin and provenance of the product, or to sell products whose quality is inferior or different from the one stated on the label.

The management model adopted by the Company provides for the collaboration of experts, internal and external to the company, dedicated to the preventive verification of the feasibility of certain commercial operations. Specifically, the Company makes use of consultants for the preventive verification of the content of the rules for prize operations; the Legal Department is involved by the competent functions, for the preventive verification of the feasibility of specific commercial operations (for example "below cost" sales) and for the verification of the content of the most relevant information in terms of communication on flyers, communications via the Internet site, etc. The Company also makes use of consultants for the publication of the technical data sheets of the products on the e-commerce site and for the preparation of energy labels in cases where Unieuro S.p.A. acts as an importer of products manufactured outside the EU.

Specifically, the Marketing Department must guarantee the correspondence between the characteristics of the products presented in any communication of an advertising and/or promotional nature and those offered for sale, with particular reference to the quantity, quality, source or origin of the products.

Although the Company has defined specific procedures aimed at guaranteeing the disclosure of correct, clear and transparent information, the Company undertakes to promptly implement the actions necessary to ensure an ever-increasing level of transparency.

Non-compliance management

During the year 2018/19, a proceeding was initiated by the Chamber of Commerce of Milan Monza Brianza Lodi (ref. Consolidated Non-Financial Statement as at 28/02/2019 and subsequent), for the non-compliance of an Electroline brand product, concerning the labeling and information documentation inside the product packaging. The proceeding, which ended with a fine of Euro 84,000, was subsequently challenged by the Company. On 12 January 2021, the Chamber of Commerce of Forlì and Romagna notified 7 orders-injunctions confirming the sanctions already raised by the Milan Monza Brianza Lodi Chamber of Commerce. Unieuro S.p.A. filed an opposition with dispute before the Court of Forlì (hearing scheduled for October 2021).

In February 2021, Unieuro S.p.A. received a request for a hearing for 1 April 2021, from the Venice-Rovigo Chamber of Commerce, for the discussion of the defensive deeds presented by the Company against a sanction notified in December 2016 for Euro 5,000. The dispute of the Chamber of Commerce was related to an electric mosquito net supplied by Euroequipe S.r.l., for the alleged lack of electrical safety and electromagnetic compatibility requirements. The Company sent defensive deeds with a request for a hearing. However, the Chamber of Commerce only found this request in February 2021.

With respect to possible cases of non-compliance with laws and/or internal regulations regarding information on the organisation's products and services, in the course of the year 2019/20, an administrative proceeding was initiated relating to products, not branded owned by Unieuro, resulting without the most modern DAB + radio broadcasting technologies (ref. Consolidated Non-Financial Statement as at 29/02/2020). With reference to this matter, the Company paid the sanction imposed of Euro 2,826 and withdrew the products from the market, reclaiming the suppliers for the costs incurred.

Lastly, with reference to the four cases that occurred during the year 2019/20, of non-compliance with the law regarding communication and marketing activities and referring to administrative sanctions and/or disputes for "below cost" sales deemed to be irregular, it should be noted that to date, two disputes have remained pending. One is still in the administrative phase at the municipality of Osimo and the other has been challenged at the Court of Messina and is awaiting judgement. For the year 2020/21, there have been no further episodes of non-compliance with laws and/or internal regulations regarding communication and marketing activities.

In any event, non-conformities recorded represent an insignificant percentage of the volume of products sold by Unieuro.

3.2.4 Security and protection of customer data

Recognising the increasingly important importance of the protection of privacy and of personal data, Unieuro defines precise rules of confidentiality to ensure maximum protection. In fact, above all in online commerce, increasingly stringent rules and policies are actually needed, capable of protecting the customer and responding to specific regulatory requirements introduced by the European Commission with Regulation 2016/679 General Data Protection Regulation (GDPR).

The regulation intends to strengthen and harmonize the regulatory framework regarding the protection of personal data in the European Union and give citizens greater control over their personal data. The text, published in the European Official Journal on 04 May 2016, entered into force in May 2018 and repealed the provisions of Legislative Decree 196/2003 for the protection of personal data.

UNIEURO'S PRIVACY ORGANISATIONAL MODEL

In 2018, the Group initiated a process of adaptation to the new regulation by adopting a Privacy Organisational Model that contains Policies and Procedures that aim to mitigate all risks by means of:

- the imposition of more controlled flows of activities;
- the accountability of appointees and external managers;
- the provision of contractual safeguards to be requested from suppliers;
- the preparation of technical and IT measures aimed at increasing the level of IT security of personal data.

Unieuro also appointed the Data Protection Officer (DPO), carried out impact assessments and balancing of interests; kept and updated (thanks also to the GoPrivacy tool) the Processing Registers as Data Controller and as Personal Data Processor and provided for periodic training on the privacy of its personnel. In order to guarantee the information of its consumers, it has also updated the privacy information if required.

Unieuro also disseminated (through publication on its corporate Intranet) the Tasks Description which, together with the letters of authorisation for the processing of personal data (signed by the company's employees), identifies the activities of the appointees on the basis of macro categories of activities carried out and provides recommendations and instructions on the fulfilment of particular obligations (e.g.: on the storage of documentation, on the processing of sensitive data, etc.).

As Personal Data Controller, Unieuro may face risks of loss of confidentiality, integrity and availability which, in abstract, could derive from: errors, malfunctions and/or cyber attacks; human errors; unlawful facts and criminal events (for example theft of documents or equipment and components containing sensitive information; unauthorised use of instrumentation; identity theft; unauthorised access to company software and data; access to employee credentials and improper use thereof, etc.); procedural errors; force majeure events.
Furthermore, as Personal Data Processors, Unieuro could incur risks connected with the collection of personal data (for example, data collection on behalf of mobile phone companies).

If Unieuro incurs the aforementioned risks, in abstract, the prejudicial consequences could be: a) administrative sanctions for violations of the provisions on the protection of personal data; b) claims for compensation from interested parties/consumers who assume that their rights have been violated; c) reputational damage deriving both from the publication of any provisions of the Authorities, and from comments of various kinds published on social media or other information channels; d) complaints from any commercial partners of the company for non-compliance with contractual obligations relating to the management of personal data.

At the end of November 2019, with the support of external consultants, Unieuro S.p.A. carried out the alignment project of its channels by starting the data update campaign. In this context, in addition to pursuing the application of the principle of accuracy of its database (pursuant to article 5, paragraph 1, letter d) of the GDPR) and to guarantee the correctness of the personal data of its customers registered in its systems, Unieuro has decided to also ask its customers for consent to the processing of data for integrated profiling purposes (this purpose has been appropriately disclosed to customers in specific policies). Following the first campaign, which ended in August 2020, the Company launched a second campaign (still ongoing) to recall any customers who had not updated their data, as well as invite customers not contacted during the first phase to update.

In order to guarantee the accuracy of the data collected and the correct storage of the paper forms containing the data of customers enrolled in the Unieuro Club Program, in April 2020, Unieuro S.p.A. updated the loyalty card management procedure, already disseminated - by publication on the corporate Intranet - in the sales network in September 2019. Furthermore, in April 2020, the Company published - on the corporate Intranet - instructions for the sales network on the use of privacy information and the form for exercising privacy rights.

Unieuro S.p.A. confirmed, to the external company that deals with the storage of the paper forms of the loyalty cards, the project of reading, through computer systems, the consent and signature information present on the forms stored. The information received from the external company is subsequently processed, analysed and sent to the Privacy Office. In this regard, it should be noted that since 2020, this Office has been expanded with the entry of two new resources and has obtained the support of external consultants to better respond to the numerous requests from interested parties regarding privacy.

With the support of external consultants and under the supervision of the DPO, the ICT Department of Unieuro S.p.A. has also started a process of analysis and improvement of its IT infrastructures in terms of structural and perimeter security.

Moreover, at IT security level, an anti-fraud verification system has been installed, with specific firewall to manage any attempts of hacker attacks, and specific encrypted protocols have been defined to protect online transactions and avoid the risks of cloning credit cards and of the customer's personal data.

In addition to the establishment of systems and procedures aimed at preventing the loss of customer data and information, the Group carries out information, training and awareness-raising activities for personnel about the risks associated with protecting customer privacy. In the year 2020/21, Unieuro S.p.A. trained its sales network and head office employees on privacy issues through an online course (on an e-learning platform that allows employees to be able to review the course at any time), as well as reiterated the training of top management with lessons in virtual classroom.
At Monclick, the information and awareness-raising activities carried out mainly involved the members of the IT & Web Team.

The Group also manages a system for assigning access rights to the systems with maximum granularity and with various control points. The data and information management model is also subject to periodic checks by the data controllers (for example, mobile operators, financial companies, television broadcasting companies), in relation to which Unieuro takes the position of the external manager, and possible internal audits carried out following the reporting of anomalies.

The management of reports, complaints and requests concerning data processing

Customer reports, complaints and requests regarding data processing (modification or cancellation) can be sent to the Company by e-mail to the addresses privacy@unieuro.com (official channel published on the Company's corporate and consumer website) or dpo@unieuro.com or by mail. Alternatively, in addition to the official channels, some reports can also be received directly at the points of sale, by telephone via the call center, at the certified e-mail (PEC) address of the Company or at the address info@unieuro.it published on the corporate website of Unieuro S.p.A. With regard to Monclick, any report or information concerning the processing of data can be requested at privacy@monclik.it or directly from the Data Protection Officer at dpo@monclick.it.
Complaints and disputes are handled by the Legal Department. For claims deemed most risky, it can avail itself of the advice of the DPO and external subjects, experts in Privacy.

Unieuro takes prompt action to better manage all customer requests in order to guarantee the protection of confidential data and information and avoid possible negative consequences, both in terms of reputation and sanctions.

The channels dedicated to the Privacy of Unieuro S.p.A. receive numerous requests for modification or cancellation of data on a daily basis. Some of these are attributable to inconsistencies in the entry of the data in the computer system due to computer and/or human errors, others may derive from a simple rethinking of customers on the consents previously expressed. In 2020, the number of requests received doubled, also due to the data update campaign (which also attracted users who have been no longer active for some time or who cannot update their data, easily or without the support of the Privacy Office, as owners of several profiles and, not always, understand which one is to be updated), as well as the exponential increase in online sales, with the simultaneous creation of the e-commerce account on the website www.unieuro.it.

Approximately 9,500 requests regarding privacy were received and managed by Unieuro S.p.A. between 29/02/2020 and 28/02/2021. With respect to the requests received, in 6 cases, the interested party, in exercising related rights regarding privacy, involved the Guarantor Authority for the protection of personal data only for information. The 6 cases described were promptly managed and dealt with by the Company, keeping in copy the Authority, so much so that the latter did not consider initiating any proceedings.

As of 28/02/2021, Unieuro had not been notified of any complaint (pursuant to article 77 of the GDPR and articles 140-bis to 143 of the Privacy Code).

However, between 28/02/2020 and 28/02/2021, following some requests from interested parties and some reports received from the Privacy Office / Customer Service / Point of Sale, Unieuro S.p.A. found about 200 security incidents that resulted in the loss of confidentiality and integrity of personal data. Of these, about 60 were qualified as "false positive" (following the timely analysis conducted by the Data Breach Management Unit, called as per procedure) no loss of confidentiality, integrity and availability of the personal data owned by Unieuro was found; while 1 resulted in the notification of the violation of personal data to the Guarantor Authority for the protection of personal data and communication to the interested parties (pursuant to articles 33 and 34 of the GDPR). It should be noted that approximately 5% of the incidents occurred are related to the customer's error in manually entering an e-mail address when creating the e-commerce account.
Due to the numerous incidents that have occurred, the Privacy Office has repeatedly requested the intervention of the ICT Department in order to implement a check on the correctness / ownership of the data used by customers when creating the e-commerce account. Furthermore, the template of legal transactional communications to e-commerce has been modified, eliminating the customer's name and surname in order to mitigate or eliminate - depending on the type of communication - the impact of the violation. Lastly, for incidents beyond the e-commerce world, Unieuro reviewed the loyalty card management procedure, completed training on employee privacy and provided new instructions to the Customer Service provider.

As regards Monclick, also in the year 2020/21, the number of significant privacy complaints from customers was almost nil. This result was favoured by the adoption of all security systems and applications of the GDPR rules, also in terms of cancellation of personal data at the request of customers.

3.2.5 Management of complaints

The Company is committed to developing a constant dialogue with its customers in order to maintain the relationship on a level of excellence. The management of complaints and other instances with which customers express their dissatisfaction is governed by specific procedures that ensure the taking charge of individual complaints received both at the registered office and directly at the certified email address. In particular, the Legal Department, together with the internal departments involved, checks each complaint with the aim of handling it as promptly as possible, in line with the obligations imposed by law, and to contain litigation as far as possible. In addition to the principles of conduct, the Company has set up additional control measures to protect industrial and intellectual property, with particular attention to the application procedures related to the management of product sales activities. The Company, as a seller in accordance with the Consumer Code, is indeed subject to complaints and out-of-court claims from consumers and their representatives, referring to possible non-conformity of products.

It should be noted that on 19 January 2021, the Competition and Market Authority (AGCM) initiated a proceeding following the sending of reports by various consumers and consumer associations complaining of the disservices generated by the e-commerce websites of Unieuro S.p.A. and Monclick. The proceeding is aimed at investigating the presence of consistent unfair commercial practices: (i) in the cancellation of online orders despite the confirmation of the order and the debit of the payment; (ii) excessive delays in the delivery of products and in the reimbursement of the sums paid following the cancellation of orders; (iii) insufficiency / inadequacy of the call center service with respect to the number of customer assistance requests which, ultimately, also caused difficulties for some consumers in exercising the right of withdrawal.

The Company has worked very proactively during the pandemic emergency to enable its customers to finalise their online purchases. Although in certain cases the structure was overloaded, the service offered made it possible to meet many customer requirements during this difficult period. Unieuro's goal is to continue to work to improve its online service.

Unieuro responded fully and within the deadlines to the AGCM requests for information, sending its defense arguments and also proposing a list of commitments and corrective measures to be implemented.

3.3 Suppliers

3.3.1 Selection and management of suppliers

Almost all the products marketed by the Group, on direct and indirect channels, are produced by highly qualified and recognised suppliers, among the major players in the electronic and IT market, who supply their goods directly to Unieuro, signing contracts that are generally annual. Purchases are therefore made through direct orders to companies that deliver their goods to the logistics platform or directly to the point of sale, which are then sold to the final consumer. In addition to this organisational model, there is also the direct import of private label products of EU/non-EU origin (approximately 1.5% of the company's total turnover). Before being placed on the European market, all products belonging to the non-EU sourcing items panel follow a certification process in order to ensure compliance with the regulations in force for the reference product category. The certificates are available on a specific portal accessible by Unieuro.

In consideration of the high profile and reputational level of the main suppliers with which Unieuro interfaces on a daily basis, their selection is currently based on economic criteria that do not specifically target predefined social or environmental aspects. Furthermore, the Company mainly maintains relations with the Italian and European legal offices of the suppliers it relies on. Relations with suppliers, in any case, are always based on compliance with current regulations and the principles of transparency, fairness and honesty, as set out in the Code of Ethics.

In particular, potential new suppliers are evaluated and selected using objective methods, taking into account, in addition to the quality, costs and services offered, the requirements of integrity, reputation, and professionalism, as well as the absence of any suspicion past or present involvement in unlawful activities. For their part, suppliers, as part of their relations with the Group, must undertake to ensure the protection of child labour and workers' rights as well as that of the safety of the environment and of the workplace. Precisely because of the multi-national nature of these suppliers, there are currently no company procedures for the prior verification of the safety of products and information to be provided at the marketing stage, but each purchasing manager (Category Manager), in the ordinary management of relations with suppliers, ensures monitoring of the risk of errors in the data supplied regarding the products as well as the absence of the relevant approval certifications.

The dialogue with suppliers takes place in a constant and continuous manner, through direct meetings and telephone calls. In the year 2020/21, given the restrictions imposed due to the Covid-19 pandemic, these activities were mainly carried out via video call and/or via telephone contacts. The frequency is established on the basis of the type of supplier and the activities in progress (product development/production). With the main suppliers, the dialogue can also take place on a weekly basis. The main issues addressed during the year 2020/21 concerned: the production capacity and/or to maintain the commitments made previously, the impacts of logistics costs on the value of the assets and, more generally, issues relating to the entire life cycle of the product. From these moments of discussion, no critical issues related to the quality of the product and/or the relationship with customers emerged.

With reference to the "Electroline" branded product line, Unieuro S.p.A. has entrusted the scouting and pre-selection process to an intermediary company present on the Italian territory which, starting from 2018, has undertaken (through the signing of specific contracts) to select suppliers that respect the highest quality standards and comply with the regulations in force in the Chinese territory, where production takes place.

THE INTRODUCTION OF THE PRIVATE LABEL MANAGER

In order to strengthen the share of exclusive brands and the relative volume of business, in December 2020, the Company adopted a Private Label Manager who was entrusted with the role of redesigning and developing the business model (analysis of the needs of consumers to define and implement a brand and supply chain strategy, reorganisation of processes for scouting, pre-selection, selection, evaluation and monitoring of vendors, quality verification in the production phase and post-production batch closure, as well as drafting the necessary contractual formats: general conditions of supply and logistics, etc.). The resource, in collaboration with the Category Managers and external consultants, will have to analyse the current business model to identify the gaps and establish appropriate action plans to fill them, with a view to continuous improvement of the procurement and distribution processes.

Performance indicators

Percentage of expenditure for local suppliers (direct suppliers of Unieuro branded products)[25]

Expenditure on procurement from suppliers	u.m.	28/02/2021	%	29/02/2020	%
Local (Italy)	Euro	3,000,000	12%	3,000,000	11%
Foreign	Euro	22800000	88%	24,500,000	89%
Total	Euro	**25,800,000**	**100%**	**27,500,000**	**100%**

The decline in the purchase volume (total expenditure for procurement from suppliers) relating to the year 2020/21, compared to the previous year, is mainly attributable to the effect of the Covid-19 pandemic on the development path of own-brand products. The pandemic crisis has in fact determined objective relationship difficulties with the main suppliers in the Far East, as well as blocks in the production and distribution processes, causing a slowdown in the development and import of own brand products.

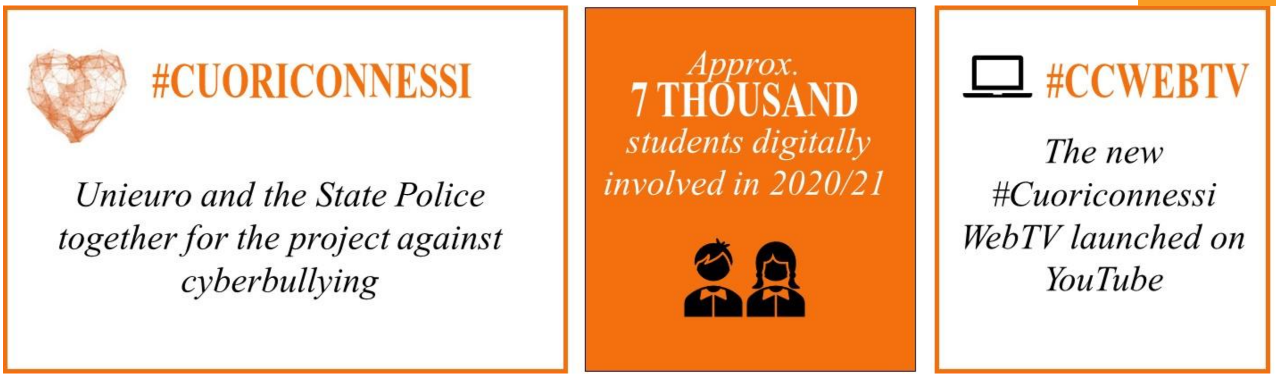
With regard to Monclick, it should be noted that, following the progressive increase in the drop ship percentage[26] from Unieuro (in the year 2020/2021, it reached peaks of 87%), the purchases of goods made by the company independently, in which other suppliers are added, have a lesser impact. Among the number of suppliers other than Unieuro, we mention Techdata, Ingram Micro and Vela.

[25] Unieuro data referring to the Electroline brand.
[26] Sales model by which the seller sells a product to an end user without physically possessing it in its warehouse. The risk of product certification and approval is directly connected to the distributor or, in general, to the subject that first places the goods on the market. Monclick does not face any such risk.

The handling of the goods and the shipment take place at the Piacenza site and the service is regulated by market conditions, on the basis of intercompany contracts. The purchase order from the supplier is completed only after the sales order has been made to the customer.

3.4 Community

3.4.1 The No Cyberbullying project



Bringing technology to the service of everyone's life implies a deep sense of responsibility and commitment, which goes beyond a simple mission. In fact, the Company is aware of the added value that digital technologies can bring to people, to the extent that they are used correctly and respectfully and recognises its role and strategic position to raise the awareness of new generations of technology consumers.

For this reason, in 2016 Unieuro, created the **No Cyberbullying** project conceiving and promoting the **#Cuoriconnessi** tour with the State Police. The choice of the project follows the brand architecture on the values of responsibility and possibility, raising awareness amongst the younger ones as to a responsible use of the devices through a series of meetings in theatres throughout Italy and disseminating information material on the points of sale. The project, developed in itinerant form, has translated into the making of a docu-film in which children, parents and families who have experienced cyberbullying first hand tell their stories and their experiences. Since the start of the tour, the docu-film has been broadcast in Italian theatres and has led teenagers to reflect on the weight of the words conveyed through social networks. In the theatres, the children lived the testimonies of those who fought on the front lines, very often without any means to defend themselves, and were able to listen to the experiences of the police authorities, who actively contribute to the struggle and provide an immediate response to solve the problem. In addition to the docu-film, the project also involved important awareness-raising activities, both for employees of points of sale through dedicated webinars and institutions. To date, the project, in addition to the meetings at Italian theatres, is also conveyed through a dedicated YouTube channel, an informative website, books in print and digital versions.

In the year 2020/21, despite the limits imposed by the health emergency, in collaboration with the Emilia-Romagna Region, about 4,000 students from lower and upper secondary schools, connected in DAD (distance learning), were met online; moreover, webinars were organised in collaboration with the Chamber of Commerce of Chieti and Pescara, which involved about 3,000 students, also in DAD. Following the great interest resulting from these important occasions, some schools have decided to involve Unieuro and to start spontaneous initiatives, linked to the #Cuoriconnessi project, with their students.

From the experience of #Cuoriconnessi, on 6 February 2020, in Sanremo, Unieuro and the State Police presented the book #Cuoriconnessi - storie di vita online e di cyberbullismo"

"(#Connectedhearts - stories of online life and cyberbullying), by Luca Pagliari: an anthology of the most significant stories collected over the years and for the first time made available to the general public. On 07 February 2021, *"#Cuoriconnessi – tu da che parte stai?"* (#Connectedhearts - which side are you on?) came out, a new book in which the same author of the first edition has collected further testimonies and unpublished stories to help young people overcome bullying and cyberbullying also thanks to the conscious use of technology. The book also contains links to the stories on the #Cuoriconnessi YouTube channel.

To date, the first edition of the book has recorded a circulation of 200,000 paper copies (distributed free of charge in all Unieuro stores), 105,347 plays of the audio version and 68,650 downloads on cuoriconnessi.it, the site where the book was made available in digital format.

In addition, since the beginning of the pandemic, the #CCWEB TV, Web TV dedicated to Cuoriconnessi, has been put online through the YouTube channel, which broadcasts video briefs every week that tell stories of technology and cyberbullying through short films, photos, reading songs of the book #Cuoriconnessi and interviews with online guests.

On 9 February 2021, also in collaboration with the State Police, was the launch of #Cuoriconnessi: EVERYWHERE" with an event held in Rome, via live streaming, on the occasion of the "Safer Internet Day". The event attracted a large audience and was followed by both the cuoriconnessi.it website and the social channels. After Rome, another 8 virtual events will follow, with the aim of continuing to talk about cyberbullying and considerably broadening the catchment area of the project (even in Italian schools in cities or towns far from major centers).

3.4.2 Other activities in support of the local community

Over **388 K€**
in sponsorships in 2020/21

Approx. **75 K€**
donated in favour of local communities in FY 2020/21

over
2 THOUSAND
smartphones donated to support Covid-19 patients

In parallel with the commitment to awareness campaigns, the Company devotes particular attention to supporting the sports in the area in which it operates and promoting the values of sport.

Also in the year 2020/21, Unieuro S.p.A. supported the local basketball team as main sponsor and sponsored the sports centre in the city of Forlì, called Unieuro Arena.

On the occasion of the first health emergency in April 2020, Unieuro S.p.A. reaffirmed its concrete commitment to support the community, donating over 2,000 smartphones for the benefit of Covid-19 patients unable to communicate with their loved ones.
The project, carried out in two phases, initially concerned the hospitals of Emilia-Romagna to which the first 1,000 Motorola smartphones, partner of the initiative together with Vodafone Italia, were donated in record time. The second phase concerned the Health Protection Companies of the provinces of Bergamo and Brescia, among the most affected by the emergency, to which the

subsequent devices were destined, all equipped with a data SIM necessary to guarantee connectivity even in structures without Wi-Fi.

Performance indicators

Investments for the community

Investments for the community	u.m.	28/02/2021	29/02/2020	28/02/2019
Sponsorships	Euro	388,010	310,000	294,000
Donations	Euro	81,355	-	-

Lastly, an important initiative to mention is the company commercial that Unieuro launched on 23 December, on the occasion of the Christmas period. The basic idea of the campaign is simple, strong, original and the expression of a brand that looks towards the future with a positive and hopeful message for the entire community. The communication plan of the commercial involved all the most important television and digital publishers in order to guarantee maximum coverage for such an important message.

7 AFFORDABLE AND CLEAN ENERGY
13 CLIMATE ACTION

4. ENVIRONMENTAL PERFORMANCE

88 STORES
*in which energy efficiency systems have been installed, allowing a **reduction in consumption of about 24%***

11 CHARGING COLUMNS
installed to recharge electrical vehicles outside directly operated stores

Approx. **85%**
*Reduction in **paper consumption** in 2020/21 vs. the previous fiscal year*

Unieuro strongly believes in respecting the environment and the ecosystem in which it operates, for this reason, as described in the Code of Ethics, it carries out its activities taking into consideration the protection of the environment and the need for a sustainable use of natural resources, undertaking to act responsibly towards the surrounding territories and communities. The Group in fact condemns any type of action or conduct potentially harmful to the environment and the territory in which it operates. Despite not presenting significant environmental impacts, as the Group does not carry out production activities in the strict sense, the activity carried out nevertheless requires careful management of some specific aspects, such as the management of Waste Electrical and Electronic Equipment (WEEE) for which the Company has defined a specific procedure in compliance with the different regulatory provisions.

4.1 Waste management

Unieuro, as a distributor of electrical and electronic equipment, falls within the regulatory obligations of Legislative Decree 121/2016 and 49/2014, which regulate the carrying out of collection activities by the distributors of WEEE, as well as the technical requirements for carrying out the preliminary deposit for collection at the distributors and for the transport thereof. Collection methods vary according to the “size” of the WEEE.

Small WEEE[27] can be taken free of charge by the customer to any Unieuro sales point without the obligation to purchase a new equivalent device (so-called “one against zero”). The Company has entrusted the management of this waste to an external company that takes care of the WEEE collection and disposal.

For large WEEE, the customer, on the other hand, can drop off the used appliance only for the purchase of a new product, provided that the WEEE returned has the same method of use as the purchased product (so-called “one against one”). The Company, to ensure responsible management and to comply with the deposit and collection requests sanctioned by Legislative Decree 121/2016 and 49/2015, has adopted a specific operating manual that defines roles and responsibilities for the correct management of WEEE disposal. The manual requires the identification of specific areas within the company's points of sale, where special containers are installed for the disposal of WEEE waste with the specific indication of whether it is hazardous or non-hazardous equipment. The management of the collection is facilitated by the use of the management software "UNICONSEGNA" which, in addition to guaranteeing the traceability of the operations, sends a notice in the event that such waste has been registered in the warehouse for more than 45 days or has reached the maximum weight of 3.5 tons. Once these limits have been reached, the waste is then handed over to the carrier who takes care of the correct disposal.

Monclick has entrusted the collection and storage of WEEE at the "Grouping Place" to external companies, which operate in its name and on its behalf. Once the WEEE has been deposited, when the aforementioned limits are reached, they are delivered to the carrier, which takes care of their correct disposal.

Responsible for the WEEE disposal process is the Logistics function which operates, for collection and disposal activities, through the supervision by local operators employed by the company. The Logistics employees carry out audits on the stores to verify compliance with the "operating manual - WEEE procedures" as well as the correct filing of the documentation. To facilitate correct management, the manuals and other necessary information can be consulted through the RAEEgest portal.

Among the management systems adopted to assess the achievement of objectives and to collect reports/complaints from stakeholders, a team e-mail address has been created to which the points of sale can send the inefficiencies recorded by Unieuro employees.

In addition to the WEEE, the Company produces urban waste deriving from ordinary office activities and the operational management of the stores, which mainly consist of mixed packaging, toners and cartridges. The Company has a corporate policy regarding waste management aimed at ensuring the continuous improvement of the service provided to the points of sale, evaluating and testing new suppliers to compare the levels of service and needs, also in light of the evolution of sector regulations. In addition, the rules for the correct differentiation of municipal solid waste (MSW) have been posted in the Group's internal rooms: paper, plastic and aluminium, wet and undifferentiated fraction. Each type of waste is collected according to the current laws by means of specialised companies authorised for this purpose. Particular attention is also paid to the pure fluids used for the transfer of thermal energy which, as well as those with additives, follow the recovery process, in accordance with the law, to then be disposed of by specialised companies on which the Company relies.

[27] Small WEEE are those with the longest side less than 25 cm.

Performance indicators

Total weight of WEEE waste disposed of[28]

WEEE waste disposed of	u.m.	28/02/2021	29/02/2020	28/02/2019
Disposal	*ton*	17,377	14,556	10,577
Total		**17,377**	**14,556**	**10,577**

Total weight of non-hazardous waste, broken down by type of disposal[29]

Non-hazardous waste by type of disposal	u.m.	28/02/2021	29/02/2020	28/02/2019
Recycling	*ton*	2,821	2,811	3,577
Total		**2,821**	**2,811**	**3,577**

The change in the quantity of WEEE waste disposed of between the years 2019/20 and 2020/21 is mainly attributable to the greater quantity of WEEE collected and managed by the Group, following the increase in points of sale and web sales in the reference categories.

4.2 Energy consumption and emissions

The management of energy consumption and related emissions is constantly monitored both at the direct points of sale throughout the national territory and at the head office of Forlì. This is also in consideration of the strong (and increasingly alarming) link between climate change and energy.

With a view to innovation and change in energy consumption models, Unieuro's commitment has resulted in various energy efficiency initiatives, including the installation at 88 points of sale of efficiency systems that have led to a reduction in consumption of about 24%; the replacement of obsolete lighting systems with LED fixtures that allow an estimated saving of about 50% of energy and the replacement of air conditioning systems with high efficiency machines. In addition, building automation systems have been installed that allow the integrated and intelligent management of all the systems of a specific building and therefore more efficient control of electrical systems such as lighting, heating and air conditioning, anti-intrusion and fire alarms.

The Monclick office is located in a low environmental impact building, "LEED platinum" certified, and equipped with the most modern systems for the improvement and optimisation of energy consumption.

In April 2019, **Enel X**, the Enel Group business line dedicated to innovative products and digital solutions, and Unieuro signed an important commercial agreement for the provision of "Demand Response[30]" to 9 points of sale of the brand. Demand management services - which see Enel X in the role of Aggregator (Balance Service Provider - BSP) of the Unieuro points of sale involved - in

[28] The data in tons was calculated as "number of pieces product category per estimated average weight product category". The data of the company Monclick are the result of estimates, calculated from the data provided by the company that manages waste disposal.
[29] The data refer to Unieuro S.p.A and are provided by the company responsible for the collection of waste which issues on a monthly basis a document at each store where it declares the weight of the collected waste. As regards the subsidiary Monclick S.r.l., during the reference period, a production of about 0.87 tons of waste disposed through recycling (0.42 tons), composting (0.17 tons), incineration (0.21 tons) and storage (0.07 ton) was estimated.
[30] The "Demand Response" services, or "demand management", allow commercial and industrial consumers to access the market for dispatching services (MSD), modulating their energy consumption, with the aim of responding to supply peaks or electricity demand, and allowing greater flexibility and grid stability. The capacity offered to the market, especially if characterised by a high degree of flexibility and if managed in an aggregate form, acquires systemic and economic importance of interest for consumers.

fact ensure greater flexibility and stability of the electricity grid, as well as more efficient use of the energy infrastructure, helping to contain electricity prices. Companies that adhere to Demand Response programs benefit from a reduction in energy costs while at the same time promoting more sustainable conduct through efficient and conscious use of their consumption. After having carried out various energy efficiency initiatives in the approximately 250 points of sale in Italy, from waste disposal to containing consumption, thanks to this agreement, Unieuro will respond in a more appropriate way to the needs of the community and to the growing attention to issues related to energy sustainability.

THE INSTALLATION OF ELECTRIC CHARGING STATIONS

Also with Enel X, Unieuro S.p.A. has launched an energy efficiency project that involves the installation of stations for charging electric vehicles outside at direct points of sale. During the year, 11 stations were installed, with the aim of reaching the target of 25 installations by 28/02/2022. The Company is evaluating the possibility of extending the project in order to contribute, albeit indirectly, to the spread of electric mobility with benefits in terms of reducing emissions, but also creating the loyalty of new customers (owners of electric vehicles).

Another objective that the Company has set itself to achieve in the coming years is to reach 100% renewable energy, i.e., to purchase electricity with green production certification at the source.

As reported in the following tables, the consumption of electricity and related emissions decreased by approximately 4% compared to the previous year, mainly due to the Covid-19 effect and the closures imposed by the Government. Fuel consumption, consisting mainly of diesel oil for heating Unieuro S.p.A. head offices and offices, recorded a slight reduction compared to the previous year. Emissions relating to fuel consumption for Unieuro S.p.A. personnel journeys decreased by approximately 48% compared to the previous year.

Performance indicators

Indirect energy consumption[31]

Electricity for the operation of offices	u.m.	28/02/2021	29/02/2020	28/02/2019
Electricity	*kWh*	64612473	67,550,741	61,796,784
of which from non-renewable sources	%	100%	100%	100%

Emissions generated by indirect energy consumption[32]

Indirect emissions - Scope 2	u.m.	28/02/2021	29/02/2020	28/02/2019
Emissions from electricity consumption	*kg CO2e*	24229677	25,331,528	23,173,794

Direct fuel consumption for the operation of offices and points of sale[33]

Fuel from non-renewable sources	u.m.	28/02/2021	29/02/2020	28/02/2019
Diesel	*Litres*	118995	119,103	129,642
	GJ	4534	4,544	4,948

31 Unieuro S.p.A. data was obtained by accessing the energy supplier portal. For the subsidiary Monclick, the calculation was based on real consumption in the months relating to 2020, while an estimate was made for the months of 2021.
32 The conversion factors of ENERDATA 2015 were used to calculate the indirect emissions.
33 Data obtained from the utility bills sent by the supplier. The figure excludes the subsidiary Monclick S.r.l. as it does not consume fuels.

Emissions generated by direct fuel consumption[34]

Direct emissions - Scope 1	u.m.	28/02/2021	29/02/2020	28/02/2019
Emissions from diesel consumption	*kg CO2e*	302965	308,966	340,562

Personnel journey mileage[35]

Personnel journey mileage	u.m.	28/02/2021	29/02/2020	28/02/2019
Private cars	*km*	232333	728,772	1,064,572
Company cars		2178262	3,758,756	3,830,000
Total mileage		**2410595**	**4,487,528**	**4,894,572**

Emissions generated by direct and indirect fuel consumption[36]

Direct and indirect emissions - Scope 3	u.m.	28/02/2021	29/02/2020	28/02/2019
Indirect emissions for consumption with private cars	*kg CO2e*	40823	131,696	195,104
Direct emissions for consumption with company cars		382742	679,245	701,924
Total emissions for staff travel		**423566**	**810,941**	**897,028**

4.3 Consumption of resources

In light of the characteristics of its business, Unieuro does not detect any particular impact related to the consumption of materials.

The printing of advertising leaflets, commissioned to third-party suppliers, represents the most significant activity in terms of consumption of raw materials for Unieuro S.p.A., unlike Monclick, which mainly carries out its advertising activities online.

During the year 2020/21, 46 million copies of advertising material were distributed throughout the country, recording a reduction of approximately 85% compared to the previous year (315 million). This is also due to the activities that the Company has decided to initiate to encourage the reduction of material consumption. In fact, in correspondence with the Covid-19 emergency, the 100% cutting of paper copies was started in April 2020, which was followed, in September 2020, by the launch of a specific site to allow the transition from paper to digital and that provides for a 50% cut of the print run in favor of an increase in digital readings.

In January 2020, a new advertising flyer format was launched, smaller than the previous one, in order to optimise costs and paper consumption. The procurement takes place from some of the main paper mills that observe strict quality and environmental certification standards and whose products, Elemental Chlorine Free (EFC) certified as they do not use organic elemental chlorine in the whitening phase, contain on average 40% of recycled fibre, while the remaining 60% comes from cellulose obtained from forests managed according to the PEFC (Program for Endorsement of Forest Certification schemes) and FSC (Forest Stewardship Council) standards.

Performance indicators

[34] The conversion factors of the Department for Environment, Food and Rural Affairs (DEFRA) 2020 were used to calculate the emissions.
[35] The mileage of company cars is derived from the fuel cards; the mileage of private cars is estimated starting from employee expense reimbursements and dividing the total monetary value by the average cost of fuel Euro 0.28. For the year 2020/21, in line with the previous year, the figure shown excludes taxi costs as not available. The figure excludes the subsidiary Monclick S.r.l. as not significant.
[36] The conversion factors of the Department for Environment, Food and Rural Affairs (DEFRA) 2020 were used to calculate the emissions.

Consumption of resources[37]

Consumption of paper	u.m.	28/02/2021	29/02/2020	28/02/2019
Consumption of paper	q	10,733	69,300	63,800

INITIATIVES TO REDUCE RESOURCE CONSUMPTION

In July 2020, Unieuro launched a project to recover pallets for re-use, which was completed in September in relation to the "HUB circuit" (Territorial Logistics Platforms that manage Home Deliveries). This initiative made it possible to recover approximately 100,000 pallets (approximately 25% of the total pallets used), with a consequent reduction in wood consumption. In view of the results obtained, the Company is evaluating the possibility of extending the recovery activity also involving the Points of Sale.

Lastly, Unieuro S.p.A. in collaboration with HP has initiated a project concerning the renewal of the Company's printers which, through better technology, will allow not only economic savings to be achieved, but also important environmental benefits compared to laser devices, first of all, a reduction of up to 77% in materials and packaging, followed by a reduction of up to 45% in CO_2 emissions generated by printing and a reduction of up to 70% in energy consumption.

5. PROCEDURAL NOTE

The Consolidated Non-Financial Statement (hereinafter also "**Disclosure**" or "**NFD**") of the Unieuro Group (hereinafter also "**Group**"), drafted pursuant to Legislative Decree 254/2016 implementing Directive 2014/95/EU, presents information and data on the policies practised and the management of environmental, social, personnel-related issues, respect for human rights and the fight against active and passive corruption, useful to ensure the understanding of the activities carried out by the Group in these areas, its performance, the results achieved and the impacts deriving from them. The Disclosure also illustrates the main non-financial risks, i.e. ESG (Environmental, Social and Governance) risks and the related management methods.

The Disclosure is prepared in compliance with the GRI Sustainability Reporting Standards defined by the Global Reporting Initiative[38] (**GRI**), according to the **"in accordance Core"** option. At the end of the NFD is the GRI Content Index table, which provides a summary of the GRI Standards used and lists all the information included in this document. For the preparation of this document, reference was also made to the indications provided by CONSOB, referred to in point 2. of the *"Notice no. 1/21 of 16/02/2021"*.

The extent and quality of the reporting reflect the principle of materiality, an element foreseen by the relevant legislation and characterising the GRI Standards: the topics dealt with in the Disclosure are those that, after careful evaluation, have been considered relevant as able to reflect the social and environmental impacts of the Group's activities or to influence the decisions of its stakeholders.

[37] The calculation of paper consumption was estimated by multiplying the number of copies purchased and distributed (46 million) by the average weight of 22 grams.

[38] The Global Reporting Initiative is a non-profit organisation founded in Boston in 1997 with the aim of creating a useful support to the reporting of the sustainable performance of organisations of any size, belonging to any sector and country in the world. In 2001, it was recognised as an Independent Body by the United Nations and in 2002 the UNEP (United Nations Environment Program) formally recognised and shared its principles by inviting all UN Member States to identify an official headquarters as a body recognised by the United Nations.

Starting from this reporting year, as required by article 5 of Legislative Decree 254/2016 *"Placement of the Disclosure and advertising regime"*, this document constitutes a separate report from the Report on Operations and therefore marked with specific wording, in order to be clearly identified as the document that contains the non-financial information required by regulations.

For information on the NFD, contact investor.relations@unieuro.it. The document is also available on the corporate website www.unieurospa.com, in the "Sustainability" section.

As required by Legislative Decree 254/2016, the Disclosure is published annually and is subject to a judgement of conformity of the information provided with respect to the requests of the afore-mentioned Decree and the standard used by the statutory auditor of the statutory financial statements.

The letter to the stakeholders of this Disclosure integrates and completes the letters from the Chair and the Chief Executive Officer included at the opening of the Financial Report as at 28 February 2021

Reporting scope

The qualitative and quantitative information contained in the Disclosure refers to the performance of the Unieuro Group for the year ended 28 February 2021. The terms "Unieuro" or "Group" shall mean the group of companies consisting of the parent company Unieuro S.p.A.[39] and the wholly-owned subsidiary Monclick S.r.l.[40], whereas by the terms "Unieuro S.p.A." or "Company" we refer exclusively to the parent company Unieuro S.p.A.

In order to facilitate understanding on the evolution of sustainability performance, quantitative information is presented over a three-year period.

Finally, it should be noted that some issues and indicators may have a different reporting scope compared to the one relating to the Group, if these have been assessed by management as not relevant for a specific company in consideration of its activities carried out. In this case, in the text, the reference scope of the topic/indicator is clearly explained.

Perimeter of material issues of the Group

The following table summarises the scope of each material issue, highlighting the entities within and outside the Group that are involved in the possible impacts that these imply. Furthermore, it should be noted that, where the issue does not concern the entire Group, the company excluded from the scope of consolidation was considered irrelevant in consideration of the type of activity performed.

Material issues	Internal perimeter	External perimeter
Safety of products on the market	**Group**	**Providers**
Combat against corruption	**Group**	**-**
Consumer privacy protection	**Group**	**Consumers**
Health and safety of employees and collaborators	Group	Logistics cooperative
Transparency of information on products and offers to customers	Group	Providers
Diversity and equal opportunities	Group	-
Staff training and career development	Group	-

[39] It also includes Carini Retail S.r.l., a company acquired by Unieuro S.p.A. on 28 February 2019 and merged by incorporation into the Parent Company on 1 September 2020.
[40] Company acquired by Unieuro S.p.A. during the year ended 28 February 2018 and included in the scope of consolidation area as of 9 June 2017, with retroactive accounting effect as of 1 June 2017.

Selection and management of suppliers	Group	Providers
Waste management	Group	-
Consumption of resources and emissions	Group	-
Support for local communities	Unieuro S.p.A.	-
Relations with the trade unions	Group	-

The table below shows the correlation between the aspects of Legislative Decree 254/2016, the material issues and indicators envisaged by the GRI Standards Sustainability Reporting Guidelines.

Aspects of Legislative Decree 254/2016	Material issues	Perimeter of material issues	Number and title of the GRI information	GRI Standards
Environment	Consumption of resources and emissions	Unieuro Group	GRI 301: Materials (2016)	GRI 301-1
			GRI 302: Energy (2016)	GRI 302-1
			GRI 305: Emissions (2016)	GRI 305-1 GRI 305-2 GRI 305-3
	Waste management	Unieuro Group	GRI 306: Effluents and waste (2016)	GRI 306-2
	-	Unieuro Group	GRI 307: Environmental Compliance (2016)	GRI 307-1
Company	Selection and management of suppliers	Unieuro Group	GRI 102: General Information (2016)	GRI 102-9
			GRI 308: Environmental assessment of suppliers (2016)	GRI 308-1
			GRI 414: Social assessment of suppliers (2016)	GRI 414-1
	Consumer privacy protection	Unieuro Group	GRI 418: Customer privacy (2016)	GRI 418-1
	Safety of products on the market	Unieuro Group	GRI 416: Health and safety of consumers (2016)	GRI 416-2
	Support for local communities	Unieuro S.p.A.	GRI 413: Local communities (2016)	GRI 413-1
		Unieuro Group	GRI 207: Taxes (2019)	GRI 207-1 GRI 207-2 GRI 207-3 GRI 207-4
	Transparency of information on products and offers to customers	Unieuro Group	GRI 417: Marketing and labelling (2016)	GRI 417-1 GRI 417-2 GRI 417-3
	-	Unieuro Group	GRI 206: Anti-Corruption Conduct (2016)	GRI 206-1
	-	Unieuro Group	GRI 419: Socio-economic	GRI 419-1

			Compliance (2016)	
Personal	Diversity and equal opportunities	Unieuro Group	GRI 102: General Information (2016)	GRI 102-8
			GRI 401: Employment (2016)	GRI 401-1
			GRI 405: Diversity and equal opportunities (2016)	GRI 405-1 GRI 405-2
	Staff training and career development	Unieuro Group	GRI 404: Training and education (2016)	GRI 404-1 GRI 404-3
	Relations with the trade unions	Unieuro Group	GRI 102: General Information (2016)	GRI 102-41
			GRI 402: Relations between employees and management (2016)	GRI 402-1
	Health and safety of employees and collaborators	Unieuro Group	GRI 403: Occupational health and safety (2018)	GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-4 GRI 403-5 GRI 403-6 GRI 403-7 GRI 403-9 GRI 403-10
Diversity of governance and control bodies	Diversity and equal opportunities	Unieuro Group	GRI 102: General Information (2016)	GRI 102-22
			GRI 405: Diversity and equal opportunities (2016)	GRI 405-1
Combat against corruption	Combat against corruption	Unieuro Group	GRI 205: Anti-corruption (2016)	GRI 205-1 GRI 205-2 GRI 205-3
Human Rights	-	Unieuro Group	GRI 406: Non-discrimination (2016)	GRI 406-1

6. GRI CONTENT INDEX

The following table shows the Group information in accordance with the GRI Standards Core option. For each information, the following are indicated: the reference number of the information, the page numbers where the information can be found in this document or in other reference documents, as well as any notes and/or omissions, where applicable.

GRI Standard	Description	Note/Omission	References
	General Standards		
102	**General Information (2016)**		
	Organisational Profile		
102-1	Name of the organisation		page 3
102-2	Activities, brands, products or services		pages 3-4
102-3	Location of the main office		page 3
102-4	Place of activities		pages 3-4; 25;
102-5	Ownership and legal form		pages 3-5
102-6	Markets served		pages 3-5 Annual Financial Report as at February 2021
102-7	Size of the organisation		pages 3-5; 45-46; Annual Financial Report as at February 2021
102-8	Information on employees and other workers		pages 24-25; 27;
102-9	Supply chain		pages 45-46
102-10	Significant changes to the organisation and its supply chain		pages 55; 45-46
102-11	Precautionary principle		pages 19-20
102-12	External initiatives		pages 47-49
102-13	Memberships of associations		pages 4-5
	Strategy		
102-14	Statement by a senior Executive		Letter to the stakeholders Annual Financial Report as at February 2021 (*Letter from the Chair to the shareholders, Letter from the CEO to the shareholders)*
102-15	Key impacts, risks and opportunities		pages 10-14
	Ethics & Integrity		
102-16	Values, Principles, Standards and Rules of Conduct		pages 3; 19-20
	Governance		
102-18	Governance structure		pages 15-19
102-22	Composition of the highest governance bodies and related committees		pages 15-19
102-24	Appointment and selection of the highest governing bodies		page 16
	Stakeholder engagement		
102-40	List of stakeholder groups		pages 6-7
102-41	Collective bargaining agreements		page 22
102-42	Identification process and selection of stakeholders to be involved		pages 6-8
102-43	Stakeholder engagement		pages 6-8
102-44	Key topics and critical issues raised		pages 6-8
	Reporting practices		
102-45	List included in the consolidated financial statements		page 55
102-46	Definition of the content of the report and the perimeters of the issues		pages 54-57

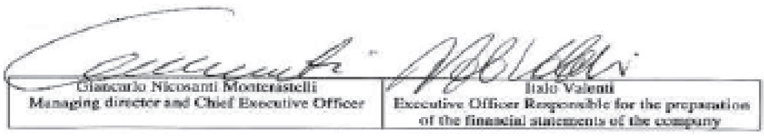
102-47	List of material issues		pages 8; 55-57
102-48	Revision of information		pages 54-57
102-49	Changes in reporting		pages 54-57
102-50	Reporting period		pages 54-57
102-51	Date of latest report		pages 54-57
102-52	Reporting frequency		pages 54-57
102-53	Contacts to request information about the report		pages 54-57
102-54	Statement on reporting in accordance with GRI Standards		pages 54-57
102-55	GRI Content Index		pages 58-62
102-56	External assurance		Independent Report KPMG

Topic Specific Standards			
200	**Economic**		
205	**Anti-Corruption (2016)**		
103	Management methods		pages 19-21
205-1	Transactions assessed for corruption risks		page 21
205-2	Communication and training on anti-corruption policies and procedures		pages 19-21
205-3	Established incidents of corruption and actions taken		page 21
206	**Anti-Corruption Conduct (2016)**		
103	Management methods		page 44
206-1	Legal actions for anti-corruption conduct, anti-trust and monopolistic practices		page 44
207	**Taxes (2019)**		
103	Management methods		pages 21-22
207-1	Approach to taxation		pages 21-22
207-2	Fiscal governance, control and risk management		pages 21-22
207-3	Stakeholder engagement and management of tax concerns		pages 21-22
207-4	Country-by-country reporting	The companies of the Group are based exclusively within the Italian tax jurisdiction. Therefore, country-by-country reporting does not appear to be applicable to Unieuro.	N/A
300	**Environment**		
301	**Materials (2016)**		
103	Management methods		pages 49; 53-54
301-1	Materials used by weight or volume		page 54
302	**Energy (2016)**		
103	Management methods		pages 49; 51-52
302-1	Energy consumption within the organisation		page 52
305	**Emissions (2016)**		
103	Management methods		pages 49; 51-52
305-1	Direct GHG emissions (Scope 1)		pages 52-53
305-2	Indirect GHG emissions from energy consumption (Scope 2)		pages 52-53
305-3	Other indirect GHG emissions (Scope 3)		pages 52-53
306	**Waste and Discharges (2016)**		
103	Management methods		pages 49-50
306-2	Waste by type and disposal method		page 51
307	**Environmental Compliance (2016)**		
103	Management methods		page 49
307-1	Non-compliance with environmental laws and regulations	During the year 2020/21, there were no environmental sanctions.	-
308	**Evaluation of suppliers based on environmental criteria (2016)**		
103	Management methods		pages 45-46
308-1	New suppliers that have been evaluated using environmental criteria		pages 45-46
400	**Business Performance**		
401	**Employment (2016)**		
103	Management methods		pages 22-23; 25-26

401-1	New hires and turnover		pages 27-28
402	**Management of industrial relations (2016)**		
103	Management methods		pages 35-36
402-1	Minimum notice periods for operational changes		pages 35-36
403	**Occupational Health and Safety (2018)**		
103	Management methods		pages 32-35
403-1	Occupational health and safety management system		pages 32-35
403-2	Hazard identification, risk assessment and accident investigation		pages 32-35
403-3	Occupational medicine services		pages 32-35
403-4	Worker participation and consultation and communication on occupational health and safety		pages 32-35
403-5	Training for workers on occupational health and safety		pages 32-35
403-6	Workers' health promotion		pages 32-35
403-7	Prevention and mitigation of occupational health and safety impacts within the business relationship		pages 32-35
403-9	Occupational accidents		pages 34-35
403-10	Occupational illnesses		pages 34-35
404	**Training and Education (2016)**		
103	Management methods		pages 29; 31
404-1	Average hours of annual training per employee		page 31
404-3	Percentage of employees receiving periodic performance and professional development assessments		page 31
405	**Diversity and Equal Opportunities (2016)**		
103	Information on management methods		pages 15-16; 25-26
405-1	Diversity in governance bodies and among employees	During the year 2020/21, the information relating to employees belonging to protected categories is not available. Unieuro undertakes to report this information within the next three years.	pages 17-19; 24; 26-27
405-2	Ratio of basic salary and remuneration of women to men		pages 28-29
406	**Non-Discrimination (2016)**		
103	Management methods		pages 25-26
406-1	Episodes of discrimination and corrective measures adopted	No episodes of discrimination occurred during the 2020/21 financial year.	-
413	**Local Communities (2016)**		
103	Management methods		pages 47-49
413-1	Activities with involvement by local communities impact assessments and development programs		pages 47-49
414	**Social assessment of suppliers (2016)**		
103	Management methods		pages 45-46
414-1	New suppliers that have been evaluated through the use of social criteria		pages 45-46
416	**Health and Safety of consumers (2016)**		
103	Management methods		pages 38-39
416-2	Incidents of non-compliance concerning impacts on the health and safety of products and services		page 39
417	**Labelling of products and services (2016)**		
103	Management methods		pages 39-41
417-1	Requirements for information and labeling of products and services		pages 39-41
417-2	Cases of non-compliance regarding information and labeling of products and services		pages 40-41
417-3	Cases of non-compliance regarding marketing communications		pages 40-41
418	**Consumer privacy (2016)**		
103	Management methods		pages 41-44
418-1	Proven complaints regarding violations of customer privacy and loss of customer data		pages 43-44
419	**Socio-economic Compliance (2016)**		
103	Management methods		pages 19-20

419-1	Non-compliance with laws and regulations on social and economic matters	In the period between November and December 2020, Unieuro received 8 reports from the Municipal Police of the Municipalities of Tavagnacco, Cesena, Padua, Turin, Bologna, Novara, Milan, for displaying for sale products that were not allowed under the Covid-19 sales restrictions. The Municipality of Bologna also imposed the accessory sanction for the closure of the store for a total of 10 days. In all cases, Unieuro paid the penalties (from a minimum of about Euro 200 to a maximum of about Euro 400) and, for the accessory sanction imposed by the Municipality of Bologna, Unieuro presented defensive deeds that were accepted with the revocation of the closing order of the point of sale. In addition, Unieuro received 2 sanctions, of Euro 6,000 each, for placing cheques for collection from customers without the non-transferability clause for collection. Unieuro did not pay the penalties and proposed defensive deeds. The outcome of the proceeding is awaited.	-

Forlì 06/05/2021



KPMG

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(Translation from the Italian original which remains the definitive version)

Independent auditors' report on the consolidated non-financial statement pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 and article 5 of the Consob Regulation adopted with Resolution no. 20267 of 18 January 2018

To the board of directors of
Unieuro S.p.A.

Pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 (the "decree") and article 5 of the Consob (the Italian Commission for listed companies and the stock exchange) Regulation adopted with Resolution no. 20267 of 18 January 2018, we have been engaged to perform a limited assurance engagement on the 2021 consolidated non-financial statement of the Unieuro Group (the "group") prepared in accordance with article 4 of the decree and approved by the board of directors on 6 May 2021 (the "NFS").

Responsibilities of the directors and board of statutory auditors ("Collegio Sindacale") of Unieuro S.p.A. (the "parent") for the NFS

The directors are responsible for the preparation of an NFS in accordance with articles 3 and 4 of the decree and the "Global Reporting Initiative Sustainability Reporting Standards", issued by GRI - Global Reporting Initiative, using the "core" option, as described in section 5 "Procedural Note" of the NFS (the "GRI Standards"), which they have identified as the reporting standards.

The directors are also responsible, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the directors are responsible for the identification of the content of the NFS, considering the aspects indicated in article 3.1 of the decree and the group's business and characteristics, to the extent necessary to enable an understanding of the group's business, performance, results and the impacts it generates.

The directors' responsibility also includes the design of an internal model for the management and organisation of the group's activities, as well as, with reference to the aspects identified and disclosed in the NFS, the group's policies and the identification and management of the risks generated or borne.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards, the IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our company applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the NFS with the requirements of the decree and the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the NFS is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the NFS are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the NFS, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we carried out the following procedures:

1. Analysing the material aspects based on the group's business and characteristics disclosed in the NFS, in order to assess the reasonableness of the identification process adopted on the basis of the provisions of article 3 of the decree and taking into account the reporting standards applied.
2. Analysing and assessing the identification criteria for the reporting scope, in order to check their compliance with the decree.
3. Comparing the financial disclosures presented in the NFS with those included in the group's consolidated financial statements.
4. Gaining an understanding of the following:

- the group's business management and organisational model, with reference to the management of the aspects set out in article 3 of the decree;
- the entity's policies in connection with the aspects set out in article 3 of the decree, the achieved results and the related key performance indicators;
- the main risks generated or borne in connection with the aspects set out in article 3 of the decree.

Moreover, we checked the above against the disclosures presented in the NFS and carried out the procedures described in point 5.a).

5. Understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the NFS.

   Specifically, we held interviews and discussions with the parent's management personnel. We also performed selected procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the NFS.

   Furthermore, with respect to significant information, considering the group's business and characteristics:

   - at parent and the subsidiary Monclick S.r.l. level:
     a) we held interviews and obtained supporting documentation to check the qualitative information presented in the NFS and, specifically, the business model, the policies applied and main risks for consistency with available evidence,
     b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2021 consolidated non-financial statement of the Unieuro Group has not been prepared, in all material respects, in accordance with the requirements of articles 3 and 4 of the decree and the GRI Standards.

Bologna, 20 May 2021

KPMG S.p.A.

(signed on the original)

Andrea Polpettini
Director of Audit

UNIEURO S.P.A.

REGISTERED OFFICE IN FORLI', PALAZZO "HERCOLANI", VIA PIERO MARONCELLI N. 10

SHARE CAPITAL EURO 4,000,000.00, FULLY PAID-UP

REGISTRATION NUMBER WITH THE COMPANIES' REGISTER OF FORLI'-CESENA AND TAX CODE NO. 00876320409

BOARD OF DIRECTORS' EXPLANATORY REPORT ON THE PROPOSAL AT ITEM NO. 1 OF THE AGENDA OF THE SHAREHOLDERS' ORDINARY MEETING OF UNIEURO S.P.A. CONVENED ON JUNE 15 2021 IN SINGLE CALL.

1. **Financial Statements as at February 28 2021, accompanied by the Management Report of the Board of Directors and including the Report of the Board of Statutory Auditors and the Report of the Auditing Firm. Presentation of the Consolidated Financial Statements as at February 28 2021 and the non-financial consolidated statement drawn up pursuant to Legislative Decree 254/2016.**

Dear Shareholders,

The Annual Financial Report as at February 28 2021, containing the draft financial statements of Unieuro S.p.A. ("**Company**") and the consolidated financial statements, together with the Management Report of the Board of Directors, the statement pursuant to article 154-*bis*, paragraph 5 of Legislative Decree dated February 24 1998 No. 58, duly approved by the Board of Directors on May 6 2021, the Report of the Board of Statutory Auditors and the Report of the Auditing Firm, shall be made available to the public in accordance with the term and in the manner provided for by law.

Within the same term and manner, the consolidated non-financial statement drawn up pursuant to Legislative Decree 254/2016, as duly approved by the Board of Directors on May 6 2021, shall be made available. It should be noted that this statement, - which contains information regarding initiatives undertaken and results achieved by Unieuro in the various areas of sustainability: Environment, Social and Governance - shall be presented at the Shareholders' Meeting for information purposes only; it is not subject to Shareholders' Meeting approval.

Notwithstanding that the consolidated financial statements as at February 28 2021, which show consolidated net profits of Euro 53,550/thousand, are brought to your attention, you are reminded that these are not subject to Shareholders' Meeting approval.

It should be noted that, following the exercises of the rights arising from the Long Term Incentive Plan 2018-2025, it is appropriate to reclassify the equity-based payments reserve as available and distributable retained earnings, in relation to the beneficiaries who exercised their rights as of February 28 2021, and for an amount of Euro 2,140/thousand.

With reference to the above-mentioned documents, you are hereby invited to approve the financial statements as at February 28 2021, showing net profits of Euro 54,431/thousand, and we respectfully propose that you pass the following resolution:

"The Shareholders' Meeting of Unieuro S.p.A.,

- *having examined the Management Report of the Board of Directors;*
- *having acknowledged the Report of the Board of Statutory Auditors and the Report of the Auditing Firm KPMG S.p.A.;*
- *having acknowledged the consolidated financial statements as at February 28 2021, showing consolidated net profits for the financial period of Euro 53,550/thousand;*
- *having acknowledged the consolidated non-financial statement as prepared by the Board of Directors;*
- *having examined the draft financial statements as at February 28 2021 provided by the Board of Directors that closed with annual results of Euro 54,431/thousand;*

resolves

that it approves the annual financial statements as at February 28 2021 in its entirety as well as the individual parts thereof."

* * *

Forlì, May 13, 2021

ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN OF THE BOARD OF DIRECTORS

STEFANO MELONI

UNIEURO S.P.A.

REGISTERED OFFICE IN FORLI', PALAZZO "HERCOLANI", VIA PIERO MARONCELLI N. 10

SHARE CAPITAL EURO 4,000,000.00 FULLY PAID-UP

REGISTRATION NUMBER WITH THE COMPANIES' REGISTER OF FORLI'-CESENA, AND TAX CODE NO. 00876320409

BOARD OF DIRECTORS' EXPLANATORY REPORT ON THE PROPOSAL AT ITEM NO. 2 OF THE AGENDA OF THE SHAREHOLDERS' ORDINARY MEETING OF UNIEURO S.P.A. CONVENED ON JUNE 15 2021 IN SINGLE CALL.

2. **Allocation of profits from the business year and proposal for the distribution of a dividend. Related resolutions.**

Dear Shareholders,

Whereas:

- the net profit for the year is Euro 54,431,041 as is shown in the annual financial statements as at February 28 2021;
- pursuant to art. 2430 of the Italian Civil Code, at least one-twentieth of the annual net profits must be allocated to the reserve fund up to one fifth of the share capital;

The proposal is put forward that the above-mentioned net profit of Euro 54,431,041for the financial year 2020-2021 be allocated in accordance with the provisions of art. 26 of the company Articles of Association:

- Euro 10,544 to the reserve fund;
- the remainder to be earmarked for distribution of a dividend to Shareholders and if necessary, to available and distributable extraordinary Reserve.

We remind you that, at the Shareholders' Meeting of June 12 2020, the Board of Directors deemed it appropriate to derogate from the dividend policy and instead it proposed that you allocate the entire profit for the financial year to the available and distributable Extraordinary Reserve fund mindful of the need to take into account the economic environment impacted by the COVID-19 pandemic and to further and prudently strengthen the Company's financial structure.

At said Shareholders' Meeting, the Board's proposal to abstain from distributing a dividend at that time was duly approved.

Today, in light of the results that have been achieved during the year in question, the Board of Directors invites you to approve a distribution of a dividend per share of a gross amount of Euro 2.6 for each ordinary share issued as at the ex-date, consistent with the dividend policy of Unieuro, which provides for the annual payout of dividends in an amount not less than 50% of the Company's Adjusted Net Income. This value was determined in order to compensate the shareholders for having waived their right to a dividend last year and to share with them the excellent results achieved. Said dividend shall be paid starting from 23 June 2021, with entitlement to payment as provided for under art. 83-*terdecies* of Legislative Decree February 24 1998 No. 58 and art. 2.6.6, paragraph 2 of the Rules of the Markets organised and managed by Borsa Italiana S.p.A. on 22 June 2021 (the "record date") and subject to coupon-detachment No. 4 on 21 June 2021 ("ex-date").

In virtue of the above, we therefore respectfully propose that you pass the following resolution:

"*The Shareholders' Meeting of Unieuro S.p.A.*,

- *having examined the draft financial statements as at February 28 2021 submitted by the Board of Directors;*
- *having examined the explanatory report of the Board of Directors;*

resolves

that the net profit for the financial year 2020-2021 in the amount of Euro 54,431,041 be allocated as follows:

- *Euro* 10,544 *to the reserve fund;*
- *for distribution to the Shareholders as a dividend per share, a gross amount of Euro 2.6 for each ordinary share issued as at the ex-date, such dividend to be paid starting from 23 June 2021, with entitlement to payment as provided for under art. 83-terdecies of Legislative Decree February 24 1998 No. 58 and art. 2.6.6, paragraph 2 of the Rules of the Markets organised and managed by Borsa Italiana S.p.A., on 22 June 2021 (the "record date") and subject to* coupon-detachment No.4 *on 21 June 2021;*
- *that the Board of Directors shall be duly empowered (and may sub-delegate said powers) to ascertain in due course, based on the exact final number of ordinary shares issued as the ex-date, the amount to be allocated to available and distributable extraordinary reserve of profits."*

* * *

Forlì, May 13, 2021

ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN OF THE BOARD OF DIRECTORS

STEFANO MELONI

UNIEURO S.P.A.

REGISTERED OFFICE IN FORLI', PALAZZO "HERCOLANI", VIA PIERO MARONCELLI N. 10

SHARE CAPITAL EURO 4,000,000.00, FULLY PAID-UP

REGISTRATION NUMBER WITH THE COMPANIES' REGISTER OF FORLI'-CESENA AND TAX CODE NO. 00876320409

BOARD OF DIRECTORS' EXPLANATORY REPORT ON THE PROPOSAL AT ITEM NO. 3 OF THE AGENDA OF THE SHAREHOLDERS' ORDINARY MEETING OF UNIEURO S.P.A. CONVENED ON JUNE 15 2021 IN SINGLE CALL.

E-MARKET SDIR CERTIFIED

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3. Report concerning the policy for remuneration and recompense paid:

3.1 Resolutions on the Company's remuneration policy referred to in the first section of the report pursuant to art. 123-ter paragraphs 3-bis and 3 ter of Legislative Decree of 24 February 1998 No. 58;

3.2 Resolutions on the second section of the report pursuant to art. 123-ter paragraph 6 of Legislative Decree of 24 February 1998 No. 58.

Dear Shareholders,

The Report concerning the policy for remuneration and recompense paid ("**Report**") has been drawn-up by the Board of Directors pursuant to Article 123-*ter* of Legislative Decree dated 24 February 1998 No. 58 ("**TUF**") and Article 84-*quater* of the CONSOB Issuers' Regulation adopted pursuant to resolution No. 11971/1999, as per Schedule 7-*bis* of Annex 3A of said Regulation, and shall be made available to the public within the term and in the manner provided for by law.

3.1. Resolutions on the remuneration policy of the Company referred to in the first section of the report pursuant to Article 123-*ter* paragraph 3-*bis* and paragraph 3-*ter* of Legislative Decree of 24 February 1998 No. 58.

The first section of the Report illustrates the Company's policy on remuneration to be adopted for the 2021/2022 financial year, for Company Directors, the General Director, Auditors and Managers with Strategic Responsibilities, and sets down the procedures for the adoption and implementation of such policy.

We therefore respectfully invite you to approve the contents of the first section of the Report in accordance with the provisions of paragraphs 3-*bis* and 3-*ter* of Article 123-*ter* of Legislative Decree of 24 February 1998 No. 58.

In light of that stated above, we would propose that you pass the following resolution:

"The Shareholders' Meeting of Unieuro S.p.A.,

- *having examined the first section of the Report concerning the policy for remuneration and recompense paid, drawn up by the Board of Directors pursuant to Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation no. 11971/1999;*
- *having acknowledged that, pursuant to Article 123-ter paragraphs 3-bis and 3-ter of Legislative Decree of 24 February 1998 No. 58, the Shareholders' Meeting is called to cast its binding vote regarding the first section of the Report concerning the policy for remuneration and recompense paid;*

resolves

that it approves the first section of the Report concerning the policy for remuneration and recompense paid, as has been prepared in accordance with Article 123-ter of Legislative

Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation no. 11971/1999."

3.2. Resolutions on the second section of the report pursuant to Article 123-*ter* paragraph 6 of Legislative Decree of 24 February 1998 No. 58.

The second section of the Report sets forth the individual items that make up the remuneration of members of the Company Directors, Auditors and Managers with Strategic Responsibilities for the year ending 28 February 2021.

We therefore respectfully invite you to express your favorable opinion on the contents of the second section of the Report pursuant to the provisions of paragraph 6 of Article 123-*ter* TUF.

In light of that stated above, we would respectfully propose that you pass the following resolution:

"The Shareholders' Meeting of Unieuro S.p.A.,

- *having examined the second section of the Report concerning the policy for remuneration and recompense paid, drawn up by the Board of Directors pursuant to Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation No. 11971/1999;*
- *having acknowledged that, pursuant to Article 123-ter sixth paragraph of Legislative Decree of 24 February 1998 No. 58, the Shareholders' Meeting is called to cast a non-binding vote on the second section of the Report on the policy concerning the policy for remuneration and recompense paid;*

resolves

in favour of that stated in the second section of the Report concerning the policy for remuneration and recompense paid, as has been drawn up pursuant to Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation no. 11971/1999"

* * *

Forlì, May 13, 2021

ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN OF THE BOARD OF DIRECTORS

STEFANO MELONI

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Unieuro S.P.A. registered office in Forli', Palazzo "Hercolani", Via Piero Maroncelli, 10
Share capital euro 4,000,000.00, fully paid-up
Registration number with the companies' register of Forli'-Cesena and tax code No. 00876320409

Report concerning the policy for remuneration and recompense paid

in accordance with Article 123-ter TUF and Article 84-quater Listing Regulations

Traditional management and control model

Issuer: Unieuro S.p.A.

Website https://unieurospa.com/en/ home/
section "*Corporate Governance/Shareholders' Meetings/Meeting 2021*"

Approved by the Board of Directors on 19 May 2021

LETTER TO SHAREHOLDERS FROM THE CHAIRMAN OF THE REMUNERATION AND APPOINTMENTS COMMITTEE

Dear Shareholders,

It is a great pleasure also for this year to present to you, together with the Remuneration and Appointments Committee chaired by me ("**Committee**") the Remuneration Policy of Unieuro S.p.A. ("**Unieuro**" or "**Company**") for the year ending 28 February 2022 as well as the report on recompense paid to Directors, Statutory Auditors and Managers with Strategic Responsibilities during the previous year which ended as at 28 February 2021. We are desirous that this document sets out for all stakeholders and in an exhaustive and transparent manner, the principles that inspire our remuneration policy, the systems and processes that govern it and the outcomes of its application.

The health emergency linked to the Covid-19 epidemic which is still, of course, ongoing, has required that management promptly adopt appropriate measures to deal with a situation characterised by extreme volatility and uncertainty and our ultimate goal has been to ensure sustainability of the business whilst safeguarding the needs and well-being of our collaborators and customers.

The year which recently ended has also been very demanding for our Committee which has worked to consolidate the guidelines of the remuneration policy which was approved at the Shareholders' Meeting of 17 December 2020 in light of the impulses and considerations that emerged during the engagement activity carried out with the principal proxy advisors and institutional investors as well as the analyses of best practices and of shareholders' meeting results. We undertook this with the view to achieving continuous improvement, paying particular attention to the Company's ability to attract, retain and motivate the very best resources so as to support the envisaged development and performance objectives, thus creating value for shareholders.

Therefore, the Company has opted to give full disclosure on the performance indicators on which the second cycle of the 2020-2025 Performance Share Plan shall be anchored and which shall integrate economic-financial indicators with ESG indicators, in line with the indications set forth in the new Corporate Governance Code and in compliance with the requests that arose during the engagement activity undertaken last December. The newly appointed Sustainability Committee, established within the Board of Directors in November 2020, has been involved in defining the relative KPIs, and its input has significantly contributed to the design of the variable remuneration component.

The ESG indicators confirm Unieuro's attention to sustainable development issues in the interest of all corporate stakeholders, side-by-side with the "Net Promoter Score", a criterion based on customer satisfaction which, again for this year, is within the performance indicator tools on which the Company's MBO system is based.

The Remuneration Policy further takes into account the corporate reorganization implemented by the appointment of a General Manager, Bruna Olivieri, and the redefinition of the category of Managers with Strategic Responsibilities.

Last but not least, also mindful of the recent changes introduced by Consob in the area of disclosure, the Policy further improves transparency levels by providing more details on the connection between remuneration policy, people management and development and the broader corporate strategy; this latter has the aim of revitalising the elaboration and subsequent presentation to the market of an new Industrial Plan.

This Report is presented concurrently with the proposal, formulated by the Board of Directors, that the remuneration be adjusted. Such proposal factors in the recommendation made by the Chairman of the Corporate Governance Committee so as to ensure that remuneration of the members of the Board of Statutory Auditors and that of the Board of Directors takes into account the additional commitment that has been - and that shall be - required of them in light of the changed socio-economic context and dynamism of Unieuro's ownership structure.

Being satisfied with the results that have been achieved, we therefore present our Report that evidences the commitment of the Committee to show in a clear and transparent manner the results of last year's remuneration policy and the strategy that the Company is desirous to adopt in this regard for the coming year, which we submit is coherent with the objective to ever-increasingly align the interests of management with those of all Company stakeholders.

Having said that, together with Directors Catia Cesari and Pietro Caliceti, to whom I give my personal thanks for their constant and precious commitment as Committee members, I thank you again for the support that I trust you will continue to provide in relation to the Remuneration Policy which is presented for your approval.

Marino Marin
CHAIRMAN OF THE REMUNERATION AND APPOINTMENTS COMMITTEE

Summary

DEFINITIONS and GLOSSARY

Articles of Association	The articles of association of the Company approved at the extraordinary Shareholders' Meeting of 12 December 2016, as subsequently amended, and which entered into force on the Trading Start Date.
Board/Board of Directors	The Company's board of directors.
Board of Statutory Auditors	The Company's Board of Statutory Auditors.
Borsa Italiana	Borsa Italiana S.p.A., with its registered office at Piazza degli Affari 6 – Milan.
Civil Code	The Italian Civil Code.
Corporate Governance Code	The Corporate Governance Code for listed companies approved in January 2020 by the Corporate Governance Committee (and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria), applicable from the first financial year starting after 31 December 2020 and, thus as of Financial Year 2022.
Consob Related Parties Regulation	The Regulation on related-party transactions approved by Consob with Resolution no. 17221 of 12 March 2010, as subsequently amended and integrated.
Executive Directors	Directors entrusted with specific operative or managerial powers including any specific duties allocated to him/her by the Board of Directors.
Financial Period 2021 or FY2021	The Company's financial period from 1 March 2020 to 28 February 2021.
Financial Period 2022 or FY2022	The Company's financial period from 1 March 2021 to 28 February 2022.
Independent Directors	Directors possessing the independence requisites laid down by TUF and the Corporate Governance Code.
Instructions to the Stock Market Regulations	The Instructions to the Regulations of the Markets Organised and Operated by Borsa Italiana S.p.A.
Issuer/Company /Unieuro	Unieuro S.p.A., with its registered office in Forlì, via Maroncelli No. 10.
Listing Regulation	The listing Regulation approved by Consob with Resolution no. 11971 of 14 May 1999, as subsequently amended and integrated.

Long Term Incentive Plan 2018-2025 or Stock Option Plan	The long-term incentive plan that pays a bonus in financial instruments.
Managers with Strategic Responsibilities	Company managers that hold the powers and responsibilities, directly or indirectly, for planning, management and control of Company activities, according to the definition provided in Appendix 1 to the Consob Regulations on related-party transactions adopted by resolution no. 17221 of 12 March 2010 as subsequently amended and integrated.
MTA – STAR Segment	The Mercato Telematico Azionario (Electronic Stock Exchange) - STAR Segment, organised and managed by Borsa Italiana S.p.A.
Non-Executive Directors	Directors not entrusted with any specific operative or managerial powers nor having been allocated any specific duties by the Board of Directors.
2020-2025 Performance Share Plan	The 2020-2025 Performance Share Plan which provides for the grant of rights on a gratuitous basis and conditional on achievement of certain performance objectives, which entitle the Beneficiary to be allocated Company ordinary shares, again on a gratuitous basis.
Report	This report concerning the policy for remuneration and recompense paid.
Self-Regulation Code	The Self-Regulation Code for listed companies approved in March 2006 by the Corporate Governance Committee (and promoted by Borsa Italiana SpA, ABI, Ania, Assogestioni, Assonime and Confindustria), as last amended in July 2018 and in force until the end of the 2021 Financial Period.
Shareholders' Meeting/Meeting	The Company shareholders' meeting.
Stock Market Regulations	The Regulations of the Markets Organised and Operated by Borsa Italiana S.p.A..
Trading Start Date	The first day on which the shares of Unieuro were traded on the MTA – STAR Segment (as defined above), i.e. 4 April 2017.
TUF	The Italian Consolidated Finance Act (*Testo Unico della Finanza*) by way of Legislative Decree No. 58 of 24 February 1998 as subsequently amended and integrated.

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SECTION I

EXECUTIVE SUMMARY

Below is a table that summarises the main elements of the Remuneration Policy of Unieuro S.p.A. and the remuneration of Managers with Strategic Responsibilities as at the date of this Report.

Component	Purpose	Conditions of implementation	Amounts / Value
Fixed Remuneration	Enhance managerial and professional skills, experience and the contribution required in relation to the position.	Defined in relation to the characteristics, responsibilities and any powers bestowed on the role and taking into account market references to ensure competitiveness.	**CEO/ CSO**[1] € 350,000.28 Component determined on the basis of the current management relationship, the Chief Executive Officer having waived his right to the compensation granted to him by the Board pursuant to art. 2389 c.3 Civil Code. **GM** [2] € 300,000 From 1 March 2021, subject to approval by the Shareholders' Meeting of this Policy. **CFO**[2] € 300,000
Short-term variable remuneration	Promote the achievement of annual business objectives, with the aim of motivating the management, maintaining an alignment with the Company strategy, interests and	The short-term variable remuneration is subject to a gateway condition that determines its access: Indeed, in order to trigger the bonus, an EBITDA of at least 70% of the EBITDA target set for the year must be reached.	**CEO/ CSO** **GM** **CFO**

[1] **CEO**: Chief Executive Officer / **CSO**: Chief Strategy Officer
[2] **GM**: General Manager / **CFO**: Chief Financial Officer

	sustainability of the Company also through the provision of an ESG performance objective (Net Promoter Score).	1) EBITDA* 70% Measurement of performance: Target 100% (annual budget target) EBITDA threshold: 80% 2) Net Financial Position** 20% Measurement of performance: Target 100% (annual budget target) Gateway: 70% EBITDA Net Financial Position threshold: 80% 3) Net Promoter Score*** 10% Measurement of Performance: Target 100% (annual budget target) Gateway: 70% EBITDA Net Promoter Score threshold: 80% Cap cumulative max 150% of the amount provided under the individual contract of the manager as a bonus in case of achievement that exceeds 100% of the target. Incentive subject to claw back and malus conditions * EBITDA is Consolidated EBITDA pre-adoption IFRS16 adjusted by (i) non-recurring expense/(income) and (ii) the effects deriving from the adjustment of the costs for guarantee extension services net of the estimated costs for the provision of service assistance, as a consequence of the change in the business model for directly managed assistance services. ** Net Financial Position indicates (Net Financial Debt) / Consolidated Net Cash without incorporating the effects of applying IFRS 16.	From 50% to 150% of the bonus contractually defined on the basis of the target achievement level. Upon reaching 100% of the target: 100% of the contractually defined bonus.

		*** The Net Promoter Score (NPS) measures the customer experience and predicts business growth, it can range from -100 (if each customer is a Detractor) to 100 (if each customer is a Promoter).	
Long-term variable remuneration	Promote the creation of sustainable success in the long term and the achievement of the objectives of the Company's strategic plans, while encouraging loyalty and engagement of management.	**2020-2025 Performance Plan Share:** Long-term variable incentive with three-year performance and share award. • Allocation frequency: annual (rolling plan). • Period of performance: three-year. • Claw back and malus clauses • Lock-up clause for Managers with Strategic Responsibilities • Grant to beneficiaries of the right to receive a cash bonus on any cash dividends distributed and paid by the Company up to the date of allocation. With reference to the 2nd cycle of the plan the performance targets are expressed by: 1) Adjusted EBIT (as defined on page 29) 50% 2) Adjusted Free Cash Flow (as defined on page 29) 25% 3) Objective ESG (as defined on page 30) 25%	**CEO/ CSO** **GM** **CFO** Participation in the 2nd cycle of the 2020 - 2025 Performance Plan Share is envisaged • Minimum performance threshold (**Threshold**) 80% of the target: below which no share will be allocated and upon achievement of which beneficiary will be granted rights to a number of shares equal to 50% of the target award; • target performance threshold (**Target**) at which a base number of shares will be allocated; • maximum performance threshold (**Cap**), 150% of the target, on achievement or exceeding of which the maximum number of shares, equal to 150% of the target premium will be allocated.

Other compensation	Promoting the attraction and retention of managerial resources, ensuring organisational stability and the contribution of key resources. Safeguarding against competition and preventing any disputes related to the termination of the relationship.	**Non-monetary benefits**	**CEO/ CSO** **GM** **CFO** Pursuant to the provisions of the applicable national collective bargaining agreement and the provisions of individual employment contracts: contributions to mandatory social security funds and supplementary medical care coverage, life risk insurance coverage, accident and occupational and non-professional illness and Directors & Officers Liability ("D&O") policy, the use of a company vehicle for personal and business use and, in some cases, the granting of the so-called house allowance.
		Non-compete clause	**CEO/ CSO:** Present Entered into between the Company and the latter as Manager with Strategic Responsibilities. **GM** **CFO** Present (for details see page 41)

		End of term compensation	**CEO/ CSO** **GM** **CFO** Not expressly provided for; the provisions of the applicable law and of the national collective bargaining agreement apply. (for details see page 41)

A. BODIES OR PARTIES INVOLVED IN THE PREPARATION, APPROVAL, REVISION (IF ANY) AND IMPLEMENTATION OF THE REMUNERATION POLICY

The bodies or parties involved in the preparation and approval of the Remuneration Policy are indicated below, with a specification of their respective roles, together with the bodies or parties responsible for the proper implementation of said policy.

The Remuneration Policy is adopted according to a process that involves the Shareholders' Meeting, the Board of Directors and the Remuneration and Appointments Committee, in accordance with the rules and regulations in force and the principles set out in the Corporate Governance Code.

The remuneration of directors assigned with particular duties (including the Chairman and Vice Chairman) is determined by the Board of Directors after consulting of the Remuneration and Appointments Committee, in consultation with the Board of Statutory Auditors. The Shareholders' Meeting may set an overall amount for the remuneration of all the directors, including those assigned with particular duties.

I. Shareholders' Meeting

With regard to remuneration, the Shareholders' Meeting:

- pursuant to Article 2364, paragraph one, No. 3) of the Civil Code, decides the compensation of the members of the Board of Directors and the Board of Statutory Auditors at the time of their appointment and for the entire duration the office is to be held, until such time as different provisions are determined at a Meeting;
- pursuant to Article 123-*ter:* (i) paragraph 3-*bis* and paragraph 3-*ter* TUF, resolves by binding vote on the first section of the Report and (ii) sixth paragraph TUF, resolves by a nonbinding vote on the second section of the Report; and
- pursuant to Article 114-*bis* TUF, resolves on any compensation plans based on shares or other financial instruments.

II. Board of Directors

With regard to remuneration, the Board of Directors:

- sets the remuneration of Directors within the remit of that resolved by the Meeting;
- in accordance with Article 2389, third paragraph Civil Code, sets the remuneration of directors tasked with specific duties, on proposal of the Remuneration and Appointments Committee having listened to the opinion of the Board of Statutory Auditors;
- determines the Remuneration Policy based on the proposal of the Remuneration and Appointments Committee, and is responsible for putting it into effect;
- prepares any compensation plans based on shares or other financial instruments, with the assistance of the Remuneration and Appointments Committee, submitting these plans for the approval of the Shareholders' Meeting in accordance with Article 114-*bis* TUF; and

- implements any compensation plans based on shares or other financial instruments, with the assistance of the Remuneration and Appointments Committee, upon authorisation of the Shareholders' Meeting.

III. Executive Directors

With regard to remuneration, the Executive Directors:

- submit any compensation plans based on shares or other financial instruments to the Remuneration and Appointments Committee, or where appropriate assist the Remuneration and Appointments Committee with drawing up said plans;
- provide the Remuneration and Appointments Committee with all useful information so as to enable the Committee to assess the adequacy and actual implementation of the general remuneration policy, with particular regard to the remuneration of Managers with Strategic Responsibilities.

IV. Board of Statutory Auditors

With regard to remuneration, the Board of Statutory Auditors serves an advisory role, wherein it formulates opinions required by the regulations in force and in particular expresses its opinion on proposals for the remuneration of Executive Directors. In expressing its opinion as mentioned above, it verifies the consistency of proposals put forward with the remuneration policy.

V. Auditing Firm

As provided for by Article 123-*ter*, paragraph 8-*bis* TUF, the auditing firm shall verify that the directors have prepared the second section of the Report.

VI. Remuneration and Appointments Committee

On the topic of remuneration, in line with Recommendation No. 25 of the Corporate Governance Code, the Remuneration and Appointments Committee shall be entrusted with the following tasks, as provided for under the Committee Regulations last amended by the Board of Directors on May 13 2021:

- supporting the Board of Directors in the development of the remuneration policy and the recompense paid; more specifically, the Committee proposes approval of the remuneration report including the remuneration policy referred to in this letter a), to the Board of Directors and its presentation at the Shareholders' Meeting of the Company in conformance with the legislation in force and the Corporate Governance Code;
- giving its opinion on: the remuneration of executive Directors and that of other Directors holding particular offices; the setting of performance objectives related to the variable component of such remuneration; verification of the effective achievement of

the performance objectives by said Directors jointly with the Sustainability Committee to the extent that any of the above-mentioned objectives concern ESG indicators;

- monitoring actual application of the remuneration policy pursuant to lett. a); for the purpose of periodically assessing the adequacy and overall consistency of the remuneration policy as concerns directors and managers with strategic responsibilities;

- evaluating and drawing up proposals to the Board of Directors regarding the design of periodic short and medium-long term incentive plans, including those based on share, stock options, public shares and similar such incentive and loyalty plans for the benefit of Company management and employees, also with reference to the suitability of such incentives to achieve the objectives of the plans, giving its opinion on the manner in which to provide the above-mentioned instruments to beneficiaries;

- performing any additional tasks as may be entrusted to it by the Board of Directors, monitoring the application of decisions adopted by the Board of Directors on the subject of remuneration.

Whenever the Remuneration Committee performs consultative and investigative activity on issues pertinent to the area of transactions with related parties, it is preferable that discussion of the matter be undertaken jointly with the committee for transactions with related parties of the Company.

VII. Related Party Transactions Committee

The Related Party Transactions Committee ("**RPT Committee**") shall give opinions on those matters within its area of competency in those cases provided for by law and by the Procedure adopted by the Company on the management of transactions with related parties in implementation of the applicable Consob regulations in force from time to time.

In compliance with the above-mentioned procedure, the Company may adopt any decisions that derogate from or implement the Policy within the requisite limits or in any case to the extent allowed by the applicable laws and regulations in force from time to time.

More specifically, in the event of exceptions to the Policy in exceptional circumstances, as better illustrated in paragraph Q below, the Company shall provide information to the RPT Committee in the manner and within the timelines required by the laws and regulations in force from time to time.

B. REMUNERATION AND APPOINTMENTS COMMITTEE AND ANY OTHER MEASURES FOR AVODING OR MANAGING CONFLICTS OF INTEREST.

On 7 February 2017, the Board of Directors, in conformity with the corporate governance recommendations contained in the Self-Regulation Code, resolved, with effect from the Trading Start Date, to establish a Remuneration and Appointments Committee, approving the regulations for the operation of such committee.

a) Composition of the Remuneration and Appointments Committee

Following the renewal of the entire Board of Directors which occurred at the Shareholders' Meeting held on 18 June 2019, subsequently on 26 June 2019, the Board of Directors moved to appoint the members of the Remuneration and Appointments Committee, and appointed: Gianpiero Lenza (non-executive director), Catia Cesare (director in possession of the requirements of independence indicated by the TUF and by the Self-Regulation Code) and Marino Marin (director in possession of the requirements of independence indicated by the TUF and by the Self-Regulation Code) in the role of Chairman. In light of the resignation presented by Gianpiero Lenza on 23 January 2020 from his office on the Company Board of Directors, the Board of Directors appointed Pietro Caliceti (director in possession of the requirements of independence indicated by the TUF and by the Self-Regulation Code) as a member of the Remuneration and Appointments Committee on 6 February 2020.

On May 6 2021, the Board of Directors assessed whether the Directors belonging to the Remuneration and Appointments Committee satisfy the independence requirements indicated in the Corporate Governance Code.

In accordance with the provisions of said Corporate Governance Code, the Remuneration and Appointments Committee is deemed to be made up of independent directors and its Chairman possesses knowledge and experience in financial matters and remuneration policies.

b) Responsibilities and operating methods of the Remuneration and Appointments Committee

The operation of the Remuneration and Appointments Committee is governed by the relative Regulation approved by the Board of Directors on 7 February 2017 most recently amended on 13 May 2021 to take into account the recommendations set forth in the Corporate Governance Code - which can be consulted on the Issuer's website in the "Corporate Governance" section - with the most important provisions reproduced below.

In view of the Company's organisational needs, its mode of operation and the size of its Board of Directors, the Company has established a single committee for remuneration and appointments pursuant to Articles 5 and 6 of the Self-Regulation Code, which is responsible for making enquiries, providing advice and offering suggestions to the Board of Directors.

The Remuneration and Appointments Committee is able to access the information and corporate functions necessary to carry out its duties, as well as avail itself of external consultants, within the limits established by the Board of Directors, in conformity with the provisions of recommendation No. 7 of the Corporate Governance Code.

The Chairman shall report to the Board of Directors at its very next sitting on the relevant activities carried out by the Remuneration and Appointments Committee.

Nevertheless, in accordance with Article 19 of the Articles of Association and Article 2389, paragraph 3, of the Civil Code, the Remuneration and Appointments Committee only performs advisory and recommendation functions, whereas the power to set the remuneration of the Directors assigned with specific duties remains with the Board of Directors, in consultation with the Board of Statutory Auditors, without prejudice to the power of the Shareholders' Meeting to decide the overall amount of the remuneration of all the directors, including those assigned with particular duties.

To neutralize any possible conflicts of interests, in conformity with the provisions of Recommendation No. 26 of the Corporate Governance Code, no director can take part in the Remuneration and Appointments Committee meetings in which proposals are made to the

Board of Directors regarding their remuneration, unless the proposals regard all members in general of the committees established within the remit of the Board of Directors.

C. RECOMPENSE AND EMPLOYMENT CONDITIONS OF COMPANY EMPLOYEES IN THE DETERMINATION OF THE REMUNERATION POLICY

The Policy consists of instruments and logic applied to the entire Company population, aimed at attracting, motivating and retaining those persons having the professional attributes as are deemed necessary to contribute to the definition of the Company's growth strategy and to strengthen Unieuro's long-term interests and sustainability. Said policy is based on principles of fairness, equal opportunities, meritocracy and competitiveness having regard to the particular market.

Determination of the remuneration of persons working for the company shall factor in specific criteria to include an external market comparison, fairness within the company, the characteristics of the role and the responsibilities the roles carries as well as the person's distinctive skills, always mindful of the requisite of maximum objectivity so as to avoid any form of discrimination.

The assurance of sustainability of company results and the creation of value for shareholders in the medium - long term for shareholders, whilst ensuring a safe working environment for all employees and providing them with a level of remuneration which is appropriate to the tasks performed, are the fundamental pre-requisites underpinning determination of the Unieuro remuneration policies. The variable remuneration and the fixed annual component of such policy are designed differently having regard to the characteristics of the role held in the company, the responsibilities that come with it, and the working conditions of Company employees.

With reference to this last aspect in particular, Unieuro does and shall:

- apply the national collective bargaining agreement (NCBA) (provided there is one) in force from time to time that is applicable to the labour category that adheres to it;
- adopt for the entire managerial staff and for the residual part of the employee population, merit-based policies, variable incentive systems, initiatives for the benefit of employees, as well as non-competition agreements for specific roles to safeguard company assets;
- engage in numerous initiatives to safeguard health and safety of persons, an aspect of particular relevance in a period marked by the COVID-19 pandemic.

D. NAMES OF ANY INDEPENDENT EXPERTS INVOLVED IN THE PREPARATION OF THE REMUNERATION POLICY

The Company has not used any independent experts for the preparation of the Remuneration Policy.

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E. PRINCIPLES, AIMS AND DURATION OF THE REMUNERATION POLICY; ANY CHANGES THERETO COMPARED WITH THE PREVIOUS FINANCIAL PERIOD

Also, in accordance with the Corporate Governance Code, the Remuneration Policy is mainly designed to:

- attract, motivate and retain adequate human resources and skills to successfully pursue the Company's objectives;
- to align the interests of management with those of the Company and its shareholders; and to promote the creation of sustainable medium/long term values for the Company and for its shareholders. The duration of this Remuneration Policy is annual.

In determining the Remuneration Policy, the Board of Directors has taken into account the following criteria in accordance with the provisions of the Corporate Governance Code:

- the fixed component and the variable component are suitably balanced in view of the Issuer's strategic goals and its risk management policy whereas the variable component represents a significant part of the overall remuneration;
- there are maximum limits on the variable components of remuneration;
- the performance objectives on which payment of the variable components is dependant shall be predetermined, measurable and a significant part thereof linked to a long-term horizon. They are moreover consistent with the strategic objectives of the company and are aimed at promoting sustainable success of the Company, also factoring in non-financial parameters;
- malus and clawback clauses are envisaged for both the short-term incentive system ("MBO") and the medium-long term incentive system ("LTIP");
- the fixed component is deemed sufficient to remunerate directors for their services in the event the variable component is not paid because of failure to reach performance objectives.

In order to pursue these objectives, under the Remuneration Policy the compensation of Directors, Auditors and Managers with Strategic Responsibilities is determined on the basis of the following components:

(i) a fixed annual component, commensurate with the position and the commitment required;

(ii) a variable component, measured on the performance of the Company, in the form of equity, equity-based or cash-based incentive plans in the case of executive Directors and Managers with Strategic Responsibilities;

(iii) non-monetary benefits (fringe benefits), such as the provision of a company telephone, computer or vehicle, as well as participation in welfare and insurance plans that include:

a. for Managers with Strategic Responsibilities of the Company, ordinary welfare and social security protection (as per the applicable national collective bargaining agreement) and insurance coverage against the risk of death, permanent disability and temporary incapacity;

b. as far as Directors are concerned, insurance coverage in relation to the office held on the Board of Directors.

(iv) compensation payable as consideration for any non-compete obligations agreed with the Managers with Strategic Responsibilities or within those limits providing for cessation of the relationship under any applicable NCBA.

This Remuneration Policy is substantially a continuance of that submitted for binding vote of the shareholders' meeting held on 17 December 2020. Its content has been broadened to incorporate the legislative and regulatory changes made by Consob resolution No. 21623 of 10 December 2020 to art. 84-quater of the Issuers Regulations and Annex 3A of the Issuers Regulations.

The Policy has been determined taking into account the analyses of and insights into the results of the shareholders' votes concerning both the Remuneration Policy for the 2020/2021 financial period and the Report on recompense paid out in the 2019/2020 financial period[3].

Unieuro places great weight on its analyses of said voting results; during the course of 2020 and in the first months of 2021; the Company has introduced certain significant elements relating to the 2nd cycle of the 2020-2025 Performance Share Plan such as: (i) an ESG performance objective; (ii) the measurement of performance objectives achievement, based on values which are disclosed in said Policy document (for more details on this, please refer to the paragraph relating to the 2nd cycle of the 2020-2025 Performance Share Plan).

The Policy also takes into account: the inclusion of the role of General Manager who took office on 1 March 2021 and of the Chief Financial Officer appointed with effect as of 1 June 2021 and related remuneration; the role of Chief Strategy Officer, appointed with effect as of 19 May 2021.

F. DESCRIPTION OF POLICIES CONCERNING THE FIXED AND VARIABLE COMPONENTS OF REMUNERATION, WITH PARTICULAR REGARD TO ITS RELATIVE WEIGHTING WITHIN THE OVERALL REMUNERATION AND THE DISTINCTION BETWEEN SHORT-TERM VARIABLE COMPONENTS AND MEDIUM/LONG-TERM VARIABLE COMPONENTS

The policy concerning remuneration of the Directors and Managers with Strategic Responsibilities are adequately balanced to ensure alignment between short-term growth objectives and the creation of sustainable value for the Company and its shareholders in the medium-long term.

In particular, the remuneration structure comprises the following components:

- a fixed component that reflects the person's specific powers, positions, role and strategic responsibilities;

[3] The Shareholders' Meeting of 17 December 2020 voted in favour of the Remuneration Policy for the year 2020/2021 with 86.144% of the share capital represented at the Shareholders' Meeting. 13.856% of the represented share capital voted against. There were no abstentions and/or non-voting parties. The Shareholders' Meeting of 12 June 2020 voted in favour of the 2019/2020 Compensation Report with 90.114% of the represented share capital. 7,032% of the represented share capital voted against. 2,854% abstained. There were no non-voting parties.

- a variable component designed to remunerate expected short-term performance and medium/long-term performance.

The variable remuneration and the fixed annual components have different weightings according to the characteristics of the role in the company and the responsibilities held, in order to ensure the sustainability of company results and the creation of medium/long-term value for the shareholders.

Regarding Managers with Strategic Responsibilities, when determining the relevant Remuneration Policy, the Board of Directors take as a base starting point an assessment of the current contractually agreed remuneration with each Manager with Strategic Responsibilities, which includes, *inter alia*, benefits and variable short-term remuneration (“MBO”) connected to the achievement of company performance targets set for each financial period, the payment of which is conditional upon executive’s remaining with the Company for the relevant period, as better described below.

The variable part of the remuneration is therefore set in such a way as to:

- take into account the requirement that a significant part of the remuneration of Executive Directors and Managers with Strategic Responsibilities must be linked to economic results achieved by the Issuer and/or the achievement of targets set in advance by the Board of Directors;

- ensure that the interests of the Executive Directors and Managers with Strategic Responsibilities are in line with the priority objective of creating medium/long-term value for the Company and its shareholders; and

- retain and motivate staff holding the required qualities to manage the Issuer successfully, including through the use of retention conditions.

As indicated above, the variable component of the remuneration includes a short-term component MBO and a medium/long-term component (“LTIP”) which are better described below.

I. Management By Objectives (“MBO”)

The remuneration of Managers with Strategic Responsibilities provides for an annual variable MBO component (which is a significant amount in percentage terms in respect of gross annual income) connected to the achievement of an "entry gate" and individual and/or company performance objectives set for each financial period by the Board of Directors, the payment of which is conditional upon the Manager’s remaining with the company for the relevant period.

The current MBO system envisages payment of a variable monetary component (cash bonus), payable upon achievement of the 100% of targets, in an amount determined for each manager in his/her individual contract of employment. The recognition of the bonus is conditional upon the manager’s remaining in office for the reference period and reaching the performance targets which are given predetermined weighting, and specific identifiable entry levels. The bonus effectively due is calculated according to a linear progression system, bearing in mind the actual performance achieved with respect to the performance targets.

The MBO system for the year 1 March 2021 - 28 February 2022, as approved by the Board of Directors on 13 May 2021 upon the proposal of the Remuneration and Appointments Committee and by way of continuation of that provided for in the MBO applicable to the

Financial Period closed on February 28 2021, is subject to a gateway condition that subjects activation of the bonus to the condition precedent that actual EBITDA[4] must be at least 70% of the target EBITDA set for the year and is structured on the basis of the following parameters and criteria:

- the performance objectives are connected to targets with reference to (i) EBITDA[5] (common to all Managers with Strategic Responsibilities) ("EBITDA Performance Target") and (ii) the net financial position or net debt (depending on the corporate role performed) ("**NFP Performance Target**") and (iii) Net Promoter Score, a criterion based on customer satisfaction as resulting from questionnaires obtained from to customers ("**NPS Performance Target**")[6];

- the Target Bonus - payable if 100% of the targets are reached and determined individually in the contracts of employment - is broken down according to the above-mentioned weighting of the "**EBITDA Target Bonus**" (70%), the "**NFP Target Bonus**" (20%) and in the "**NPS Target Bonus**" (10%);

- the accrual of and payment of the EBITDA Target Bonus, the NFP Target Bonus and the NPS Target Bonus are conditional upon (i) the reaching of predetermined entry levels, below which levels the beneficiary shall not have the right to receive any compensation and (ii) the beneficiary being employed by the Issuer at the closing date of the reference period, except in the event of termination by Company of the employment for objective reasons in which case the bonus will be readjusted proportionally *ratione temporis*.

Specifically, if the effective consolidated performance in the relevant period relating to EBITDA ("**EBITDA Actual Performance**") is:

- below 80% of the EBITDA Performance Target, then the EBITDA Target Bonus would not be due, not even pro rata, as the entry level has not been achieved;

- equal to 80% of the EBITDA Performance Target, then 50% of the EBITDA Target Bonus would be due;

- between 81% and 99% of the EBITDA Performance Target, then - in addition to the amount indicated in point b) above - 2.5% of the EBITDA Target Bonus would be due for each plus percentage point of the EBITDA Actual Performance above 80% of the EBITDA Performance Target;

- 100% of the EBITDA Performance Target, then an amount equal to the EBITDA Target Bonus would be due;

- between 101% and 120% of the EBITDA Performance Target, then a sum in addition to the EBITDA Target Bonus would be due, equal to 2.5% of the EBITDA Target Bonus for each plus percentage point of the EBITDA Actual Performance between 101% and 120% (inclusive) of the Performance Target and equal to 3% for each plus percentage point of the EBITTDA Actual Performance above 120% of the EBITDA Performance Target.

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[4] As described in executive summary on page 8.
[5] As described in executive summary on page 8.
[6] The final determination of achievement of the Net Promotor Score objective is made by way of adjustment of the results of those surveys collected online through a "proprietary" platform, and subtracting the number of "detractors" from the number of "promoters".

The NFP Target Bonus is due exclusively on condition that 70% of the EBITDA Performance Target is achieved. On the failure to achieve such threshold, the right to receive the NFP Target Bonus will not accrue, in spite of reaching the Performance Target for the net financial position/net debt. Notwithstanding the foregoing, if the effective consolidated performance in the reference period relating to the net financial position/net debt (“**NFP Actual Performance**”) is:

a) below 80% of the NFP Performance Target, then the NFP Target Bonus would not be due, not even pro rata, as the entry level has not been achieved;

b) equal to 80% of the NFP Performance Target, then 50% of the NFP Target Bonus would be due;

c) between 81% and 99% of the NFP Performance Target, then - in addition to the amount indicated in point b) above - 2.5% of the NFP Target Bonus would be due for each plus percentage point of the NFP Actual Performance above 80% of the NFP Performance Target;

d) 100% of the Performance Target, then an amount equal to the NFP Target Bonus would be due;

e) between 101% and 120% of the NFP Performance Target, then a sum in addition to the NFP Target Bonus would be due equal to 2.5% of the NFP Target Bonus for each plus percentage point of NFP Actual Performance between 101% and 120% (inclusive) of the Performance Target and equal to 3% for each plus percentage of the NFP Actual Performance above 120% of the NFP Performance Target.

The NPS Target Bonus is due exclusively on condition that 70% of the EBITDA Performance Target is achieved; in the event that this threshold is not reached, the right to receive the NPS Target Bonus will not accrue, despite the achievement of the Target Performance relating to the customer satisfaction level. Notwithstanding the foregoing, in the event that the actual consolidated performance of the reference period relative to customer satisfaction ("**NPS Actual Performance**") is:

a) less than 80% of the NPS Performance Target, then the NPS Target Bonus would not be recognized, not even pro rata, as the related entry threshold has not been achieved;

b) equal to 80% of the NPS Performance Target, then an amount equal to 50% of the NPS Target Bonus would be due;

c) between 81% and 99% of the NPS Performance Target, then - in addition to that indicated in point b) above - 2.5% of the NPS Bonus Target for each plus percentage point of NPS Actual Performance greater than 80% of the NPS Performance Target would be recognized;

d) 100% of the Performance Target, then an amount equal to the NPS Target Bonus would be due;

e) between 101% and 120% of the NPS Performance Target, then an additional sum would be recognized, - equal to 2.5% of the NPS Target Bonus for each plus percentage point of the NPS Actual Performance between 101% and 120% (inclusive) of the NPS Performance Target, and equal to 3% for each plus percentage point of the NPS Actual Performance above 120% of the NPS Performance Target.

Notwithstanding the foregoing, the MBO system envisages a total cash bonus cap of 150% of the maximum amount payable in the event that 100% of the objectives are achieved as defined in the individual employment agreement for each Manager with Strategic Responsibilities.

For the sake of completeness, we mention that EBITDA is consolidated EBITDA adjusted prior to adoption of IFRS 16 (i) by non-recurring charges/(income) and (ii) by the effects of adjustment of revenues for extended warranty services net of the relative estimated future costs for assistance service, as a consequence of the change in the business model for directly managed assistance services.

With reference to intermediate values between 80% and 100% and between 100% and 150% we will proceed to linear interpolation to arrive at the determination of the accrued bonus.

	EBITDA (Balance 70%)	NFP (Balance 20%)	NPS (Balance 10%)
	Bonus allocation	Bonus allocation	Bonus allocation
To trigger the bonus it is necessary that an EBITDA level is reached at least equal to 70% of the EBITDA target			
80%	**50%**	**50%**	**50%**
Between 81% and 99%	**50% + 2.5%** for each percentage point of improvement	**50% + 2.5%** for each percentage point of improvement	**50% + 2.5%** for each percentage point of improvement
100% (target)	**100%**	**100%**	**100%**
Between 101% and 120% (inclusive)	**100% + 2.5%** for each percentage point of improvement	**100% + 2.5%** for each percentage point of improvement	**100% + 2.5%** for each percentage point of improvement
+120%	100% + 2.5% up to 120% of the target (inclusive) **+ 3%** for each additional percentage point of improvement	100% + 2.5% up to 120% of the target (inclusive) **+ 3%** for each additional percentage point of improvement	100% + 2.5% up to 120% of the target (inclusive) **+ 3%** for each additional percentage point of improvement
Cap on total cash bonus: 150% of the maximum amount payable in the event of achieving 100% of the objectives			

For the sake of clarity, in the case of:

(i) extraordinary transactions that concern the Company

(ii) events or circumstances, including those that are exogenous (e.g. COVID-19), of an exceptional or extraordinary nature

(iii) changes to the legislative or regulatory context

that impact significantly on all or part of the targets, the Board of Directors, having heard the opinion of the Remuneration and Appointments Committee, may revaluate the overall fairness and coherence of the incentive plan, and may make reasoned alterations thereto - upon the proposal of the Remuneration and Appointments Committee - as concerns the assigned targets/entry thresholds provided for above.

II. Long Term Incentive Plan (LTIP)

Unieuro has put in place a new medium-long term incentive scheme in the form of the performance share ("**2020-2025 Performance Share Plan**")

Stock options aside, the Plan entirely based on Unieuro ordinary Shares, as is better described in the Information Document drawn up in accordance with Article 114-*bis* TUF and Article 84-*bis* Issuer's Regulations, is an effective incentive and loyalty instrument in a context within which the ever increasing alignment of management and Shareholders' interests is in line with domestic and international market best practices. The 2020-2025 Performance Share Plan has the following objectives:

(i) to focus the attention of Plan beneficiaries on factors of strategic interest of the Company and direct key resources towards strategies aimed at pursuing of medium-long term results;

(ii) to build loyalty among Plan beneficiaries and incentivize their continuance with the Company by developing retention policies;

(iii) to align the interests of the beneficiaries with those of the shareholders, with a view to developing growth of the Company's value; and

(iv) to ensure that the overall remuneration of recipients of the Plan remains competitive whilst at the same time developing policies to new attract talent to managerial and professional roles.

We set forth below the principal features of the 2020-2025 Performance Share Plan.

2020-2025 Performance Share Plan

The 2020-2025 Performance Share Plan is intended for Executive Directors and/or Managers with Strategic Responsibilities and/or employees of the Company or of Group companies classified as middle management (*Quadro* level) ("**Beneficiaries"**) which persons are yet to be named. Naming of Beneficiaries shall be carried out by the Board of Directors having received the opinion of the Remuneration and Appointments Committee, and having regard to the relevance of the respective position covered within the Company and the Group and taking into account the particular beneficiary's contribution to enhancement of Company value.

The 2020-2025 Performance Share Plan provides for the grant of rights on a gratuitous basis which, conditional on achievement of certain performance objectives and Vesting Conditions, entitle the beneficiary to be allotted ordinary shares in Unieuro. Said Plan envisages a three -

year vesting period and, as applicable to Managers with Strategic Responsibilities only, a lock up period of 24 months from share delivery date.

The allocation of shares on a gratuitous basis shall take place, as regards each three-year period: in 2023 for 1st Cycle (2021 - 2023), in 2024 for 2nd Cycle (2022-2024) and in 2025 for 3rd Cycle (2023-2025).The material allocation of Shares for each of the three cycles shall be carried out as set forth in the relative Board of Directors' resolution taking into account the degree of achievement of the performance objectives and, in general, subject to the continuance of the Vesting Conditions.

The performance objectives applicable to each of the three cycles of the plan shall be determined by the Board of Directors after having consulted with the Remuneration and Appointments Committee and prior to the grant of rights.

Referring you to the Remuneration Policy and the Information Document on the 2020-2025 Performance Share Plan approved at the Shareholders' Meeting held on 17 December 2020, we draw to your attention the fact that the Board of Directors of Unieuro at its meeting held on 19 May 2021 - after having consulted the Remuneration and Appointments Committee and the Board of Statutory Auditors as concerns application of the Plan rolling mechanism determined the performance objectives for the 2nd cycle and introduced thereto a new ESG performance objective.

This adjustment renders it possible to maintain full alignment of interests between shareholders and management.

The new ESG ("Environmental, Social and Corporate Governance") performance objective

Introduction of this ESG ("Environmental, Social and Corporate Governance") performance objective for the 2nd cycle of the 2020-2025 Performance Share Plan originates from the growing relevance of sustainability issues within Unieuro's strategy, in line with the Sustainable Development Goals ("**SDGs**") on the 2030 Agenda of the United Nations for Sustainable Development.

Indeed, Unieuro believes in Responsible Innovation, placing it at the centre of its new corporate "Brand Purpose". For Unieuro, Responsible Innovation is a concept which, also thanks to the evolution of its omnichannel scheme, allows it to actuate responsible conduct as concerns all aspects of sustainability, being People-Planet-Profit and along the entire value chain.

The forces that are pushing in this direction are, in fact, diverse and converging, which forces are: firstly consumers who, becoming increasingly demanding and informed, are demanding that companies "take a firm position" on sustainability issues; secondly, investors who are ever-increasingly including ESG criteria and parameters in their investment policies; thirdly, internal "talent", which is ever-increasingly interested in and motivated to work for companies that operate in a sustainable manner; finally, the international Consumer Electronics manufacturers which are already at an advanced stage of maturity as regards putting ESG objectives at the centre of their strategies.

For these reasons, sustainability shall be a central pillar of Unieuro's new strategy, with the aim of creating sustainable value for all stakeholders and ensuring a constantly positive experience with technology as it effects everyday life, to achieve a significant competitive advantage as well as to improve the economic and financial aspects. The ESG strategy is grounded in four axes that reinforce and guide, by way of concrete initiatives that have been identified, four different areas being: (1) Community (2) Talent (3) Responsible innovation (4) Culture.

(1) "Community" includes initiatives aimed at:

- Promoting youth inclusiveness in society
- Encouraging use of digital technologies by the elderly
- Supporting the communities in which Unieuro operates

(2) "Talent" includes initiatives aimed at:

- Supporting employee personal and professional development
- Promoting diversity and inclusiveness within the company
- Ensuring best working/health/safety conditions and individual flexibility

(3) "Responsible innovation" includes initiatives aimed at:

- Offering services that encourage re-use and re-cycling "beyond" that required by regulatory requirements
- Reducing waste in Unieuro operations (e.g. paper, packaging and so forth)
- Reducing direct and indirect emissions

(4) "Culture" includes initiatives aimed at:

- Determining desired ESG targets for the long term
- Outlining a fresh Vision & Ambition that factors in ESG issues
- Introducing new governance and control mechanisms

Consistent with the above-mentioned four axes of the ESG strategy, with a view to concrete actuation ad implementation of ESG process, and thanks to the contribution of the newly established Sustainability Committee, Unieuro has identified an ESG performance indicator to be applied to the 2nd cycle of the 2020-2025 Performance Share Plan, which summarises KPIs ("Key Performance Indicators") anchored to the specific initiatives:

1. Community KPI: gauges the audience reached by the #Cuoriconnessi (anti-bullying and cyber-bullying) initiatives to measure effectiveness of its message;

2. Talent KPI: Employee Net Promoter Score (eNPS) to measure resource satisfaction

3. Responsible innovation KPI: gauges energy purchases for the network of stores and the quota thereof which is certified renewable energy, so as to measure indirect reduction of the carbon footprint due to efficiency of consumption and of energy sources used.

(1.i) Community KPIs

Within the remit of "Community" indicated above, the identified goal is that of broadening the promotion and reach of messages against bullying and cyberbullying, phenomena which are increasingly critical in today's community. In this context and for that purpose, in 2016 Unieuro launched its "#Cuoriconnessi" initiative. In virtue of the continuous and growing importance of technology in everyday life, especially in the lives of young people, the involvement of Unieuro is deemed fundamental to the need to inform and sensitise young people to encourage them to make more informed and correct use of technology and thus to counteract any form of internet-related distortion, also by publicising the basic values that are a requite for a modern and above all, civil, society.

#Cuoriconnessi is an awareness-raising initiative carried out by Unieuro in collaboration with the State Police, on the issues of bullying and cyberbullying. Target of the related activities is 1st and 2nd grade students at Italian secondary schools in co-presence with teachers and parents. Since February 2020 to date, the project has grown considerably, climbing to national heights and moving to implant itself with quality content in all communication channels, thus creating a wide gap between Unieuro and all its potential competitors.

#Cuoriconnessi has thus become a platform that is able to impart information and educational content of great value and to interact in a fresh, new way with youngsters, allowing them to be closer to their own experiences and stories. Over the years, various meetings have been organised with youngsters and teachers in Italian theatres, auditoriums and schools so as to lay down the foundations of a real, one-of-a-kind format. Moreover, a docufilm has been made which tells true stories of youngsters, parents and families who have experienced cyberbullying first-hand, and the first book has been written which recounts online life and cyberbullying stories based on true-life events. This book is distributed free of charge on a large scale through sales outlets as well as in a digital format through the main e-book stores. In addition, the #Cuoriconnessi web TV has been launched. This is a real, useful and convenient TV news magazine consisting of periodic video clips which aim at forging links between parents/teachers and Unieuro.

(2.i) KPI Talents

In line with Unieuro's brand mission aimed at creating value for all stakeholders, it is fundamental that management focus on improving satisfaction levels not only of its customers (which have been monitored for some years through NPS surveys) but also of its employees which underpin the success of Unieuro.

Consequently, within the macro-axis of the "Talent" ESG strategy, Unieuro has undertaken to implement a new eNPS (employee NPS) monitoring system over both headquarters and network personnel - annually or more frequently as appropriate - which seeks to improve the value of this indicator over time, focusing on talent development and training activities, improvement of working conditions, flexibility and enhancement of fairness and diversity. Therefore, the eNPS indicator provides a quantitative measure of the degree of Unieuro employee satisfaction and will be backed by a qualitative questionnaire which lists a series of questions which seek to evoke reactions that illustrate the rationale underlying said indicator and those areas which merit improvement. The questionnaire aims to allow Top Management to access specific recommendations, i.e. input from employees on organizational issues as is necessary to achieve the full potential of Unieuro in terms of people satisfaction. The bringing to the surface of those organisational strengths or best practices to be preserved, sustained and encouraged, as well as risks to be mitigated, can only but increase staff satisfaction levels, which in turn shall not only improve individual productivity and performance, but shall also help to optimise company performance generally.

(3.i) Responsible Innovation KPI

Within the ESG strategic axis "Responsible innovation", Unieuro commits to reducing its carbon footprint on the environment by reducing CO2 emissions, through two main visions:

- Reduction of energy consumption ("scope 1")
- Acquisition of 100% renewable energy ("scope 2")[7]

With regard to the first vision, that emissions from owned/controlled sources be reduced, ("scope 1"), at the beginning of the year 2021/22, Unieuro put into place an important initiative entitled the “Green Project", to maximize energy efficiency of the Unieuro network and increase to Co2-related emissions savings in line with recent sustainability-related commitments undertaken by other companies on the market. The Green Project enables a reduction in the number of tonnes of Co2 emitted by the network of physical stores through forms of self-production (e.g. by using renewable energy plant to offset consumption) and

[7] The classification "scope 1" and "scope 2" refers to the provisions of the Greenhouse Gas Protocol, an initiative created by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) with the aim of setting global standards for the measurement and management of greenhouse gas emissions. Scope 1: includes emissions from owned or controlled sources (e.g.: fossil fuels used to heat stores); Scope 2: includes emissions related to the energy purchased; Scope 3: includes all emissions related to the company’s activity that are not covered by Scope 1 and Scope 2 (e.g.: emissions related to employee mobility, supply chain, etc.).

render such plant more efficient. This initiative allows for the change of climate control equipment at the end of their lifespan, which replacement is envisaged in any case in the short term, in addition to the reduction of maintenance fees in the relevant stores upon installation of new equipment.

Stores involved in the initiative shall also see the installation of new lighting fixtures, replacing existing systems with LED lighting systems depending on the current state of the existing fixtures, rationalizing the interventions to achieve the most efficacious costs/savings ratio, with a distinguishing factor being the end-level illumination achieved.

Such 'relamping' shall be combined with the installation of a BMS (Building Management System) which provides intelligent management of elements such as lighting, motive power and air conditioning. The system has Machine Learning capabilities which allow achievement of a high degree of efficiency, which is a current function, but which in some cases could even reach 35%. For equipment at the end of its lifespan or that which is particularly energy-intensive, the air conditioning units shall be replaced by a BMS system to render consumption even more efficient. Also planned are photovoltaic systems calibrated according to the needs recorded by the sales outlet over a year at full capacity. In this manner, self-consumption of energy produced shall be optimally exploited. With regard to the second vision concerning the reduction of emissions associated with acquired energy ("scope 2"), Unieuro shall, over the course of 2021/22, introduce a variation to the contract with the electricity supplier to ensure the certified purchase of energy which is 100% from renewable sources. This initiative translates into a stimulus toward renewable energy production for the benefit of the environment.

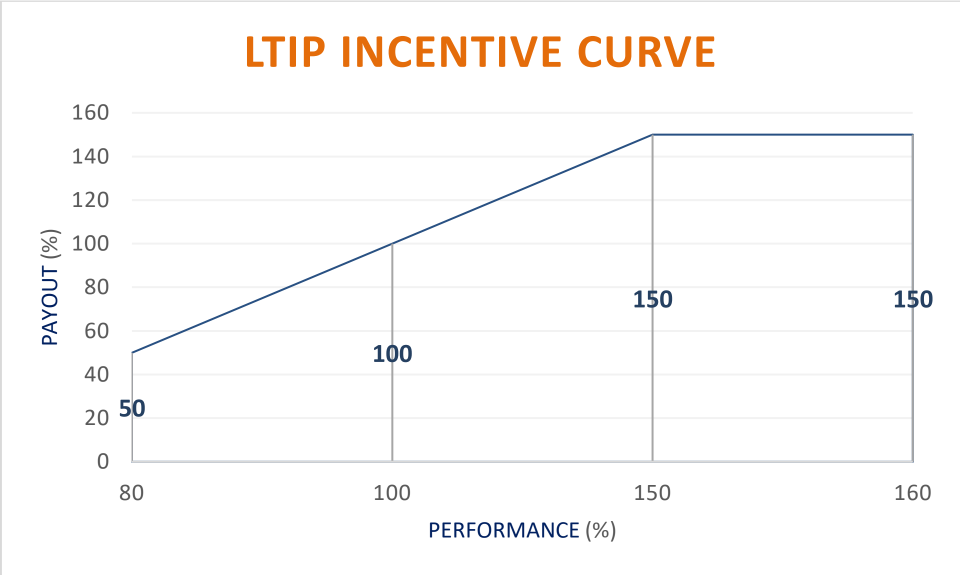
Performance objectives of the 2nd cycle of the Performance Share Plan

With reference to the 2nd cycle of the plan, the performance objectives are thus expressed by Adjusted EBIT, Adjusted Free Cash Flow and the ESG Indicator and more specifically:

- **Adjusted EBIT indicator**, meaning the adjusted consolidated EBIT post application IFRS 16, for (i) non-recurring charges/(income) (ii) non-recurring depreciation and write-downs and (iii) the effects of adjustment of revenues for extended warranty services net of the relative estimated future costs for assistance service, as a consequence of the change in the business model for directly managed assistance services. The Adjusted EBIT indicator has a percentage weighting equal to 50% of the total Shares subject to allocation. It coincides with the Unieuro adjusted aggregate EBIT relating to the accounting periods of a cycle. Achievement of performance objectives shall be calculated in accordance with the methodology illustrated in the below table.

- **Adjusted Free Cash Flow indicator**, meaning the consolidated cash flow generated/absorbed by operating and investment activities comprehensive of financial obligations pre-adoption of IFRS 16. Consolidated Adjusted Free Cash Flow is that adjusted by operative flows and by non-recurring investments and includes adjustments for non-recurring charges (income), their non-monetary component and the related tax impact. The Adjusted Free Cash Flow indicator has a percentage weighting equal to 25% of the total Shares subject to allocation. It coincides with the Unieuro aggregate adjusted Free Cash Flow relating to the accounting periods of a cycle. Achievement of performance objectives shall be calculated in accordance with the methodology illustrated in the below table. The **ESG indicator** indicates the level of sustainability of Unieuro in line with its ESG strategy. The ESG indicator has a percentage weighting equal to 25% of the total Shares subject to allocation and shall be measured according to the methodology described in the table below.

In continuance of the previous cycle and for each of the performance objectives, an achievement parameter is provided that links the number of shares as may be allocated, to the level of performance objectives achieved by the Company in accordance with different thresholds: (a) a minimum performance threshold set at 80% of target below which no shares shall be allocated and upon achievement of which a number of shares shall be allocated equal to 50% target objective; (b) an average performance threshold (target) upon achievement of which a base number of shares will be allocated; (c) a maximum performance threshold (cap) set at 150% of target objective upon achievement or exceeding of which a maximum number of shares will be allocated.



As regards intermediate values between 80% and 100% and between 100% and 150%, linear interpolation will be applied to determine the accrued rights.

	EBIT Adjusted (Balance 50%)		Free Cash Flow Adjusted (Balance 25%)		Index ESG (Balance 25%)	
	Result Euro / million	Shares Allocation	Result Euro / million	Shares Allocation	Result	Shares Allocation
Threshold 80%	112.9	50%	76.3	50%	0.8	50%
Target 100%	225.7	100%	152.5	100%	1.0	100%
Cap	338.6	150%	228.8	150%	1.5	150%

150% o +150%						

Methodology for calculating the indicator:

Indicator ESG

$$\left(\frac{Audience\#cuoriconnessi}{Target} * \frac{1}{3}\right) + \left(\frac{eENPS}{Target} * \frac{1}{3}\right) + \left(\frac{Energy\ Purchases}{Target} * \frac{1}{6} + \frac{Green\ Sources}{Target} * \frac{1}{6}\right)$$

Target KPI Targets are:

1. Community KPI
- KPI Name: Audience #cuoriconnessi
- KPI description: delta contact[8] of #cuoriconnessi initiatives vs FY21
- KPI Target: + 0.72M contacts vs FY21

2. Talent KPI
- KPI name: eNPS
- KPI Description: employee NPS[9] (% employee promoters -% employee detractors)
- KPI Target: Delta eNPS vs value of the first survey (FY22)[10]

3. Responsible innovation KPI
- KPI Name #1: Energy Purchases
- KPI Description # 1: Delta GWh purchased by Unieuro for the needs of the direct network vs FY20 with the same stores' perimeter[11]
- KPI Target # 1: -13.9GWh vs. FY20
- KPI Name # 2: Green Sources
- KPI # 2 description: % of energy purchased with Green certification[12]
- KPI Target # 2: 83.33% of the energy purchased[13]

Values achieved by the individual targets shall be reported in the Non-Financial Statement prepared by the Company in accordance with Legislative Decree 254/2016.

Manner of allocation

The shares shall be allocated at the end of the vesting period and in any case no later than the 30th (thirtieth) calendar day following the date of the Shareholders' Meeting which approves the annual financial report as at: 28 February 2023 for the 1st cycle of the plan; 29 February 2024 for the 2nd cycle of the plan; 28 February 2025 for the 3rd cycle of the plan. Allocation

[8] The number of contacts of #Cuoriconnessi initiatives means the cumulative number of web TV views, ebook downloads, distributed book copies, site visits, # people attending online// offline events and/or further initiatives launched during the three-year period. Total direct contacts during the FY21 were 1.229.270.
[9] Promoter=9/10, Detractors=0/6 regarding the question: What is the probability that you would recommend a friend or relative to come and work for your organization.
[10] It should be noted that the value of the eNPS target will be made available following the first survey by the employee NPS.
[11] The Gwh targets refer to the values that Unieuro will purchase from energy suppliers net of self-production, achievable through new self-production plants and efficiency improvements/ replacements of plants with high energy demand. Baseline FY20 = 69,34 Gwh. The baseline value of the FY20: (1) refers to the total consumption of the direct network of Unieuro (net of closures occurred during the FY21) (2) is net of self-production (equal to 0.003 Gwh in the FY20) (3) It will be updated by recalculation in case of new closures (i.e. the targets will always refer to a constant perimeter of active stores in the reference period for incentives and in the baseline period).
[12] Target reached through an adjustment of the contracts with the energy supplier during the FY22. Baseline FY20 / FY21 = 0%. At the moment Unieuro does not have certification on the quota of energy purchased from Green sources.
[13] Please note that the target value refers to the average (consumption weighted) over three years

shall occur provided that the Board of Directors is satisfied that the following vesting conditions have been fulfilled:

- on the share allocation date, the beneficiary's relationship with the Company and/or with a Group company is still in continuance, unless the beneficiary is deemed a Good Leaver (as defined in the Information Document to which we refer you on this issue);

- the Performance Objectives have been achieved during the vesting period.

- in consideration of the individual allocations to be made by the Board of Directors or by any other body they may entrust with such task, there is from time to time sufficient available reserves, as reported in the last approved accounting situation of the Company, to carry out the capital increase or the purchase of shares pursuant to arts. 2357 and 2357-*ter* of the Italian Civil Code to service the Plan. It is understood that the Board of Directors may, at its sole discretion, proportionally reduce the number of shares to be made available for allocation to Beneficiaries for each cycle of the Plan.

The rights granted entitle Beneficiaries to a cash bonus calculated with reference to any cash dividend as may have been distributed and paid out by the Company, for each cycle of the plan, up to the allocation date. Said cash bonus shall be payable at the same time as and subject to the Delivery for each Plan cycle, provided that the vesting condition have been met.

Said rights are linked to the requisite of continuance of the relationship between Beneficiary and Company and, therefore, in the event of cessation of the relationship - unless determined otherwise in favour of the Beneficiary by the Board of Directors in those cases strictly provided for under the Plan Regulations - the following provisions shall apply:

a) In the event of cessation of the relationship due to: (i) dismissal without just cause; (ii) Beneficiary’s retirement, death or invalidity of a nature such as to render him/her incapable of any realistic continuation of the relationship (items (i) and (ii) a) each a "**Good Leaver**" event), during the vesting period and in any case before the date of share allocation, then the Beneficiary (or his/her heirs as the case may be) shall, upon cessation of the relationship and in accordance with the other conditions set out in the Plan Regulations, acquire the right to be allocated a number of shares to be determined *pro rata temporis* and *pro rata* performance, corresponding to that accrued by the Beneficiary up to the date of relationship cessation;

b) in the event of cessation of the relationship due to (i) Beneficiary’s voluntary resignation from office /role or (ii) dismissal of Beneficiary for just cause or (iii) events other than those referred to in lett. a) above (items (i) to (iii) b) each a "**Bad Leaver**" event) during the vesting period or in any case before the date of allocation of the shares, then the Beneficiary shall automatically and definitively forfeit his/her rights to any share rights granted to him/her.

The Company's Board of Directors may, at its sole discretion, assign the forfeited rights to any other Beneficiary/s as it deems fit and its decision shall be final.

For further information on the 2020-2025 Performance Shares Plan, please refer to the Information Document drawn up pursuant to Article 84-*bis* paragraph 1 Issuers' Regulations and available to the public on the Company's website (https://unieurospa.com/en/ home/), as well as on the authorised storage mechanism EMARKET STORAGE (https://www.emarketstorage.com/home/homepage.en.htm).

For both the short-term variable component and medium-long term components, specific malus and clawback clauses are provided as recommended by letter e of Recommendation No. 27 of the Corporate Governance Code and, in particular:

- the malus clause allows the variable component to be reduced or not paid out at all in the event that, in the period between accrual of the variable element of recompense and actual payment thereof, it is found that the allocation was determined either based on data or information that transpires to be manifestly wrong or in the presence of fraudulent conduct or gross negligence on the part of the recipient.
- The clawback clause allows the Company to demand: (i) the return of all or part of the Shares, less a number of shares having a value commensurate to the value of the tax, social security and welfare charges connected with the delivery of the shares; (ii) restitution of any cash bonus paid out; or (iii) payment of the proceeds of the share sale, less the amount commensurate to the tax, social security and welfare charges relating to the delivery of the shares, in the case that the shares have already been sold, transferred or otherwise disposed of. Such proceeds may be offset against the salaries and/or any severance pay of the Beneficiary within 3 years of the said payment in the scenario in which the allocation was determined either based on data or information that transpires to be manifestly wrong or in the presence of fraudulent conduct or gross negligence on the part of the recipient.

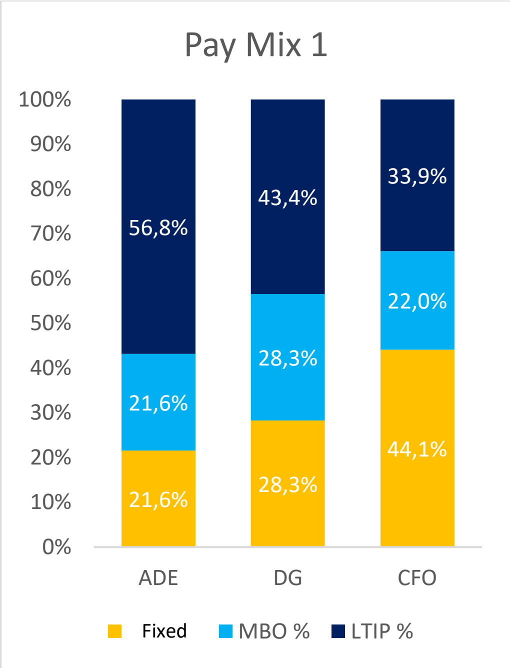
III. Pay Mix

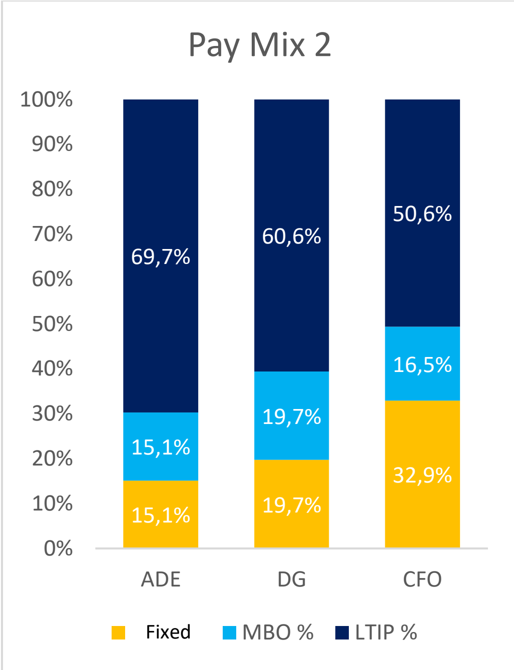
Please see below the pay-mix - being the current forecasted weighting of the different components expressed as a percentage of total remuneration paid excluding benefits (so-called annual total compensation).

The below graphs set out the variable components calculated as follows:

- **Short-term variable component** (**MBO)**: the annual value of the incentive obtainable upon reaching the target is shown;
- **Medium / long-term variable component** (**LTIP**): the entire value of the incentive over three years is shown in terms of the minimum number of shares (pay mix n. 1) and maximum (pay mix n. 2) as may be obtained upon achievement of the objective target values in the 2nd three-year cycle of the 2020-2025 Performance Share Plan. This incentive has been quantified by using the value of the shares as at 19 May 2021[14][15] as reference point.

[14].Please note that the exact number of Rights that will be assigned to the Chief Executive Officer ("CEO"), the General Manager ("GM") and the Chief Financial Officer ("CFO") will be defined in the manner and time specified in the Plan Information Document, it being understood that the allocation of the actions, to the attainment of the objectives to target, will be established within the minimum and maximum range exposed above, also to the aim to hold account of the possible variations in the value of quotation of the Stock to the date of reference.
[15] It should be noted that the change in the pay mix compared to what indicated in the Remuneration Policy approved on 17 December 2020 is due to the increase in the value of the Unieuro share of 97.3%





In the above scenario, the value of the entire amount of the shares assigned for the 2nd cycle of the LTIP represents 263.3% of the CEO's fixed annual remuneration.

In the above scenario, the value of the entire amount of the shares assigned for the 2nd cycle represents 460.8% of the CEO's fixed annual remuneration.

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IV. Remuneration Policy for Directors, the General Manager, Managers with Strategic Responsibilities and the Board of Auditors.

a) *Chairman of the Board of Directors*

Fixed component

The remuneration of the Chairman is determined as follows: (i) as concerns his office as director, on the basis of the compensation established at the Shareholder's Meeting in accordance with Article 2389 paragraph 1 Civil Code, and (ii) as concerns any other particular office, as the Board of Directors may decide having heard the Board of Auditors in accordance with Article 2389 paragraph 3 Civil Code.

The Chairman is entitled to be reimbursed board, lodging and transport expenses incurred in the carrying out of his functions, whereas, no attendance allowance is provided for participation in board meetings.

Variable component

The Chairman is not included in annual or medium-long term variable incentive plans.

Non-monetary benefits

The Chairman does not receive any additional benefits compared to those awarded to the other Directors of the Company.

b) *Vice Chairman*

The above provisions applicable to remuneration of the Chairman of the Board of Directors shall likewise apply also to the Vice Chairman of the Board of Directors should one be appointed.

c) *Directors*

All Directors receive fixed compensation determined at the Meeting at the time of their appointment and applicable for the duration of their office (until such time as the Meeting makes different provision), that ensures adequate remuneration for their services and commitment to the Company. Each Director is also entitled to be reimbursed expenses incurred in the carrying out of their functions, whereas, no attendance allowance is provided for participation in board meetings.

In this regard, we draw your attention to the fact that the Board of Directors has resolved that a proposal for the increase in the overall remuneration recognised to said Board shall be submitted for Shareholders' approval at the Shareholders' Meeting called for June 15 2021.

This proposal is grounded in the greater commitment required of the Directors mindful of: the variation to the strategic and corporate context in which Unieuro is positioned (of which *inter alia*, the increase in the number of meetings held, also as was, and is, necessary to react promptly to the effects of the pandemic is a good example); the strong growth of the Company; the shift to the status of public company; the challenging goals that the Company intends to achieve also taking into account the outcomes of the benchmarking analysis which has flagged up a substantial misalignment of the remuneration levels of Unieuro with respect to the average values of the panel of comparison companies considered and in particular with reference to the remuneration for attendance at intra-board committees as well as from the perspective of rendering the total remuneration more appropriate having regard to the number of Directors actually in office, since, notwithstanding the increase in the number of its members from 7 to 9 as approved at the Shareholders' Meeting of 18 June 2019 - there has not been any adjustment to the remuneration granted to said body in respect to the amount resolved by the Shareholders' Meeting on 6 February 2017, at which time the Board of Directors of Unieuro was made up of 7 Directors.

Executive Directors

The remuneration of Executive Directors is adequately balanced to ensure alignment between short-term growth objectives and the sustainable creation of value for shareholders in the medium-long term.

As at the date of this Report, the sole Executive Director is Giancarlo Nicosanti Monterastelli, who is the Chief Executive Officer. Attention is drawn to the fact that, based on the agreed terms of his subordinate employment contract with Issuer - which provides for an all-inclusive annual gross remuneration pertinent to his office as Chief Strategy Officer, which is deemed to also compensate any additional offices or Company duties, Mr Nicosanti Monterastelli has expressly waived any right to any compensation resolved in his favour for the roles of member of the Board of Directors and as Chief Executive Officer.

Fixed component

The fixed component of Executive Directors' compensation is set by the Shareholders' Meeting (i) for the office of director, on the basis of the amount of compensation available for distribution established by the Meeting pursuant to Article 2389 paragraph 1 Civil Code and (ii) for any particular duty, as may be carried out by the Board of Directors in consultation with the Board of Statutory Auditors in accordance with Article 2389 third paragraph Civil Code. The Shareholders' Meeting may set an overall amount for the remuneration of all of the Directors, including those assigned particular duties.

Variable component

As regards the variable component of the Executive Directors remuneration, Executive Directors are entitled to participate in the short-term incentive plan mentioned above (MBO). Furthermore, their participation is envisaged under the new 2020-2025 Performance Shares Plan. In continuance with past practice, Executive Director, Giancarlo Nicosanti Monterastelli, shall participate in the short-term incentive plan and any long-term incentive plan in his capacity of Manager with Strategic Responsibilities.

Non-monetary benefits

The non-monetary benefit recognised to Executive Directors is the so-called Directors' and Officers' Liability Insurance coverage ("**D&O**").

Executive Directors shall be attributed a series of benefits, including, in accordance with the provisions of any applicable National Collective Labour Agreement and those of individual employment contracts, a car for business and personal use, contributions to mandatory pension funds and supplementary coverage for health care, as well as insurance coverage for life insurance, accidents and occupational and non-occupational illness and against risks envisaged under the Directors & Officers Liability ("D&O") policy that has been entered into.

Non-executive and independent directors

As at the date of this Report, the independent Directors as provided for under TUF and the Corporate Governance Code are: Stefano Meloni, Michele Bugliesi, Pietro Caliceti, Catia Cesari, Paola Elisabetta Galbiati, Marino Marin and Monica Luisa Montironi. Alessandra Stabilini is a non-executive Board member.

In accordance with the principles of the Corporate Governance Code and, in particular, Recommendation No 29 thereof, the gross annual remuneration of non-executive Directors and Independent Directors is not connected to the achievement by the Company of economic targets and is, instead, commensurate to the duties, professionality and commitment required from each of them to perform their roles.

The non-monetary benefit recognised to Non-executive Directors is the D&O (Directors and Officer) liability insurance ("**D&O**").

Compensation for participation in Committees

On 26 June 2019, the Board of Directors resolved to pay an annual gross sum of: (i) €10,000 to each member of the Remuneration and Appointments Committee, of the Control and Risks Committee, and of the Related-Party Transaction Committee; (ii) €14,000 to the Chairman of the Control and Risks Committee; and (iii) €13,000 per committee to the Chairman of the Remuneration and Appointments Committee and the Chairman of the Control and Risks Committee as well as reimbursement of expenses and the benefit of the insurance policy provided as per company practice, it being clarified that that total compensation shall be proportionate to the actual number of months spent in office.

On 12 November 2020 the Board of Directors established the Company's Sustainability Committee and further resolved to set aside a fixed total annual amount of Euro 11,000 to be paid to the members of the Sustainability Committee (including the Chairman of said committee) for the business year 2020/2021.

Furthermore, in order to adjust the remuneration of the Sustainability Committee and align it with the remuneration of the other intra-board Committees, the Board of Directors is desirous to propose at the Shareholders' Meeting convened for June 15 2021, an integration to the total gross annual remuneration for the entire Board of Directors, such increase also to take into account the remuneration to be paid to the members of the Sustainability Committee as shall be subsequently distributed by the administrative body pursuant to art. 2389 paragraph 3 of the Civil Code and the Articles of Association and pursuant to the principles of Policy.

d) *General Manager*

Please note that on February 16 2021, the Board of Directors of Unieuro resolved, upon the proposal of its Chief Executive Officer and having received the favourable vote of all the Directors, to appoint a General Manager with effect as of March 1 2021 and to entrust said office to Bruna Olivieri.

Fixed component

The remuneration of the General Manager is made up of a gross annual fixed component ("RAL"), which is comprehensive of consideration for the non-competition obligation, an item paid separately to the other elements of the remuneration (see below point (c) Part One Section II);

Variable component

The remuneration of the General Manager is also made up of an annual variable component ("MBO") (significantly greater than the RAL in percentage terms) which is applicable on achievement of an entry threshold (so-called entry gate) and of company performance objectives laid down for each business year by the Board of Directors. The payment thereof is dependent on the continuance in office of said manager for the duration of the reference period (see below point (c), Part One, Section II).

In addition, the General Manager may be allowed to participate in the cycles of the 2020-2025 Performance Shares Plan.

We draw your attention to the fact that the variable component makes up a significant part of the pay-mix and is aimed at recognising and valuing those results that have been achieved in a sustainable manner over time, whilst aligning management conduct to the corporate strategy, thus creating value for shareholders.

Non-Monetary Benefits

The General Manager shall be attributed a series of benefits, including, in accordance with the provisions of any applicable National Collective Labour Agreement and those of individual employment contracts, a car for business and personal use, contributions to mandatory pension funds and supplementary coverage for health care, as well as insurance coverage for life insurance, accidents and occupational and non-occupational illness and against risks envisaged under the Directors & Officers Liability ("D&O") policy that has been entered into, as well as a house allowance.

e) *Managers with Strategic Responsibilities*

Mindful of the variations to the corporate organization, on 15 April 2021 the Company Board of Directors deemed it appropriate to adjust the perimeters of Company Key Managers in light of the establishment of a General Manager position who reports directly to the Chief Executive Officer and who has taken on the responsibilities of guidance and all company functions to ensure maximum coordination and development in the omnichannel perspective and to accelerate the ever-increasingly essential digital transformation, which is already underway.

On 19 May 2021 the Board of Directors also established the role of Chief Strategy Officer, entrusting said role to the Chief Executive Officer, Giancarlo Nicosanti Monterastelli, in his capacity as manager.

Thus, as at the date of this Report, the Issuer has identified 3 Managers with Strategic Responsibilities from among the persons who, in the opinion of the Issuer, have the power and responsibility, directly or indirectly, for the planning, management and supervision of Unieuro's activities; these are executives who currently hold the positions of:

- Chief Strategy Officer (at the date of the Report the office is held by the Chief Executive Officer);
- General Manager;
- Chief Financial Officer.

Insofar as not otherwise specified in this Report, Managers with Strategic Responsibilities shall be entitled to the following remuneration:

Fixed component

The remuneration of Managers with Strategic Responsibilities includes a gross fixed annual component (gross annual salary) including compensation for the non-competition obligation which is paid separately to the other elements of the remuneration (see point (c), Part One, Section II);

Variable component

The remuneration of Managers with Strategic Responsibilities includes an annual variable component (MBO) – which is a significant amount in percentage terms of gross annual income – connected to the achievement of an "entry gate" and individual and company performance objectives set for each financial period by the Board of Directors, the payment of which is conditional upon the Manager remaining with the Company for the reference period (see point (c), Part One, Section II).

In addition, they may participate in the cycles of the 2020-2025 Performance Shares Plan.

Non-monetary benefits

All Managers with Strategic Responsibilities are awarded a series of benefits, including – according to the provisions of the applicable national collective bargaining agreement and individual employment contracts – a motor vehicle for personal and business use, contributions to mandatory social security funds and supplementary medical cover, insurance coverage against death, injury, illness deriving from and professional and non-professional activity Directors & Officers Liability insurance ("**D&O**"), and in some cases a house allowance.

f) The Members of the Board of Statutory Auditors

The Standing Auditors' remuneration is comprised of that gross annual compensation resolved at the time of their appointment at the Meeting, pursuant to Article 2402 Civil Code. Such compensation is applicable for the duration of their office.

Standing Auditors are entitled to reimbursement of board, lodging and travel expenses incurred in the carrying out of their functions. They are not entitled to receive any variable component of remuneration, such as any bonus, attendance allowance or any other incentives or benefits save for the benefit of the D&O insurance policy coverage.

In this regard, we underline that the Board of Directors - acknowledging a specific request to this effect put forward by the Board of Statutory Auditors - has resolved that a proposal to increase the remuneration payable to the members of said Board of Statutory Auditors be submitted for approval at the Shareholders' Meeting called for June 15 2021. This is deemed opportune mindful of the extent of the controls to be carried out by said control body as a physiological result of the strong growth of the Company - which has led to an increased complexity of the business it operates - of the changes that have taken place in the relative corporate and organizational structure, and in particular its shift to public company.

G. POLICY ON NON-MONETARY BENEFITS

The purpose of non-monetary benefits is to ensure the compensation package is competitive and is provided in line with market practice.

Non-monetary benefits are awarded in line with current practices and in accordance with the duties entrusted and role held, as indicated in the provisions set forth under the above letter E).

H. FINANCIAL AND NON-FINANCIAL PERFORMANCE TARGETS BASED ON WHICH THE VARIABLE COMPONENTS OF REMUNERATION ARE ATTRIBUTED; INFORMAZTION ON THE CONNECTION BETWEEN RESULTS' VARIATIONS AND REMUNERTION VARIATIONS.

Refer to letters *d)* and *f)* above.

I. CRITERIA USED TO ASSESS THE PERFORMANCE OBJECTIVES ON WHICH BASIS SHARE, OPTIONS, OTHER FINANCIAL INSTRUMENTS OR OTHER

E-MARKET SDIR CERTIFIED

VARIABLE COMPONENTS OF REMUNERATION ARE AWARDED WITH AN INDICATION OF THE MEASUREMENT OF THE VARIABLE COMPONENT ENVISAGED ACCORDING TO THE LEVEL OF ACHIEVEMENT OF SUCH OBJECTIVES

Refer to letters e*)* and f*)* above

J. INFORMATION SHOWING THE CONTRIBUTION OF THE REMUNERATION POLICY TO CORPORATE: STRATEGY; PURSUIT OF LONG-TERM INTERESTS; SUSTAINABILITY

The Company's Remuneration Policy states that the established performance objectives and the method of payment of the variable component must be consistent with the risk management policy adopted by the Company, taking into account the risks assumed by the Company in the performance of its business and resources - in terms of capital and liquidity - required to undertake the activities it pursues.

On this subject, you are referred to the contents of the preceding letters *E)* and *F)*.

K. VESTING PERIOD, ANY DEFERRED PAYMENT SCHEME WITH INDICATION OF THE DEFERRAL PERIOD AND THE CRITERIA USED TO DETERMINE SUCH PERIOD; IF APPLICABLE ANY EX POST CORRECTION MECHANISMS

With reference to the 2020-2025 Performance Shares Plan, as better detailed in letter e) above, there is a three-year vesting period. Moreover, the shares servicing the incentive plan shall be allocated no later than the 30th calendar day following the date of the Shareholders' Meeting at which the annual Financial Reports are approved with reference to those closed on: 28 February 2023 for the 1st cycle of the plan; 29 February 2024 for the 2nd cycle of the plan; 28 February 2025 for the 3rd cycle of the plan, subject to verification on the part of the Board of Directors that the vesting conditions provided for in the plan have been met.

Specific malus and clawback clauses are also envisaged, both for the short-term and medium-long term variable components, as recommended under letter e) of Recommendation No 27 of the Corporate Governance Code. Such clauses are better detailed in letter *E)* above.

L. INFORMATION ON ANY CLAUSES WHICH ENVISAGE HOLDING FINANCIAL INSTRUMENTS IN PORTFOLIO AFTER THEIR ACQUISITION; INDICATION OF HOLDING PERIODS AND THE CRITERIA USED TO DETERMINE SUCH PERIODS

As concerns the 2020-2025 Performance Shares Plan, Beneficiaries who are also members of the Board of Directors and/or Managers with Strategic Responsibilities are required to commit on the shares' delivery date to a lock-up period. Such obligation requires the beneficiary to continuously hold 100% of the said shares (less a number of shares of a value corresponding to the tax, social security and welfare charges arising in virtue of delivery of the shares which instead may instead be freely disposed of) for a period of at least 24 months from the shares' delivery date.

M. POLICY REGARDING ANY PAYMENTS PROVIDED IN CASE OF RESIGNATION OR TERMINATION OF EMPLOYMENT, SPECIFYING WHAT CIRCUMSTANCES TRIGGER SUCH PAYMENTS AND ANY CONNECTION BETWEEN THE PAYMENTS AND THE PERFORMANCE OF THE COMPANY

At the date of this Report, there are no agreements between the Company and members of the Board of Directors and/or the Board of Statutory Auditors that provide for the payment of any compensation in the event of resignation and/or revocation of office without just cause.

Agreements providing for cessation of the employment relationship by mutual consent and amicable settlement agreements relating, likewise, to the employment cessation may be entered into with Managers with Strategic Responsibilities.

The maximum amounts payable thereunder shall be determined with reference to the limits set out in the national collective bargaining agreement applicable to the specific employment relationship with the individual Manager with Strategic Responsibilities. Such agreements shall be submitted to the Remuneration and Appointments Committee which - without prejudice to the correct application of the Policy to manage transactions with related parties of the Company in compliance with the Policy - shall give its opinion to the Board of Directors. The approval of this latter is required for the entering into of such agreements and in such case said Board shall delegate the necessary powers for this purpose, setting forth, in compliance with the above-mentioned limits, the amount/s to be paid and any enjoyment of non-monetary benefits as may be maintained on a temporary basis.

Non-competition agreements and obligations may also be stipulated with Managers with Strategic Responsibilities - in compliance with the provisions and within limits of the laws in force - whereunder the Manager undertakes for the period following the cessation of his/her employment with the company, not to work for and/or be employed by and/or manage and/or in any way act in the interests of and/or control and/or invest in, whether directly or indirectly, including through any third party individual or legal entity, any company in competition with Unieuro. The non-competition obligations shall concern the territory of the Italian Republic and shall envisage a duration not exceeding 24 months to run as of the date of cessation of the employment relationship for whatsoever reason.

For the purposes of this agreement, the term "in competition with" or "competitors" refers to the specific product sector in which the Company operates in the context of large-scale retail distribution outlets (including through online sales channels), and also encapsulates the scenario in which such competitors operate through their parent companies, subsidiaries and/or associated companies (collectively "Relevant Business").

In the case of infringement of non-competition obligations, and in accordance with Article 1382 of the Italian Civil Code, the manager shall be liable to pay the Company liquidated damages in an amount equal to 3 (three) times the consideration received by the Manager such calculation inclusive of any adjustment referred to above. In addition to liquidated damages, the Company is entitled to seek compensation from the Manager for any greater damage as may be suffered and is entitled to seek all measures so as to protect the Company, including the obtaining of injunctive relief.

As regards the effects of the cessation of the relationship on rights deriving from the short and/or long-term incentive plans, please refer to that stated in letter F. above.

N. INFORMATION ON THE EXISTENCE OF INSURANCE, MEDICAL CARE OR PENSION PROVISIONS IN ADDITION TO MANDATORY COVERAGE

In line with best practices, D&O liability insurance is provided to cover third-party civil liability for actions of the corporate bodies and the Managers with Strategic Responsibilities in the course of their duties. This policy is designed to indemnify the insured parties from the amounts associated with any claims for damages made by injured third parties, excluding cases of wilful misconduct and gross negligence.

O. REMUNERATION POLICY FOLLOWED FOR: (I) INDEPENDENT DIRECTORS, (II) PARTICIPATION IN COMMITTEES AND (III) PERFORMANCE OF PARTICULAR DUTIES

The Company's Remuneration Policy states that Independent Directors are to be paid "basic" compensation as members of the Board of Directors.

Additional annual compensation is due if the Directors are members of Board related committees, including in accordance with the Self-Regulation Code.

For further details refer to that stated above under letter E) above.

P. INDICATION OF REMUNERATION POLICIES OF OTHER COMPANIES AS MAY BE USED AS A POINT OF REFERENCE AND CRITERIA USED FOR THE SELECTION OF THESE COMPANIES

Save for the reference to the correlation of market practices and remuneration policies, the Company's Remuneration Policy was not determined on the basis of the remuneration policies of other companies.

Q. Q. ASPECTS OF THE POLICY WHICH MAY BE DEROGATED FROM IN THE CASE EXCEPTIONAL CIRCUMSTANCES ARISE; PROCEDURAL CONDITIONS APPLICABLE TO ANY DEROGATION

In accordance with art. 123-ter TUF and art. 84-quater Issuers' Regulations, the Company may adopt any decisions that temporarily derogate from the Policy.

With reference to the persons for whom the Board of Directors shall determine remuneration in compliance with the Policy, the criteria for determining the fixed or variable remuneration indicated in the Policy as well as the structure of the non-competition agreements and the granting of any non-monetary benefits. may be derogated from on a temporary basis on the occurrence of any case of exceptional circumstances.

Exceptional circumstances shall mean those situations in which a derogation from the Policy is deemed appropriate for the purpose of pursuing the long-term interests and sustainability of the Company as a whole or so as to ensure its ability to remain in the market, by way of example only:

(i) the need, due to unforeseen events, to replace the Chief Executive Officer, the General Manager or other Managers with Strategic Responsibilities which replacement requires a remuneration package to be negotiated quickly and on terms that do not impede the possibility of attracting managers with the most professional attributes as are deemed suitable to manage the company and guarantee, at minimum, that the company’s actual levels of sustainable success and market positioning can be maintained;

(ii) significant changes in the perimeter of the company's business during the validity of the Policy, such as the sale of a company/business unit or the acquisition of significant business;

(iii) events or circumstances of an exceptional or extraordinary nature whether or not exogenous (e.g. COVID-19).

The Board of Directors, having obtained the opinion of the Remuneration and Appointments Committee, shall assesses whether the event constitutes exceptional circumstance/s that allow/s derogation from the Policy.

On the occurrence of exceptional circumstances, any Policy derogation shall be approved in compliance with the procedures for the management of transactions with related parties adopted by the Company in implementation of the applicable *pro-tempore* Consob regulation in force.

The Company shall provide information on any Policy derogations applied on the occurrence of exceptional circumstances in the manner and within the timelines required by the laws and regulations in force from time to time.

SECTION II

This section, as shall be subject to the non-binding vote of the Meeting in accordance with Article 123-*ter*, sixth paragraph TUF, is made up of two parts:

a) the first part provides a brief deceptive overview of the compensation relative to the 2021 Financial Period of those intended recipients of the remuneration Policy;

b) the second part, sets out the above-mentioned compensation in table form and includes Table No. 1 and Table No. 2 as provided for under Annex 3A Scheme 7-*ter* of the Listing Regulations which concerns investments held, whether directly or indirectly, in the Company or in other connected companies controlled by the Directors, the Auditors and other Managers with Strategic Responsibilities (as well as persons closely related thereto, meaning any spouse not legally separated and minor children) in conformance with Article 84-*quater*, fourth paragraph of the Listing Regulations.

The above-mentioned compensation is a continuance of that determined for the previous financial period in accordance with the principles followed by the Company as concerns the remuneration of members of the administrative and control bodies and of Managers with Strategic Responsibilities. Such principles are in line with the recommendations set forth in the Corporate Governance Code.

Part One

a. COMPENSATION OF THE BOARD OF DIRECTORS

Fixed remuneration

On 18 June 2019, the Shareholders' Meeting resolved to award maximum total annual gross compensation of €580,000 for the entire Board of Directors.

On 26 June 2019, the Board of Directors resolved to distribute part of the above-mentioned compensation pot as follows: (i) €43,750 for each non-executive director; (ii) €10,000 for the members of the Remuneration and Appointments Committee and the Control and Risks Committee and the Related Party Transaction Committee; (iii) €14,000 for the Chairman of the Control and Risks Committee; (iv) €13,000 per committee to the Chairman of the Remuneration and Appointments Committee and of the Related Party Transaction Committee. As concerns the remuneration of the Chairman of the Board of Directors, following the appointment of Mr Stefano Meloni as Chairman on 24 February 2020 and in light of the resignation from office of Bernd Erick Beetz, the compensation of €130,000, as was resolved by the Board of Directors on 26 June 2019, was uplifted to €160,00 gross per annum, such amount fully within the total limit of remuneration established for the entire Board of Directors by the Meeting[16].

In accordance with the agreements governing the Chief Executive Officer's subordinate employment relationship with the Issuer and in particular the fact that his annual gross remuneration, is agreed to be inclusive of all compensation, including that for additional duties and positions in the company, said CEO has waived the right to compensation awarded to him for holding the position of executive director. By virtue of such agreements and in particular the fact that the remuneration paid to the CEO relates to his subordinate employment managerial position, the amount paid to him in Financial Period 2021 is included in the compensation paid to Managers with strategic responsibilities and represented in detail in the attached tables.

Please take note that, on 14 April 2020, the Board of Directors of Unieuro - upon the proposal of the Chairman Stefano Meloni and as part of the package of measures to contain the effects of the

[16] The amounts carried over do not include social security charges and VAT, where applicable.

ongoing health emergency - approved a 20% reduction in the remuneration of its members for the months of April and May 2020.

Moreover, we underline that following the establishment on 12 November 2020 of the Sustainability Committee, the Board of Directors resolved that said Committee be allocated a gross fixed amount totalling Euro 11,000.00 (eleven thousand/00) to be paid to the relative members (including its Chairman) with reference to the financial period ended as at 28 February 2021. The Board also specified that, for subsequent financial years, said remuneration would be adjusted in order to align it with the remuneration determined for the other intra-board Committees, upon the proposal of the Board itself and subject to approval of the Annual Financial Report as of February 28 2021 at the relative Shareholders' Meeting[17].

The Directors have been granted the right to reimbursement of expenses incurred for the purposes of the carrying out of their offices.

Variable remuneration

The members of the Board of Directors have not participated in the Stock Option Plan, the Performance Share Plan, the MBO system or other forms of variable remuneration. It should be noted that Executive Director, Giancarlo Nicosanti Monterastelli, participated in the Stock Option Plan and in the 1st cycle of the Performance Share Plan in his capacity of Manager with Strategic Responsibilities. Details relating to participation of Giancarlo Nicosanti Monterastelli in the incentive plans are explained in the section relating to the remuneration of Managers with Strategic Responsibilities.

Non-monetary benefits

The non-monetary benefits awarded to members of the Company's Board of Directors include an insurance policy which has been entered into to cover the civil liability of directors and managers, the co-called Directors' and Officers' Liability Insurance ("D&O").

b. COMPENSATION OF THE BOARD OF STATUTORY AUDITORS

On 18 June 2019, the Shareholders' Meeting resolved to appoint a Board of Statutory Auditors comprising three standing members and two alternate members, for a term of three financial periods (thus until the approval at the Shareholders' Meeting of the financial statements as at 28 February 2022): Such board is comprised as follows: Giuseppina Manzo (Chairman), Maurizio Voza (standing auditor), Federica Mantini (standing auditor), Valeria Francavilla (alternate auditor) and Davide Barbieri (alternate auditor).

Fixed remuneration[18]

On 18 June 2019, the Shareholders' Meeting resolved to grant compensation to members of the Board of Statutory Auditors for the entire period of their term of office in the overall amount of €60,000, specifying that this compensation is commensurate with the number of months they effectively remain in office. At the same Shareholders' Meeting the above-mentioned compensation was broken down as follows: (i) a sum of €26,000 to the Chairman, in addition to pension contributions, (ii) a sum of €17,000 to each standing Statutory Auditor, with pension contributions in addition.

Variable remuneration and non-monetary benefits

[17] Amounts carried over do not include social security charges and VAT, where applicable.
[18] Amounts carried over do not include social security charges and VAT, where applicable.

Members of the Board of Statutory Auditors are not entitled to any variable remuneration or non-monetary benefits.

c. COMPENSATION OF MANAGERS WITH STRATEGIC RESPONSABILITIES

We draw your attention to the fact that this chapter refers to those Managers with Strategic Responsibilities as identified during the year ended as at February 28 2021 which are: (i)Chief Executive Officer; (ii) Chief Financial Officer; (iii) Chief Omnichannel Officer; (iv) Chief Operations Officer; (v) Chief Commercial Officer; (vi) Chief Corporate Development Officer.

Fixed remuneration

The Managers with Strategic Responsibilities have received the fixed component of the remuneration determined by their respective employment contracts, including any payments due under contract or by law.

During the financial period ending 28 February 2021, the 6 Managers with Strategic Responsibilities (including Giancarlo Nicosanti Monterastelli who is also currently Chief Executive Officer) were paid a total of € 1,694,030.13 in fixed remuneration.

Variable remuneration

Managers with Strategic Responsibilities participated in the MBO scheme, the Stock Option Plan and the 1st cycle of the Performance Shares Plan.

In this regard, total gross variable remuneration paid out was Euro1,341,375.00 relating the MBO scheme applicable to financial period ending 29 February 2020 and actually paid out in the financial period ending 28 February 2021.

In relation to the Stock Option Plan, on 18 June 2020, the Board of Directors granted, on the basis of the results achieved, a total of 849,455 share rights (of which 572,859 to Managers with Strategic Responsibilities) to subscribe for against payment, newly issued Unieuro ordinary shares up to a maximum number of 849,455.

Pursuant to the Stock Option Plan regulations and starting from July 31 2020, option rights holders may exercise their subscription within the final deadline of July 31 2025.

You are reminded that, as provided for in the above-mentioned Stock Option Plan rules, upon the expiration of each year (subsequent to that closed on 29 February 2020), in which the beneficiary has exercised or all part of any share option right, said beneficiary is entitled also to receive a monetary quota in an amount equal to the amount of dividend which he/she would have received on the Stock Option Plan as of approval date up to the 29 February 2020, ("Cash Bonus LTIP 2018-2025") with exercise of the rights attached to the shares obtained in the year in question upon exercise of the relative share option right.

Please note that in the year 2020, the number of options exercised by the Chief Executive Officer in his capacity of Manager with Strategic Responsibility was equal to 100,000, to whom the amount of 307,000.00 euro was paid as LTIP Cash Bonus 2018-2025.

As a gesture of solidarity towards the company staff, Chief Executive Officer, Giancarlo Nicosanti Monterastelli, in his capacity as Manager with Strategic Responsibilities, announced that he fully and voluntarily waived his right to remuneration for the months of April 2020 and May 2020. Likewise, the entire company management decided to cut salaries: by 20% for Managers with Strategic Responsibilities and by 10% for other executives.

In relation to the first cycle of the Long Term Incentive Plan 2020-2025, on 13 January 2021 (i) 50,000 shares were allocated to the Chief Executive Officer, Giancarlo Nicosanti Monterastelli, as Manager with Strategic Responsibilities (ii) 74,000 to other Managers with Strategic Responsibilities.

In particular, the compensation effectively paid to the Chief Executive Officer in the financial period FY2020 (from 1 March 2019 to 29 February 2020) by way of short-term variable component was € 383,250, mindful that, on 6 May 2020, the Board of Directors, having considered the proposal of the Remuneration and Appointments Committee, ascertained the achievement of the specific target conditions as well as the partial achievement of the specific overperformance conditions.

The table below illustrates the performance objectives linked to short and medium/long-term variable remuneration and the effects deriving from the performance curve, with reference to the MBOs of Managers with Strategic Responsibilities.

			Level of achievement		
	Performance Objectives[19]	**Results FY 2021**	Below-target	Target-reached	Above- target
CEO	EBITDA	111.0			√
	NFP	154.8			√
	NPS	45.8			√
Managers with strategic responsabilities	EBITDA	111.0			√
	NFP	154.8			√
	NPS	45.8			√

For more detail on the variable remuneration in favour of each Manager with Strategic Responsibilities, please refer to the attached tables.

Non-monetary benefits

As regards non-monetary benefits, it is noted that all Managers with Strategic Responsibilities are awarded a series of benefits, including – according to the provisions of the applicable national collective bargaining agreement and individual employment contracts – a motor vehicle for personal and business use, contributions for mandatory social security funds and supplementary medical

[19] EBITDA is Consolidated EBITDA pre-adoption IFRS16 adjusted by (i) non-recurring expense/(income) and (ii) the effects deriving from the adjustment of the costs for guarantee extension services net of the estimated costs for the prevision of service assistance as a consequence of the change in the business model for directly managed assistance services.
Net Financial Position (NFP) indicates the (Net Financial Debt) / Consolidated Net Cash without incorporating the effects of applying IFRS16.
The Net Promoter Score (NPS) measures the customer experience and predicts business growth, it can range from -100 (if each customer is a Detractor) to 100 (if each customer is a Promoter).

cover, insurance coverage against death, injury and illness relating to professional and non-professional activity, D&O liability insurance, and in some cases a house allowance.

Payments provided in the event of resignation from office or termination of employment and non-competition agreements

During the 2020/2021 financial period no Director or member of the Board of Statutory Auditors resigned from office and no Manager with Strategic Responsibilities ceased his/her employment relationship.

The Company has non-competition agreements in place with Managers with Strategic Responsibilities in accordance with Article 2125 Civil Code. This entails the payment of compensation, determined in relation to the duration and breadth of the agreed non-compete, restrictions, at a fixed rate while employed by the Company, with guaranteed final balance payment on the date of termination of the employment relationship to be paid provided that the total amount paid up to that moment is less than a predetermined percentage of the annual gross remuneration provided for the last year in which the employment agreement is in place.

Derogations from the remuneration policy relating to the 2021 financial period

There have been no derogations from the remuneration policy relating to the 2021 financial period

Application of *ex post* correction mechanisms

During the 2020 financial period, no *ex post* correction mechanisms have been applied to the variable component of remuneration.

Salary variations and comparison information

Below is a table which summarises the comparison information concerning annual variations in the last two financial periods: (i) of the total remuneration as regards this section of this Report of each of the persons named therein (ii) the results of the Company, (iii) the average gross annual remuneration of employees.

Total remuneration[20]	FY 2021	FY 2020[21]
Board of directors		
Stefano Meloni – Chairman	160,000.00	33,261.49
Giancarlo Nicosanti Monterastelli[22] – CEO	1,188,510.72[23]	740,445.92
Michele Bugliesi – Director	47,250	1,257.18

[20] Includes fixed remuneration, participation in committees, bonuses and other incentives, without the pension fund contribution. It should be noted that, as a gesture of solidarity towards the corporate population, the CEO Giancarlo Nicosanti Monterastelli, in his capacity of Manager with Strategic Responsibilities, also announced his complete and voluntary waiver of his net salary for the months of April and May 2020. Likewise, the other managers with strategic responsibilities and the board members decided to cut net remuneration due in April and May 2020 by 20%.
[21] Remuneration proportionate to the months actually spent in office.
[22] The remuneration of Giancarlo Nicosanti Monterastelli is determined on the basis of his current management relationship, the Chief Executive Officer having waived his right to the remuneration granted to him by the Board pursuant to art. 2389 c.3 Civil Code.
[23] The total remuneration also includes the 2018 -2025 LTIP Cash Bonus of Euro 307,000.

Catia Cesari – Director	57,750	37,625
Pietro Caliceti – Director	63,750	38,285.92
Paola Elisabetta Galbiati – Director	57,250	1,257.18
Marino Marin – Director	83,750	85,625
Monica Luisa Micaela Montironi – Director	63,750	44,625
Alessandra Stabilini – Advisor	43,750	30,625
Board of Auditors		
Giuseppina Manzo – Chairman of the Board of Statutory Auditors	26,000	18,164.38
Maurizio Voza – Statutory auditor	17,000	19,712.33
Federica Mantini – Statutory auditor	17,000	11,876.61
Company's results[24]	**FY 2021**	**FY 2020**
EBITDA	111.0	82.1
NFP	154.8	29.6
NPS	45.8	46.3
Average remuneration FTE[25]	**FY 2021**	**FY 2020**
	26,618.34	26,455.92

[24]EBITDA is Consolidated EBITDA pre-adoption IFRS16 adjusted by (i) non-recurring expense/(income) and (ii) the effects deriving from the adjustment of the costs for guarantee extension services net of the estimated costs for the prevision of service assistance, as a consequence of the change in the business model for directly managed assistance services.
Net Financial Position (NFP) indicates the (Net Financial Debt) / Consolidated Net Cash without incorporating the effects of applying IFRS16.
The Net Promoter Score (NPS) measures the customer experience and predicts business growth, it can range from -100 (if each customer is a Detractor) to 100 (if each customer is a Promoter).
[25] The contractual gross fixed annual remuneration related to the Full Time Equivalent ("FTE") was taken into account. It should be noted that the average company population for FY20 is 4,422 FTE of which 4,109 operate in sales outlets as sales staff whilst 313 are employees at the head office. In FY21 the average company population is equal to 4485 FTE of which 4160 operate on the sales outlets as sales staff whilst 325 are employees at the head office.

Votes cast at the Shareholders' Meeting of the previous year on this section

At the Ordinary Shareholders' Meeting held on 12 June 2020, the second section of the Remuneration Report for the year ended 29 February 2020 was approved with 5,308,230 votes in favour, representative of 90.114% of those in attendance (414,229 votes against representative of 7.032% of those in attendance and 168,100 abstentions representative of 0.942% of those in attendance).

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Part Two

The tables below provide an itemised breakdown of the compensation paid by the Company during financial period ending of 28 February 2021 of whatever nature and grounds or by Issuer controlling of controlled companies.

TABLE 1: COMPENSATION PAID TO MEMBERS OF MANAGEMENT AND CONTROL BODIES AND OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES[26].

(A) Name and surname	(B) Office	(C) Period office held	(D) End of period in office	(1) Fixed compensation [27]	(2) Compensation for participation in committees	(3) Variable non-equity compensation: Bonuses and other incentives	(3) Variable non-equity compensation: Share of profits	Non-monetary benefits	Other compensation	Total	Fair value of equity compensation	Severance pay on cessation of employment relationship or office.
Stefano Meloni	Chairman	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	160,000[28]						160,000		
Marino Marin	Independent Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[29]						83,750		
	Chairman of the Remuneration and Appointments Committee	01/03/2020 28/02/2021			13,000[30]							

[26] All fees are paid by the Company that draws up the financial statements. The values are expressed in Euro.
[27] As a gesture of solidarity towards the company personnel, the Chief Executive Officer Giancarlo Nicosanti Monterastelli also announced the full and voluntary waiver of his right to remuneration for the months of April 2020 and May 2020. Likewise, , the entire company management decided to reduce its salary by 20% for Managers and Directors and by 10% for other executives.
[28] Compensation due for the office of the Chairman of the Board, determined by the Board of Directors on 24 February 2020 on the basis of that approved at the Shareholders' Meeting of 18 June 2019, of which € 114.666,67 paid.
[29] Compensation due for the office of the Non-executive Director, determined by the Board of Directors on 26 June 2019 on the basis of the resolution passed at the Shareholders' Meeting of 18 June 2019.
[30] Compensation due for the office of the Chairman Remuneration and Appointments Committee. Totally disbursed.

	Chairman of the Control and Risk Committee	01/03/2020 28/02/2021			14,000[31]						
	Chairman Related-Party Committee	01/03/2020 28/02/2021			13,000[32]						
Catia Cesari	Independent Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[33]					57,750		
	Remuneration and Appointments Committee member	01/03/2020 28/02/2021			10,000[34]						
	Chairman Sustainability Committee	12/11/2020 28/02/2021			4,000[35]						
Pietro Caliceti	Independent Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[36]					63,750		
	Related-Party Committee member	01/03/2020 28/02/2021			10,000[37]						
	Remuneration and Appointments Committee member	01/03/2020 28/02/2021			10,000[38]						

[31] Compensation due for the office of the Chairman Control and Risk Committee. Totally disbursed.
[32] Compensation due for the office of the Chairman Related Parties Committee. Totally disbursed.
[33] Compensation due for the office of the Non-executive Director, determined by the Board of Directors on 26 June 2019 on the basis of the resolution passed at the Shareholders' Meeting of 18 June 2019.
[34] Compensation due for the office of the Remuneration and Appointments Committee member. Related Parties Committee
[35] Compensation due for the office of the Chairman of the Sustainability Committee established on 12 November 2021. Related Parties Committee
[36] Compensation due for the office of the Non-executive Director, determined by the Board of Directors on 26 June 2019 on the basis of the resolution passed at the Shareholders' Meeting of 18 June 2019 of which Euro 31,931.09 paid.
[37] Compensation due for the office of the Related-Party Committee member of which Euro 7,211.54 paid.
[38] Compensation due for the office of the Remuneration and Appointments Committee member, of which Euro 7,211.54 paid.

Alessandra Stabilini	Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[39]					43,750		
Monica Luisa Micaela Montironi	Independent Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[40]					63,750		
	Control and Risks Committee member	01/03/2020 28/02/2021			10,000[41]						
	Related-Party Committee member	01/03/2020 28/02/2021			10,000[42]						
Michele Bugliesi	Independent Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[43]					47.250		
	Member of the Sustainability Committee	12/11/2020 28/02/2021			3,500[44]						
Paola Elisabetta Galbiati	Independent Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[45]					57,250		
	Member of the Control and Risk Committee	01/03/2020 28/02/2021			10,000[46]						

[39] Compensation due for the office of the Non-executive Director, determined by the Board of Directors on 26 June 2019 on the basis of the resolution passed at the Shareholders' Meeting of 18 June 2019 of which Euro 31,354.17 paid.
[40] As compensation for the officeof non-executive Director, determined by the Board of Directors on 26 June 2019 on the basis of that resolved at the Shareholders' Meeting of 18 June 2019 of which Euro 31,931,09 paid.
[41] Compensation due for the office of member of the Control and Risks Committee of which Euro 7,211.54 paid.
[42] Compensation due for the office of member of the Related Party Committee of which Euro 7,211.54 paid.
[43] As compensation for the office of non-executive Director, resolved by the Board of Directors on 20 February 2020 on the basis of that resolved at the Shareholders' Meeting of 18 June 2019.
[44] As compensation for the office of Member Sustainability Committee established as of 12 November 2021.
[45] As compensation for the office of non-executive Director, resolved by the Board of Directors on 20 February 2020 on the basis of that resolved at the Shareholders' Meeting of 18 June 2019, approved for FY20, of which Euro 18,926.27 paid.
[46] As compensation for the office of Member of the Control and Risk Committee of which Euro 6,490.38 paid

	Member of the Sustainability Committee	12/11/2020 28/02/2021			3,500[47]						
Maurizio Voza	Auditor	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	17,000[48]					17,000		
Giuseppina Manzo	Chairman of the Board of Statutory Auditors	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	26,000[49]					26,000		
Federica Mantini	Auditor	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	17,000[50]					17,000		
Giancarlo Nicosanti Monterastelli[51]	CEO – Executive Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022[52]	351,703.58		832,000 [53]	4,807.14		1,188,510.72		
Luigi Fusco	Chief Operating Officer	01/03/2020 28/02/2021		321,153.95[54]		375,000[55]	3,869.26		700,023.21		
Bruna Olivieri	Chief Omni Channel Officer	01/03/2020 28/02/2021		251,153,95		375,000 [56]	4,791.72		630,945,67		

47 As compensation for the office of Member Sustainability Committee established as of 12 November 2021 not yet paid.
48 As compensation for the office of Standing Auditor resolved at the Shareholders' Meeting of 18 June 2019 not yet paid.
49 As compensation for the position of Chairman of the Board of Statutory Auditors resolved at the Shareholders' Meeting of 18 June 2019, of which Euro 19,500.00. paid.
50 As compensation for the position of Standing Auditor resolved at the Shareholders' Meeting of 18 June 2019 of which Euro 12,750 paid.
51 It should be noted that Nicosanti Monterastelli by virtue of the role of CEO and coordination and by virtue of the agreements relating to the subordinate employment relationship with the issuer and in particular of the agreed all-inclusive nature of the gross annual remuneration granted to him of any relative remuneration also to additional offices and corporate offices, he renounced the remuneration resolved in his favor in connection with the position of Executive Director held in active 2021

52 Limited to the office of Executive Director

53 Euro 525,000.00 referring to MBO FY21 not yet disbursed and Euro 307,000 disbursed pursuant to the Long Term Incentive Plan 2018-2025 as a monetary bonus equal to the dividends that the Executive would have received from the date of approval of the aforementioned plan until completion of the vesting period with the exercise of the corporate rights due to the shares obtained in the year in question with the exercise of the subscription rights. It should be noted that in the financial year 2021 Euro 383,250 were also disbursed as MBO for the financial year 2020.
54 Of which Euro 70,000 as an advance contribution refund on contributions exceeding the contribution ceiling (art. 2 paragraph 18, L.335/1995) for the period from 2011 to 2018.
55 Euro 375,000 refers to MBO FY21 not yet paid. It is specified that in FY 2020, Euro 273,750 was paid out by way of MBO applicable for the year 2020.
56 Euro 375,000 refers to MBO FY21 not yet paid. It is specified that in FY 2021, Euro 273,750 was paid out by way of MBO applicable for the year 2020.

Italo Valenti	Chief Financial Officer	01/03/2020 28/02/2021		301,428,69		337,500[57]	1,414.3		640,342.99		
Andrea Scozzoli	Chief Corporate Development Officer	01/03/2020 28/02/2021		251,236.36		225,000[58]	3,718.24		479,954.60		
Gabriele Gennai	Chief Commercial Officer	01/03/2020 28/02/2021		217,353.60		367,800[59]	2,051.83		587,205.43		

[57] Euro 337,500 refers to MBO FY21 not yet paid. It is specified that in FY 2021, Euro 246,375 was paid out by way of MBO applicable for the year 2020.
[58] Euro 225,000 refers to MBO FY21, not yet paid. It is specified that in 2021, Euro 164,250 was paid out by way of MBO applicable to 2020.
[59] Euro 345,000 refers to MBO FY21, not yet paid. 22,800 Euros recognized as accommodation expense contest under the terms of the employment contract

TABLE 2: STOCK OPTIONS GRANTED TO THE MEMBERS OF THE BOARD OF DIRECTORS, TO GENERAL MANAGERS AND TO THE OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES[60]

			Options held at the start of the financial period			Options awarded during the financial period						Options exercised during the financial period			Options expired during the financial period	Options held at the end of the financial period	Options accrued in the financial period
Name and surname	Office	Plan[61]	Number of options	Exercise price	Period of possible exercise (from - to)	Number of options	Exercise price	Period of possible exercise (from - to)	Fair value at grant date	Grant date[62]	Market price of the shares underlying options granted[63]	Number of options	Exercise price	Market price of underlying shares at the exercise date	Number of options	Number of options	Fair value[64]
Giancarlo Nicosanti Monterastelli	CEO – Executive Director	Long Term Incentive Plan 2018-2025	248,139	11 euro	From 31/07/20 to 31/07/25	2,748	11	-	7,126	18/06/2020	-	100,000	11	-	-	150,887	1,075,220,76
Luigi Fusco	COO	Long Term Incentive Plan 2018-2025	82,713	11 euro	From 31/07/20 to 31/07/25	916	11	-	7,126	18/06/2020	-	-	-	-	-	83,629	595,940.25
Bruna Olivieri	COCO	Long Term Incentive Plan 2018-2025	82,713	11 euro	From 31/07/20 to 31/07/25	916	11	-	7,126	18/06/2020	-	-	-	-	-	83,629	595,940.25

[60] All amounts are paid by the company that prepares the balance sheet.
[61] Long Term Incentive Plan 2018-2025: Plan approved at the Extraordinary Shareholders' Meeting held on 06 February 2017; the regulation of the Plan was approved by the Board of Directors on 29 June 2017.
[62] Long Term Incentive Plan 2018-2025: The allocation letter was delivered on 23 October 2017 with retrospective effect to 29 June 2017.
[63] Market price at 29 June 2017 for the Long Term Incentive Plan 2018-2025.
[64] Value of reserves at 28 February 2021 for share-based payments inclusive of possible exit of Plan beneficiaries.

Italo Valenti	CFO	Long Term Incentive Plan 2018-2025	107,527	11 euro	From 31/07/20 to 31/07/25	1,191	11	-	7,126	18/06/2020	-	-	-	-	-	108,718	774,724.47
Andrea Scozzoli	CCDO	Long Term Incentive Plan 2018-2025	45,492	11 euro	From 31/07/20 to 31/07/25	504	11	-	7,126	18/06/2020	-	-	-	-	-	45,996	327,767.50

TABLE 3: INCENTIVE PLANS IN FAVOUR OF MEMBERS OF THE MANAGEMENT BODY AND GENERAL MANAGERS AND OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES

Table 3A: Incentive plans based on financial instruments, other than stock options, in favour of members of the management body, general managers and other Managers with Strategic Responsibilities[65]

			Financial instruments granted in previous years and not vested during the financial period		Financial instruments assigned during the financial period					Financial instruments vested during the financial periodand not awarded	Financial instruments vested during the financial period and awarded		Financial instruments for the financial period
Name and surname	Office	Plan[66]	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value at grant date	Vesting period	Grant date	Market Price at grant	Number and type of financial instruments	Number and type of financial instruments	Value at the vesting date	Fair value[67]
Giancarlo Nicosanti Monterastelli	CEO – Executive Director	1st Cycle Performance share plan 2020-2025			50,000	14,41	From 01/03/2020 to 28/02/2023	13/01/2021	14.54				38,916.24
Luigi Fusco	COO	1st Cycle Performance share plan 2020-2025			20,000	14,41	From 01/03/2020 to 28/02/2023	13/01/2021	14.54				15,566.49
Bruna Olivieri	COCO	1st Cycle Performance share plan 2020-2025			20,000	14,41	From 01/03/2020 to 28/02/2023	13/01/2021	14.54				15,566.49
Italo Valenti	CFO	1st Cycle Performance share plan 2020-2025			14,000	14,41	From 01/03/2020 to 28/02/2023	13/01/2021	14.54				10,896.55
Andrea Scozzoli	CCDO	1st Cycle Performance share plan 2020-2025			6,000	14,41	From 01/03/2020 to 28/02/2023	13/01/2021	14.54				4,669.95

[65] All amounts are paid by the company that prepares the balance sheet.
[66] 2020-2025Performance Plan share: Plan approved at the Extraordinary Shareholders' Meeting of the Company held on 17 December 2020; the regulation of the Plan was approved by the Board of Directors on 13 January 2021.
[67] Value of reserves at 28 February 2021 for share-based payments inclusive of possible exit of Plan beneficiaries.

Gabriele Gennai	CCO	1st Cycle Performance share plan 2020-2025			14,000	14,41	From 01/03/2020 to 28/03/2023	13/01/2021	14.54				10,896.55
Total assigned to Executives with Strategic Responsibilities					124,000		From 01/03/2020 to 28/03/2023	13/01/2021	14.54				96,512.27

Table 3B: Monetary incentive plans for members of the management body, general managers and other Managers with Strategic Responsibilities[68]

			Annual bonus		Bonuses paid out in previous years				Other bonuses
Name and surname	Office	Plan	Payable[69] / Paid	Deferred	Deferral period	No longer payable	Payable[70] / Paid	Still deferred	
Giancarlo Nicosanti Monterastelli	CEO –	MBO	525,000.00				383,250.00		
		LTIP 2018-2025	307,000.00 [71]						
Luigi Fusco	Chief Operating Officer	MBO	375,000.00				273,750.00		
Bruna Olivieri	Chief Omni Channel Officer	MBO	375,000.00				273,750.00		
Italo Valenti	Chief Financial Officer	MBO	337,500.00				246,375.00		
Andrea Scozzoli	Chief Corporate Development Officer	MBO	225,000.00				164,250.00		
Gabriele Gennai	Chief Commercial Officer	MBO	345,000.00				-		[72]
Total			2,489,500,00				1,341,375		

[68] All amounts are paid by the company that prepares the balance sheet
[69] Amounts referred to FY21 MBO
[70] Amounts referred to FY20 MBO
[71] Euro 307,000 paid pursuant to the Long Term Incentive Plan 2018-2025 as a monetary bonus equal to the dividends that the Executive would have received from the date of approval of the aforementioned plan until the end of the vesting period with the exercise of the social rights due to the shares obtained in the year in question by exercising the subscription rights
[72] € 60,000 paid out during the FY2021 financial year, pertaining to the FY2020 financial year in execution of a contractual commitment undertaken in January 2020

TABLE 1 (MODEL 7-TER): EQUITY INTERESTS OF THE MEMBERS OF THE GOVERNING AND SUPERVISORY BOARDS AND OF THE GENERAL MANAGER.

Name and surname	Office	Investee	Number of shares held at the end of 29 FY 2020	No. of shares purchased	No. of shares sold	Number of shares held at the end of 28 FY 2021
Giancarlo Nicosanti Monterastelli[73]	Executive Director	Unieuro S.p.A.	136,977	160,000		296,977
Stefano Meloni[74]	Chairman of the Board of Directors	Unieuro S.p.A.	30,000	36,000		66,000

[73] Shareholding held through the subsidiary GNM Investimenti S.r.l.
[74] Shareholding held through the subsidiary Melpart S.p.A.

TABLE 2 (MODEL 7-TER): EQUITY INVESTMENTS OF OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES

Number of Managers with strategic responsibilities	Investee	Number of shares held at the end of 29 FY 2020	No. of shares purchased	No. of shares sold	Number of shares held at the end of 28 FY 2021
2[75]	Unieuro S.p.A.	256,784	197,000	-	453,784

[75] The shareholdings held by the CEO, Giancarlo Niicosanti Monterastelli, as Manager with Strategic Responsibilities of the Company are also reported. The shareholdings are held through GNM Investimenti S.r.l. and Giufra s.r.l

TABLE N. 1 OF MODEL 7, APPENDIX 3A OF ISSUER REGULATION N. 11971/1999

Long Term Incentive Plan 2018-2025

PART 2, SECTION 1 – Stock Option

Option related to plans, currently valid, resolved based on previous Shareholders' Meeting

Name or category	Title	Shareholders' resolution date	Type of security[76]	Number of Options	Grant Date[77]	Exercise price	Market price of shares attached to options	Time-line for exercise of Options (from-to)
Giancarlo Nicosanti Monterastelli	CEO	06/02/2017	Subscription Rights	248,139	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Luigi Fusco	Chief Operating Officer	06/02/2017	Subscription Rights	82,713	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Bruna Olivieri	Chief Omni Channel Officer	06/02/2017	Subscription Rights	82,713	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Italo Valenti	Chief Financial Officer	06/02/2017	Subscription Rights	107,527	29/06/2017	11.00	16,29	From 31/07/2020 to 31/07/2025
Andrea Scozzoli	Chief Corporate Development Officer	06/02/2017	Subscription Rights	45,492	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Others Managers		06/02/2017	Subscription Rights	264,671	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Others Managers		06/02/2017	Subscription Rights	25,633	29/06/2017[78]	11.00	16.29	From 31/07/2020 to 31/07/2025

[76] Subscription rights for Unieuro shares or, at the Company's option, for the purchase of Unieuro shares.
[77]. Grant by means of letter delivered 23.10.17 with retrospective effect to 29.06.17
[78] Grant by means of letter delivered 29/07/2019 with retrospective effect to 29/06/2017.

TABLE N. 1 OF MODEL 7, APPENDIX 3A OF ISSUER REGULATION N. 11971/1999

Long Term Incentive Plan 2020-2025

PART 1, SECTION 1 – *Financial instruments other than stock options*

Instruments relating to plans, currently in force, approved on the basis of previous Shareholders' Meeting resolutions

Name or category	Title	Shareholders' resolution date	Typology of financial instruments	Number of financial instruments	Date of allocation	Possible purchase price of instruments	Market price at allocation	Vesting period
Giancarlo Nicosanti Monterastelli	CEO	17/12/2020	shares	50,0000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
Luigi Fusco	Chief Operating Officer	17/12/2020	shares	20,0000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
Bruna Olivieri	Chief Omni Channel Officer	17/12/2020	shares	20,0000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
Italo Valenti	Chief Financial Officer	17/12/2020	shares	14,000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
Andrea Scozzoli	Chief Corporate Development Officer	17/12/2020	shares	6,000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
Gabriele Gennai	Chief Commercial Officer	17/12/2020	shares	14,000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023

UNIEURO S.P.A.

REGISTERED OFFICE IN FORLI', PALAZZO "HERCOLANI", VIA PIERO MARONCELLI N. 10

SHARE CAPITAL EURO 4,000,000.00, FULLY PAID-UP

REGISTRATION NUMBER WITH THE COMPANIES' REGISTER OF FORLI'-CESENA AND TAX CODE NO. 00876320409

BOARD OF DIRECTORS' EXPLANATORY REPORT ON THE PROPOSAL AT ITEM 4 OF THE AGENDA OF THE SHAREHOLDERS' ORDINARY MEETING OF UNIEURO S.P.A. CONVENED ON JUNE 15 2021 IN SINGLE CALL. - ERRATA CORRIGE

4. **Proposal that the remuneration of the Board of Directors be increased. Relative resolutions.**

Dear Shareholders,

Please be advised that the Board of Directors of Unieuro S.p.A. (the "**Company**"), having acknowledged the recommendation of the Italian Corporate Governance Committee that it is opportune that the amount of remuneration paid to non-executive Directors and members of the supervisory body be verified as commensurate to the competence, professionalism and commitment required by their office, invited the Remuneration and Appointments Committee to carry out salary benchmarking as regards the remuneration of the Directors of the Board of Directors and the Board of Statutory Auditors based on a selected sample of other companies operating in similar sectors or of comparable size and listed on the Italian stock market or on foreign stock markets.

For the purposes of the investigations relating to the management body, account was taken of the annual gross remuneration approved at the Shareholders' Meeting held on 18 June 2019 being: Euro 580,000.00 (five hundred and eighty thousand/00) for the Board of Directors, divided among the Directors pursuant to Board resolution under Article 2389 paragraph 3 of the Italian Civil Code and under the Articles of Association.

In this regard, please also take note that, respecting the above-mentioned maximum amount, the Board of Directors resolved that it be divided as follows: (i) Euro 160,000 to the Chairman of the Board of Directors; (ii) Euro 43,750 to each non-executive director; (iii) Euro 14,000 to the Chairman of the Control and Risk Committee; (iv) Euro 13,000 to the Chairman of the Remuneration and Appointments Committee and of the Related Parties Committee; and (v) Euro 10,000 to the other members of the Remuneration and Appointments Committee of the Control and Risk Committee and of the Related Parties Committee. In this regard, we remind you that the Chief Executive Officer, Giancarlo Nicosanti Monterastelli, has waived his right to the remuneration for his offices as Chief Executive Officer and director.

On the basis of the analyses carried out, a substantial misalignment of the remuneration levels of Unieuro was found with respect to the average values of the panel of comparison companies considered and - as specifically regards the remuneration of its board members - with reference to the remuneration envisaged for participation on intra-board Board Committees.

In relation to that, and for the sake of completeness of information, we also point out that the total remuneration granted to the Board of Directors - notwithstanding the increase in the number of its members from 7 to 9 as approved at the Shareholders' Meeting of 18 June 2019 - has not undergone any adjustment with respect to the amount of remuneration that the Shareholders resolved on 6 February 2017 said body be granted. Indeed, at that time the Board of Directors of Unieuro was made up of 7 Directors. In this perspective, the proposed increase also has the aim of rendering the total remuneration more appropriate having regard to the number of Directors actually in office.

You are reminded that - as set forth in the first section of the Report on the policy concerning remuneration and recompense paid which was approved by binding vote at the Shareholders' Meeting held on 17 December 2020 ("**Policy**") - the Board of Directors established on 12 November 2020 an additional internal committee having advisory functions on environmental, social and person-related issues as well as respect for human rights and the fight against corruption. Said committee is comprised of the following directors: Catia Cesari, in the role of Chairman, Michele Bugliesi and Paola Elisabetta Galbiati ("**Sustainability Committee**"). On the same date, the Board of Directors resolved to impute to said committee, for the year ended as at February 28 2021, a gross fixed sum of Euro 11,000.00 (eleven thousand/00) to be paid to the relative members (including its Chairman) such Board resolution specifying that, for subsequent financial periods, the Board would propose at the Shareholders' Meeting called to approve the financial statements at February 28 2021, an adjustment to said remuneration in order to bring it in line with that determined for the other intra-board Board Committees.

Furthermore, the Board of Directors, having received the positive opinion from the Remuneration and Appointments Committee and the Board of Statutory Auditors, has taken note of the greater commitment of the Directors (of which, *inter alia,* the increase in the number of meetings held - also to promptly react to the effects of the pandemic - is a good example) due to the alteration to the strategic and corporate context in which Unieuro is positioned as consequence of the strong growth of the Company, the intervening change of Unieuro to a public company structure and the challenging objectives that the Company aims to achieve. In light of this, the Board of Directors submits that its remuneration is not in line with the level of commitment made and that yet to be carried out up to the end of the terms of office by its members on the Board as well as on the intra-board committees.

In light of the above, in consideration of the increase in the tasks assigned to them and consequently, of the required commitment and work required for the performance of the related duties, also factoring in the results of the salary benchmark activity and need to take into account the remuneration to be paid to the members of the Sustainability Committee, the Board of Directors proposes that the overall gross annual remuneration for the entire Board of Directors, be increased from Euro 580,000 (five hundred and eighty thousand/00) to Euro 710,000 (seven hundred and ten thousand/00) plus VAT and social security contributions thereon. Thus, the specific increase would be a total gross annual amount of Euro 130,000 (one hundred and thirty thousand/00 plus VAT and social security contributions thereon where applicable, such amount to be subsequently distributed by the administrative body pursuant to art. 2389, paragraph 3 of the Italian Civil Code and the Articles of Association, it being understood that – taking into account the waiver of the Chief Executive Officer and without any amendment to the remuneration of the Chairman of the Board of Directors - the gross annual remuneration of each other Director as included in the above-mentioned maximum amount shall be Euro 50,000 (fifty thousand/00) plus VAT and social security contributions thereon, where applicable, and that the residual amount of the increase as resolved on at the Shareholders' Meeting shall be earmarked to remunerate participation on the intra-board Committees.

In consideration of the foregoing, the Board of Directors submits the following proposed resolution for your approval:

"The Shareholders at the Shareholders' Meeting of Unieuro S.p.A.,

• *having examined the proposal of the Board of Directors;*

resolve

with effect as of this Shareholders' Meeting and for the remaining duration of the term of office to: (i) increase the overall gross annual remuneration granted to the Board of Directors from Euro 580,000 (five hundred and eighty thousand/00) to Euro 710,000 (seven hundred and ten thousand/00) plus VAT and social security contributions thereon, where applicable; thus, the specific increase shall be equal to the total amount of Euro 130,000 (one hundred and thirty thousand/00) plus VAT and social security contributions thereon, where applicable; and (ii) taking into account the waiver of the Chief Executive Officer and without any amendment to the remuneration of the Chairman of the Board of Directors, determine the gross annual remuneration of each other Director as included in the above-mentioned maximum amount equal to Euro 50,000 (fifty thousand/00) plus VAT and social security contributions thereon, where applicable, and to allocate the residual amount of the increase under point (i) above to remunerate the participation on the intra-board Committees."

* * *

ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN OF THE BOARD OF DIRECTORS

STEFANO MELONI

UNIEURO S.P.A.

REGISTERED OFFICE IN FORLI', PALAZZO "HERCOLANI", VIA PIERO MARONCELLI N. 10

SHARE CAPITAL EURO 4,000,000.00, FULLY PAID-UP

REGISTRATION NUMBER WITH THE COMPANIES' REGISTER OF FORLI'-CESENA AND TAX CODE NO. 00876320409

BOARD OF DIRECTORS' EXPLANATORY REPORT ON THE PROPOSAL AT ITEM 5 OF THE AGENDA OF THE SHAREHOLDERS' ORDINARY MEETING OF UNIEURO S.P.A. CONVENED ON JUNE 15 2021 IN SINGLE CALL.

5. Proposal that the remuneration of the Board of Auditors be increased. Related Resolutions.

Dear Shareholders,

At the Shareholders' Meeting held on June 18 2019, it was resolved that remuneration be imputed to the activity of the members of the Board of Statutory Auditors, such amount fixed for their entire term of office and thus up to the approval of the financial statements as at February 28 2022. Said remuneration was determined in the amount of Euro 60,000, divided as follows: (i) Euro 26,000 for the Chairman plus social security contributions thereon and (ii) Euro 17,000 for each acting Statutory Auditor plus social security contributions thereon.

Said Board of Statutory Auditors has submitted that the remuneration resolved on June 18 2019 is no longer adequate having regard to the commitment actually required and taking into account the broader scope of controls to be carried out as a consequence of the strong growth of the Company - which has led to an increased complexity of the business it operates - as well as the changes to the relative corporate and organisational structure, principally deriving from the intervening change of Unieuro to a public company structure. Said commitment had led to, *inter alia*, a significant increase in the number of meetings, and as a consequence, the number of hours dedicated to participation in meetings of the Board of Statutory Auditors and of other corporate bodies. In its report of 5 May 2021, said Board of Statutory Auditors provided the Board of Directors with an account of the activities carried out and objective grounds based on which it is deemed opportune that the remuneration for the remainder of the term of office be increased, such grounds concerning the intervening factors that have arisen subsequent to their original acceptance of the office and the relative remuneration therefor.

In its sitting of 13 May 2021, the Board of Directors took note of the above-mentioned request of the Board of Statutory Auditors, trusting that an adjustment to the remuneration may be obtained in an amount commensurate to the greater qualitative and quantitative efforts required over and those envisaged for the governance structure on the date the supervisory body was appointed.

Article 2402 of the Italian Civil Code provides that the remuneration of the statutory auditors shall be determined upon their appointment at the shareholders' meeting and shall apply "for the entire duration of their office" with the aim of ensuring the independence of the statutory auditors in virtue of the twinfold aspects of onerousness of the office and fixed nature of the remuneration.

As concerns the fixed nature of the remuneration payable to the supervisory body, the positions in legal doctrine are essentially threefold, thus summarised: (i) any increase or decrease to remuneration during the term of office is not permitted save for where a predetermined adjustment mechanism has been provided for based on objective considerations[1]; (ii) remuneration may be adjusted upwards on the occurrence of objective and non-contingent changes to the competences, but never downwards - in consideration of the fact that the provision in question concerns public policy since its aim is that of ensuring the independence of the members of the board of statutory auditors also vis-à-vis the majority[2] .Thus, such upward

[1] See Tedeschi, *Il collegio* commentary Schlesinger, Milan, 1992 and Cavalli, *I Sindaci* Colombo-Portale Treaty, V, Turin, 1988.

[2] See Frè-Sbisà, commentary Scialoja-Branca, I, 1997.

adjustment is permitted in the event there are new activities to be carried out by the Board that involve a higher commitment than that originally envisaged at the time of its appointment and based on which the original remuneration was fixed[3]. This is in the interest of the company and the shareholders to avoid the scenario in which an economic sacrifice on the part of the statutory auditors diminishes its guaranteed remit of operation[4]; (iii) it is lawful to increase or decrease remuneration if the statutory auditors so accept[5].

The Board of Directors, particularly in light of the issues raised by the Company's Board of Statutory Auditors, adheres to the orientation referred to in point (ii) above and, given that there are objective and additional grounds justifying increased commitment on the part of the Board of Statutory Auditors, considers that an adjustment of the remuneration complies with the substantive regulatory information in that it shall not cause any actual or potential prejudice to the autonomy of the supervisory body.

For such reasons, the Board of Directors deems it appropriate that the remuneration of the members of the Board of Statutory Auditors of the Company be adjusted with respect to the amount resolved by the Shareholders 'Meeting of 18 June 2019 and that it submit at the Shareholders' Meeting its proposal that such remuneration be increased by a total of Euro 45,000, divided as follows: An additional Euro 13,000.00 per annum for each acting Statutory Auditor and an additional Euro 19,000.00 per annum for the Chairman of the Board of Statutory Auditors.

Should this proposed resolution be approved, then the total remuneration of the Board of Statutory Auditors shall be Euro 105,000.00 per year, divided as follows: (i) Euro 45,000 to the Chairman plus social security contributions thereon and (ii) Euro 30,000 to each acting Statutory Auditor plus social security contributions thereon.

In consideration of the foregoing, the Board of Directors submits the proposed resolution set forth below which it cordially invites you to approve:

"The Shareholders at the Shareholders' Meeting of Unieuro S.p.A.

• *having examined the explanatory report of the Board of Directors and the proposals contained therein;*

resolve

1. *that with effect as of this Shareholders' Meeting, the overall gross remuneration of the Board of Statutory Auditors shall be increased from Euro 60,000.00 to Euro 105,000.00, and therefore the effective increase shall be by 45,000.00. Such amount shall apply for the residual duration of their term of office.*
2. *that the increase to remuneration referred to in point 1 above shall be divided as follows: (i) Euro 19,000.00 plus social security contributions thereon for the Chairman of the Board of Statutory Auditors; (ii) 13,000.00 plus social security contributions thereon for each acting Statutory Auditor.*

[3] See De Gennaro in the *Rivista dei dottori commercialisti* page 1, 2011.
[4] See Moro-Visconti, *Rivista dei dottori commercialisti,* 1974.
[5] See Santini, in the commentary Scialoja-Branca, 1971.

* * *

Forlì, May 13, 2021

ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN OF THE BOARD OF DIRECTORS

STEFANO MELONI

CORPORATE PRESS RELEASE

UNIEURO S.P.A.: REQUEST TO SUPPLEMENT THE AGENDA OF THE SHAREHOLDERS' MEETING RECEIVED

Forlì, 24 May 2021 – Unieuro S.p.A. (MTA: UNIR) (the "**Company**") announces that it received today, jointly from shareholders Iliad S.A. and Iliad Holding S.p.A., a request to supplement the agenda of the Ordinary Shareholders' Meeting, called for 15 June 2021.

The shareholders, pursuant to article 126-bis, paragraph 1, legislative decree no. 58/1998, requested the addition of the following item on the agenda: "*Appointment of 2 (two) Directors with prior redetermination of the number of members of the Board of Directors from 9 (nine) to 11 (eleven) Directors. Related and consequent resolutions*".

In particular, Iliad S.A. and Iliad Holding S.p.A. are submitting the following resolution proposal for the approval of the Shareholders' Meeting:

- redetermination of the number of members of the Board of Directors of the Company, increasing it from 9 (nine) to 11 (eleven);

- appointment as new Board Directors of the Company of Mr. Benedetto Levi and Mr. Giuseppe Nisticò, who will remain in office until expiry of the mandate of the current Board of Directors, and therefore until the approval of the financial statements as at 28 February 2022;

noting that the candidates renounce as of now the remuneration for the office of Director pursuant to Article 2389, paragraph 1, of the Italian Civil Code, without prejudice to the right to reimbursement of expenses incurred in the performance of their duties.

The Board of Directors of Unieuro will meet in the next few days to examine the request and will provide to adopt the appropriate resolutions as well as to make the Explanatory Report prepared by the Shareholders with the supporting documents available to the public, according to the terms and modalities set forth by the applicable legislation.

* * *

Unieuro S.p.A.
Unieuro is the Italian leader in the distribution of consumer electronics and household appliances, thanks to an omnichannel approach that integrates directly operated stores (about 270), affiliated stores (about 250) and the unieuro.it digital platform. The company is based in Forlì, has a central logistics hub in Piacenza and has a staff of about 5,400 employees. Listed on the STAR segment of the Italian Stock Exchange since 2017, Unieuro reported revenues of approximately Euro 2.7 billion in the fiscal year ended at 28 February 2021.

Contacts:

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Courtesy translation

DECLARATION OF ACCEPTANCE OF THE CANDIDANCY AS MEMBER OF THE BOARD OF DIRECTORS OF UNIEURO S.P.A.

With regard to the shareholders' meeting of Unieuro S.p.A., with registered office in Via P. Maroncelli, 10, 47121, Forlì (FC) (the "**Company**"), convened on June 15, 2021, at 3 p.m., on single call, at the office of Notary Maltoni Scozzoli, in via Mentana 4, Forlì, the undersigned **Mr. Benedetto Levi**, bom in Torino, on 22 October 1988, acknowledging his candidacy as member of the Board of Directors of the Company jointly submitted by Iliad S.A. and Iliad Holding S.p.A.

DECLARES and STATES, on its own responsibility, under Article 76 of D.P.R. 28.12.2000 n. 445

- to accept irrevocably the candidacy and – if elected – the office of member of the Board of Directors of the Company;
- to be aware of the requirements provided by the applicable legislation and by the Company's bylaws for the acceptance of the office and of the consequences arising from the lack of these requirements pursuant to current legislation and the Company's bylaws;
- the absence of causes of ineligibility and/or termination as set out in art. 2382 of the Italian Civil Code;
- the absence of causes of incompatibility set out in art. 2390 of the Italian Civil Code;
- to hold the requirements of honorability to be appointed director of the Company, in accordance with the combined provisions of arts. 147-*quinquies* and 148, par. 4, of Legislative Decree n.58/1998 ("**TUF**");

☐ to hold the independence requirements set out in the combined provisions of arts. 147-*ter*, par. 4, and 148, par. 3, TUF;

or

☒ not to hold the independence requirements indicated above;

☐ also considering the provisions of the document "*Qualitative and quantitative criteria for the analysis of the relationship between the directors and Unieuro S.p.A. when assessing the independence requirements*" approved by the Company's Board of Directors on 15 April 2021, to hold the independence requirements set out in art. 2 of the Code of Corporate Governance for listed companies, promoted by the Corporate Governance Committee of Borsa Italiana S.p.A. to which the Company adheres,

or

× not to hold the independence requirements indicated above.

- to be able to dedicate the necessary amount of time to the duties of member of the Board of Directors of the Company, also taking into account the commitments related to his professional and working activities and the number of offices held in control and/or managements bodies of other companies;
- to respect the limits on the accumulation of offices, as indicated in the guidelines expressed on 14 April 2020 by the Board of Directors of the Company, where applicable.

By means of what stated above, the undersigned declares to hold the requirements set out by the applicable legislation and by the Company's bylaws in order to be appointed member of the Board of Directors of the Company.

Hereto attached: (i) the identity document, (ii) the resume, and (iii) a list including offices in management and control bodies in other companies at the date of this declaration.

The undersigned also declares:

- to undertake to notify the Board of Directors of the Company any changes to the information of this declaration;
- to undertake to provide, upon Company's request, the documentation confirming the authenticity of its statements;
- to be aware that personal data included in this declaration and in the relevant annexes will be held by the Company in accordance with the applicable legislation, also with the support of informatic tools, in the context and for the purposes of this declaration, authorizing its release from now on, under EU Regulation 2016/679 and the national data protection law.

Milan, 24 May 2021

Mr. Benedetto Levi

E-MARKET SDIR CERTIFIED

Benedetto Levi

Email: [redacted]
Nationality: Italian, French
Born in Turin, Italy on October 22nd 1988

Professional experience

2018 – present **Chief Executive Officer**
Iliad, *Milan*
- Managed the launch and development of the operator in Italy

2015 – 2017 **Country Manager Italy & Deputy General Manager International**
Trainline, *Paris*
- Started-up and developed the Italian market for the company, European leader of rail tickets online distribution

2013 – 2015 **Founder & CEO**
ExtraVerso, *Paris*
- Developed the e-commerce platform and offline distribution channels of smartphone accessories across 25+ countries

2012 **Operations Manager**
OneFineStay, *London*
- Started-up the logistics department of the company

2011 **Business Analyst**
Innogest SGR, *Turin*
- Carried out business plan analysis and due diligence processes

2010 **Operations Manager**
EXKì, *Turin*
- Optimised logistics processes, stock management and operations

Current corporate offices

Chief Executive Officer	Sole Director	Sole Director	Sole Director
Iliad Holding S.p.A	Iliad Italia S.p.A.	Iliad Customer Care S.r.l	Iliad 1 S.r.l.

Education

2010 – 2013 **Master in Management – Major in Entrepreneurship**
ESCP Europe, *Turin, London, Paris*

2007 - 2010 **Bachelor in Logistics and Production Engineering**
Politecnico di Torino, *Turin*

Languages

Italian: Native **French:** Fluent **English:** Fluent **Spanish:** Basic

Courtesy translation

DECLARATION CONCERNING THE OFFICES HELD IN CONTROL AND MANAGEMENT BODIES IN LIGHT OF THE CANDIDANCY AS MEMBER OF THE BOARD OF DIRECTORS OF UNIEURO S.P.A.

For what concerns the shareholders' meeting of Unieuro S.p.A., with registered office in Via P. Maroncelli, 10, 47121, Forlì (FC) (the "**Company**"), convened on June 15, 2021, at 3 p.m., on single call, at the office of Notary Maltoni Scozzoli, in via Mentana 4, Forlì, the undersigned **Mr. Benedetto Levi**, born in Torino, on 22 October 1988, acknowledging his candidacy as member of the Board of Directors of the Company jointly submitted by Iliad S.A. and Iliad Holding S.p.A.

DECLARES

- to hold the following offices in control and managements bodies in other companies:

Office held	**Company**
Chief Executive Officer	Iliad Holding S.p.A.
Sole Director	Iliad Italia S.p.A.
Sole Director	Iliad Customer Care S.r.l.
Sole Director	Iliad 1 S.r.l.

Milan, 24 May 2021

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Mr. Benedetto Levi

Courtesy translation

DECLARATION OF ACCEPTANCE OF THE CANDIDANCY AS MEMBER OF THE BOARD OF DIRECTORS OF UNIEURO S.P.A.

With regard to the shareholders' meeting of Unieuro S.p.A., with registered office in Via P. Maroncelli, 10, 47121, Forlì (FC) (the "**Company**"), convened on June 15, 2021, at 3 p.m., on single call, at the office of Notary Maltoni Scozzoli, in via Mentana 4, Forlì, the undersigned **Mr. Giuseppe Nisticò**, born in Milano, on 8 October 1979, acknowledging his candidacy as member of the Board of Directors of the Company jointly submitted by Iliad S.A. and Iliad Holding S.p.A.

DECLARES and STATES, on its own responsibility, under Article 76 of D.P.R. 28.12.2000 n. 445

- to accept irrevocably the candidacy and - if elected - the office of member of the Board of Directors of the Company;
- to be aware of the requirements provided by the applicable legislation and by the Company's bylaws for the acceptance of the office and of the consequences arising from the lack of these requirements pursuant to current legislation and the Company's bylaws;
- the absence of causes of ineligibility and/or termination as set out in art. 2382 of the Italian Civil Code;
- the absence of causes of incompatibility set out in art. 2390 of the Italian Civil Code;
- to hold the requirements of honorability to be appointed director of the Company, in accordance with the combined provisions of arts. 147-*quinquies* and 148, par. 4, of Legislative Decree n.58/1998 ("**TUF**");

☐ to hold the independence requirements set out in the combined provisions of arts. 147-*ter*, par. 4, and 148, par. 3, TUF;

or

☒ not to hold the independence requirements indicated above;

☐ also considering the provisions of the document "*Qualitative and quantitative criteria for the analysis of the relationship between the directors and Unieuro S.p.A. when assessing the independence requirements*" approved by the Company's Board of Directors on 15 April 2021, to hold the independence requirements set out in art. 2 of the Code of Corporate Governance for listed companies, promoted by the Corporate Governance Committee of Borsa Italiana S.p.A. to which the Company adheres,

or

☒ not to hold the independence requirements indicated above.

- to be able to dedicate the necessary amount of time to the duties of member of the Board of Directors of the Company, also taking into account the commitments related to his professional and working activities and the number of offices held in control and/or managements bodies of other companies;
- to respect the limits on the accumulation of offices, as indicated in the guidelines expressed on 14 April 2020 by the Board of Directors of the Company, where applicable.

By means of what stated above, the undersigned declares to hold the requirements set out by the applicable legislation and by the Company's bylaws in order to be appointed member of the Board of Directors of the Company.

Hereto attached: (i) the identity document, (ii) the resume, and (iii) a list including offices in management and control bodies in other companies at the date of this declaration.

The undersigned also declares:

- to undertake to notify the Board of Directors of the Company any changes to the information of this declaration;
- to undertake to provide, upon Company's request, the documentation confirming the authenticity of its statements;
- to be aware that personal data included in this declaration and in the relevant annexes will be held by the Company in accordance with the applicable legislation, also with the support of informatic tools, in the context and for the purposes of this declaration, authorizing its release from now on, under EU Regulation 2016/679 and the national data protection law.

Milan, 24 May 2021

Mr. Giuseppe Nisticò

Giuseppe NISTICÒ
[redacted]

CURRICULUM VITAE

Date of Birth: October 8, 1979 (Milano, Italy)

WORK EXPERIENCE

June – present

ILIAD ITALIA

Head of Distribution & Logistics B2C

- Distribution: Management and development of the distribution network negotiating and managing commercial agreements.
- Management team in HQ, in the flagship stores and on field with external partners. Defining commissioning schemes.
- More than 2400 points of sales opened in 30 months:
  - Flagship stores
  - Large-chain retailers with more than 800 Brand Ambassadors
  - Corners in the malls with more than 300 Brand Ambassadors
  - Innovative channels like iliad point and iliad express with the main retail operators
- Logistics B2C: Defining and developing end-to-end processes of B2C logistics flow through agreements with logistics platforms and couriers (XPO, BRT, Poste Italiane, Nexive)

September 2017 – May 2018

SAMSUNG ELECTRONICS ITALIA

Senior Key Account Manager

- Definition and development of commercial agreements focused on national partners and buying groups
- Responsible for the development of an innovative sales channel through a network of agents dedicated to the development of the Samsung ecosystem, combining smartphones with the internet of things.
- Budget management and control of co-marketing and promoter activities. Support of commissioning strategies and activities with sales channel Management of co-marketing activities

January 2017 – September 2017

WIND TRE S.P.A. (Mobile Operator with "Wind & 3" trademarks)

Head of Large Retail and Special Channel

- Development and management of indirect sales channels, focused on Large Chain during the M&A process
- Define and develop commercial agreements focused on each national channel and buying group
- Responsible for increasing the market share on large retailers
- Management and supervision of an internal and external team with 8 agencies, 5 direct reports, and 20 resources at a functional level
- Budget management and control of co-marketing and promoter activities
- Support of commissioning strategies and activities with sales channel

September 2011 – 2016

H3G S.P.A. Mobile videocomunication company with the trademark "3" (CKH)

Senior Account Manager GDO – 3Corner&Push Channel -Diffusivi

- Direct management of all large-chains and agencies with functional coordination of the Area Managers and Reference Sales Key Accounts
- Planning of Seasonal Product Promotions and Trade Negotiations (Assortment and Price)
- Coordination of all aspects of business and marketing related to the organization of services alongside the product
- Coordination of the sales network in product delivery related to the single point of sale.

September 2009 – September 2011

Trade Marketing, Co-Marketing & Events Manager

- Coordinating effective communication at all points of sale, managing all related business areas with 8 direct reports

July 2004 – September 2009

Program Manager, reporting to COO

- Coordinating the business projects within the COO's responsibilities, including drafting documents and presentations for the CEO
- Participating in the DVB-H launch, coordinating all departments and ensuring the timely delivery of the project (time to market of 6 months).
- Coordinating the roll-out of a new sales channel with the goal of opening 500 mono-brand stores in 12 months.

Giuseppe NISTICÒ

[redacted]

January – July 2004

MEDIASOFT S.R.L.

Marketing and CRM Professor

- Specialization class in CRM at IAL Lombardia

October – December 2002

EDREAMS ITALIA

Internship

- The company is the leader in Italy for tourism products sales
- Marketing Division: development and implementation of CRM and managing relationships with media centers for the sale of advertising space online

EDUCATION

April 2003

Università Commerciale L. Bocconi di Milano

Business Administration with a specialization in Marketing

- *Thesis title: "Marketing Strategies one to one in e-commerce business to consumer: the case eDreams.it"*

Languages

- *Italian: mother tongue*
- *English: professional*

OTHER INTERESTS

Volunteer at a Sports association: soccer coach

Courtesy translation

DECLARATION CONCERNING THE OFFICES HELD IN CONTROL AND MANAGEMENT BODIES IN LIGHT OF THE CANDIDANCY AS MEMBER OF THE BOARD OF DIRECTORS OF UNIEURO S.P.A.

For what concerns the shareholders' meeting of Unieuro S.p.A., with registered office in Via P. Maroncelli, 10, 47121, Forlì (FC) (the "**Company**"), convened on June 15, 2021, at 3 p.m., on single call, at the office of Notary Maltoni Scozzoli, in via Mentana 4, Forlì, the undersigned **Mr. Giuseppe Nisticò**, born in Milano, on 8 October 1979, acknowledging his candidacy as member of the Board of Directors of the Company jointly submitted by Iliad S.A. and Iliad Holding S.p.A.

DECLARES

- to hold the following offices in control and managements bodies in other companies:

Office held	Company
Not applicable	*Not applicable*

Milan, 24 May 2021

Mr. Giuseppe Nisticò

UNIEURO S.P.A.

REGISTERED OFFICE IN FORLÌ, PALAZZO HERCOLANI, VIA PIERO MARONCELLI 10

SHARE CAPITAL EURO 4,000,000 FULLY SUBSCRIBED AND PAID UP

REGISTRATION NUMBER WITH THE COMPANIES' REGISTER OF FORLI'-CESENA AND TAX CODE. NO. 00876320409

ASSESSMENT BY THE BOARD OF DIRECTORS OF UNIEURO S.P.A. ON THE REQUEST PRESENTED BY SHAREHOLDERS ILIAD S.A. AND ILIAD HOLDING S.P.A. FOR INTEGRATIONS TO BE MADE TO THE AGENDA OF THE SHAREHOLDERS 'MEETING CALLED FOR 15 JUNE 2021

Dear Shareholders,

As previously advised on 24 May 2021, the shareholders Iliad SA and Iliad Holding SpA ("**Iliad Shareholders**") whose total shareholding constitutes 12.356% of the share capital of Unieuro SpA ("**Unieuro**" or "**Company**"), have requested, in accordance with art. 126-bis paragraph 1 first sentence of Legislative Decree 24 February 1998 No. 58 as subsequently amended ("**TUF**"), that the agenda of the Company's ordinary Shareholders' Meeting called on 14 May 2021 in single call to discuss business in ordinary and extraordinary sessions on 15 June 2021 ("**Shareholders' Meeting**") be integrated by the following additional item:

" *Appointment of No. 2 (two) Directors, subject to the increase from No. 9 (nine) to No. 11 (eleven) of the number of the members of the Board of Directors. Related and consequent resolutions* ".

In support of such integration request, the Iliad Shareholders have prepared a report summarising their underlying reasons therefor, in accordance with art. 126-bis paragraph 4 TUF. Said report sets forth the following resolution proposal that the Iliad Shareholders have asked be submitted for approval at the Shareholders' Meeting:

"*(i) increase the number of the members of the Board of Directors from 9 (nine) to 11 (eleven);*

(ii) appoint Mr. Benedetto Levi and Mr. Giuseppe Nisticò as new Directors of the Company, it being understood that the new Directors will remain in office until the expiry of the office of the current Board of Directors, and therefore until the Shareholders Meeting called to resolve upon the financial statements as of 28 February 2022;

acknowledging that the candidates renounce the remuneration as Director of Company pursuant to Article 2389, par. 1, of the Italian Civil Code, without prejudice to the right to the reimbursement of the expenses incurred in carrying out their functions as directors."

With regard to the above-mentioned request, the Company's Board of Directors, mindful of the provisions of art. 126-bis paragraph 4 TUF, advises of that set forth below.

As a preliminary point, we inform you that the Board of Directors having viewed said request, met on 28 May 2021 so as to evaluate compliance thereof with the presentation requirements established by law - both from the subjective perspective (in terms of capital held by the requesting shareholders) and from the objective perspective (in terms of the request having been presented within the required deadline and accompanied by the explanatory report stating the underlying reasons therefor). Deeming the request to have been correctly and validly made in accordance with the applicable provisions of the law, the Board therefore resolved that the agenda of the Shareholders' Meeting be integrated accordingly as follows:

Ordinary Shareholders' Meeting

1. Financial Statements as at 28 February 2021, accompanied by the Management Report of the Board of Directors and including the Report of the Board of Statutory Auditors and the Report of the Auditing Firm. Presentation of the Consolidated Financial Statements as at 28

February 2021 and the non-financial consolidated statement drawn up pursuant to Legislative Decree 254/2016.

2. Allocation of profits from the business year and proposal for the distribution of a dividend. Related resolutions.
3. Report concerning the policy for remuneration and recompense paid:

   3.1 resolutions on the Company's remuneration policy referred to in the first section of the report pursuant to art. 123-ter paragraphs 3-bis and 3-ter of Legislative Decree of 24 February 1998 No. 58;

   3.2 resolutions on the second section of the report pursuant to art. 123-ter paragraph 6 of Legislative Decree of 24 February 1998 No. 58.

4. Proposal that the remuneration of the Board of Directors be increased. Related Resolutions.
5. Proposal that the remuneration of the Board of Auditors be increased. Related Resolutions.
6. Appointment of No. 2 (two) Directors, subject to the increase from No. 9 (nine) to No. 11 (eleven) of the number of the members of the Board of Directors. Related and consequent resolutions.

Extraordinary Shareholders' Meeting:

1. Proposed amendments to the Company's Articles of Association. Related resolutions.

   1.1. Proposed amendment to Article 13.1 on the majority required for the approval by the outgoing Board of Directors of the list for the appointment of the new Board of Directors;

   1.2. Proposed amendment to Article 13.9 on the deadline for filing the list submitted by the outgoing Board of Directors;

   1.3. Proposed amendment to Article 14 on the procedures for electing members of the Board of Directors;

   1.4. Proposed amendment to Article 17.1 on granting the Board of Directors the authority to appoint the Chairman.

Having regard to the above-mentioned integration request, you are reminded that:

– the current Board of Directors of the Company, as provided for by the Shareholders' resolution passed at the Shareholder's Meeting held on 18 June 2019, shall be comprised of 9 Directors; pursuant to article 12.1 of the current articles of association ("**Articles of Association**), the number of directors must be an odd number of not less than 7 and not more than 15;

– pursuant to Article 14.9 of the Articles of Association, and save for in the event of renewal of the entire Board of Directors, resolution at a Shareholders' Meeting shall be passed upon statutory majority without any list voting mechanism being applied;

– in addition to the requirement that a Board member be elected from the "minority list" pursuant to Article 14.2 of the Articles of Association, the Board is comprised of independent Directors (identified according to the criteria specified both by law and the Corporate Governance Code as govern listed companies) and Directors of the under-represented gender in an already adequate and sufficient number having regard to the provisions of law and regulations, the Articles of Association as applicable respectively to these categories and - as regards independent Directors - the provisions of the Corporate Governance Code);

– should the Directors on whose appointment the Shareholders are asked to resolve at the Shareholders' Meeting be elected, then their office shall expire at the same time as the members already in office, and therefore at the time of the Shareholders' Meeting held to approve the financial statements as at 28 February 2022;

– the Directors shall be required to comply with the non-compete obligations provided for under Article 2390 of the Civil Code unless otherwise authorised at the Shareholders' Meeting (such authorisation is not currently envisaged).

As reported in the notice of call to the Shareholders' Meeting, any Shareholder who is in favour of the proposed increase in the number of members on the Board of Directors from 9 to 11 and who, pursuant to art. 126-bis paragraph 1 penultimate sentence TUF, wishes to submit their own resolution proposals on the new agenda item 6 for the ordinary Shareholders' Meeting and put forward names of other candidates for said office, may file such proposals accompanied by the documentation in support as required by law and under the Articles of Association, within 31 May 2021 in the manner indicated in the notice of call.

Any proposed resolutions received by the Company within the timeline and in the manner indicated above shall be published on the Company's website https://unieurospa.com/en/_corporate-governance-2/shareholders-meetings/2021-shareholders-meeting/ by 1 June 2021, so that those holding voting rights may view them and confer any proxies and/or sub-proxies, with relative voting instructions to the Company Designated Representative pursuant to art. 135-undecies TUF.

* * *

Forlì, 28 May 2021

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN OF THE BOARD OF DIRECTORS

STEFANO MELONI

UNIEURO S.P.A.

REGISTERED OFFICE IN FORLI', PALAZZO "HERCOLANI", VIA PIERO MARONCELLI N. 10

SHARE CAPITAL EURO 4,000,000.00, FULLY PAID-UP

REGISTRATION NUMBER WITH THE COMPANIES' REGISTER OF FORLI'-CESENA AND TAX CODE NO. 00876320409

BOARD OF DIRECTORS' EXPLANATORY REPORT ON THE PROPOSAL AT ITEM 1 OF THE AGENDA OF THE SHAREHOLDERS' EXTRAORDINARY MEETING OF UNIEURO S.P.A. CONVENED ON JUNE 15 2021 IN SINGLE CALL.

1. **Proposed amendments to the Company's Articles of Association. Related resolutions.**
    1.1 **Proposed amendment to Article 13.1 on the majority required for the approval by the outgoing Board of Directors of the list for the appointment of the new Board of Directors;**
    1.2 **Proposed amendment to Article 13.9 on the deadline for filing the list submitted by the outgoing Board of Directors;**
    1.3 **Proposed amendment to Article 14 on the procedures for electing members of the Board of Directors;**
    1.4 **Proposed amendment to Article 17.1 on granting the Board of Directors the authority to appoint the Chairman.**

Dear Shareholders,

This report is prepared pursuant to art. 125-*ter* of Legislative Decree 24 February 1998 No. 58 as subsequently amended ("**TUF**") and art. 72 and Annex 3A of the Consob Regulation adopted by resolution No. 11971 of 14 May 1999 as subsequently amended ("**Issuers Regulation**").

The Board of Directors has convened the Shareholders in this extraordinary sitting to submit for your approval the amendments to the Articles of Association described in this Report. More precisely, the proposed amendments refer to the following articles of said Articles of Association:

1. art. 13.1 on the majority required for approval by the outgoing Board of Directors of the list for the appointment of the new Board of Directors;
2. art. 13.9 on the deadline for filing the list presented by the outgoing Board of Directors;
3. art. 14 on the manner of election of the members of the Board of Directors;
4. art. 17.1 on the granting powers to appoint the Chairman to the Board of Directors

It is envisaged that the proposed amendments listed above shall be put to four separate and specific calls to vote at the Extraordinary Shareholders' Meeting.

The proposed amendments have been drawn up by the Board of Directors in the exercise of its powers of assessment in relation to the corporate governance system to take into account the evolution of the shareholding structure that has occurred following the acquisition by the Company of its status as a public company.

The proposed amendments have the twin-fold purpose of: (a) giving more balance to the representativeness of the (altered) corporate structure within the administrative body, whilst respecting the majority principle and having regard to the requirements of management efficiency and sustainability and (b) ensuring adequate articulation of the offices and functions within the management body, taking into account the need for effective performance of the administrative functions and a balanced composition of the intra-board committees.

The above-mentioned amendments to the Articles of Association do not give rise to any right of withdrawal to any Shareholder who does not vote on the related resolutions, on grounds that said amendments do not fall within the remit of the applicable laws that envisage withdrawal.

We set forth below a comparison between the current articles and the proposed amended texts thereof. The text we proposed be deleted is indicated in strikethrough and the text we proposed be inserted is in bold type. Each set of article amendments is preceded by a description on its content and the reasons for the proposed amendments.

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1.1 Proposed amendment to article 13.1 of the Articles of Association

Article 13.1 of the Articles of Association, primarily to ensure Company governance continuity, already entitles the outgoing Board of Directors to present its own list of candidates in the event the entire Board is to be replaced. This prerogative is a concrete and efficient instrument to act on the outcomes of the self-assessment process in relation to the optimal qualitative-quantitative composition and the functioning of the board which is carried out annually by the Board of Directors, and constitutes the best assurance that shareholders be proposed candidates who reflect said direction.

To allow directors elected by minorities to be more involved in the list formation process, we propose the below amendments to art. 13.1 of the Articles of Association so as to provide that - by way of derogation from Article 18.7 of the Articles of Association, according to which the Board of Directors validly decides on favorable vote of an absolute majority of the members present - the lists shall be approved by an absolute majority of members in office.

ARTICLE 13.1 **SUBMISSION OF LISTS**	
CURRENT TEXT	**PROPOSED TEXT**
1. The Board of Directors in office and shareholders who alone or in concert represent the percentage of share capital required by applicable laws or regulations are entitled to submit lists.	1. The Board of Directors in office and shareholders who alone or in concert represent the percentage of share capital required by applicable laws or regulations are entitled to submit lists. **By way of exception of the provision of the following Article 18.7, the presentation of the list by the Board of Directors shall be resolved on by an absolute majority of the members holding office.**

In consideration of the above, we respectfully submit the following resolution proposals for your approval:

"*The Shareholders of Unieuro S.p.A., at an extraordinary Shareholder's meeting:*

• *having examined the Explanatory Report of the Board of Directors;*

resolves

(i) to amend Article 13.1 of the Articles of Association as follows:

“1. The Board of Directors in office and shareholders who alone or in concert represent the percentage of share capital required by applicable laws or regulations are entitled to submit lists. By way of exception to the provisions of the following Article 18.7, the presentation of the list by the Board of Directors shall be resolved on by an absolute majority of the members in office.”

(ii) *that they duly authorise the Board of Directors and/or on its behalf the Chief Executive Officer, said authority including the right to sub-delegate all or part of the related tasks, all powers as may be necessary to put the above resolutions into effect and fulfil the relevant regulatory and legislative requirements. Said powers include all those required to complete the formalities to enable registration of the resolutions with the Register of Companies in accordance with article 2436 of the Civil Code and the right to make non-substantial modifications and additions to the resolutions and the Articles of Association as may be requested by the competent authorities or by the notary public or in any case as may be deemed appropriate."*

******

1.2 Proposed amendment to article 13.9 of the Articles of Association

The amendment to art. 13.9 of the Articles of Association that is submitted for your approval provides that any list of the outgoing Board of Directors shall be presented no later than the thirtieth day prior to the date fixed for the Shareholders' Meeting to resolve on the appointment of the Directors, which term is five days earlier than the ordinary legal deadline for the filing of the lists, so that the Shareholders have more time for their evaluation of the proposed candidacies.

It is understood that the below amendments do not in any way limit the right to submit lists by those entitled to do so by law.

ARTICLE 13.9 **SUBMISSION OF LISTS**	
CURRENT TEXT	**PROPOSED TEXT**
9. The lists shall be submitted within the period prescribed by the applicable legislation referred to in the convocation notice, at the Company’s registered office or electronically, as stated in the notice.	**9. Lists, if any, submitted by the Board of Directors shall be filed at the Company’s registered offices and a copy shall or be sent to the Company by means of remote communication within the thirtieth day prior to the date of the Shareholders’ Meeting. Without prejudice to the foregoing, l**ists shall be submitted within the period prescribed by the applicable legislation referred to in the convocation notice, at the Company’s

	registered office or electronically, as stated in the notice.

In consideration of the above, we respectfully submit the following resolution proposals for your approval:

"*The Shareholders of Unieuro S.p.A., at an extraordinary Shareholder's meeting:*

• *having examined the Explanatory Report of the Board of Directors;*

resolve

(i) *to amend Article 13.9 of the Articles of Association as follows:*
"Lists, if any, submitted by the Board of Directors shall be filed at the Company's registered offices and a copy shall or be sent to the Company by means of remote communication within the thirtieth day prior to the date of the Shareholders' Meeting. Without prejudice to the foregoing, lists shall be submitted within the period prescribed by the applicable legislation referred to in the convocation notice, at the Company's registered office or electronically, as stated in the notice."

(ii) *that they duly authorise the Board of Directors and/or on its behalf the Chief Executive Officer, said authority including the right to sub-delegate all or part of the related tasks, all powers as may be necessary to put the above resolutions into effect and fulfil the relevant regulatory and legislative requirements. Said powers include all those required to complete the formalities to enable registration of the resolutions with the Register of Companies in accordance with article 2436 of the Civil Code and the right to make non-substantial modifications and additions to the resolutions and the Articles of Association as may be requested by the competent authorities or by the notary public or in any case as may be deemed appropriate."*

******

1.3 Amendments to article 14 of the Articles of Association

The current Articles of Association of Unieuro provide that - irrespective of the total number of directors on the Board of Directors, which shall in any case be an odd number, and as determined by the Shareholders' Meeting at the time of their appointment, from a minimum of 7 (seven) to a maximum of 15 (fifteen) directors - all such directors, save for one, shall be selected from the list that obtained the highest number of votes, in the progressive order in which they were listed. Thus, if three or more lists of candidates were presented, only the second most voted list would be taken into account for the selection of a director on the management body.

The proposed amendments to the manner of appointment of the Board of Directors, within the terms specified below, provide for:

(a) an increase in the number of directors representing minorities;

(b) application solely to the component of the administrative body appearing on lists other than that which obtained the highest number of votes ("**minority list/s**" or "**minorities**") and provision of proportionality criteria based on the "ratios" method; and

(c) an automatic mechanism to complete the Board of Directors should the list that obtains the highest number of votes contain an insufficient number of candidates to cover the seats required to be filled under the Articles of Association.

Further details have also been provided concerning the implementation of automatic replacement mechanisms to ensure that, at the end of the election, is ensured the correct composition of the Board of Directors with regard to gender balance and independence requirements, as already provided for by the current Articles of Association.

Increase in the number of minority directors

To ensure adequate representation of the various components of the shareholder structure, thus encouraging the participation of minority shareholders - without prejudice to the requirement that a minimum and maximum number of directors be maintained - we propose that art. 14 of the Articles of Association be amended to provide that the directors as shall be chosen from the list that obtained the highest number of votes according to the sequential order in which the candidates were listed, shall constitute five-sevenths of the directors up for election, rather than all the directors except one. This number may be rounded down to a lower unit in the case it results in a fractional number. The remaining directors shall be selected from the minority lists.

Ratio Mechanism

In order to encourage, as far as possible, participation by minorities in the Board of Directors election process, whilst preserving the need to have a list mechanism that is workable in all scenarios, we would propose that art. 14 of the Articles of Association be amended to provide for the application of proportional criterion as regards the election of the Board of Directors, based on the ratio method, such method to be applied only to the component of the administrative body representing minorities.

To this end, votes for each of the minority lists shall be divided by one, two, three, four and so on according to the number of directors to be elected. The ratios thus obtained will be applied to the candidates on each of these lists, in the progressive order respectively envisaged therein. The ratios thus attributed to the candidates on the various minority lists shall be ranked in decreasing order and the directors elected shall be those obtaining the highest ratios.

In the event of a ratio tie between candidates, the elected candidate shall be taken from the list from which no director has yet been selected or from that which the lowest number of directors have been elected. In the event that none of these lists has yet elected a director or all of them have elected the same number of directors, then from within these lists the candidate of the one who has obtained the highest number of votes shall be elected. If, on the other hand, the ratio tie between two or more candidates is due equal votes obtained on the respective minority lists, then a Shareholders Meeting shall be called to vote on the election and the candidate who obtains a simple majority of votes shall be elected. In any case at least one director must be taken, if presented and voted on, from a list submitted by members not connected, even indirectly, with those who have who submitted or voted the list that will have obtained the majority of votes cast.

Automatic completion of the Board of Directors automatic replacement of candidates.

Considering the nature of the Company as a public company, and therefore the absence of a reference shareholder, it is plausible to envisage that a scenario could arise in which the list that obtained the simple majority of votes at the Shareholders' Meeting leads to a number of candidates which is lower than that for which art. 14 of the Articles of Association reserves to the top-voted list in terms of number of votes; consequently it would not be possible to proceed with the appointment of the entire Board without resorting to further voting in accordance with the closing provisions contained in art. 14.7 of the current Articles of Association. The scenario outlined above could, moreover, prevent those shareholders who participate by proxy based on the mechanisms through which they give voting instructions to their representatives, from expressing their opinion at the meeting.

In light of the above, to ensure a smoother and more orderly execution of the procedure for appointing the Board of Directors, we propose that art. 14 of the Articles of Association be amended to include an automatic completion mechanism for lists. More precisely, we propose that, should the list that obtains the most votes ("**majority list**") contain an insufficient number of candidates to cover five-sevenths (with rounding down to the lower unit in the case the outcome is a fractional number) of the places to be filled in accordance with the new mechanism proposed under paragraph 2 of art. 14 once the new mechanism for the election of the Board of Directors pursuant to art. 14 paragraph 2 letters a) and b) Articles of Association has been applied, the elected candidates for completion of the Board of Directors, shall be those taken from: (i) all the candidates of the majority list; and (ii) the residual candidates on the minority list that is second in terms of number votes necessary to complete the Board of Directors, according to the progressive order indicated therein. Directors already elected pursuant to art. 14 paragraph 2 lett. b) are not taken into account. If it is not possible to complete the Board of Directors in the manner described above - thus on presenting both the majority list and the minority list that is second based on number of votes there is a number of candidates lower than that which is necessary, the remaining directors shall be taken from the other minority lists in descending order starting with the highest voted first and moving down to the next list as the candidates are exhausted in the preceding list based on number of votes.

If after the vote and the application of both the new mechanism of election of the Board of Directors referred to in art. 14 paragraph 2 lett. a) and b) of the Articles of Association and the mechanism of automatic completion of the Board of Directors pursuant to art. 14 paragraph 3 of the Articles of Association, the outcome is that a gender balance and/or the independence requirements are not achieved as provided by the applicable legislation and regulations, the necessary number of elected candidates shall be excluded and substituted by candidates from the under-represented class in progressive order of their listing, as shall be taken from the same list on which the excluded candidates appear. Replacements shall be made with reference firstly to those belonging to the under-represented gender and secondly to those in possession of the independence requirements.

This replacement mechanism shall be firstly applied in sequential order, to the lists from which no director of the missing class has been chosen, starting with that which has obtained the most votes. Should this process not be sufficient, or should all the lists presented list at least one director in possession of the requirements of the missing class, the replacement shall be applied, in sequential order, to all the lists, starting with that which received the most votes.

Within the lists, the replacement of excluded candidates shall be effected starting from the candidates having the highest progressive number. The replacement mechanism is not operative in relation to candidates taken from lists that presented less than three candidates.

In the event that, as a result of the application of all mechanisms described above: (a) it is not possible to complete the Board of Directors on grounds that the total number of candidates listed in all the lists presented leads to a number which is less than the number of directors required to be elected and/or (b) the gender balance and/or the independence requirements are not achieved as provided by the applicable legislation and regulations, as a residual capture mechanism, for the sake of completion and/or replacement, the Shareholders' Meeting shall resolve on a simple majority to select the candidates individually put up for vote.

ARTICLE 14 **ELECTION OF THE BOARD OF DIRECTORS**	
CURRENT TEXT	**PROPOSED TEXT**
1. All those entitled to vote may only vote for one list.	Unchanged.
2. Candidates from the two lists with the highest number of votes will be elected, according to the following criteria: a) from the list that obtained the highest number of votes (the "majority list"), all members bar one will be taken, according to the sequential order in which they were listed; b) the remaining director will be taken from the list that obtained the second-highest number of votes at the shareholders' meeting (the "minority list"), which may not be connected in any way, even indirectly, with those who submitted or voted for the list obtaining the highest number of votes	~~2.Candidates from the two lists with the highest number of votes will be elected~~ **Election of the Board of Directors shall be** according to the following criteria: a) **Members making up five-sevenths of the members up for election, as this number may be rounded down in the case the result is a fractional number,** will be taken from the list that obtained the highest number of votes (the "**majority list**"), ~~all members bar one~~ according to the sequential order in which they were listed; b) the remaining director**s** will be taken from **the other lists** ~~that obtained the second-highest number of votes at the shareholders' meeting~~ (the "**minority lists**"), ~~which may not be connected in any way, even indirectly, with those who submitted or voted for the list obtaining the highest number of votes~~ **and to that end, votes for each of the minority lists shall be divided by one, two, three, four and so forth according to the number of directors to be elected. The ratios thus**

	obtained will be applied sequentially to the candidates on each of these lists in the progressive order envisaged therein. The ratios thus attributed to the candidates on the various lists shall be ranked in decreasing order. The directors elected shall be those obtaining the highest ratios. **In the event of a ratio tie between candidates, the elected candidate shall be taken from the list from which no director has yet been selected or from that which the lowest number of directors have been elected.** **If no director has yet been elected from said lists or if there is a tie between the number of directors voted on in relation to the lists, then the candidate obtaining the highest number of votes on such lists will be elected.** **In the event of a tie in terms of both list vote and ratio, then a Shareholders Meeting shall be called to vote on the election and the candidate who obtains a simple majority of votes shall be elected.** **The above procedure is subject to the requirement that at least one director must be taken, if presented and voted on, from a list presented by shareholders not connected, whether directly or indirectly, with those who presented or voted on the list that obtained the majority of the votes cast.**
3. In the event of a tie between two or more lists, the votes obtained by the lists are divided by one, two, three and so on, depending on the number of directors to be appointed. The	*<u>Paragraph 3 has been merged into paragraph 2 and amended as indicated above. Without prejudice to the changes to the paragraphs indicated below (respectively, marked in strike-</u>*

resulting ratios are assigned sequentially to the potential candidates on each of the lists in the respective order established by each list. The ratios assigned to potential candidates from the various lists are ranked in decreasing order. The potential candidates who obtained the highest ratios are elected. If several potential candidates obtain the same ratio, the potential candidate from the list which has not yet elected any director or that has elected the fewest directors will be elected. If none of these lists has yet elected a director, or if all of them have elected the same number of directors, the candidate obtaining the highest number of votes on such lists will be elected. In the event of a tie in terms of both list vote and ratio, the shareholders' meeting will vote again and the candidate obtaining the simple majority of votes will be elected.	*through to show deletions and in bold to show addition of new text), paragraphs consequently require re-numbering.*
4. If upon completion of the voting process the number of directors elected who meet the independence requirements provided by applicable legislation and regulations is not sufficient, the last candidate to be elected who does not meet these requirements on the list that obtained the most votes will be excluded to be replaced by the next candidate who meets the independence requirements from the same list as the excluded candidate.	*Paragraph 4. is deleted in its entirety and replaced by the following:* **3. In the event that the majority list contains an insufficient number of candidates to cover the seats to be filled in accordance with the above paragraph 2, the elected candidates shall be: (i) all those on the majority list; and (ii) notwithstanding application of the election mechanism under said paragraph 2, the remaining candidates, taken from the minority list which is second in terms of the number of votes required to complete the Board of Directors according to the progressive order indicated therein** **If it is not possible to complete the Board of Directors in the manner described above – thus presenting the minority list that is second based on number of votes leads to a**

	number of candidates lower than that required, the remaining directors shall be taken from the other minority lists in descending order starting with the highest voted first and moving down to the next list as the candidates are exhausted in the preceding list based on number of votes
5. If after the vote and the application of the preceding paragraph a gender balance is not achieved as provided by the applicable legislation and regulations, the candidate from the most represented gender elected last in order from the list with the highest number of votes will be excluded and replaced by the first unelected candidate in numerical order on the same list and from the least represented gender.	~~5.~~**4** If, after the vote and the application of ~~preceding~~ paragraphs **2 and 3 above**, **the outcome is that** a gender balance **and/or the minimum number of the directors in possession of the independence requirements are** not achieved as provided by the applicable legislation and regulations, ~~the candidate from the most represented gender elected last in order from the list with the highest number of votes will be excluded and replaced by the first unelected candidate in numerical order on the same list and from the least represented gender~~ **the necessary number of elected candidates shall be excluded and substituted by candidates from the under-represented class in progressive order of their listing, as shall be taken from the same list on which the excluded candidates appear. Replacements shall be made with reference firstly to those belonging to the under-represented gender and secondly to those in possession of the independence requirements.** **This replacement mechanism shall be firstly applied in sequential order, to the lists from which no director of the missing class has been chosen, starting with the that which has obtained the most votes. Should this process not be sufficient, or should all the lists presented list at least one director in possession of the requirements of the**

	missing class, the replacement shall be applied, in sequential order, to all the lists, starting with that which received the most votes. **Within the lists, the replacement of excluded candidates shall be effected starting from the candidates having the highest progressive number. The replacement mechanism is not operative in relation to candidates taken from lists that presented less than three candidates.**
6. If only one list is submitted, the entire Board of Directors is elected from that list in accordance with applicable legislation and regulations. If no list is submitted, the shareholders' meeting will act in accordance with the statutory majority.	*This paragraph has been renumbered only (5).*
7. If fewer candidates are elected based on the lists submitted than there are directors to be elected, the remainder will be elected by the shareholders' meeting, which will ensure that the minimum number of independent directors are elected and that the gender balance required under applicable legislation and regulations is achieved.	*Paragraph 7. is deleted in its entirety and replaced by the following:* **6. In all those cases in which, as a result of the application of the preceding provisions: (a) it is not possible to complete the Board of Directors and/or (b) gender balance is not achieved or an insufficient number of directors in possession of the independence requisites are elected, having regard to the legislation and regulations in force, then the completion or replacement, as the case may be, shall be effected pursuant a resolution passed at the Shareholders' Meeting with a simple majority on those candidates put to vote individually.**
8. If no lists are submitted or if the directors are not appointed for any reason in accordance with the procedures established here in, the shareholders' meeting will act according to the	~~8.~~ **7.** If no lists are submitted or if ~~the directors are not appointed for any reason in accordance with the procedures established here in~~, **the entire Board of Directors is not elected**, the

statutory majority, in compliance with any minimum allotment ratio between genders (male and female) provided by law and regulations.	shareholders' meeting will act according to the statutory majority, in compliance with any minimum allotment ratio between genders (male and female) provided by law and regulations.
9. The list vote system only applies when the entire Board of Directors is being replaced.	~~9 The list vote system only applies when the entire Board of Directors is being replaced~~.

In consideration of the above, we respectfully submit the following resolution proposals for your approval:

"*The Shareholders of Unieuro S.p.A., at an extraordinary Shareholder's meeting:*

• *having examined the Explanatory Report of the Board of Directors;*

resolve

(i) article 14 of the Articles of Association as follows:

"1. All those entitled to vote may only vote for one list.

2. Election of the Board of Directors shall be according to the following criteria:

*a) Members making up five-sevenths of the members up for election, as this number may be rounded down in the case the result is a fractional number, will be taken from the list that obtained the highest number of votes (the "**majority list**"), all members bar one according to the sequential order in which they were listed;*

*b) the remaining directors will be taken from the other lists (the "**minority lists**"), and to that end, votes for each of the minority lists shall be divided by one, two, three, four and so forth according to the number of directors to be elected. The ratios thus obtained will be applied sequentially to the candidates on each of these lists in the progressive order envisaged therein. The ratios thus attributed to the candidates on the various lists shall be ranked in decreasing order. The directors elected shall be those obtaining the highest ratios.*
In the event of a ratio tie between candidates, the elected candidate shall be taken from the list from which no director has yet been selected or from that which the lowest number of directors have been elected

If no director has yet been elected from said lists or if there is a tie between the number of directors voted on in relation to the lists, then the candidate obtaining the highest number of votes on such lists will be elected.
In the event of a tie in terms of both list vote and ratio, then a Shareholders Meeting shall be called to vote on the election and the candidate who obtains a simple majority of votes shall be elected.

The above procedure is subject to the requirement that at least one director must be taken, if presented and voted on, from a list presented by shareholders not connected, whether directly or indirectly, with those who presented or voted on the list that obtained the majority of the votes cast.

3. In the event that the majority list contains an insufficient number of candidates to cover the seats to be filled in accordance with the above paragraph 2, notwithstanding application of the election mechanism under said paragraph 2, (i) all candidates of the majority list; and (ii) the remaining candidates, taken from the minority list which is second in terms of the number of votes required to complete the Board of Directors according to the progressive order indicated therein, shall be elected.

If it is not possible to complete the Board of Directors in the manner described above – thus presenting the minority list that is second based on number of votes leads to a number of candidates lower than that required, the remaining directors shall be taken from the other minority lists in descending order starting with the highest voted first and moving down to the next list as the candidates are exhausted in the preceding list based on number of votes

4. If, after the vote and the application of preceding paragraphs 2 and 3 above, the outcome is that gender balance and the independence requirements are not achieved as provided by the applicable legislation and regulations, the necessary number of elected candidates shall be excluded and substituted by candidates from the under-represented class in progressive order of their listing, as shall be taken from the same list on which the excluded candidates appear.

Replacements shall be made with reference firstly to those belonging to the under-represented gender and secondly to those in possession of the independence requirements.

This replacement mechanism shall be firstly applied in sequential order, to the lists from which no director of the missing class has been chosen, starting with that which has obtained the most votes. Should this process not be sufficient, or should all the lists presented list at least one director in possession of the requirements of the missing class, the replacement shall be applied, in sequential order, to all the lists, starting with that which received the most votes.

Within the lists, the replacement of excluded candidates shall be effected starting from the candidates having the highest progressive number. The replacement mechanism is not operative in relation to candidates taken from lists that presented less than three candidates.

5. If only one list is submitted, the entire Board of Directors shall be taken from that list in accordance with applicable legislation and regulations. If no list is submitted, the shareholders' meeting shall act on majority vote in accordance with the law.

6. In all those cases in which, as a result of the application of the preceding provisions: (a) it is not possible to complete the Board of Directors and/or (b) gender balance is not achieved or an insufficient number of directors in possession of the independence requisites are elected, having regard to the legislation and regulations in force, then the completion or replacement, as the case may be, shall be effected pursuant a resolution passed at the Shareholders' Meeting by simple majority on those candidates put to vote individually.

7. If no lists are submitted or if, the entire Board of Directors is not elected, the shareholders' meeting shall act on majority vote in accordance with the law, respecting any minimum allotment ratio between genders (male and female) provided by law and regulations."

(ii) that they duly authorise the Board of Directors and/or on its behalf the Chief Executive Officer, said authority including the right to sub-delegate all or part of the related tasks, all powers as may be necessary to put the above resolutions into effect and fulfil the relevant regulatory and legislative requirements. Said powers include all those required to complete the formalities to enable registration of the resolutions with the Register of Companies in accordance with article 2436 of the Civil Code and the right to make non-substantial modifications and additions to the resolutions and the Articles of Association as may be requested by the competent authorities or by the notary public or in any case as may be deemed appropriate."

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1.4 Amendments to Article 17.1 of the Article of Association

The current Articles of Association provide that the appointment of the Chairman of the Board of Directors shall be made by the Board of Directors only in the event that his/her appointment has not been made at the Shareholders' Meeting.

The amendment to art. 17.1 which is submitted for your approval provides, for the purpose of involving all directors chosen by way of the shareholders' election process in the Chairman selection process - a role positioned to oversee the functioning of the management body - that the Chairman appointment shall be the sole competence of the Board of Directors. Said proposal is also with a view to ensuring more fluid operational management of the Board itself.

We further propose that the secretary may be elected by the Board of Directors "including from outside its own members".

ARTICLE 17.1 **CHAIRMAN OF THE BOARD OF DIRECTORS**	
CURRENT TEXT	**PROPOSED TEXT**

1. The Board shall appoint one of its members as Chairman, unless the shareholders' meeting has already done so; it may also appoint one or more vice chairmen and a secretary.	1. The Board shall appoint one of its members as Chairman ~~unless the shareholders' meeting has already done so~~; it may also appoint one or more vice chairmen and a secretary **including from outside its own members**.

In consideration of the above, we respectfully submit the following resolution proposals for your approval:

"*The Shareholders of Unieuro S.p.A., at an extraordinary Shareholder's meeting:*

• *having examined the Explanatory Report of the Board of Directors;*

resolve

(i) *to amend article 17 of the Articles of Association as follows:*

"1. The Board shall appoint one of its members as Chairman; it may also appoint one or more vice chairmen and a secretary including from outside its own members.

(ii) *that they duly authorise the Board of Directors and/or on its behalf the Chief Executive Officer, said authority including the right to sub-delegate all or part of the related tasks, all powers as may be necessary to put the above resolutions into effect and fulfil the relevant regulatory and legislative requirements. Said powers include all those required to complete the formalities to enable registration of the resolutions with the Register of Companies in accordance with article 2436 of the Civil Code and the right to make non-substantial modifications and additions to the resolutions and the Articles of Association as may be requested by the competent authorities or by the notary public or in any case as may be deemed appropriate."*

* * *

Forlì, May 13, 2021

ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN OF THE BOARD OF DIRECTORS

STEFANO MELONI

Article 1

Name

1. The name of the Company is Unieuro S.p.A. (the “Company”).

Article 2

Registered office

1. The Company’s registered office is in Forlì.
2. 2)The Company may establish, modify and close, according to the necessary forms, secondaryestablishments, branches, representative and other offices, agencies and satellite offices of anykind in Italy and abroad.

Article 3

Purpose

1. The purposes of the Company are as follows:
   A. the retail and wholesale trade and import and export of domestic appliances and consumerelectronic goods via physical points of sale and e-commerce, including, without limitation:
      1. domestic appliances in general; cookers, stoves and equipment for ambient heating andcooling; radios, audio systems, televisions and recording systems, systems for theamplification and playback of sound and image; musical instruments; photographicequipment and photosensitive materials; magnetic tapes, magnetic cassettes and discsfor audio and video recording and playback; telephone equipment, switchboards andtelephony components in general; lighting fixtures, lamps and electrical equipment of anykind; furniture and furnishings for the home and office; computers, electrical andelectronic office equipment and related software, components and accessories; eyewearand watches; gifts; trinkets and fashion jewellery; fine jewellery; silverware andornaments; household items in general; sporting goods for hunting and fishing, sportsand gym equipment, camping and leisure goods; gardening and agricultural items andproducts; hardware and tools; books and publications of all kinds; stationery and schoolsupplies; technical and precision devices, laboratory equipment, including medicalinstruments; clothing and leather goods and leather of any value; spare parts andaccessories for the above items and in general any other item or object in the category of“non-food” products under current trading legislation and, on a residual basis, “food”;

   B. the installation and maintenance of all equipment sold, the management of workshops andservice, maintenance and repair centres for all items sold and, for entities operating in theaforementioned sectors, the management of accounting and data processing centres,software design and development, the organisation of technical, commercial andadministrative services, including the leasing of computers, applications, software and anynecessary equipment for the performance of such services; the study, design, development,implementation and provision of advanced information technology and/or multimediaservices in general to companies of any type and in any sector; the marketing of goods andservices via business data processing networks and systems; the conception, design anddevelopment of communications services or information via the internet or via any othervirtual, electronic, cybernetic or interactive circuit, as well as the provision of after-salesservices such as additional conformity guarantees or similar services;

C. the organisation and management, directly or indirectly by entering into business leasing orfranchising agreements, of the provision to the public of food and drink at points of sale forthe aforementioned items; the sale of food at points of sale for the aforementioned items.

2. The Company may conduct commercial, industrial, financial, investment and propertytransactions, if relevant and appropriate but on a secondary basis although still instrumental tothe corporate objects, and may acquire equity interests and holdings in other companies and firms having objects that are similar or related or otherwise connected to its own either directly or indirectly, subject to the limits laid down in Article 2361 of the Italian Civil Code, exclusively on its own account and not for the public at large, and in any case excluding the activities of financial intermediation and/or collection and/or solicitation of funds from the public and, more generally, activities that are restricted by law.

3. The Company may also issue collateral and other guarantees, including sureties, letters ofindemnity and guarantee, and endorsements.

Article 4

Term

1. The term of the Company is until 28 (twenty-eighth) February 2070 (two thousand and seventy). It may be extended on one or more occasions by resolution of the extraordinary shareholders'meeting.

Article 5

Service address

1. For their relations with the Company, shareholders are domiciled at the address held in the Company's records, unless otherwise notified in writing to the administrative body

Article 6

Capital and shares

1. The share capital is set at € 4,128,169.80 (four million one hundred twenty eight thousand one hundred and sixty-nine point eighty) euros, fully paid up, divided into 20,640,849

(twenty million six hundred forty thousand eight hundred and forty-nine) shares without par value.

2. The shares are in dematerialised form and entered in the centralised securities management system governed by applicable legislation.

3. The Company may issue, under the legislation in force from time to time, special classes of shares carrying different rights, including where the allocation of losses is concerned, determining the structure thereof as part of the share issuance resolution.

   In order to service the incentive plan entitled "2020 - 2025 Performance Share Plan", Directors of the Board may, within the period of five years from the date of the Shareholders' Meeting resolution, increase the share capital. Such capital increase may be effected in one or more tranches up to a maximum amount of Euro 180,000.00, to be imputed in full to capital, by means of a new share issuance of a maximum of 900,000 ordinary Unieuro Shares with no express indication of their par value, such shares to be allocated in conformance with the terms of the aforementioned plan for which a commensurate amount of the profits/profit reserves reported in the last financial statement approved, from time-to-time earmarked for the share issuance, within the term, on the conditions and in the manner provided for in said plan in accordance with arts 2349 and 2443 Italian Civil Code.

4. The allocation of profits and/or retained earnings to employees of the Company or of subsidiary companies is permitted, in the forms and manners required by law, by issuing shares pursuant to the first paragraph of Article 2349 Italian Civil Code.

5. In the event of a capital increase, the new shares may also be paid for by contributions in kind or loans.

6. As long as the company's shares are listed on regulated markets, the shareholders' meeting, or, if delegated pursuant to Article 2443 Italian Civil Code, the Board of Directors, may exclude up to 10% of the existing share capital from the option right afforded to shareholders on new shares and bonds convertible into shares, provided that the other conditions of Article 2441 paragraph 4 second sentence Italian Civil Code are met.

7. The extraordinary shareholders' meeting of 6 February 2017 authorised a share capital increase against payment, up to a maximum nominal amount of €206,451.60 (two hundred and six thousand four hundred and fifty-one euros and sixty cents), in addition to the share premium, the total value being equal to the placement price of the Company's shares on the MTA, by issuing up to 1,032,258 (one million thirty-two thousand two hundred and fifty-eight) ordinary shares reserved for the simultaneous implementation of the Plan, the general terms of which were approved, with a final subscription date of 31 July 2025.

Article 7

Right of withdrawal

1. Shareholders may withdraw as irrevocably provided by law.

2. However, withdrawal is not permitted when a decision has been made to extend the term of thecompany, or to introduce or remove restrictions on share trading.

Article 8

Bonds

1. The Company may issue convertible and non-convertible bonds subject to the limits set by thelaw.
2. 2)Bond issuance is decided by the Board of Directors, except for the issuance of bonds convertibleinto shares of the Company or otherwise accompanied by warrants to subscribe for shares of theCompany, which is decided by the extraordinary shareholders' meeting, notwithstanding thepower of delegation to the board of directors pursuant to applicable legislation and regulations.

Article 9

Convocation of meetings

1. The shareholders' meeting may be ordinary or extraordinary, as required by law, and is held atthe registered office or at any other location chosen by the administrative body, provided that suchlocation is in Italy.
2. 2)The ordinary shareholders' meeting shall be called at least once a year to approve the financialstatements within 120 days of the financial year-end, or in the cases provided by Article 2364(2) of the Civil Code, within the extended period of 180 days of the financial year-end, subject to anyadditional terms provided by applicable legislation.

Article 10

Shareholders' meetings

1. The shareholders' meeting is chaired by the Chairman of the Board of Directors; in the event ofhis or her absence or impediment, the shareholders' meeting will be chaired by the person electedby majority vote of those present.
2. The ordinary shareholders' meeting and the extraordinary shareholders' meeting are usually heldin a single session. The Board of Directors may decide, if it deems it appropriate and stipulates itin the convocation notice, that a particular shareholders' meeting (whether ordinary orextraordinary) will be held following several convocations.
3. The extraordinary shareholders' meeting may decide to allocate profits to employees of theCompany or of subsidiary companies by issuing special classes of shares to be allottedindividually to employees in an amount corresponding to the profits, stipulating rules regardingthe form, transfer restrictions and rights of the shareholders. The extraordinary general meetingmay also decide to grant employees of the Company, or of subsidiary companies, financialinstruments, other than shares, with equity rights or administrative rights but excluding votingrights at the general shareholders' meeting, stipulating rules regarding the conditions forexercising the rights granted, the possibility of transfer and any grounds for cancellation orredemption.

4. The shareholders’ meeting may adopt rules of procedure to govern its proceedings.

5. The proceedings of the shareholders’ meeting are governed by law, by the articles of associationand by any rules of procedure.

6. Shareholders’ meetings may take place with participants located in several venues, whetheradjacent or separate, via audio or video link, under the following conditions, which shall berecorded in the relevant minutes: (a)the chairman and the secretary must be present at the samevenue; (b) the chairman of the shareholders’ meeting is able to ascertain the identity of attendeesand their entitlement, direct the meeting proceedings, and record and announce the results ofvoting; (c) the person recording the minutes is able to adequately perceive the meeting eventsbeing recorded; (d) that participants are able to take part in the and view, receive or senddocuments; (e) the convocation notice states the venues with audio/video links arranged by theCompany at which participants may assemble, the meeting being deemed to be held in the placewhere the chairman and the person recording the minutes are present; as many attendancesheets shall be prepared as there are venues with audio/video links where the meeting is beingheld.

Article 11

Right of participation and exercise of voting rights

1. The right to attend the shareholders’ meeting and to exercise voting rights is governed by theapplicable legislation.

2. Persons with voting rights may be represented at the shareholders’ meeting by issuing theappropriate proxy within the statutory time frame. The proxy is sent to the Company by emailusing the certified email address provided in the convocation notice or by other delivery methodsstated therein. The Company may designate for each shareholders’ meeting one or more personsto whom shareholders with voting rights may confer a proxy under applicable legislation. Anynominated person and the necessary instructions are given in the convocation notice.

3. The proxy may be submitted electronically using the relevant section of the Company’s websiteor by email, as specified in the convocation notice.

4. A postal vote is permitted in accordance with applicable legislation and regulations and in themanner specified in the convocation notice.

Article 12

Board of Directors

1. The Company is administered by a Board of Directors composed of an odd number of no lessthan 7 (seven) and no more than 15 (fifteen) members. The shareholders’ meeting determinesthe number of Board members from time to time, prior to their appointment. Subject to the abovelimit, the shareholders’ meeting may increase the number of directors, even while the Board ofDirectors is in office; the term of the directors thus appointed shall expire at the same time as theterm of those already in office.

2. Directors remain in office for the term set by the shareholders' resolution appointing them, not toexceed 3 (three) financial years. Directors are re-eligible for office. Their term of office expires onthe date of the shareholders' meeting called to approve the financial statements for their final yearin office, notwithstanding the grounds for termination and removal provided by law and by theseArticles of Association.

3. As long as the Company's shares are traded on a regulated market in Italy or in another memberstate of the European Union, the Board of Directors is appointed on the basis of lists submittedby shareholders.

4. The composition of the Board of Directors is designed to ensure a gender balance as providedby applicable law and regulations.

5. A number of directors not less than that required by applicable legislation and regulations shallmeet the independence requirements of the Code of Conduct prepared by the CorporateGovernance Committee of Borsa Italiana S.p.A., in force at the time (the "Code of Conduct"), provided that the Board of Directors continues to have at least two (2) directors meeting theindependence requirements laid down by the legal and regulatory provisions and/or by the Codeof Conduct for listed companies. The appointed directors shall immediately inform the Companyif they cease to meet the independence requirements, or if any grounds arise for ineligibility orincompatibility.

Article 13

Submission of lists

1. The Board of Directors in office and shareholders who alone or in concert represent thepercentage of share capital required by applicable laws or regulations are entitled to submit lists. By way of exception of the provision of the following Article 18.7, the presentation of the list by the Board of Directors shall be resolved on by an absolute majority of the members holding office.

2. Each shareholder, shareholders who have signed a shareholders' agreement pertaining to therelevant Company pursuant to Article 122 of the TUF, the parent company, subsidiary companiesand companies under common control and other parties among whom a relationship exists, evenindirectly, within the meaning of applicable legislation and regulations, may not submit orparticipate in the submission of more than one list, even through an intermediary or trust company, nor vote for different lists.

3. Each list contains a number of sequentially numbered candidates who may not exceed the number of members to be elected.

4. To be eligible, each candidate may only be included in one list.

5. Each list shall include and identify at least two (2) candidates who meet the independence requirements under applicable legislation.

6. Each list containing 3 (three) or more candidates must also contain the number of candidates belonging to the underrepresented gender such as to ensure the minimum gender balance quota required under the legislation including pro tempore regulations in force. In the event of non-fulfilment of the obligations laid down in this paragraph, the list will be deemed not submitted.

7. In the event of non-compliance with the requirements laid down in this article, the list will be deemed not submitted.

8. The following shall be submitted together with the lists, it being specified that any changes that should occur prior to the actual date of the shareholders' meeting shall be promptly notified to the Company:

   a) information about the shareholders who submitted the list and the percentage of equity held;

   b) a declaration from shareholders other than those who hold, even jointly, a controlling or relative majority interest, certifying the absence of direct or indirect relationships with such shareholders under applicable legislation and regulations;

   c) the curriculum vitae of candidates and an affidavit from each candidate that there are no grounds for ineligibility or incompatibility and that he or she meets the requirements for office;

   d) an indication of administrative and supervisory positions held in other companies and eventual suitability to qualify as independent member under applicable legislation and any codes of conduct on corporate governance that may be adopted by the Company;

   e) a declaration whereby each candidate accepts his or her nomination;

   f) any other declaration, information and/or document provided by applicable legislation and regulations.

9. Lists, if any, submitted by the Board of Directors shall be filed at the Company's registered offices and a copy shall or be sent to the Company by means of remote communication within the thirtieth day prior to the date of the Shareholders' Meeting. Without prejudice to the foregoing, lists shall be submitted within the period prescribed by the applicable legislation referred to in the convocation notice, at the Company's registered office or electronically, as stated in the notice.

10. If, on the date of expiry of the deadline for filing lists, only one list has been filed, i.e. only lists submitted by shareholders who are connected with each other pursuant to the laws and regulations in force at the time, the provisions of the laws and regulations in force at the time shall apply.

11. Shareholders will vote for the list and therefore all candidates included therein, without anychanges or exclusions.

Article 14

Elections of the Board of Directors

1. All those entitled to vote may only vote for one list.

2. Election of the Board of Directors shall be according to the following criteria:

   a) Members making up five-sevenths of the members up for election, as this number may be rounded down in the case the result is a fractional number, will be taken from the list that obtained the highest number of votes (the "majority list"), all members bar one according to the sequential order in which they were listed;

b) the remaining directors will be taken from the other lists (the “minority lists”), and to that end, votes for each of the minority lists shall be divided by one, two, three, four and so forth according to the number of directors to be elected. The ratios thus obtained will be applied sequentially to the candidates on each of these lists in the progressive order envisaged therein. The ratios thus attributed to the candidates on the various lists shall be ranked in decreasing order. The directors elected shall be those obtaining the highest ratios.

In the event of a ratio tie between candidates, the elected candidate shall be taken from the list from which no director has yet been selected or from that which the lowest number of directors have been elected.

If no director has yet been elected from said lists or if there is a tie between the number of directors voted on in relation to the lists, then the candidate obtaining the highest number of votes on such lists will be elected.

In the event of a tie in terms of both list vote and ratio, then a Shareholders Meeting shall be called to vote on the election and the candidate who obtains a simple majority of votes shall be elected.

The above procedure is subject to the requirement that at least one director must be taken, if presented and voted on, from a list presented by shareholders not connected, whether directly or indirectly, with those who presented or voted on the list that obtained the majority of the votes cast.

3. In the event that the majority list contains an insufficient number of candidates to cover the seats to be filled in accordance with the above paragraph 2, notwithstanding application of the election mechanism under said paragraph 2, (i) all candidates of the majority list; and (ii) the remaining candidates, taken from the minority list which is second in terms of the number of votes required to complete the Board of Directors according to the progressive order indicated therein, shall be elected.

If it is not possible to complete the Board of Directors in the manner described above – thus presenting the minority list that is second based on number of votes leads to a number of candidates lower than that required, the remaining directors shall be taken from the other minority lists in descending order starting with the highest voted first and moving down to the next list as the candidates are exhausted in the preceding list based on number of votes.

4. If, after the vote and the application of preceding paragraphs 2 and 3 above, the outcome is that gender balance and the independence requirements are not achieved as provided by the applicable legislation and regulations, the necessary number of elected candidates shall be excluded and substituted by candidates from the under-represented class in progressive order of their listing, as shall be taken from the same list on which the excluded candidates appear. Replacements shall be made with reference firstly to those belonging to the under-represented gender and secondly to those in possession of the independence requirements.

This replacement mechanism shall be firstly applied in sequential order, to the lists from which no director of the missing class has been chosen, starting with the that which has obtained the most votes. Should this process not be sufficient, or should all the lists presented list at least one director in possession of the requirements of the missing class, the replacement shall be applied, in sequential order, to all the lists, starting with that which received the most votes.

Within the lists, the replacement of excluded candidates shall be effected starting from the candidates having the highest progressive number. The replacement mechanism is not operative in relation to candidates taken from lists that presented less than three candidates.

5. If only one list is submitted, the entire Board of Directors shall be taken from that list in accordance with applicable legislation and regulations. If no list is submitted, the shareholders' meeting shall act on majority vote in accordance with the law.

6. In all those cases in which, as a result of the application of the preceding provisions: (a) it is not possible to complete the Board of Directors and/or (b) gender balance is not achieved or an insufficient number of directors in possession of the independence requisites are elected, having regard to the legislation and regulations in force, then the completion or replacement, as the case may be, shall be effected pursuant a resolution passed at the Shareholders' Meeting by simple majority on those candidates put to vote individually.

7. If no lists are submitted or if the entire Board of Directors is not elected, the shareholders' meeting shall act on majority vote, in accordance with the law, respecting any minimum allotment ratio between genders (male and female) provided by law and regulations.

Article 15

Termination of office

1. If the legal or regulatory requirements or requirements under these Articles of Association are nolonger met, this constitutes grounds for removal of the director from office, unless suchrequirements are still met by the minimum number of directors who are required to meet suchrequirements under applicable legislation and regulations and in accordance with these Articlesof Association.

2. If during the year one or more directors should be absent, the provisions of Article 2386 of theItalian Civil Code shall apply, ensuring compliance with the legal requirements and Articles ofAssociation regarding the composition of the board.

Article 16

Powers of the administrative body

1. In accordance with the law, the Board of Directors is granted the broadest powers for the ordinaryand extraordinary management of the Company.

2. The Board of Directors has the power to pass resolutions concerning: mergers in the casesenvisaged by Articles 2505 and 2505-bis of the Italian Civil Code according to the terms andconditions described therein; the opening and closing of secondary offices, the designation ofwhom, among the directors, may represent the Company; a reduction in the share capital in theevent of withdrawal of a shareholder; amendments to the Articles of Association to comply withlaws and regulations; the relocation of the registered office elsewhere within the country.

3. The conferral of powers on the Board of Directors which by law belong to the shareholders'meeting does not lessen the responsibility of the shareholders' meeting, which retains the powerto decide on the matter.

Article 17

Chairman of the Board of Directors

1. The Board shall appoint one of its members as Chairman, unless the shareholders' meeting hasalready done so; it may also appoint one or more vice chairmen and a secretary.
2. The Chairman cannot assume executive responsibilities on the Board of Directors and shallexercise the functions required under applicable legislation and regulations. Specifically, theChairman: (i) has the power to represent the Company; (ii) presides over the shareholders'meeting; (iii) convenes and chairs the Board of Directors, sets the agenda, coordinates itsactivities and ensures that all directors receive adequate information about the items on theagenda; (iv) monitors the implementation of the Board's resolutions.

Article 18

Board meetings and resolutions

1. The Board of Directors meets at the registered office or at a location other than the registeredoffice stated in the convocation notice, provided that such location is in the European Union orthe United Kingdom, as often as the Chairman or, in his/her absence or impediment, the vicechairman, deems it necessary. The Board of Directors also meets if requested in writing by atleast 3 (three) of its members (if the Board has seven (7) or 9 (nine) members) or at least 4 (four) of its members (if the Board has 11 (eleven) to 15 (fifteen) members), to deliberate on a specificmanagement issue they consider to be of particular importance; this issue shall be mentioned inthe request itself.
2. Meetings are called by the Chairman or by one of the directors by registered letter, fax or emailsent at least five (5) days before the meeting to each member of the Board of Directors and Boardof Statutory Auditors or, in an emergency, sent at least three (3) days before the meeting. In theabsence of any formal convocation, meetings of the Board of Directors will in any case beconsidered quorate if all directors and statutory auditors in office are present.
3. The convocation notice states the place, date and time of the meeting and the items on theagenda.
4. A Board of Directors' meeting is quorate if the majority of its members are present.
5. The deliberations of the Board shall be recorded in minutes signed by the chairman and by thesecretary. Said minutes, even if drafted by public deed, shall be transcribed promptly in the minutebook required by law.
6. Meetings of the Board of Directors may also take place by videoconference or conference call, provided that each participant can be identified by all the others and that each participant is ableto participate in the discussion of business in real time, as well as to

send, receive and viewdocuments. Provided these conditions are met, the meeting is deemed to be held at the venuewhere the Chairman and Secretary are present.

7. The Board of Directors carries resolutions with the favourable vote of the absolute majority ofdirectors present.

Article 19

Fees

1. The fees granted to members of the Board of Directors are determined by the shareholders'meeting. Directors are entitled to a refund of expenses incurred in respect of their office.
2. The fees for directors assigned particular duties (including the Chairman and vice chairman) areset by the Board of Directors in consultation with the Board of Statutory Auditors.
3. The shareholders' meeting may set an overall amount for the remuneration of all directors, including those assigned particular duties.

Article 20

Representative bodies, general managers and attorneys

1. The Board of Directors may delegate, within the limits of Article 2381 of the Italian Civil Code, some of its powers to one or more of its members, establishing their powers and, after consultingthe Board of Statutory Auditors, the related remuneration. The Board of Directors may also requirean executive committee to be appointed, composed of some of its members.
2. The delegated bodies ensure that their organisational, administrative and accounting structuresare commensurate with the nature and size of the Company and report to the Board of Directorsand the Board of Statutory Auditors at least every 3 (three) months on general managementperformance, its outlook and the transactions deemed most significant, by size or characteristics, carried out by the Company and its subsidiary companies.
3. The directors report promptly, and at least quarterly, to the Board of Statutory Auditors on theactivities carried out and on significant transactions effected by the Company or by subsidiarycompanies, and specifically on transactions in which directors have an interest, on their ownaccount or on behalf of third parties, or that are influenced by the person responsible formanagement and coordination. The information is usually provided at meetings of the Board ofDirectors.
4. The Board of Directors (i) appoints a manager responsible for preparing corporate accountingdocuments, subject to the mandatory but non-binding opinion of the Board of Statutory Auditors, which it may also remove if necessary; (Ii) decides on the term of office, and (iii) confers adequatepowers and resources for performance of the relevant tasks.

5. The director in charge of preparing corporate accounting documents must also meet the integrityrequirements established for directors and the following professional requirements: (i) degree ineconomics or finance obtained in Italy or abroad; and (ii) at least 3 (three) years' prior experiencein similar business sectors to those in which the Company operates or in managementconsultancy, particularly pertaining to administrative and accounting matters.
6. The Board of Directors may also set up its own internal committees with advisory andrecommendatory functions, establishing their powers so that the system of corporate governancecomplies with the codes of conduct advocated by companies that manage regulated markets.
7. The Board of Directors may also appoint general managers and attorneys and decide on theirpowers.

Article 21

Composition of the Board of Statutory Auditors and submission of lists

1. The Board of Statutory Auditors is composed of 3 (three) statutory members and 2 (two)alternates.
2. Members of the Board of Statutory Auditors remain in office for 3 (three) financial years. Theirterm of office expires on the date of the shareholders' meeting convened to approve the financialstatements for their third year in office. Statutory auditors are re-eligible for office.
3. Members of the Board of Statutory Auditors shall meet the integrity, professionalism andindependence requirements and comply with the rules on holding concurrent office laid down byapplicable legislation and regulations. For the purposes of Article 1(2)(b) and (c) of the Decree ofthe Minister of Justice No. 162 of 30 March 2000, matters pertaining to commercial law, corporatelaw, tax law, business economics, corporate finance, disciplines with the same or similar purpose, and subjects and areas pertaining to the Company's business sector, are considered closelyrelated to the Company's scope of operations.
4. In addition to the refund of expenses incurred in respect of their office, members of the Board ofStatutory Auditors will be entitled to a fee calculated by the shareholders' meeting at the time oftheir appointment and covering their entire term of office.
5. The powers, duties and responsibilities of auditors are those established by law.
6. While the Company's shares are listed on a regulated market in Italy or in another member stateof the European Union, the Board of Statutory Auditors will be elected by the ordinaryshareholders' meeting on the basis of lists submitted by shareholders as provided below, ensuring a gender balance as required by applicable law and regulations.
7. The submission of lists is governed by applicable legislation and regulations and by these Articles of Association.
8. Lists may be submitted by shareholders who, alone or in concert with others, represent at the time of submission of the list, the percentage of share capital established by the laws or regulations in force at the time.

9. Each shareholder, shareholders who have signed a shareholders' agreement pertaining to the relevant Company pursuant to article 122 of the TUF, the parent company, subsidiary companies and companies under common control and other parties among whom a relationship exists, even indirectly, within the meaning of applicable legislation and regulations, may not submit or participate in the submission of more than one list, even through an intermediary or trust company, nor vote for different lists.

10. To be eligible, each candidate may only be included on one list.

11. Each list contains a number of sequentially numbered candidates who may not exceed the number of members to be elected.

12. Lists are divided into two sections: one for candidates to the office of statutory auditor, and the other for candidates to the office of alternative auditor. The first candidate in each section shall be a certified auditor and have worked for a minimum of 3 (three) years as an auditor for clients that are legally required to have their financial statements audited. The other candidates, if they do not meet the requirements stipulated in the previous sentence, shall meet the other professional requirements under applicable legislation and regulations. In the event of non-fulfilment of the obligations laid down in this paragraph, the list will be deemed not submitted.

13. Each list of candidates for the offices of standing auditor and alternate auditor shall include the number of candidates belonging to the underrepresented gender such as to ensure that the list provides for the minimum gender balance quota required under the legislation including pro tempore regulations in force. In the event of non-fulfilment of the obligations laid down in this paragraph, the list will be deemed not submitted.

14. Together with the lists, the following shall also be submitted:

    a) information about the shareholders who submitted the list and an indication of the percentage of equity held;

    b) a declaration from shareholders other than those who hold, even jointly, a controlling or relative majority interest, certifying the absence of direct or indirect relationships with such shareholders under applicable legislation and regulations;

    c) the curriculum vitae of candidates and an affidavit from each candidate that there are no grounds for ineligibility or incompatibility and that he or she meets the requirements for office;

    d) information about the candidates with an indication of administrative and supervisory positions held in other companies, as well as a declaration by the candidates that they meet the requirements, including the requirements in terms of integrity, professionalism, independence and concurrent office provided by applicable legislation and regulations, and their acceptance of the nomination and office, if elected;

    e) a declaration whereby each candidate accepts his or her nomination;

    f) any other declaration, information and/or document provided by applicable legislation and regulations.

15. The lists shall be submitted within the period prescribed by the applicable legislation referred to in the convocation notice, at the Company's registered office or electronically, as stated in the notice, and made public within the time and in the manner laid down by

applicable legislation and regulations. If by the deadline for the submission of lists, only one list has been submitted or there are only lists submitted by shareholders acting in concert within the meaning of Article 144- quinquies of the Issuers Regulation, lists may be submitted for up to three days after this date. In this event, the thresholds indicated in the Articles of Association are reduced by half.

16. In the event of non-compliance with the requirements laid down in this article, the list will bedeemed not submitted.

Article 22

Election of the Board of Statutory Auditors

1. The Board of Statutory Auditors is elected in accordance with the following provisions:
   a) the statutory auditors will be the first two candidates on the list with the highest numberof votes (the "majority list"), and the first candidate on the list obtaining the second highestnumber of votes (the "minority list") – submitted by shareholders who are not related,even indirectly, to the shareholders who submitted or voted for the majority list – who willalso be appointed Chairman of the Board of Statutory Auditors;
   b) the alternate auditors will be the first alternate candidate on the majority list and the firstalternate candidate on the minority list.
2. If a gender balance is not achieved as required by applicable legislation or regulations, thenecessary replacements will be made among candidates for the office of statutory auditor in theorder in which the candidates are listed.
3. If fewer candidates are elected based on the lists submitted than there are auditors to be elected, the remainder will be elected by the shareholders' meeting, deciding by a relative majority andensuring that the gender balance required under applicable legislation and regulations isachieved.
4. In the event of a tie between the lists, a run-off vote will be held for anyone entitled to vote at theshareholders' meeting. The candidates who obtain a simple majority of the votes are elected.
5. If only one list is submitted, the entire Board of Statutory Auditors is elected from that list inaccordance with applicable legislation and regulations. If no list is submitted, the shareholders'meeting will act in accordance with the statutory majority.
6. The Chairman of the Board of Statutory Auditors is the statutory auditor elected from the minoritylist, unless only one list is submitted or no list is submitted; in such cases the Chairman of theBoard of Statutory Auditors is appointed by the shareholders' meeting, deciding by a relativemajority of the vote.

Article 23

Termination of office

1. If a statutory auditor should be absent during the financial year, the first alternate from the samelist as the substituted auditor will take over until the next shareholders' meeting, ensuringcompliance with the applicable legislation on gender balance.
2. In the event of replacement of the Chairman of the Board of Statutory Auditors, the chairmanshippasses to the next unelected candidate on the same minority list until the next shareholders'meeting. If only one list is submitted or in the event of a tie between two or more lists, to replacethe Chairman, the first statutory auditor on the same list as the outgoing Chairman will take overuntil the next shareholders' meeting.
3. If there are insufficient alternative auditors to make up the Board of Statutory Auditors, ashareholders' meeting shall be called to fill the vacant positions, deciding by statutory majorityand in accordance with applicable legislation and regulations. If it is necessary to replace (i) thestatutory auditor or the Chairman, or (ii) the alternative auditor taken from the minority list, unelected candidates on the same list are nominated for the office, regardless of the section inwhich his/her name was listed. The candidate who obtains the most votes is elected.

   In the absence of nominees under the preceding paragraph, and if it is necessary to replace thestatutory and/or alternative auditors taken from the majority list, the provisions of the Civil Codewill apply and the shareholders' meeting will decide by a majority vote.
4. In the event of any of the replacements referred to above, the composition of the Board ofStatutory Auditors shall comply with the applicable rules on gender balance.

Article 24

Meetings of the Board of Statutory Auditors

1. The Board of Statutory Auditors shall meet at the intervals established by law.
2. The convocation notice, containing a brief description of the items on the agenda, is prepared bythe Chairman of the Board of Statutory Auditors and sent to the other statutory auditors at theirservice address by registered letter (delivered by hand if necessary), telegram, fax, email or anyother suitable means, at least 3 (three) days before the scheduled date of the meeting, or 1 (one)day before in an emergency.
3. Meetings of the Board of Statutory Auditors may also take place with participants located inseveral locations, adjacent or separate, via audio/video link, provided that all the participants canbe identified and are able to participate in the discussion of business in real time. The meeting isconsidered held at the venue stated in the convocation notice.

Article 25

Statutory audit of the accounts

1. The statutory audit of the accounts is performed by a statutory auditor or by an independent auditfirm satisfying the legal requirements.
2. The appointment is conferred by the shareholders' meeting on a reasoned proposal from theBoard of Statutory Auditors. The shareholders' meeting also determines the auditors' fee and anycriteria for adjusting this.

Article 26

Financial statements and profit

1. The Company's financial year ends on the last day in February each year.
2. At the end of each financial year, the Board of Directors, within the statutory time limit and subjectto compliance with the legal provisions and Articles of Association, prepares the draft financialstatements in the manner prescribed by applicable legislation and regulations.
3. The net profit shown in the financial statements, minus the portion to be allocated to the legalreserve up to the limit prescribed by law, is allocated as decided by the shareholders' meetingfollowing a proposal from the Board of Directors. On a proposal from the Board of Directors, theshareholders' meeting may vote to establish and increase other reserves. The Board may decideto distribute interim dividends according to the procedures and forms prescribed by law.

   The extraordinary shareholders' meeting may decide to allocate profits or retained earnings toemployees of the Company or its subsidiary companies through the issue, for an amountequivalent to the profits, of ordinary shares without any restriction or special classes of shares tobe assigned individually to employees, pursuant to Article 2349 of the Italian Civil Code.
4. During the financial year, the Board of Directors may distribute interim dividends to shareholders, subject to the statutory limits.

Article 27

Interim dividends

1. The Board of Directors, during the financial year and when it deems it appropriate, may authorisethe payment of interim dividends for that financial year, in accordance with the regulatory andother provisions in force.
2. Dividends not collected within five years of the date on which they became payable revert to the Company.

Article 28

Winding up and liquidation

1. In the event of the Company being wound up, the shareholders' meeting determines theliquidation arrangements and appoints one or more liquidators, establishing their powers andremuneration.

Article 29

General provisions

1. For any matter not specifically covered in these Articles of Association, reference is made to theapplicable legislation and regulations.

Unieuro S.P.A. – Registered office in Forlì, Palazzo Hercolani, Via Piero Maroncelli 10, 47121-Forlì
Share Capital Euro 4,000,000 fully paid-up
Registered on the Forlì-Cesena Companies Register, Economic and Administrative Index (REA) registration number 177115
Tax Code and VAT no. 00876320409

REPORT ON CORPORATE GOVERNANCE AND PROPRIETARY SHAREHOLDINGS

pursuant to art. 123-*bis* of Legislative Decree no. 58 of 24 February 1998

Traditional management and control model

Issuer: Unieuro S.p.A.

Website: **www.unieurospa.com**

This Report refers to the Financial Period closed on 28 February 2021

SUMMARY

1. DEFINITIONS

Articles of Association	The Articles of Association of the Company approved by the extraordinary Shareholders' Meeting of 12 December 2016, as amended and supplemented.
Board/Board of Directors	The Issuer's Board of Directors.
Board of Statutory Auditors	The Company's Board of Statutory Auditors.
Borsa Italiana	Borsa Italiana S.p.A. with its registered office in Milan at Piazza degli Affari no. 6.
Civil Code	The Italian Civil Code.
Code/Self-Regulation Code	The Code of Self-Regulation for listed companies approved in July 2018 by the Corporate Governance Committee (and approved by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime e Confindustria).
Consob	The national commission on companies and the stock exchange, based in Rome at Via G.B. Martini, No. 3.
Consob Related Parties Regulation	The Regulation on transactions with related parties approved by Consob with Resolution No. 17221 of 12 March 2010, as subsequently amended and supplemented.
Control and Risk Committee	The committee set up within the Board of Directors pursuant to principle 7.P.4. of the Self-Regulation Code.
Corporate Governance Code	The Corporate Governance Code for listed companies approved in January 2020 by the Corporate Governance Committee (and promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria).
Financial Period	The financial year of the Company is from 1 March 2020 to 28 February 2021.
Instructions to the Stock Mark Regulations	The Instructions to the Regulations of the Markets organised and operated by Borsa Italiana S.p.A.
Issuer / Company / Unieuro	Unieuro S.p.A., with its registered office in Forli at 31 via Piero Maroncelli 10, 47121-Forlì.
Issuer Regulation	The Regulation approved by Consob with resolution 11971 of 14 May 1999 (as amended).

Italian Consolidated Finance Act/TUF	(*Testo Unico della Finanza*) by way of Legislative Decree No. 58 of 24 February 1998 as amended.
MAR	Regulation (EU) No. 596/2014 on market abuse (Market Abuse Regulation) as subsequently amended.
MTA- STAR Segment	The Mercato Telematico Azionario (Electronic Stock Exchange) - STAR Segment, organised and managed by Borsa Italiana S.p.A.
Related-Party Committee	The committee for related party transactions, set up within the Board of Directors pursuant to the Consob Related Parties Regulation.
Remuneration and Appointments Committee	The committee set up within the Board of Directors pursuant to principal 6.P.3. of the Self-Regulation Code.
Remuneration Report	The report concerning the policy for remuneration and recompense paid prepared pursuant to art. 123-*ter* TUF and art. 84-*quater* of the Issuer Regulation.
Report	The present report on corporate governance and proprietary shareholdings that the companies are required to draw up, pursuant to art. 123-*bis* TUF.
Shareholders' Meeting	The Company Shareholders' meeting.
Stock Market Regulation	The Regulation of the Markets organised and operated by Borsa Italiana S.p.A.
Sustainability Committee	The internal committee of the Board of Directors established in compliance with the Corporate Governance Code.
Trading Start Date	The first day on which the shares of Unieuro were traded on the MTA-STAR Segment (as defined below) i.e. 4 April 2017.

2. INTRODUCTION

Since 4 April 2017, Unieuro ordinary shares have been traded on the MTA - STAR Segment organised and managed by Borsa Italiana S.p.A.

This report on corporate governance and proprietary shareholdings ("**Report**") aims at providing a general and complete overview of the corporate governance system adopted by Unieuro S.p.A. ("**Unieuro**" or "**Company**").

Unieuro adheres to the Corporate Governance Code in force as at the date of the Report and applicable to the financial period 2021/2022, which is accessible to the public on the website of the Corporate Governance Committee at the following page: https://www.borsaitaliana.it/homepage/homepage.en.htm

In compliance with the legal and regulatory[1] requirements on this topic in line with the guidelines and recommendations of Borsa Italiana SpA ("**Borsa Italiana**"), this Report contains information on the proprietary shareholdings and - mindful that it refers to the year which ended on February 28 2021 during which the Self-Regulation Code[2] was still in force - on Unieuro's adherence to the Self-Regulation Code, explaining the choices made in the application of the self-regulatory principles, as well as the corporate governance practices actually applied and following the indications referred to in the "Format for the report on corporate governance and the structure of ownership " drawn up by Borsa Italiana (Edition VIII January 2019).

With regard to the Corporate Governance Code, the Company shall, as of now, report on certain activities undertaken during the year currently in progress and up to the date of this Report in order to comply therewith for the sake of uniformity.

Please note that, in the Management Report which forms a part of Unieuro's Annual Financial Report relating to the 2020/2021[3] financial year, there is a chapter on Governance which describes the corporate governance system of Unieuro whereas for further information on the topic of remuneration, we invite you to view the Report concerning remuneration and recompense paid[4], published in the manner and within the timescales envisaged by current legislation[5].

The Report was approved by the Board of Director on 13 May 2021 and can be consulted on the Company's website www.unieurospa.com, in the "Corporate Governance" Section - https://unieurospa.com/en/_corporate-governance-2/shareholders-meetings/.

[1] Art 123 bis TUF
[2] The Self-Regulation Code is publicly available on the website of the Corporate Governance Committee at https://www.borsaitaliana.it/comitato-corporate-governance/codice/2018clean.pdf
[3] Published on the Company's website https://unieurospa.com/en/_home/, section "Investor Relations / Reports".
[4] Report provided for by art. 123-ter of the Consolidated Law on Finance, published on the website of Unieuro in the manner referred to in art. 84-quater of the Issuers Regulations.
[5] Published on the Company's website https://unieurospa.com/en/_home/, section "Corporate Governance / Shareholders' meetings / Shareholders' meetings 2021".

1. ISSUER PROFILE

Today Unieuro is the Italian market leader in distribution of consumer electronic products and household appliances thanks to its steady growth over the last fifteen years due to a combination of consolidation of its reference market and organic growth.

As of the date of this Report, Unieuro is operating on a national scale through the following distribution channels: (i) its retail channel consisting of 262 stores distributed throughout city centres and in high-affluence shopping malls located mainly in northern and central Italy; (ii) its online channel strengthened by the unieuro.it digital platform and the pure digital player Monclick; (iii) its indirect channels consisting of 254 sales outlets managed by third-party associated businesses; (iv) its business-to-business channel focused on wholesale sales to professional clients; (v) its travel channel made up of 11 retail outlets located at several of the main public transport junctions.

The Issuer's business model is based on an omnichannel business strategy, enabling it to exploit the opportunities of integration between physical sales outlets and the online channel. Therefore, the Issuer operates as a single Strategic Business Unit within which all services and products offered flow together. This approach is supported: (i) by the model of operational control of the Issuer which considers the entire business as a whole, irrespective of individual distribution channels, product lines, or geographic spread, and (ii) by the capillary network of sales outlets, which is distributed over the territory both in terms of location, following the principle of proximity and closeness to customers, as well as in functional terms, using different formats at the individual sales outlets in order to satisfy the preferences of each customer category. The goal of the Company is to create a personalized shopping experience aimed at eliminating the spatial limits of individual physical sales outlets and focusing on rebuilding individual preferences of the customer.

The Company has adopted a corporate governance system in line with the legal and regulatory provisions applicable to it: the central role of the Board of Directors and the objectives of proper management of any eventual situations of conflict of interest, as well as of efficiency of the internal control system and of transparency in relation to the market are highlighted.

The Issuer has adapted its own Articles of Association and its own corporate governance system in line with the provisions of the TUF and of the Self-Regulation Code, *inter alia* for the purposes of admission to listing of its shares on the MTA.

Unieuro has adopted a so-called 'traditional' management system, which enhances the role of the Board of Directors as an executive body, whereas the audit function is delegated to the Board of Statutory Auditors. The governance structure and the overall organizational structure are also in line with the goals of maximizing management efficiency and creating ever greater value for all shareholders.

The Company's corporate bodies are the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors. The powers and operating methods of the corporate bodies are governed by law, by the Articles of Association and by the resolutions adopted by the appropriate bodies, as the case may be.

The Board of Directors has set up three internal committees with consultative and proposal functions, being the Remuneration and Appointments Committee, the Control and Risk

Committee and the Sustainability Committee. There is also a Related Party Committee that is assigned the tasks and functions provided for by the Consob Related Parties Regulation.

By resolution adopted on 12 December 2016, the Shareholders' Meeting of the Issuer conferred on the Independent Audit Firm the mandate to undertake the statutory audit of the financial statements for the financial years ending from 28 February 2017 to 28 February 2025 pursuant to arts. 14 and 16 of Legislative Decree No. 39 of 27 January 2010 and for the auditing tasks limited to the interim half-yearly financial statements for the half-yearly periods ending from 31 August 2017 to 31 August 2024. Taking into consideration the further activities requested by the Independent Auditors as a result of, *inter alia*, the acquisition of the equity investment in Monclick S.r.l., the Issuer appointed the Independent Auditors to conduct the statutory audit of the consolidated financial statements for the financial years ending from 28 February 2017 to 28 February 2025, and the limited audit of the abbreviated, half-year consolidated financial statements for the half-years ending between 31 August 2017 and 31 August 2024.

The Issuer's ordinary shares have been traded on the MTA-STAR Segment as of Trading Start Date.

It should be noted that, as of the date of this Report, also for the purpose of applying certain rules on corporate governance and proprietary shareholdings envisaged by the TUF, Unieuro falls within the definition of small and medium sized enterprises pursuant to art. 1, paragraph 1, lett. w-*quater*.1) TUF and art 2-*ter* of the Listing Code, as stated in the list published by Consob and last updated in January 2021[6].

[6] Pursuant to Art. 1, paragraph 1, lett. w-quarter.1) of TUF, "small and medium sized enterprises" shall mean: "without prejudice to other legal provisions, small and medium-sized enterprises, listed share issuers, whose turnover, even before admission to trading of their shares, is less than EUR 300 million, that have a market capitalisation of less than EUR 500 million. Listed share issuers that have exceeded both of these limits for three consecutive years shall not be considered as small and medium sized enterprises. CONSOB establishes by regulation the implementing provisions of this letter, including the disclosure procedures to which such issuers are required in relation to the acquisition or loss of the status of small and medium sized enterprises. CONSOB, on the basis of the information provided by issuers, publishes a list of small and medium sized enterprises on its website".

2. INFORMATION ON THE PROPRIETARY SHAREHOLDINGS (PURSUANT TO ARTICLE 123-BIS, PARA. 1, TUF)

a) Structure of the share capital (pursuant to art. 123-bis, paragraph 1, letter a) TUF)

At the date of this Report, the subscribed and paid-up share capital of Unieuro is €4,079,597.40 divided into 20,397,987 ordinary shares with no par value. There are no other classes of shares other than ordinary shares[7].

All shares, which are in registered in the name of the owner, have the same characteristics and confer the same rights. In particular, each share confers the right to one vote in ordinary and extraordinary Shareholders' Meetings of the Company as well as the other administrative rights provided for in the applicable provisions of law and of the Articles of Association.

b) Restrictions on the transfer of securities (pursuant to art. 123-*bis*, paragraph 1, letter b) TUF)

No restrictions on the transfer of the Company's shares, limits on share ownership or approval conditions to access the shareholding structure are envisaged.

c) Relevant equity interests in the share capital (pursuant to art. 123-*bis*, paragraph 1, letter c) TUF)

Unieuro is a fully-fledged public company. This new status was acquired following the gradual withdrawal from capital of Rhône private equity which, thanks to the initial public offer on the Italian Stock Exchange (April 2017) and three subsequent placements (September 2017, November 2019 and January 2020), ceased its shareholding in Unieuro which was initially 70.5% of the capital.

The public float was further expanded on 14 January 2021, following the sale on the market through an accelerated book-building procedure concerning 7.17% of the capital in Unieuro originally owned by Dixons Carphone plc through Alfa S.r.l.

In September 2020, Mr. Giuseppe Silvestrini reported that the 3% investment threshold in the Issuer's capital had been exceeded in the previous month of April and thus announced that he directly and indirectly holds 4.3% of Unieuro capital.

On 6 April 2021, the telecommunications operator Iliad S.A. announced that it has acquired a shareholding of approximately 12% of the share capital of Unieuro, 1.9% of which was acquired through an equity swap which matures on 17 September 2021.

[7] Shares resulting from the latest certification of the share capital deposited in the Chamber of Commerce.

At the date of this Report, the public float of Unieuro is equal to approximately 80% of the Company's capital.

Below are the percentages of Unieuro ordinary shares owned at the date of this Report, both directly and indirectly, by shareholders or by parties at the peak of the holding chain who have

declared a significant holding threshold to have been exceeded pursuant to art. 120 TUF and the Consob Issuers' Regulations; said percentages are updated to the best of the Company's knowledge based on the information available:

DECLARANT	DIRECT SHAREHOLDER	NUMBER OF ORDINARY SHARES	% OF ORDINARY SHARE CAPITAL	% OF VOTING SHARE CAPITAL
Iliad S.A.	• Iliad Holding S.p. • Iliad SA	2,060,374	10.16% (*)	10.16% (*)
Amundi Asset Management	Amundi SGRpa	1,363,501	6.72%	6.72%
Mediolanum Gestione Fondi SGR p.A.	Mediolanum Gestione Fondi SGR p.A.	982,954	4.85%	4.85%
Giuseppe Silvestrini	• Victor S.r.l. • Giuseppe Silvestrini	860,434	4.24%	4.24%
JPMorgan Asset Management Holdings Inc.	JPMorgan Asset Management (UK) Limited	663,571	3.27%	3.27%

(*) to be added the 1.9% subject to the equity swap subscribed by Iliad Holding S.p.A. which matures on 17 September 2021 with underlying Unieuro shares.

d) Securities that confer special rights (pursuant to art. 123-*bis*, paragraph 1, letter d) TUF)

No securities that confer special rights of control have been issued. Nor are there any special rights holders as envisaged by the laws and statutory provisions in force.

e) Shareholding by employees: mechanisms for exercising voting rights (pursuant to art. 123-*bis*, paragraph 1, letter e) TUF)

There is no mechanism that would exclude or limit the direct exercise of voting rights by the beneficiaries of the stock option plan adopted by the Company on February 6 2017 entitled "*Long*

Term Incentive Plan 2018-2025" and/or the incentive plan adopted by the Company on December 17 2020 entitled the "*2020 - 2025 Performance Share Plan*".

For further information, please see the first section of the Report concerning the policy for remuneration and recompense paid drawn-up pursuant to art. 123-*ter* TUF which shall be available to the public within the timelines and in the manner provided for by the laws and regulations in force.

f) Restrictions on voting rights (pursuant to art. 123-*bis*, paragraph 1, letter f) TUF)

No restrictions on voting rights of shareholders are envisaged save for the terms and conditions governing the right to attend and vote at the Shareholders' Meeting referred to in the below Paragraph 17.1 of this Report.

g) Agreements between shareholders (pursuant to art. 123-*bis*, paragraph 1, letter g) TUF)

At the date of this Report, no agreements between shareholders pursuant to Article 122 TUF have been notified to the Company.

h) Change-of-control clauses (pursuant to art. 123-*bis*, paragraph 1, letter h) TUF) and Articles of Association provisions on the subject of public tender offers (PTO) (pursuant to art. 104 *bis*, paragraph 1-*ter*, and 104-*bis*, paragraph 1 TUF)

Change-of-control clauses

On 23 December 2017, the Company extinguished the facilities granted under a previous medium-/long-term loan agreement called the "*Euro Term and Revolving Facilities Agreement*", by signing a new medium-/long-term loan agreement called the "*Senior Facilities Agreement*", with Banca Intesa Sanpaolo S.p.A., Banco BPM S.p.A., Gruppo Crédit Agricole and Banca IMI S.p.A., this latter as the agent bank.

The "Senior Facilities Agreement", contains a change of control clause which requires that, if a corporate change of control takes place, the lending banks will have the right to cancel the loan granted and ask for immediate repayment. For the purpose of the above-mentioned change of control clause, a "change of control" occurs if, at any time, one or more persons acting together (i) acquires control of the Issuer pursuant to art. 2359 of the Civil Code or of Legislative Decree No. 385 of 1 September 1993 (the consolidated law on banking - so-called "**TUB**") or (ii) acquires the power to define the composition of the majority of the managing body of the Issuer or (iii) holds a percentage of voting rights in the shares of the Issuer which creates the obligation to launch a public takeover bid of the Issuer by virtue of the TUB, without prejudice to the fact that the distribution of the Issuer's share capital by Rhône Capital II LP to its investors will not, in any event, constitute a change of control.

Without prejudice to the above, the Company, within the remit of its commercial activities, is party to trade agreements which, as is customary (i.e. business leases, real estate leases, supply agreements etc.), include the right for one or both parties to terminate or withdraw from the agreement, if there is a direct or indirect change in control involving the other party.

Articles of Association provisions on the subject of public tender offers

The Issuer's Articles of Association do not contain provisions that derogate from the passivity rule set forth in art. 104, paragraphs 1 and 1-*bis* TUF nor provisions that provide for application of the neutralization rules provided for in art. 104-*bis*, paragraphs 2 and 3 TUF.

i) Delegated powers to increase the share capital and authorisations to acquire treasury shares (pursuant to art. 123-bis, paragraph 1, letter m) TUF)

At the Extraordinary Meeting held on December 17 2021, the Shareholders resolved, pursuant to arts. 2443 and 2349 of the Civil Code, that the Board of Directors be granted powers pursuant to arts. 2443 and 2349 Civil Code to increase the share capital on a gratuitous basis for a period of five years to run as of the date of the relative resolution, in order to implement the 2020-2025 Performance Share Plan. It was envisaged that such capital increase may take place in one or more tranches up to a maximum amount of Euro 180,000.00 to be imputed in full to capital by way of a new share issuance of up to 900,000 ordinary Unieuro Shares with no express indication of their par value, such new shares: having the same characteristics as the Unieuro ordinary shares already in circulation and; carrying regular dividend rights. A commensurate maximum amount of the profits/profit reserves reported in the last financial statement approved from time-to-time was to be earmarked to that end, within the term, on the conditions and in the manner provided for in the 2020-2025 Performance Share Plan.

As of the date of this Report, the Board of Directors has not yet exercised said powers as were granted at the Extraordinary Shareholders' Meeting of 17 December 2020.

Without prejudice to the foregoing, as at the date of this Report, no director has been granted powers to make a capital increase in one or more tranches, nor is any director empowered to issue convertible bonds, whether for ordinary shares or savings yielding share option rights.

At the ordinary Meeting held on 17 December 2020, the Shareholders authorised the the Board of Directors to buy back, in one or more tranches, a maximum number of ordinary shares in Unieuro not exceeding 10% of the share capital (which was - as at the date the relative explanatory report was presented to the Shareholders - a maximum of 2,000,000). The authorisation envisaged that: Such buy back would be effected in one or more tranches within 18 (eighteen) months of the date the resolution was passed and in any manner envisaged by the combined provisions of Article 132 TUF and Article 144-bis Issuers' Regulations, taking into account the specific exemption provided for by paragraph 3 of Article 132 TUF and, in any case, in any other manner permitted by the legal and regulatory provisions in force from time to time. Said authorisation was also required to take into account the procedures and operating limits of the MAR, including market practices permitted pursuant to art. 13 MAR, the Delegated Regulation (EU) No. 1052 of 8 March 2016 (the "**Delegated Regulation**") and the applicable general and sector legislation (including the provisions referred to in Regulation (EU) 2019/2115 or provided for by CONSOB or ESMA).

The shares' purchase unit price was to be for consideration not lower than a minimum of 10% and not higher than a maximum of 10% of the share reference price recorded in the trading session on the stock exchange of the day preceding each individual transaction. Any such buy back was to be in compliance with applicable EU law and accepted applicable market practices from time to time. Moreover, the shares' purchase price was required to comply with the provisions of art. 3 paragraph 2 Delegated Regulation 2016/1052/EU which, with reference to the date on which the explanatory report of the Board of Directors was presented to the Shareholders, refers to a price not higher than the higher of the price of the last independent trade and the then highest current independent purchase bid on the trading venue where the purchase is carried out or in conformity with the regulations in force from time to time.

During the Financial Period, the Board of Directors has not initiated any buy-back programme on the basis of the above-mentioned shareholders' authorisation; as a result, at the date of this Report, the Company does not hold any treasury shares in its portfolio.

j) Management and coordination activities (pursuant to Articles 2497, *et seq*. Civil Code)

On 12 December 2016, the Board of Directors deemed that the Company was no longer subject to management and coordination activities, as contemplated under arts. 2497, *et seq*. of the Civil Code, by International Retail Holding S.à.r.l. and decided to expressly declare this circumstance, also in fulfilment of the required disclosure formalities. In particular, on 12 December 2016, the Issuer's Board of Directors deemed that: (i) the main decisions relating to management of the Issuer's company are made within the Issuer's own bodies; (ii) the Issuer's Board of Directors is responsible, *inter alia*, for examining and approving the Issuer's strategic, industrial and financial plans and budgets, examining and approving the Issuer's financial and credit access policies, examining and approving the Issuer's organisational structure, assessing the adequacy of the organisational, administrative and accounting structure of the Company; (iii) the Issuer operates in full autonomy with respect to the management of relations with customers and suppliers without any interference from entities outside of the Issuer; (iv) International Retail Holding S.à.r.l. does not perform any centralized cash management function for the Issuer.

By virtue of a reverse merger transaction that took place during the financial year ending 28 February 2018, International Retail Holdings S.à.r.l. was merged by incorporation into Italian Electronics Holdings S.à.r.l.

Following the accelerated book building transaction carried out on 6 September 2017 by IEH and the demerger, the stake held by IEH in Unieuro decreased from 65.492% to 33.815%.

During financial year up to 28 February 2018, Italian Electronic Holdings S.r.l. moved its registered office to Luxembourg, assuming the status of a company incorporated under Luxembourg law and the new name of Italian Electronics Holdings S.à.r.l.

On 13 November 2019, IEH carried out a further accelerated book-building procedure, disposing of 16.25% of the Company's existing share capital to institutional investors. On 22 January 2020, IEH disposed of the remaining 17.6% of its capital to institutional investors, through an analogous accelerated book-building process, as a consequence ceasing to be a Company shareholder.

On 18 March 2021, the Board of Directors therefore asserted by resolution that the Company is not subject to any management or coordination pursuant to art. 2497 *et seq*. of the Civil Code.

* * *

The Issuer specifies that:

- the information required by art. 123 *bis*, first paragraph, letter i) TUF ("*agreements between the company and the directors (...) that provide for compensation in the event of resignation or dismissal without just cause or if the employment relationship ceases as a result of a public tender offer*") are described in the Report concerning the policy of remuneration and recompense drawn up pursuant to art. 123-*ter* TUF;
- the information required by art. 123-*bis*, first paragraph, letter l) TUF ("*the rules applicable to the appointment and replacement of directors and to amendments of the articles of association, if different from the applicable supplementary legislative and regulatory rules*") is described in the section of the Report dedicated to the Board of Directors (paragraph 4.1).

3. COMPLIANCE (pursuant to art. 123-*bis*, para. 2, letter a) TUF)

This Report has been prepared also taking into account the guidelines in the "Format for the report on corporate governance and proprietary shareholdings" developed by the Borsa Italiana (Edition VIII January 2019).

On 18 March 2021, the Board of Directors of Unieuro approved the adoption of the Corporate Governance Code - accessible to the public on the website of the above-mentioned Corporate Governance Committee at the page: https://www.borsaitaliana.it/borsaitaliana/regolamenti/corporategovernance/code2015.en.pdf - in force at the date of this Report and which became applicable commencing as of the first financial year starting after 31 December 2020 (in Unieuro's specific case, starting from 1 March 2021).

As specified in the Introduction, mindful that the Report refers to the year which ended on 28 February 2021, at which time the Self-Regulation Code - accessible to the public on the website of the Corporate Governance Committee at https://www.borsaitaliana.it/borsaitaliana/regolamenti/corporategovernance/corporategovernance.en.htm - was still in force - this Report provides details of the decisions taken by the Board of Directors of Unieuro in conformance with the recommendations of the Self-Regulation Code, as well as a description of certain corporate practices already in place in 2020 in compliance with the inspiring principles of the Corporate Governance Code as well as further actions implemented in the first months of the current 2021 financial period to align with the new code.

In this regard, it should also be noted that on 13 May 2021 the Board of Directors of the Company, at the time it approved this Report, also approved the Regulations governing the Sustainability Committee and aligned the Regulations of the Remuneration and Appointments Committee with the recommendations of the new Corporate Governance Code.

We further underline that, during the course of the 2021 financial period, the Company shall evaluate any further adjustments deemed appropriate to implement the provisions of the Corporate Governance Code.

The rules contained in the Articles of Association and in the specific Shareholders' Meeting Regulations are an integral part of, and complete, the Company's corporate governance system.

The Issuer is not subject to any non-Italian law provisions that affect the corporate governance structure.

4. BOARD OF DIRECTORS

4.1. Appointment and replacement of directors (pursuant to art. 123-bis, paragraph 1, letter l) TUF)

Pursuant to art. 12 of the Articles of Association, the management of Unieuro is conferred to a Board of Directors consisting of an odd number of members not less than 7 (seven) and not more than 15 (fifteen). The Shareholders' Meeting determines the number of Board members from time to time, prior to their appointment. Within the limits indicated above, the Shareholders' Meeting may increase the number of directors including during the term of office of the Board of Directors; the term of office of the additional directors thus appointed cease as per the term of those already in office. Directors remain in office for the term set by the shareholders' resolution appointing them, subject to a maximum of 3 (three) financial years. Directors are re-eligible for office.

The members of the Board of Directors must meet the requirements of professionalism and integrity provided for by the rules and regulations in force. A minimum number of Directors not less than that established by the regulation in force *pro tempore* should satisfy the requirements of independence established by the Self-Regulation Code, without prejudice to the fact that at least 2 (two) directors satisfying the requirements of independence established by the law and by the regulatory provisions and/or by the Self-Regulation Code of listed companies should be part of the Board of Directors ("**Independent Director**" or "**Independent Directors**"). A failure to fulfil such prerequisites shall cause the Independent Director to forfeit his/her office. A failure to fulfil the prerequisite of independence prescribed by art. 148, para. 3, TUF on the part of an Independent Director shall not cause him/her to forfeit the office to the extent that the prerequisites are in any event still met by the minimum number of Independent Directors who, according to the rules in force, must meet such requirement. Independent Directors are required to maintain independence for the duration of their term of office and in any event to inform the Board of Directors without delay as to any eventual intervening loss of the requirements of independence.

In accordance with the provisions of art. 147-*ter* TUF, the Articles of Association of the Company provide for the appointment of directors through the list-vote mechanism.

Art. 13 of the Articles of Association provides that both the Board of Directors in office as well as the shareholders who alone or acting together hold the percentage of share capital required by applicable laws or regulations from time to time (in the percentage of 4.5% in accordance with the Consob Management Deliberation No. 48 of 7 May 2021) are entitled to submit lists.

The lists are filed within the time limits provided for by the *pro tempore* rules in force as shall be indicated in the notice of meeting, at the registered office of the Company or otherwise by such remote means of communication as may be indicated in the notice of meeting.

The following shall be submitted together with the lists, it being specified that any changes as may occur prior to the actual date of the Shareholders' Meeting shall be promptly notified to the Company: (i) information as to the shareholders who have submitted the list and indication of the percentage of share capital held; (ii) a statement by shareholders other than those who hold, including jointly, either a controlling interest or a relative majority, attesting to the absence of any connected relationships with the latter, even if indirect, within the meaning of the *pro tempore* rules, including regulatory rules, in force; (iii) the candidates' *curriculum vitae* as well as a declaration by which each candidate attests, under his or her responsibility, that there are no grounds of ineligibility and conflict of interest, and confirms fulfilment of the prerequisites for their respective posts; (iv) indication of the management and control posts held in other companies and any indication of suitability for qualification as independent director in accordance with the rules in force and the codes of conduct relating to corporate governance that may eventually be adopted by the Company; (v) a statement by which each candidate accepts his or her own candidacy; (vi) any other further or differing statement, report and/or document as provided for by the *pro tempore* rules, including regulatory rules, in force.

Art. 14 of the Articles of Association provides that the candidates selected from the two lists that have obtained the highest number of votes shall be elected on the basis of the following criteria: (a) from the list that has obtained the highest number of votes ("*majority list*") all of the candidates, except one, are considered according to the progressive order as listed; (b) the remaining director will be considered from the list that obtained the second-highest number of votes at the shareholders' meeting ("*minority list*"), which shall not be connected in any way whatsoever, even indirectly, with those who submitted or voted for the list obtaining the highest number of votes.

In the event of a tie between two or more lists, the procedure envisaged by the Articles of Association at Article 14 paragraph 3) shall apply; in the case of unsuccessful outcome, the Shareholders' Meeting shall resolve by simple majority of those present.

If, at the end of the voting, a sufficient number of directors meeting the prerequisites of independence provided for by the rules, including regulatory rules, in force is not elected, then the director who fails to fulfil such requirements elected last in the progressive order from the list obtaining the highest number of votes shall be excluded and replaced by the next candidate fulfilling the prerequisites of independence taken from that same list as the excluded candidate.

Article 14 of the Articles of Association provides that if, after the vote and the application of the preceding paragraph, a gender balance is not achieved as provided for by the applicable legislation and regulations, the candidate from the most represented gender elected last in numerical order from the list with the highest number of votes will be excluded and replaced by the first unelected candidate in numerical order on the same list and from the under-represented gender.

If fewer candidates are elected on the lists submitted than there are directors to be elected, the remainder will be elected at the Shareholders' Meeting, which will ensure that the minimum number of Independent Directors is elected and that the gender balance required under applicable legislation and regulations is achieved.

If no lists are submitted, or if the directors are not appointed for any reason in accordance with the procedures established herein, the Shareholders' Meeting shall resolve by way of statutory majority, in compliance with any minimum allotment ratio between genders (male and female) provided by law and regulations.

The list-vote system only applies when the entire Board of Directors is being replaced. If the Board of Directors must, during the course of the financial year, proceed to replace one or more Directors, it shall appoint by co-option pursuant to art. 2386 of the Civil Code, ensuring compliance with the requirements of law and of the Articles of Association regarding the composition of the board.

It is noted that the Issuer is not subject to any further provisions regarding the composition of the Board of Directors in accordance with the rules provided for by the TUF.

It should be noted, for the sake of completeness, that the Shareholders' Meeting called for June 15, 2021 will be called to resolve on certain proposals for amendments to the Articles of Association concerning, essentially, the methods for electing the members of the Board of Directors and of the Chairman, aimed mainly at reflecting the evolution that has taken place in the structure of the Company's shareholding structure, following the acquisition by the same of the status of public company. For more information, please refer to the explanatory report prepared by the Board of Directors on the only item on the agenda of the extraordinary session.

Lastly, it should be noted that, in terms of gender balance, on 1 January 2020 the provisions of the Budget Law 2020 entered into force amending articles 147-*ter*, paragraph 1-*ter*, and 148 paragraph 1-*bis* TUF. In particular, as concerns the renewal of corporate bodies that occurs subsequent to 1 January 2020, this law has: (i) increased the percentage of body members that must be taken up by the under-represented gender from at least one third to at least two fifths; this applies to both the administrative body and the control body; and (ii) extended the period of validity of this new criteria (minimum two fifths) - from the previous three consecutive terms of holding office - to six consecutive terms of holding office.

In furtherance of the above-mentioned new regulations, the Shareholder's agreed on 12 June 2021 the amendments to the Articles of Association, namely art. 13.6 (election of the members of the Board of Directors) and art. 21.13 (election of the members of the Board of Statutory Auditors), bringing the wording of said articles in line with the laws and regulations in force from time to time on the subject of gender balance in the composition of the administrative and control bodies of listed companies, and thus deleting the reference to one third criterion which is no longer applicable. The new provisions in any case shall be applicable with effect as of the date upon which the corporate body is subject to renewal, which the Shareholders' Meeting of Unieuro shall be required to resolve on, and which - for both the Board of Directors and the Board of Statutory Auditors - shall be the date of approval of the financial statements as at 28 February 2022. Moreover, by way of resolution No. 21359 of 13 May 2020, Consob amended art. 144-undecies.1 of the Issuers' Regulation to provide that, if the application of the gender-division criterion does not result in a full number of members belonging to the under-represented gender on those corporate bodies made up of three members, then said number shall be rounded down to the lower unit (without prejudice to those other cases which provide for rounding up to the higher unit).

Succession plan

As of 2019, Unieuro appointed a first-class specialist consultancy firm to support the Company in determining the succession plan for the Executive Director concerning the reporting line and the development of profiles for successors as provided for in domestic and international best practices.

Such plan, structured as a modular scheme consisting of several phases, lead to an analysis during the course of the Financial Year of the business context and the specific characteristics pertaining to the role of Executive Director, so as to fix a reference profile for possible suitable candidates as well as to create a procedure for activation of said Plan. Analysis of the profiles of direct reports to the Executive Director shall be carried out subsequently.

4.2. Composition (pursuant to art. 123-bis, paragraph 2, letter d), d-bis), TUF)

The Board of Directors appointed on 18 June 2019 is made up of nine members. Its term in office shall expire upon approval of the financial statements as at 28 February 2022.

Bernd Erich Beetz, Catia Cesari, Monica Maria Luisa Micaela Montironi, Alessandra Stabilini, Marino Marin, Giancarlo Nicosanti Monterastelli, Gianpiero Lenza and Robert Frank Agostinelli were selected from the "majority" list presented by Monte Paschi Fiduciaria S.p.A. on behalf of IEH (voted by 59.55% of ordinary shares admitted to the vote), whereas Pietro Caliceti was selected from the "minority" list presented by institutional investors (voted by 26.80% of the ordinary shares admitted to vote).

Following the resignation of Robert Frank Agostinelli, Bernd Erich Beetz and Gianpiero Lenza, on 23 January 2020, the resulting lacunae in the Board of Directors of Unieuro was filled on 20 February 2020 by the appointment of Michele Bugliesi, Paola Elisabetta Galbiati and Stefano Meloni (who has held the office of Chairman of the Board of Directors since 24 February 2020). These appointments were confirmed at the Company Shareholders' Meeting convened on 12 June 2020 pursuant to and for the purposes of art. 2386 Civil Code.

As of the date of this Report, the composition of the Board of Directors is as shown in the following table.

Name and Surname	Office Held	Year of birth	Date of fi appointmer	In office since	In office until	List[8]	Exec/ Non Exec	Indep.[9]	Attendanc at the meetings	Nr. of othe positions[1	Assignme s in listed companie	CRC[13]		RAC[14]		SC[15]		RPC[16]	
												Attendance[1	[17]	Attendance [10	[17]	Attendanc [10	[17]	Attendanc [0	[17]
Stefano Meloni	Chairman of the Board of Directors	1949	06/02/2017	20/02/2020	2022financial statements approval	N/A	Non Exec	TUF CG	15/15 (100%)	4	-	-	-	-	-	-	-	-	-
Giancarlo Nicosanti Monterastelli	Chief Executive Officer	1959	29/01/1998	12/12/2016	2022financial statements approval	M	Exec	-	15/15 (100%)	2	-	-	-	-	-	-	-	-	-
Michele Bugliesi	Independent Director	1962	20/02/2020	20/02/2020	2022financial statements approval	N/A	Non Exec	TUF CA CG	15/15 (100%)	7	-	-	-	-	-	1/1 (100%)	x	-	-

[7] This column indicates the M/m depending on whether the member was elected from the list voted by the majority (M) or by the minority (m).

[8] This column indicates the Directors' satisfaction of the independence requirements as established by law, as referred to in the Company's Articles of Association ("TUF"), the Self-Regulation Code ("SRC") and, from 1 March 2021, the Code of Corporate Governance ("CGC").

[9] This column indicates the percentage of participation of the directors in the meetings of the BoD and of the members of the Committees in the meetings of the respective Committees (No. of attendance/No. of meetings held during the actual term of office of the person concerned in the reference year).

[10] This column indicates the number of positions of director or statutory auditor held on the date of the Report by the interested party in other companies compared to those held in UNIEURO. In brackets, if applicable, roles held in major entities are indicated (meaning "major entities": (i) companies with shares listed on regulated markets, including foreign markets; (ii) banks, insurance or financial companies, Italian or foreign, meaning financial companies relevant for the purposes of this guideline, financial intermediaries referred to in Article 106 of Legislative Decree no. 385 of 1993 (Consolidated Banking Law - TUB) and undertakings engaged in investment or collective saving management activities and services within the meaning of Legislative Decree No. 58 of 1998 (Consolidated Law on Finance - TUF). It is understood that, in the case of foreign companies, a substantial equivalence assessment must be carried out; (iii) other companies, Italian or foreign, with shares not listed on regulated markets and which, although operating in sectors other than those indicated in paragraph b above), have a net worth of more than 10 billion euro).

[11] This column indicates the number of positions of director or statutory auditor held on the date of the Report by the interested party in other listed companies compared to UNIEURO.

[13] In this column reference is made to the meetings of the Control and Risk Committee (CRC) held in the reference year

[14] In this column reference is made to the meetings of the Remuneration and Appointments Committee (RAC) held in the reference year.

[15] In this column reference is made to the meetings of the Sustainability Committee (SC) held in the reference year.

[16] In this column reference is made to the Transactions with Related Parties Committee (RPC) held in the reporting exercise.

[17] In this column it is indicated with an "X" the membership of the component of the Board of Directors in the Committee and with a "P" the position of President of the Committee.

Pietro Caliceti	Independent Director	1965	18/06/2019	18/06/2019	2022financial statements approval	m	Non Exec	TUF CA CG	15/15 (100%)	1	-	-	-	15/15 (100%)	x	-	-	6/6 (100%)	x
Catia Cesari	Independent Director	1967	18/06/2019	18/06/2019	2022financial statements approval	M	Non Esec	TUF CA CG	15/15 (100%)	1 (of which relevant)	1	-	-	15/15 (100%)	x	1/1 (100%)	P	-	-
Paola Elisabetta Galbiati	Independent Director	1958	20/02/2020	20/02/2020	2022financial statements approval	N/A	Non Esec	TUF CA CG	15/15 (100%)	3 (of which relevant)	2	6/6 (100%)	x	-	-	1/1 (100%)	x	-	-
Marino Marin	Independent Director	1968	06/02/2017	06/02/2017	2022financial statements approval	M	Non Esec	TUF CA CG	15/15 (100%)	2	-	6/6 (100%)	P	15/15 (100%)	P	-	-	6/6 (100%)	P
Monica Luisa Micaela Montironi	Independent Director	1969	18/06/2019	18/06/2019	2022financial statements approval	M	Non Esec	TUF CA CG	15/15 (100%)	-	-	6/6 (100%)	x	-	-	-	-	6/6 (100%)	x
Alessandra Stabilini	Non-executive Director	1970	18/06/2019	18/06/2019	2022financial statements approval	M	Non Esec	-	14/15 (93.33%)	7 (of which relevant)	4	-	-	-	-	-	-	-	-

Number of meetings held during the reference year:	**BOD: 15**	**CRC: 6**	**RAC: 15**	**SOST C: 1**	**RPCO: 6**
Indicate the *quorum* required for submission of lists by minority shareholders for the election of one or more members (per art. 147-*ter* TUF):		**4.5%** as established by the Consob's Management Deliberation No. **48** of **7 May** 2021			

Personal and professional characteristics of each director (Article 144-decies of the Consob Issuers' Regulations)

Below is a list of other offices held by the Directors at the date of this Report as well as a brief curriculum vitae for each of them illustrating their personal characteristics, competence and experience gained.

Name and Surname	Company	Corporate Office Held
Stefano Meloni	Melpart S.r.l.	Chairman of the Board of Directors
	Samso S.p.A.	Chairman of the Board of Directors
	Populonia Italica S.r.l.	Chairman of the Board of Directors
	Populonia Green Park Sabrl	Chairman of the Board of Directors
Giancarlo Nicosanti Monterastelli	GNM Investimenti	Sole Director
	PallacanestroForlì2.015	Chairman
Michele Bugliesi	Distretto Veneziano della ricerca e dell'innovazione	Chairman of the Board of Directors
	Fondazione di Venezia	Chairman of the Board of Directors
	SMACT Competence Center S.c.p.A	Member of the Supervisory Board
	Marsilio Editori S.p.A.	Director
	M9 District Srl	Chairman of the Board of Directors
	Fondazione M9	Chairman of the Board of Directors
	Scuola Internazionale Superiore di Studi Avanzati (SISSA)	Director
Pietro Caliceti	Custodia Valore S.p.A.	Director
Catia Cesari	Piquadro S.p.A.	Director
Paola Elisabetta Galbiati	Illimity BankIllimity Sgr	Director
	Arnoldo Mondadori Editore S.p.A.	Director
Marino Marin	Morrow Sodali Global LLC	Director
	MC Square Group of Companies	Chairman, CEO
Alessandra Stabilini	Librerie Feltrinelli S.r.l.	Director
	COIMA RES S.p.A.	Director
	Cerved S.p.A.	Director
	Brunello Cucinelli S.p.A.	Statutory Auditor
	Hitachi Rail STS S.p.A.	Statutory Auditor
	Aidexa S.p.A.	Director
	Illy Caffè S.p.A.	Statutory Auditor

STEFANO MELONI

Stefano Meloni graduated in Economics and Business from the Luigi Bocconi University of Milan, where he was also a professor of Extraordinary Finance. He started his career in Citibank N.A. in 1970, holding roles of ever-increasing responsibility both in Italy and abroad, becoming General Manager in Capital Markets and subsequently General Manager of Citibank's activities for Italy. Having created and managed the business and financial banking services for Eptaconsors, he was appointed General Manager of Banco di Sardegna and Montedison, as well as President and General Manager of the Eridania Bèghin-Say Group. In 2001 he founded Hedge Invest SGR of which he was President until 2010. From 2002 to 2004 he was part of the Ferrero Group in the role of Executive Vice President of Ferrero International Luxembourg and Executive Vice President of P. Ferrero & C. Alba. In 2004 he founded Valore Reale SGR of which he was President until 2013. Until 2007 he was Senior Advisor for Italy for CVC Capital Partners and up to 2014 President of GGP (formerly Castelgarden) and President of Sardex up to 2017. He is currently Senior Advisor to Early Bird, a Luxembourg Venture Capital fund for investments in Central Europe and Turkey. During his career he has been a member of the board of directors of important and prestigious Italian and international companies, many of which are listed corporations, including Edison, La Fondiaria Assicurazioni, Milano Assicurazioni, Burgo, Banca Mercantile, Bonifiche Ferraresi, Polynt, Barclays Private Equity, as well as Banque de France and the CMF (*Conseil des Marchés Financiers*). Finally, he has been a director of ABI and a member of technical commissions within this organisation. A former member of the board of directors of Unieuro S.p.A. from 2016 to 2019, Mr Meloni also currently chairs the Boards of Melpart S.r.l., SAMSO S.p.A., Populonia Italica S.r.l. and Populonia Green Park Sabrl.

GIANCARLO NICOSANTI MONTERASTELLI

Giancarlo Nicosanti Monterastelli has built his entire career within Unieuro S.p.A. and has been Chief Executive Officer since 2005. Having gained an accounting degree in 1982 he was hired as a member of the administrative staff in the retail sale and distribution of household appliances and consumer electronic goods in the company then known as Sgm Distribuzione S.r.l. In 1986, he moved into the commercial department in the role of Buyer, just four years later becoming Commercial Director. In 2005, in conjunction with the entry of the private equity operator Rhône as a shareholder, Mr Nicosanti Monterastelli was appointed chief executive officer and he guided the company through an intense expansion and development process leading to acquisition of the former UniEuro (2013), listing on the STAR segment of Borsa Italiana in April 2017, obtaining the market leadership position (2019) and the transformation into a public company (2020).

MICHELE BUGLIESI

Michele Bugliesi holds a degree in Information Science from the University of Pisa, a Master in Computer Science from Purdue University (United States) and a PhD in Computer Science from the Université Paris VII Didier-Diderot (France). Former rector and Chairman of the Board of Directors of the Ca 'Foscari University of Venice for the six-year period 2014-2020, he is an internationally recognized computer scientist, manager and passionate promoter of digital transformation. He began his academic career in 1991 as a researcher at Ca 'Foscari, becoming Associate Professor in 2000 and Full Professor of Computer Science. A winner of numerous academic awards and acknowledgements, in recent years Mr Bugliesi has acted as board member for various public and private bodies, including CISET, VEGA, SMACT, Fondazione CINI, Fondazione di Venezia and Fondazione Università Ca 'Foscari Venezia, of which he has been chairman since June 2020.

PIETRO CALICETI

Pietro Caliceti has practised as a lawyer since 1992. Admitted to represent clients before the Italian Supreme Court, he specialises in corporate and financial law with a particular focus on mergers and acquisitions. After collaborating with leading Italian law firms, he founded his own firm in 2002. Since 2015 Mr Caliceti has been a partner in the Milanese law firm Santa Maria. He has held positions as both director and statutory auditor in numerous companies, including listed Italian and foreign corporations. In addition to his role on the Board of Directors of Unieuro S.p.A., he currently sits on the board of Custody Valore S.p.A., an institution specialised in collateral backed finance. Mr Caliceti is author of numerous publications on legal matters. In 2016 he made his debut in fiction with the novel *The Last Customer*, which was followed in 2017 by BitGlobal, the first novel in the world focused on bitcoins.

CATIA CESARI

Catia Cesari graduated in Economics and Management from the University of Florence. Thanks to her robust experience gained in large multinational groups both in Italy and abroad, she has a strong specialisation in the generation and management of mergers and acquisitions, change management and sustainability. She is currently Managing Partner of Volta Circle Ltd. an investment company focused on the fashion, food and well-being sectors in the circular economy. Previously, she held senior positions in GE, GE Energy, Gucci, JAB Holding and primary private equity funds. Currently, Ms Cesari is also an independent Director on the Board of Directors as well as Chairman of the remuneration and appointments committee of Piquadro S.p.A.

PAOLA ELISABETTA GALBIATI

Paola Elisabetta Galbiati graduated in Business Administration from the Luigi Bocconi University of Milan, where she has been a professor of Corporate Finance since 1996. As of 1994 she has been a chartered accountant and statutory auditor in Milan. She practised her professional activity from 1982 to 2005 in Brugger & Associati (formerly Finlexis) as project manager and team leader (also taking on occasional temporary management roles - CEO in Dianos SpA from 2003 to 2005) and from 2005 to 2012 in AlixPartners as Independent Consultant. Ms Galbiati has previously held administration and control positions in numerous industrial companies including those on regulated markets, such positions including independent director of Fullsix S.p.A. (2013-2014), Silver Fir SGR (2016-2017), Servizi Italia S.p.A. (2012-2018), Teze Mechatronics (2013-2018) and standing auditor in Tamburi Investment Partners S.p.A. (2015-2018), independent director of Banca Popolare di Milano (2016), Banco BPM (2017-2020) and Banca Akros (2020). Currently, in addition to her role on the Board of Directors of Unieuro S.p.A., she sits on the board of Illimity Bank S.p.A. (since 2021) Arnaldo Mondatori Editore S.p.A (since 2021) Illimity Sgr (since 2020) and Dr. Ambrosoli Memorial Hospital Foundation (since 2010).

MARINO MARIN

Marino Marin gained a degree in Business Economics from the Luigi Bocconi University of Milan and a degree Business Administration from University ESADE Barcelona. He started his career at Mediobanca, where he was a member of the Financial Services department and then worked for more than twenty-five years in the Investment Banking and Principal Investments sectors. During his career he has provided corporate consulting on numerous international mergers and acquisition operations, having worked for UBS Warburg, Lehman Brothers, Rothschild and Lane Berry Inc. in the United States in the role of managing director. Mr Marin was also responsible for the creation of the Mergers and Acquisitions Department of UniCredit Banca Mobiliare S.p.A. in Italy. Mr Marin is the founder and current CEO of MC Square and has held office as Chief Executive Officer and General Manager of 1055 Partners LLC and Managing Director of Silverfern Inc., which are all United States-based co-investment platforms. In addition to his role on the Unieuro Board of Directors, Mr Marin is currently a Director of Morrow Sodali Global LLC.

MONICA LUISA MICAELA MONTIRONI

Monica Luisa Micaela Montironi graduated in law from the University of Milan and gained an LL.M. in Economics and Business Law from the University of Carlo Cattaneo - LIUC of Castellanza (Varese). She was admitted to the Milan Bar Association in 2000. Thanks to her significant experience gained in leading national law firms, Ms

Montironi specialises in mergers and acquisitions and corporate and commercial law. She is currently a Partner in Poggi & Associati law firm of which she founded the Milan office. In the past she has collaborated with various entities including NCTM law firm and Accenture S.p.A.

ALESSANDRA STABILINI

Alessandra Stabilini graduated in law from the University of Milan and is admitted to the Milan Bar Association. Specialised in corporate law - with a focus on listed companies - of financial markets, banking regulation, corporate governance, banks in crisis and financial intermediaries, she has twenty years of professional and academic experience. Ms Stabilini is currently equity partner of Nctm law firm and associate professor of Corporate Governance and Corporate Social Responsibility at the University of Milan. She also holds offices as independent director of COIMA RES S.p.A. SIIQ, Cerved Group S.p.A. and Aidexa S.p.A., and is Statutory Auditor of Brunello Cucinelli S.p.A. Hitachi Rail STS S.p.A. and Illy Caffè S.p.A.

Criteria and diversity policy

On 18 March 2021, following a preliminary analysis on the part of the Remuneration and Appointments Committee, the Board of Directors assessed the opportunity to proceed with the adoption of a specific diversity policy.

More specifically, the Board of Directors having noted during the above-mentioned Board meeting:

- that the adjustment of the Articles of Association in line with Law of 27 December 2019, No. 160 ("**Budget Law 2020**"), setting forth provisions on gender quotas in the administrative and control bodies of listed companies, occurred at the Shareholders' Meeting of 16 June 2020;
- the substantial uniformity of the provisions concerning diversity in the Self-Regulation Code - to which the Company was already aligned - and the Corporate Governance Code;

decided not to adopt any specific policy, given that the set of regulatory provisions and regulations, including the provisions of the Self-Regulation Code and Corporate Governance Code, concerning the composition of the administrative, management and control bodies of the Company, allow for the adequate composition regarding aspects such as gender, age, experience, professional and personal characteristics.

The Board of Directors also took note that, on occasion of the renewal of the Board of Directors due to take place during the financial period 2022/2023, it will be necessary that the management body prepare guidelines also with reference to diversity criteria pursuant to the Corporate Governance Code.

In any case, it should be noted that the Board of Directors is currently made up of 5 members belonging to the most represented gender and 4 members belonging to the under-represented gender.

Maximum number of offices held in other companies

The Board of Directors, having considered that:

- in accordance with the provisions of the Self-Regulation Code for Listed Companies, each member of the Board of Directors is required to deliberate with knowledge of the facts and in autonomy, pursuing the objective of creating value for the Shareholders over a medium to long-term horizon, and undertakes to devote to the post held in the Company the time needed to ensure diligent performance of his/her duties, regardless of the positions held outside Unieuro Group with full awareness of the responsibilities inherent to the office held;

- to this end, prior to accepting office at the Company and notwithstanding the limitations established by the provisions of law and regulations regarding the accumulation of posts, each candidate for the position of Director must carry out an assessment of his/her ability to perform the tasks so assigned with due attention and effectiveness, taking into account, in particular, the overall commitment required by those posts held outside of the Unieuro Group

deemed it unnecessary to express any stance with regard to the maximum number of administrative posts held by board members in other companies, considering it more appropriate that a check be conducted from time to time, as to the overall number of actually offices held.

Without prejudice to that stated above, on April 14 2020 the Board of Directors issued its guidance regarding the maximum number of administration and control offices deemed compatible with effective performance of the office of executive director or member of one or more Company internal board Committees ("**Guidance**"), as illustrated below.

- Executive Directors of Unieuro, being those Directors holding positions on any of the Company's intra-board committees - may accept and retain the office provided that they believe they can devote the necessary time to ensure the effective performance of their duties. Such evaluation shall take into account both the number and nature of the positions held in the administration and control bodies of the Relevant Companies (as defined below) and the commitment required of them to carry out their further professional activities and corporate offices.
- The companies considered as relevant for the purpose of the calculation of the accumulation of positions held in them are:
  a) Italian or overseas companies with shares listed on regulated markets;
  b) Italian or overseas companies which prevalently operate in the insurance, banking, securities brokerage, asset management or financial sectors;

  collectively, "**Relevant Companies**".
- The guidance approved by the Board provides for the following:
  a) **those persons holding the role of executive Director** of Unieuro may hold up to a maximum of three positions as Director or Standing Auditor in Relevant Companies, in addition to the position held in Unieuro;
  b) **Unieuro Directors who are members of the Unieuro intra-board committees** may hold up to a maximum of five positions as Director or Statutory Auditor in Relevant Companies, in addition to the position held in Unieuro.
- For the purposes of counting the offices indicated above, any offices held in non-profit entities or companies directly and/or indirectly controlled by or associated with Unieuro are not taken into account.
- The Directors are required to provide the Board of Directors an annual update stating the administrative and/or control positions held. The Directors shall promptly inform the Board of Directors in the event the roles held by them exceed the limits indicated.

- Should the number of offices actually held exceed the limits set out above, the Board of Directors of Unieuro shall evaluate the situation from the viewpoint of the Company interests and may agree to exemptions (including temporary exemptions), giving reasons therefor.

On 15 April 2021 following a preliminary analysis on the part of the Remuneration and Appointments Committee, the Board of Directors verified that each Director who is a member of a Committee as well as the Chief Executive Officer is conformant with the Guidance.

Induction Programme

The CEO has ensured that the directors are able to participate, after their appointment and during their term of office, in the most appropriate manner, in initiatives aimed at providing them with an adequate knowledge of the business sector in which the Issuer operates, of the business dynamics and their evolution, of the principles of proper risk management and of the reference framework of rules and self-regulation (Application Criterion 2.C.2.).

As a result of the various regulatory changes affecting listed companies and the nature of Unieuro as a public company, the Board of Directors carried out a detailed updating and induction activity on: The Corporate Governance Code; the regulations on remuneration and transactions with related parties; privacy and cybersecurity issues; adjustment of the 231 Model.

4.3. Role of the Board of Directors (pursuant to art. 123-*bis*, paragraph 2, letter d) TUF)

Pursuant to the rules in force for companies with shares listed on regulated markets and in accordance with the recommendations of the Self-Regulation Code, the Board of Directors plays a central role in the Company's governance system, including in particular, determining how to pursue the strategic objectives of the Company and verifying the existence of the controls necessary for monitoring the performance of the Company itself.

In accordance with art. 16 of the Articles of Association, the Board of Directors is vested with all powers for the ordinary and extraordinary management of the Issuer. The Board of Directors is also responsible for adopting resolutions concerning: (i) mergers in the cases envisaged by articles 2505 and 2505-*bis* Civil Code according to the terms and conditions described therein; (ii) the opening and closing of secondary offices; (iii) the designation of the directors duly authorised to represent the company; (iv) a reduction in the share capital in the event of withdrawal of a shareholder; (v) amendments to the Articles of Association to comply with laws and regulations; and (vi) the relocation of the registered office within Italy.

Pursuant to the Self-Regulation Code, the Board is entrusted with the tasks of:

- examination and approval of the Issuer's strategic, industrial and financial plans as well as the periodic monitoring of their implementation;
- examination and approval of the strategic, industrial and financial plans of the group of which the Issuer is the head company, as well as the periodic monitoring of their implementation;
- definition of the corporate governance system of the Issuer;
- definition of the group structure of which Issuer is head company.

Pursuant to art. 18 Articles of Association, the Board of Directors shall meet at the Company registered office or at any other place as shall be indicated in the notice of meeting provided that such place is within Italy whenever the Chairman deems such meeting to be necessary, or by the vice chairman should the former be absent or prevented from calling a meeting.

The Board of Directors shall also meet where requested in writing by at least 3 (three) of its members (if the Board has seven 7 (seven) or 9 (nine) members) or by at least 4 (four) of its members (if the Board has 11 (eleven) to 15 (fifteen) members), to resolve on any specific management issue they deem of particular importance; this issue shall be mentioned in the notice of meeting.

For the purpose of providing appropriate further details regarding the items for discussion on the agenda, invitations to attend board meetings held during Financial Period were given to several senior staff of the Issuer in charge of pertinent corporate functions as well as several outside consultants. This enabled said board meetings to be used also as opportunities for the Directors to obtain adequate information with regard to the management of the Company.

More specifically, the Legal Director is an established participant in the meetings of the Board of Directors and he or she describes the topics pertinent to his or her function in relation to the matters on the agenda for the Board of Directors. The CFO and the Manager responsible for the preparation of the company's accounting documents also participate in most meetings of the Board of Directors, as does the Internal Audit Manager or the Company's Managers from time to time depending on the matters on the agenda, to describe specific topics connected with its business.

In accordance with art. 18 of the Articles of Association, the Board of Directors' meeting is quorate if the majority of its members are present. Meetings of the Board of Directors may also take place by videoconference or conference call, provided that each participant can be identified by all the others and that each participant is able to participate in the discussion of business in real time, as well as to send, receive and view documents. Provided these conditions are met, the meeting is deemed to be held at the venue from which the Chairman and Secretary take part.

The Board of Directors passes resolutions with the favourable vote of the absolute majority of board members present.

The Board of Directors meets regularly: During Financial Period it met 15 times (with meetings lasting an average of around 2.4 hours each) and attendance stood at around 99% for directors and 100% for Independent Directors. During current financial period, at least 10 meetings are scheduled (6 of which have already been held as of the date of this Report).

Furthermore, as a general rule, the appropriate documentation in support of proposals and the information necessary to enable the directors to knowledgeably express themselves on the matters discussed is made available to the directors at least five days before the board meeting date. Where, in specific cases, it is not possible to provide the necessary information within the timescale referred to above, the Chairman shall ensure that adequate more thorough knowledge is imparted during the board meeting. With regard to Financial Period, and as of the date of this Report, the directors and the Statutory Auditors have been provided supporting documentation in relation to the matters under discussion, particularly the resolution envisioned, in sufficient advance time, save for those particular issues in relation to which adequate and timely further in-depth information is generally obtained as a matter of course during the work of the board.

The Board of Directors has assessed management overall performance, particularly considering the information received from the bodies with delegated powers, and has periodically compared the results obtained against those foreseen (Application Criterion 1.C.1., letter e).

In the board meeting which took place on 13 May 2021 the Board, having considered the opinion of the Control and Risk Committee and of the Remuneration and Appointments Committee, evaluated the adequacy of the Issuer's organizational, administrative and accounting structure as set up by the Chief Executive Officer, with particular reference to the internal control and risk management system (Application Criterion 1.C.1., letter c). As of this Report date, the Board has not established any general criteria for identifying transactions that have a significant strategic, economic, capital or financial impact on the Issuer itself. All transactions beyond the remit of the powers conferred upon the Executive Director are subject to approval by the Board of Directors.

The Shareholders' Meeting has not, in a general and pre-emptive manner, authorised any exemptions from the prohibition against competition provided for by art. 2390 of the Civil Code.

Moreover, in accordance with the provisions of the Consob Related Parties Regulation, the Company currently has a Related Party Transactions Management Procedure (as further described in Section 11 below), which provides for a specific procedure for implementing More Significant Transactions as well as Less Significant Transactions (as defined in the Procedure in accordance with the provisions of the Consob Related Parties Regulation), establishing, *inter alia*, that approval of the former is reserved to the Board of Directors of the Company, without prejudice to the matters for which the Shareholders' Meeting is responsible by law.

Please note that, in compliance with the Corporate Governance Code recommendations, the Company shall, during the financial period year 2021/2022, move to approve internal regulations to govern the functioning of the Board of Directors.

Board Evaluation

The Board of Directors assessed the operation of the said Board and its Committees, as well as their size and composition, also taking into account elements such as professional characteristics, experience, including managerial experience, the gender of members, their seniority in office, diversity criteria, as required by Application Criterion 1.C.1., letter g of the Self-Regulation Code.

For such assessment relating to the current Financial Period, the Company availed itself of the support of the consulting firm Management Search which assisted the Company in preparing the questionnaires to be sent to the members of the Board. Upon assigning the task to the aforementioned consultancy company, the Company asked Korn Ferry to take into account in the course of its activities, the recommendations set forth in the Letter of the Corporate Governance Committee dated 22 December 2020. The self-assessment process was carried out by way of individual interviews with the consultant so appointed, on the basis of a questionnaire prepared by said consultant which was reviewed and agreed on in advance by the Remuneration and Appointments Committee. The questionnaire was submitted and completed by the directors prior to the relative interviews, and includes comments or suggestions for any improvements deemed appropriate with regard to the composition and functioning of the Board and the committees established by these bodies.

All analyses and comments were processed by the consultant on an anonymous and confidential basis which does not identify the author, so as to facilitate freedom of expression on the part of each director, free from any constraints that could arise in another context, for example, during board meetings. At the end of the process, a summary document containing the results of the assessments expressed by the individual directors, was furnished to the Remuneration and Appointments Committee and the Board of Directors on 8 April 2021 and on 15 April 2021 respectively.

The results of the board evaluation show a positive assessment made by the directors with regard to the size, numerical composition, combination of age, gender and experiences and professional and personal characteristics of the members of the Board of Directors. Overall, the directors considered that the Board has carried out an adequate activity during the reference period, having addressed the relevant business and financial topics, relying on a good mix of internal skills and on the spirit of duty of its members united by commitment and a sense of responsibility. The strengths of the current Board of Directors have been identified as:

- its broad level of involvement and commitment;
- the breadth of its debates and its ability to make further investigations;
- the timeliness of decision-making and reactivity to emergencies;
- its support furnished to management in a new socio-economic context, such as that imposed by the pandemic;
- constant commitment to the improvement of operating and governance processes.

Whilst the overall positive opinion given by the directors in the annual self-assessment report is underlined, for the purpose of improving the functioning of the Board of Directors and the Committees it has established, it has been suggested that the timing for making pre-meeting information available be brought forward to allow the Directors more time to prepare for the meetings and make the work of the Board more efficient. The majority of Directors also opined that those topics for improvement that emerged from the outcomes of the previous board evaluation were taken into due consideration during the past year.

As a concluding part of the board evaluation activity, the consultant conducted an analysis on how the evaluation process followed by the Company compares with that carried out by companies that constitute the reference benchmark. A comparative analysis was also carried out on boards of directors of sample companies in relation to various aspects such as: size, composition, mix of Director professional competencies.

In particular, this benchmarking activity looked at the following areas:

- the composition of the Board in terms of number, diversity, average age and professional activity of its Directors;
- the operativity of the Board and of the intra-board Board Committees
- the frequency of Board evaluations
- the manner of carrying out and methodology used for Board evaluations
- the disclosure levels for the results of the Board evaluation contained in the Corporate Governance report
- the corporate bodies subject of the assessment
- the specific areas subject to the assessment that were indicated in the Corporate Governance report

The benchmark reference was eight Italian listed companies comparable to Unieuro on the basis of the following characteristics: (i) membership in the STAR segment; (ii) company size; (iii) broadest possible shareholdings (iv) market dynamism. The comparison concluded that Unieuro operates in compliance with best governance practices.

4.4. Delegated bodies

Chief Executive Officer

Pursuant to art. 20 of the Articles of Association, the Board of Directors may delegate, within the limits of art. 2381 Civil Code, certain of its powers to one or more of its members, establishing their powers and, after consulting the Board of Statutory Auditors, the related remuneration. The Board of Directors may also require an executive committee to be appointed, composed of some of its members.

On 26 June 2019, the Board of Directors conferred the powers and duties of the Chief Executive Office upon Director Giancarlo Nicosanti Monterastelli. Said powers were amended by the Board of Directors on 15 April 2021 in order to render them consistent with the new organizational structure of Unieuro S.p.A.
As at the date of this Report, the powers and delegated duties attributed to the Chief Executive Officer are:

A. (contracts) the power to make, implement, enter into, negotiate, conclude, sign, finalise, modify and terminate: (a) leases involving businesses or lines of business (including so-called ”shop in shop” set ups, lease agreements involving real estate, (i) by individual signature for total amounts not exceeding the maximum limit of €1,000,000 (one million) per single item , meaning the amount of rental agreed (including expenses) for each individual year of the term of the actual lease (if the rental increases the total amount is upwardly adjusted; if the rental is a percentage of revenues then the amount is calculated with reference to the store business plan, and (ii) this power of signature does not cover individual transactions over this 1 million limit (or items within in a single transaction which are each below the specific limit, however which in aggregate exceed this specific limit; this latter concerns those items which are between the same parties and concern the same subject matter so, as such, are deemed to be a segment of the same overall transaction), for which the Board of Directors remains exclusively and collectively responsible; (b) contracts relating to the provision of services, consultancy (legal, tax, technical, etc.), marketing, IT systems, telephone systems, call centre and customer care (i) by single signature where they involve commitments for the Company for total amounts not above the maximum limit of €2,000,000 (two million) per individual item and therefore (ii) this power of signature does not cover individual transactions over this 2 million limit (or items within in a single transaction which are each below the specific limit, however which in aggregate exceed this specific limit; this latter concerns those items which are between the same parties and concern the same subject matter so, as such, are deemed to be a segment of the same overall transaction), for which the Board of Directors remains exclusively and collectively responsible; (c) advertising and promotion contracts (including the acceptance of regulations for prize-awarding competitions as set out in paragraph 3 of art. 10 of DPR 430/2001), (i) with single and separate signatures where they involve commitments for the Company for overall amounts not above the maximum limit of €10,000,000 (ten million) per single item and (ii) this power of signature does not cover individual transactions over this 10 million limit (or items within in a single transaction which are each below this specific limit, however which in aggregate exceed this specific limit; this latter concerns those items which are between the same parties and concern the same subject matter so, as such, are deemed to be a segment of the same overall transaction) per individual document and sponsorship agreements which tie the image of the Company to a testimonial, for which the Board of Directors remains exclusively and collectively responsible; (d) all risks insurance contracts, (i) by single signature where they involve commitments for the Company for overall amounts not above the maximum limit of €2,000,000 (two million) per single item and (ii) this power of signature does not cover individual transactions over this 2 million limit (or items within in a single transaction which are each below the specific limit, however which in aggregate exceed this specific limit; this latter concerns those items which are between the same parties and concern the same subject matter so, as such, are deemed to be a segment of the same overall transaction), for which the Board of Directors remains exclusively and collectively responsible; (e) tender contracts involving, by way of example, building works and plant facilities at sales outlets or the head office, as well as involving routine and extraordinary maintenance of Company real estate assets and real estate-related in general (such as, by way of example only, leases, bailment agreements, other) held by the Company (i) by single signature where they involve commitments for the Company for overall amounts not above the maximum limit of €1,000,000 (one million) per single item and (ii) this power of signature does not cover individual transactions over this 1 million limit (or items within in a single transaction which are each below the specific limit, however which in aggregate exceed this specific limit; this latter concerns those items which are between the same parties and concern the same subject matter so, as such, are deemed to be a segment of the same overall transaction) for which the Board of Directors remains exclusively and collectively responsible; (f) contracts for the supply of energy by single signature, without any limit on the value; (g) franchise agreements with the granting of licences to use the brand/logo, owned by the Company, corresponding to either the Unieuro or Unieuro City brand/format by single signature, with no limit on the amount; (h) framework agreements with suppliers concerning the purchase of goods destined for sale within the scope of ordinary activities, by single signature, with no limit on the amount; (i) purchase, sales or exchange contracts concerning movable assets destined for sale, by single signature, with no limit on the amount; (l) tender contracts for logistics services (by way of example only and not by way of exhaustive list, porterage, transportation, etc.)by single signature, with no limit on the amount; (m) purchase, sales or exchange contracts concerning movable assets (other than those mentioned above), including equipment for Company plant, office furniture, raw materials, motor vehicles, cars and every other type of movable asset whether or not such asset is required to be registered, (i) by single signature for total amounts not above the maximum limit of €2,000,000 (two million) per single item (as regards lease agreements, this means the sum of the rentals agreed for the entire effective duration of the lease), and therefore (ii) this power of signature does not cover individual transactions over this 2 million limit (or items within in a single transaction which are each below the specific limit, however which in aggregate exceed this specific limit; this latter concerns those items which are between the same parties and concern the same subject matter so, as such, are deemed to be a segment of the same overall transaction) for which the Board of Directors remains exclusively and collectively responsible; (n) out of court settlement agreements concerning trade receivables and/or payables disputes (i) by single signatures for total amounts not greater than the maximum limit of €500,000 (five hundred thousand) per single item, and (ii) excluding those trade receivables and/or payables disputes where the value of the claim exceeds €500,000 (five hundred thousand) per single item (or settlement agreements which are each below this specific limit, however which in aggregate exceed this specific limit; this latter concerns those settlement agreements which are between the same parties and concern the same subject matter so, as such, are deemed to be a segment of the same overall transaction), for which the Board of Directors remains exclusively and collectively responsible;

B. (finance) power to carry out any debit or credit transaction in Italy or abroad, with Banks, Financial Institutions and Postal Administrations in domestic or foreign currency, and in particular the power to: (a) negotiate, enter into, amend, terminate and settle: credit agreements, mortgage secured and unsecured loans, financing with authorised parties (i) by single signature provided the amount of the single transaction does not exceed the maximum amount of €15,000,000 (fifteen million), and therefore (ii) this power of signature does not cover transactions above this Euro 15 million limit (or items which are each below the specific limit, however which in aggregate exceed this specific limit; this latter concerns those items which are between the same parties and concern the same subject matter so, as such, are deemed to be a segment of the same overall transaction) for which the Board of Directors remain collectively responsible; (b) use all lines of credit granted to the Company, within the maximum agreed limit (by way of example, but not by way of exhaustive list, revolving lines of credit, facilities, etc.) without a limit on the amount of the individual transaction, with single signature; (c) negotiate, enter into, amend, settle, terminate finance lease agreements, with single signature, provided that the amount of the individual transaction does not exceed the sum of €2,000,000 (two million) and therefore (ii) this power of signature does not cover individual transactions above this Euros two million limit (or items which are each below this specific limit, however which in aggregate exceed this specific limit; this latter concerns those items which are between the same parties and concern the same subject matter so, as such, are deemed to be a segment of the same overall transaction) which remain the exclusive and collective responsibility of the Board of Directors; (d) negotiate, enter into, amend, settle factoring agreements and, generally, for credit assignment, whether transfer or acquisition thereof, by single signature up to the maximum amount of €10,000,000 (ten million) and, therefore, excluding single transactions more than €10,000,000 (ten million) in total (or items which are each below this specific limit, however which in aggregate exceed this specific limit; this latter concerns those items which are between the same parties and concern the same subject matter so, as such, are deemed to be a segment of the same overall transaction; (e) negotiate, enter into , amend, settle, terminate contracts relating to consumer credit, with single signatures with no limit on the amount; (f) receive, collect and use in the ascribed manner, cheques, wire transfers, letters of credit, and any other collection and/or payment instrument, whether in Italy or abroad, including the signature of non-transferable current account cheques and the endorsement for cashing current account cheques, money orders and any other negotiable instrument in favour of the Company, with the right to issue a receipt for full and final acceptance of the balance for all sums pertaining to the Company that are paid or accredited on whatever grounds, by single signatures; (g) apply to credit and insurance institutes for the issuance of guarantees surety bonds to guarantee fulfilment of the Company's obligations, by single signature for total amounts not exceeding the maximum sum of €1,000,000 (one million) per single item (or items which are each below this specific limit, however which in aggregate exceed this specific limit; this latter concerns those items which are between the same parties and concern the same subject matter so, as such, are deemed to be a segment of the same overall transaction); (h) issue guarantees or letters of patronage in the interest of other group companies (i) by single signature for total amounts not exceeding the maximum limit of

€1,000,000 (one million) per single document, and therefore (ii) this power of signature does not cover transactions above this Euro 1 million limit (or items which are each below the specific limit, however which in aggregate exceed this specific limit; this latter concerns those items which are between the same parties and concern the same subject matter so, as such, are deemed to be a segment of the same overall transaction) for which the Board of Directors remains exclusively and collectively responsible; (i) open, use, close (agreeing the relative terms and conditions) deposits on current accounts at banks, financial institutions and postal administrations, both in Italian and foreign currency, if necessary, designating the persons (also from employees or para-subordinate contractors pursuant to art. 409, no. 3 of the Code of Civil Procedure, and excluding agents and commercial representatives of the Company and other Unieuro group companies) who are permitted to operate on these accounts, conferring upon them the necessary powers to carry out deposit and withdrawal transactions within available limits previously agreed – with single signature; (l) enter into service agreements for the management of electronic money, transport of currency and all other matters to ensure the correct management of store takings, with single signatures, with no limit on the value; (m) represent the Company, before any financial administration office, administrative or tax commission at any level, in all procedures, including assessment and judicial proceedings at any level and before any venue, relating to duties, tax and contributions of any kind, with the right to endorse, present and discuss declarations, appeals, claims, briefs, applications and opposition documents before the competent authorities and commissions, including central commissions, as well as agree, reconcile and settle, demand and collect repayments of duties, taxes, charges and contributions, with single signature. To represent the Company in administrative and judicial proceedings with the power to bring court action before any level of court and before any venue, including the Italian supreme court of Cassation, to bring actions before any other authority, whether of an administrative or tax nature, by any process whatsoever, to defend against the actions and any act of the Finance Administration and against any applications brought against the Company and to appoint for such purpose attorneys-at-law, registered and chartered accountants, attorneys-in-fact and experts;

C. (staff) with regard to the staff of the Company, and for the carrying out of Company business, except as otherwise provided for below, the powers - in relation to operations of any amount to: (a) negotiate and enter into collaboration and contractor agreements for the supply of labour with authorized Employment Agencies, or contracts with autonomous labour resources (including job contracts, coordinated and continuous outside contractor agreements and/or project contract work and quasi-subordinate work contracts pursuant to art. 409, point 3), of the Code of Civil Procedure); (b) negotiate and enter into contracts with agents, dealers and commission agents and representatives for sales, with or without goods' storage facilities, whether in Italy or abroad; (c) negotiate and enter into contracts for the hiring of employees; (d) negotiate and determine the conditions and modalities of the employment relationship (also amending any such agreement in force), including remuneration policies and promotions; (e) adopt disciplinary measures; (f) terminate the labour and contractor relationships with the Company referred to above; (g) represent the Company before any appropriate labour and social security Authority, both with regard to independent personnel as well as employees, as well as before any Entity and/or Institutions provided for by law (such as, by way of example but not by way of exhaustive list, INPS, INAIL, pension and supplementary healthcare funds, Enasarco, the Labour Centre, the Labour Inspectorate, the Ministry of Labour, and the Territorial Labour Administration) as well as before any appropriate territorial labour office or body, with respect to the management of staff and the completion of the processes inherent thereto (including, by way of example and by way of exhaustive list, notification of hiring and firing, apprenticeship agreements, apprenticeship projects, opening new INAIL-INPS positions, reporting of accidents and of disabilities), with the power for such purpose to freely agree on any covenant or condition that he or she deems necessary for the performance of the tasks entrusted to her/him; (h) sign off the tax and social security certification relating to contributions and remuneration as well as prepare, sign and submit forms for the payment of social security contributions and taxes; (i) sign settlement agreements relating to the labour relationship of employees and quasi-subordinate workers pursuant to art. 409, point 3), of the Code of Civil Procedure, for the Company, without any limit on the amount thereof; (l) file appearances in court and in any extrajudicial venue in any dispute relating to labour, pensions or social security with the fullest powers to reach settlement; (m) sign labour union agreements; (n) appoint, retain and remove attorneys-at-law, attorneys-in-fact and counsel, manage the enforcement of judgements and do whatever else is necessary and appropriate without exclusion or exception; (o) sign and submit to the appropriate offices and authorities, applications for financial facilities, facilitated financing grants, as well as funds, contributions or incentives provided for by EU, domestic or regional rules for the training and updating of personnel, providing all relevant information at the fact-finding level for the individual applications and signing off any communication or document relating to the management and progress of the investment programmes, including communications relating to the final accounting of investment programmes; (p) with the exclusion of the negotiation, adoption, termination and modification of contracts and of disciplinary sanctions of (i) managers with strategic responsibilities of the Company (“**Managers with Strategic Responsibilities**”) as defined under legislation in force (IAS 24 paragraph 9 and Consob Regulation No.17221 of 12.03.2010 as updated from time to time), for which powers the Board of Directors retains exclusive collective responsibility; (ii) executives, other than Managers with Strategic Responsibilities, having gross annual salary equal to or greater than Euro 150,000.00 (one hundred and fifty thousand), for which the joint signature with the General Manager is required.

D. (fiscal, tax and social security compliance) the power to manage and put in place all necessary activities in order to comply with the provisions of the various laws, regulations and administrative rules on fiscal, tax and social security matters, with the power to prepare and sign any pertinent record and declaration required by law;

E. (Italian Antitrust Authority) the power to manage and put in place all necessary activities in order to comply with the provisions of the various laws and regulations to ensure protection against infringement of competition law, with powers to prepare and sign any pertinent record and declaration;

F. (workplace safety) considering the type and structure of the current corporate organisation and, for the purposes of ensuring an ever more efficient and strict compliance with the legal occupational health and safety obligations, to identify the CEO, Giancarlo Monterastelli Nicosanti -considering his position on the corporate organizational chart and based on both his own experience and professional background - as the person most appropriate for assuming the tasks inherent to the role of employment provider as defined by art. 2, para. 1, letter b), of Legislative Decree no. 81 of 9 April 2008 as amended (the "**Consolidated Act**") for all areas of business activity and those relative to the workplace as well as those workplace appurtenances for which the Company has legal title to disposal of (the "**Employment Provider**"), granting to him/her all necessary powers of decision-making and expenditure for all aspects relating to the health and safety of employees, meaning that the above-mentioned Employment Provider may, at his discretion, dispose of property of the Company with no limitation on such power, insofar as he/she deems it necessary to guarantee the best possible conditions of safety and health for employees; as Employment Provider, he/she shall also have, among other things, the power to represent the Company in matters of social security and workplace personal injury prevention before all appropriate bodies, including supervisory bodies and judicial authorities, as well as in relation to employees and their representatives, suppliers, outside contractors and other contractors working in cooperation with the Company, in general. Notwithstanding the foregoing, the powers of the Employment Provider to delegate certain of his functions within the limits and under the conditions set forth in arts. 16 and 17 of the Consolidated Act, remains unaffected. Therefore, the Chief Executive Officer is conferred all powers relating to the handling and adoption of all necessary safety measures, providing for all appropriate personal injury and fires prevention activities as well as those relating to occupational health and safety and mandatory insurance with the power to make all payments necessary for that purpose and availing of consultants and entering into contracts with them with no limit on expense, by single signature; In particular but not by way of limitation, the CEO is conferred the powers to organise and coordinate the functions of company safety, fire prevention, accident prevention, and occupational health and safety, and he/she is permitted to delegate or sub-delegate the apposite powers to employees and contractors by means of the notarised powers of attorney and, in any event in compliance with the provisions referred to in the Consolidated Act. By way of example, the following are included in the powers conferred to the CEO: (i) ensure company compliance with the with the legislation protecting the occupational health and safety of workers, including compliance with the provisions of the Consolidated Act; (ii) updating staff on the legislation and on proper use of facilities, machinery and tools, and to supervise the effectiveness of facilities and the conduct of employees, also in the light of the provisions of the Consolidated Act, with the aim of protecting the workers themselves from risks including those arising from exposure to chemical, physical and biological agents; (iii) to supervise all tasks necessary to ensure compliance with accident prevention rules in general and against occupational illnesses within the company, including those provided for under mandatory insurance of personal injury in the workplace and occupational illnesses pursuant to Presidential Decree no. 1124 of 30/6/1965 and subsequent amendments.

G. (environmental protection) all powers regarding environmental protection and protection against noise, electromagnetic, water, atmospheric and soil pollution, complying with the rules in force, including the power to organise and coordinate corporate functions regarding ecology and environmental protection and to manage the waste produced by the company business or in any manner deriving from it, as well as the disposal thereof, with full powers of sub-delegation. The powers may include those to confer powers of representation and independent management of funds to enable the actual implementation of the activities sub-delegated to employees or contractors whenever their involvement is deemed appropriate, depending on the need for technical specialisation or particular professional qualification, mindful also of compliance with the provisions referred to in Legislative Decree no. 152/2006 ("**Environmental Rules**") and the subsequent amendments thereto, as well as the power to use consultants and to enter into contracts with them without limitation on expense and by single signature;

H. (privacy protection)

(i) take decisions on behalf of the Company regarding the processing of personal data owned by the Company and implement all the technical and organizational measures necessary to guarantee, and be able to demonstrate, that the processing is carried out by the Company in accordance with Regulation (EU) 2016/679 ("Regulation") and in general with the applicable legislation, including Legislative Decree no. 196/2003, as amended by Legislative Decree no. 101/2018 and the provisions of the regulatory authorities regarding the protection of personal data *pro tempore* applicable (hereinafter "applicable legislation");

(ii) appoint the data protection officer ("**DPO**") pursuant to article 37 of the Regulation and interact with them in accordance with the provisions of art. 38 of the Regulation;

(iii) designate the persons authorized to process personal data, who will operate under his direct authority and in accordance with his instructions, as well as any person(s) who may be in charge of a unit for which the scope of the data processing allowed to its employees is identified, and give them the necessary instructions so that they may operate in compliance with the regulations in force at the time and carry out their training on protection of personal data;

(iv) identify, if necessary, within the company organization, the names of persons who, due to experience, ability and reliability, can suitably guarantee full compliance with the applicable legislation, including in terms of security and authorizing them to process personal data belonging to the company and delegating to them all the necessary and appropriate powers, so that each of them shall, in the name and on behalf of the same company do the apposite tasks, by way of example only,: prepare and disclose in the manner ascribed by the applicable legislation, information concerning the processing of personal data and, where requested, the collection of any consents necessary for the processing of personal data, according to the procedures provided for by the applicable legislation; select the service providers in the manner indicated in per paragraph (v) below, and enter into data processing agreements, pursuant to Article 28 of the Regulation; draw up, where required with the support of the data protection officer, the requisite data protection impact assessment("**DPIA**") pursuant to art. 35 of the Regulation; in the event processing is in legitimate interests of the company pursuant to art. 6 (1) (f) of the Regulation, then draw up the necessary assessment illustrating the balancing of the legitimate interest of the company with the rights and freedoms of the interested parties ("legitimate interest assessment" or "**LIA**");

(v) when choosing external service providers and professionals to process personal data owned by the company, to select subjects of which their experience, ability and reliability provides a suitable guarantee of full compliance with the applicable legislation, concerning the processing of personal data, including in terms of security, and entering into agreements with them for the processing of personal data pursuant to article 28 of the Regulation;

(vi) negotiate, enter into, subscribe to, sign, renew, terminate and modify collaboration, consultancy agreement for the provision of professional services in the field related to the processing of relevant personal data pursuant to the applicable legislation on the protection of personal data, commission studies and codes of conduct pursuant to art. 40 of the Regulation, by signing the relative contracts and documents as well as confer and revoke professional appointments in relation to the foregoing;

(vii) maintain and control the personal data being processed, in such a way as to reduce to a minimum, through the adoption of appropriate and preventive security measures, including the application of the procedure on the management of data breach pursuant to Articles. 33 and 34 of the Regulation, the risks of infringement of personal data laws;

(viii) maintain adopt, in compliance with the regulations in force at the time, the technical and organizational measures, including all the procedures contained in the company's privacy organizational model that shall be suitable to, and shall, guarantee compliance of the processing with the principles of, the applicable legislation;

(ix) draw up the Processing of Data Register pursuant to art. 30 of the Regulation and keep it constantly updated;

(x) plan and execute, in agreement and collaboration with the Data Protection Officer and with the relevant internal functions, the audits envisaged by the applicable legislation, in particular with reference to the security measures and the obligations relating to system administrators (where applicable);

(xi) perform whatever activity as may be necessary to correct any non-conformities reported by the Data Protection Officer in the exercise of his functions and those reported by the relevant functions or during audit with a view to continuous improvement required by the most recent security standards (for example: ISO/IEC 27001);

(xii) represent the Company in disputes, both judicial and extrajudicial, in the cases provided for by the applicable legislation on data protection, vested with the broadest powers, including those for appointing and revoking lawyers, counsel to bring/defend disputes, arbitrators and experts, as well as those to conciliate and settle disputes, ensure enforcement of judgements, and do whatever is necessary and appropriate, with no exceptions or exclusions;

(xiii) manage, together with the Data Protection Officer, relations with the Regulatory Authority (the "**Privacy Regulator**"), on behalf of the Company, in accordance with in the provisions set out in the "procedure for cooperation with the authority" and to file appeals, complaints, requests for prior consultation, opinions or other;

(xiv) in any case, carry out any activity, adopt any decision and implement any necessary initiative to guarantee, and be able to demonstrate, that the processing is carried out by the Company in compliance with the applicable legislation;

For matters not expressly mentioned above, to fully implement the applicable legislation, including the provisions adopted by the Privacy Regulator or any other authority regarding the protection of personal data, in Italy and abroad, where applicable;

I. all powers necessary to represent the Company before administrations, authorities, entities and offices whether national, regional, provincial or municipal in the handling, presentation and signature of all operations aimed at opening, restructuring, expanding and adapting shops and central offices;

J. sign and/or submit complaints to any appropriate authority (including- by way of example only - public safety, security and judicial authorities) in relation to thefts and burglaries of goods, missing cash and other such events at the sales outlets, warehouses, central office or any place where the Company may do business;

K. carry out, with representatives of the Bank of Italy, customs, consulates, chambers of commerce and any public or private entity, all operations of shipping, clearance, withdrawal of goods, securities or instruments, valuables, parcels, and letters, including where registered/certified and insured, and/or in any manner inherent to importing and exporting in general (whether or not subject to specific regulation), including temporary operations, operations in transit and free-of-charge operations, for any goods, including for warehouse), with the power to issue receipts by way of discharge and declarations of release, to grant restrictions and discharges, to sign the documentation required for customs and consular purposes, as well as to pay and collect amounts relating to customs fees;

L. representation before the courts: (i) represent the Company before any judicial, administrative, tax, ordinary and special authority in any proceeding at any level and venue, and before mediation bodies, with the power to sign petitions, appeals, declarations of concordance under Legislative Decree no. 218 of 19 June 1997 as amended, claims for exemption and refund, both verbal and written, on any subject matter, bringing and maintaining actions in the civil, criminal and administrative courts, of whatever nature, including declaratory actions, enforcement, currency exchange actions, joinder as civil party, and, as well, proceedings for bankruptcy, composition and judicial administration and moratorium and extra ordinary administration fulfilling the pertinent formalities and thus managing the appointment of special delegation parties, attorneys-in-fact and attorneys-at-law, attorneys-in-fact for actions and proceedings, arbitrators, experts and referees, to elect domicile, to commit to arbitration, including amicable ADR , for any and all disputes in which the Company may have an interest; (ii) validly propose and sign settlements, whether for in court or out of court settlements, and records of conciliation, including under art. 48 of Legislative Decree no. 546 of 31 December 1992 as amended, within the limit of obligation for the Company of €5,000,000 (five million) (or the equivalent thereof in another currency) for each matter; (iii) represent the Company in any and all tax issues or matters, before any authority or office, including tax, registry and customs commissions and expert panels;

M. (legal representation) the legal representation of the Company, subject to the same limitations as the matters entrusted to the Chief Executive Officer as set forth above, and always within those limitations, the power to sign administrative correspondence of the Company.

The CEO holds the status of principal executive in charge of management of the enterprise (*Chief Executive Officer*).

It is noted that the circumstance of an *interlocking directorate* as provided for by Application Criterion 2.C.6. of the Self-Regulation Code does not arise; the Chief Executive Officer of Unieuro, Giancarlo Nicosanti Monterastelli, does not in fact hold management positions in companies outside of the Group, in respect of which a different director of Unieuro is Chief Executive Officer.

Chairman of the Board of Directors

Pursuant to art. 17 of the Articles of Association when not provided for by the Shareholders' Meeting, the Board, shall elect a Chairman and possibly one or more Vice Chairmen from among its members, to hold office the same term as that of the Board of Directors.

The Chairman may not assume executive responsibilities on the Board of Directors and shall exercise the functions required under applicable legislation and regulations.

More specifically, the Chairman of the Board of Directors: (i) has the power to represent the Company; (ii) presides over the Shareholders’ Meeting; (iii) convenes and chairs the Board of Directors meetings, sets the agenda, coordinates its activities and ensures that all directors receive adequate information about the items on the agenda; (iv) monitors the implementation of the Board’s resolutions.

Following the resignation of Bernd Beetz from his office as Chairman of the Board of Directors tendered on 23 January 2020, the Board of Directors appointed Mr Stefano Meloni as Chairman on 24 February 2020. Such appointment was approved at the Shareholders' Meeting held on 12 June 2020.

Executive Committee

Pursuant to article 20 of the Articles of Association, the Board of Directors may also decide that an executive committee be created, such committee composed of several of its members.

At the date of this Report no executive committee has been created.

Reporting to the Board

As provided for by art. 2381, para. 5, Civil Code, in Application Criterion 1.C.1., letter (d) of the Self-Regulation Code and Section20.2 of the Articles of Association, delegated bodies are required to report to the Board of Directors - promptly and at least quarterly - duly reporting during the Board meetings at which at least one representative of the Board of Statutory Auditors is present, on the activities carried out, the overall performance of the management and the foreseeable evolution thereof, as well as the most significant transactions in terms of size and characteristics carried out by the Company.

The Articles of Association also state that the directors promptly report, at least on a quarterly basis, to the Board of Statutory Auditors on the activities carried out and on the most significant economic, financial and asset transactions carried out by the Company or its controlled companies and, in particular, on transactions in which such directors have an interest, be it on their own behalf or on behalf of third parties, or which are influenced by the party who may exercise direction and coordination. Such information is usually given at meetings of the Board of Directors.

4.5. Other executive directors

There are no other Executive Directors except for the CEO, Mr Giancarlo Nicosanti Monterastelli.

4.6. Independent Directors

Pursuant to the provisions of article 147-*ter*, paragraph 4 TUF, where the Board is made up of more than seven members, then at least two of them must meet the independence requirements established for the Board of Statutory Auditors under art. 148 paragraph 3 TUF.

Furthermore, according to the provisions of art. 2.2.3, paragraph 3 letter m) of the Stock Market Regulations and of art. IA.2.10.6 of the Instructions to the Stock Exchange Regulations, where the boards consist of 9 to 14 members, at least three of them must satisfy the requirements under articles 2 and 3 of the Self-Regulation Code.

Principle 3.P.1 of the Self-Regulation Code provides that an adequate number of non-executive directors must be independent, which means that they must not have, or have had recently, any direct or indirect dealings with the issuer or with any issuer-related party that could be such as to compromise their impartiality of judgement.

The Board verifies the continued application of the above requirements based on the information that the interested parties are required to provide under their own responsibility pursuant to article 12 of the Articles of Association and in any case information that is available to the Board.

The Board’s finding, during the first meeting after its appointment, such meeting being held on 26 June 2019 in the presence of the Board of Statutory Auditors was that it considers Pietro Caliceti, Catia Cesari, Marino Marin and Monica Luisa Micaela Montironi to be - and on the 20 February 2020 that it considers Michele Bugliesi, Paola Elisabetta Galbiati and Stefano Meloni to be - persons satisfying the requirements to qualify as independent directors according to the application criteria defined in the Self-Regulation Code and the criteria of art. 147-*ter*, paragraph 4 TUF which reiterates the criteria set forth in art. 148 TUF.

On March 18 2020 the Board of Directors, upon the favourable opinion of the Remuneration and Appointments Committee and in the presence of the Board of Statutory Auditors, confirmed that Stefano Meloni complies with the independence requirements pursuant to arts. 147-*ter*, paragraph 4 and 148 paragraph 3 TUF. However, as specified below, in virtue of his assuming the office of Chairman of the Board of Directors on 24 February 2020, he lost the qualification of independence for the purposes of the Self-Regulation Code.

At its last meeting held on 14 April 2020, also in the presence of the Board of Statutory Auditors and following a preliminary assessment by the Remuneration and Appointments Committee, the Board verified the continued existence of the independence requirements with regard to the aforementioned members of the Board of Directors according to the application criteria defined in TUF and as provided for in the Self-Regulation Code.

More specifically as concerns the Directors in office, the Board of Directors on the basis of the declarations made by the Directors and the information available to the Company, found that six Directors meet the independence requisites provided for by law and referred to in the Company's Articles of Association (Michele Bugliesi, Pietro Caliceti, Catia Cesari, Paola Elisabetta Galbiati, Marino Marin and Monica Luisa Micaela Montironi) who:

(i) do not control the Issuer, whether directly or indirectly or through controlled companies, trustee companies or any third party nor are they able to exercise significant influence over the Issuer;

(ii) are not party, whether directly or indirectly, to any shareholders' agreement through which one or more individuals can exercise control or significant influence over the Issuer;

(iii) are not, and have not been in the previous three financial years, top-level executives (meaning the Company Chairman, Chairman of the Board of Directors, an executive director or a key manager) of the Issuer or of a strategically significant controlled company thereof or of a company which is subject to joint control, a company or an entity which, jointly with others through a shareholders' agreement, controls the Issuer or is able to exercise significant influence thereover;

(iv) do not hold, and have not held in the previous company financial year, whether directly or indirectly (for example through controlled companies or companies in which they act as top level executives, having the same meaning as that indicated under point (iii) above, or as partners of a professional firm or a consulting company), a significant commercial, financial or professional relationship: (a) with the Issuer, a controlled company or any top-level executives, pursuant to point (iii) above, thereof; (b) with any individual which, including jointly with others through a shareholders' agreement, controls the Issuer, or if this is a company or an entity, having top-level executives, having the same meaning as under point (iii) therein or (c) they do not hold and have not held in the previous three financial years an employment relationship with the aforementioned entities and individuals;

(v) notwithstanding the indications under (iv) above, they do not have any freelance or employment relations, or any other relations of a pecuniary or professional nature such that their independence would be compromised: (a) with the Issuer, its controlled companies or parent company or any company subject to joint control; (b) with the Directors of the Issuer; (c) with individuals that are spouse to, or are blood relations or relations by operation of law up to the fourth decree of the directors of the companies under point (a);

(vi) do not receive, and nor have they received in the preceding three company financial years, from the Issuer or a company that is a controlled or parent company of this latter, any significant additional remuneration compared to the "fixed" emolument payable to a non-executive director of the Issuer, including participation in incentive schemes which are connected to company performance, including stock-based plans;

(vii) have not been Directors of the Issuer for more than nine of the last twelve years.

(viii) have not held the position of executive director in another company in which an executive director of the Issuer is a director;

(ix) are not shareholders or directors of a company or an entity belonging to the network of companies that has been assigned to carry out the legal audit of the Issuer's accounts;

(x) are not close family members of a person that is in one of the situations listed above and in any case is not a spouse or blood relative or relative by operation of law up to the fourth degree, of directors of the Issuer, or directors, spouses, or blood relatives or relatives by operation of law up to the fourth degree of directors of the companies controlled by the Issuer or that control the Issuer or that are under joint control with the Issuer.

Board member Stefano Meloni was deemed as independent pursuant to the law and the Self-Regulation Code at the time of his appointment as board member. Notwithstanding that his subsequent appointment as Chairman of the Board of Directors has not affected his status as independent director pursuant to the law, he is however no longer deemed independent under the Self-Regulation Code on grounds he is considered a key Company officer.

The Board of Statutory Auditors, within the remit of the tasks entrusted to it by law, verified the correct application of the confirmation and verification criteria adopted by the Board to assess the independence of its members and the results of these checks will be disclosed to the market within the remit of the statutory auditor's report to the Shareholders' Meeting.

Please note that, in application of Recommendation No. 7 of the Corporate Governance Code - which specifies determined circumstances deemed to compromise or that would appear to compromise, the independence of a director (as well as that of an auditor, pursuant to Recommendation No. 9) - the Board of Directors on April 15 2021 following a preliminary assessment carried out by the Remuneration and Appointments Committee, laid down the assessment criteria to measure the relevant nature of commercial, financial or professional relations of independent directors with the Company, as well as any additional remuneration received by said directors in relation thereto. More specifically, the Board of Directors deems a Director to be independent based on the following factors, without prejudice to the assessment of particular circumstances based on the specific case:

- the total value of any commercial, financial or professional relationships maintained during the current year or in the three previous years with the Company and/or its subsidiaries or with its executive directors or top management or with a person who controls the company or with the related executive directors or top management, does not exceed the lesser amount between:
  - 5% of the annual turnover of the company or entity of which the Director has control, or is a key representative of, or of the professional firm or consulting company which he/she is a partner in;
  - (i) Euro 300,000 (meaning an annual fee for professional services rendered to the Company by the company or body over which the Director has control of or of which he/she is a key representative or by the professional firm or company consultancy of which he/she is a partner in or (ii) Euro 150,000 (meaning an annual fee for the professional services rendered to the Company by the Director as an individual professional).
- the additional remuneration paid directly to the Director during the current financial period or in the three previous financial periods (i) by the Company or (ii) by its parent company or any subsidiaries thereof, does not exceed the overall remuneration he/she receives due to his/her office and participation in those committees recommended by the Corporate Governance Code or envisaged by the legislation in force.

The Board also specified that the fact of being a "close family member" of a person who exceeds one of the above-mentioned thresholds is also a circumstance deemed relevant to the compromising of a director's independence, whereby "close family members" are deemed to be parents, children, spouses who are not legally separated and cohabitants, in alignment with that set forth in the Q&A to the Corporate Governance Code published in November 2020 by the Corporate Governance Committee.

On May 13 2021, the Board of Directors, following a preliminary assessment carried out by the Remuneration and Appointments Committee, therefore:

- confirmed its previous assessment as regards possession of the independence requirements established by law, on the part of the Chairman Stefano Meloni and the Directors: Michele Bugliesi; Pietro Caliceti; Catia Cesari; Paola Elisabetta Galbiati; Marino Marin; Monica Luisa Micaela Montironi;
- confirmed the previous Board assessment as regards possession of the independence requirements recommended by the new Corporate Governance Code on the part of the Directors: Michele Bugliesi; Pietro Caliceti; Catia Cesari; Paola Elisabetta Galbiati; Marino Marin; Monica Luisa Micaela Montironi;
- confirmed that non-executive director, Alessandra Stabilini, is not deemed to be an independent director.

The Board also assessed Chairman Stefano Meloni to be independent pursuant to the Corporate Governance Code, on grounds that said new Corporate Governance Code no longer considers the sole fact of being a key representative, a term that included the office of Chairman regardless of whether holding an executive office or not, to be construed as a lack of independence.

The Board of Statutory Auditors has always checked on the correct application of the assessment criteria and procedures adopted by the Board to assess the independence of its members.

During the Financial Period the independent Directors met without the other directors on one occasion at an autonomous' meeting held on 19 February 2021 in order to agree on the guidelines for the performance of their role within the Company's Board of Directors and of the intra-board committees. At such meeting, the Independent Directors also addressed the issue of the effectiveness of the Board of Directors, taking also into account their task of overseeing the regularity of internal processes. The independent directors concluded they are satisfied with the dynamics in place to perform interaction between the diverse Board members and between said Board and the Company management.

4.7. Lead Independent director

In consideration of the fact that the offices of Chairman and Chief Executive Officer are held by different persons and mindful that the office of Chairman is held by a person who does not control the issuer nor hold an executive office, the Company has not designated an independent director as lead *independent director* on grounds that the conditions set forth in application criterion 2.C.4 of the Self-Regulation Code are not met.

This decision was also confirmed at the meeting of the Board of Directors held on March 18 2021 at which the Board resolved to adhere to the new Corporate Governance Code.

5. PROCESSING OF COMPANY INFORMATION

The Board of Directors of the Company, at its meeting on 12 July 2018, approved the new releases of:

(i) the “Internal regulation for the management of insider and relevant information”;

(ii) the “Internal regulation relating to the keeping of the register of persons who have access to insider and relevant information”;

(iii) the “Internal Dealing Regulation”,

originally adopted on 12 December 2016.

The above-mentioned regulations are in line with the rules governing market abuse, outlined by MAR and can be found on the Issuer's website in the section “Corporate Governance/Corporate documents and procedures”.

5.1. Internal regulation for the management of Relevant Information and Insider information

The Internal regulation for the management of relevant information and insider information dictates certain procedural safeguards aimed at ensuring correct management of corporate information involving the Issuer and which involve insider information pursuant to the existing regulation. It is also the goal of the regulation to prevent certain recipients of such information, from using it in order to carry out speculative transactions on the market, to the detriment of investors, who are not aware of this information.

Note that: (i) “**Insider Information**” means information of a precise nature which has not been made public and which directly or indirectly concerns the Company or its financial instruments which, if made public, could have a significant influence on the prices of the Company's financial instruments; (ii) "**Relevant Information**" means any information or news not yet classified as Insider Information that the Company deems relevant, as it relates to data, events, projects or circumstances that, continuously, repetitively, periodically, or occasionally, occasional or unexpected, directly concern the Company itself and that can, at a later stage, become Insider Information; and (iii) "**Confidential Information**" means any information or information that cannot be classified as Insider Information concerning, directly or indirectly, the Company and/or its controlled companies ("**Controlled Companies**"), which is not in the public domain or that it is by its nature confidential or exclusive to the Company and/or its Controlled Companies, acquired by the recipients in the performance of their duties and/or functions.

The Regulation is applicable to all those who have access to Relevant Information and/or Insider Information and/or Confidential Information, in particular: (i) members of the management, administrative and supervisory bodies, the members of the Company's Committees and the members of any Controlled Companies; (ii) employees; (iii) natural and legal persons who, on account of their employment, profession or duties, have regular or occasional access to Confidential Information, Relevant Information and/or Insider Information.

5.2. Internal regulation relating to the keeping of the registers of persons who have access to Insider Information and Relevant Information

If the information is assessed to be Relevant Information, it must be recorded in a specific section of the Relevant Information Register (“**RIL**”), established and updated by the Company, pursuant to the laws and regulatory provisions in force at the time, indicating the subjects who have access to Relevant Information in virtue of the work or professional activity carried out or the functions performed by them.

The Company has set up a register in an electronic form pursuant to the legal and regulatory provisions in force at the time (the "**Register**") which it shall keep updated, indicating the persons who, by virtue of the work or professional activity performed or of the functions performed, have access to Insider Information, also on a delayed basis. The Register is made up of a several distinct sections, one for each set of Insider Information, containing data about the subjects with access to that specific Insider Information. A new section shall be added to the list each time new Insider Information is identified. In addition, a permanent section has been established which lists the names of those persons who always have access to Insider Information because of the functions or tasks performed by them.

The internal regulation concerning the keeping of the Register of persons having access to Insider Information and of the Register of persons having access to Relevant Information sets forth the rules and procedures for keeping and updating the Register and the RIL.

5.3. Internal Dealing Regulation

The *Internal Dealing* Regulation, amended by the Board of Directors on 12 July 2018 to reflect the changes made to the Consob Regulations by means of resolution No. 19925 of 22 March 2017, sets out a procedure relating to the disclosure obligations imposed on relevant persons and persons closely associated with the relevant persons, who perform transactions on shares, on derivative financial instruments or on related financial instruments.

The "relevant persons" are: (a) members of the Company's administrative or supervisory body; (b) executives who, although not members of the Company's administrative or supervisory bodies, have regular access to Insider Information concerning the Company directly or indirectly and hold the power to adopt decisions that may affect the Company's future evolution and prospects, as from time to time identified by name by the Board of Directors of the Company or by any party delegated by the Board; (c) persons performing the functions referred to in subparagraphs (a) and (b) above in a company controlled directly or indirectly by the Company, if book value of the shareholding is more than 50% of the assets of the Company based on the last approved financial statements; and (d) anyone holding a shareholding, calculated in accordance with article 118 of the Issuers' Regulations, of least 10% of the Company's share capital, with voting rights attached thereto, as well as any other entity that controls the Company.

The Internal Dealing Regulation, *inter alia*, identifies the relevant transactions for the various persons targeted by the applicable legislation, the materiality threshold of such transactions and contains the rules regarding management, processing and communication of information relating to such transactions.

6. BOARD COMMITTEES (pursuant to art. 123-*bis*, paragraph 2, letter d) TUF)

Pursuant to articles 4, 5, 6 and 7 of the Self-Regulation Code which recommend that listed companies establish within their boards of directors, intra-board committees in charge of specific areas, on 26 June 2019 following its own taking of office, the Board of Directors established the following committees which will submit proposals and provide advice.

- Remuneration and Appointments Committee
- Control and Risk Committee
- Related Parties Committee

In view of the Company's organisational needs, its mode of operation and the size of its Board of Directors, the Company has established a single committee for remuneration and appointments pursuant to Articles 5 and 6 of the Self-Regulation Code, which is responsible for making enquiries, providing advice and offering suggestions to the Board of Directors.

On 12 November 2020, the Board of Directors, mindful of the growing importance of social and environmental matters in the corporate governance systems of listed companies, approved the establishment of a Sustainability Committee within its organization, such committee to carry out propositional and consultative functions to said Board on sustainability related matters, evaluating the processes, initiatives and activities to oversee Unieuro's commitment to create long-term value for the benefit of all its stakeholders.

Therefore, as of the date of this Report, Unieuro's internal committees are as follows:

Control and Risk Committee (CRC)	Remuneration and Appointments Committee (RAC)	Sustainability Committe (SC)	Related Parties Committee (RPC)
Marino Marin (Presidente)	Marino Marin (Presidente)	Catia Cesari (Presidente	Marino Marin (Presidente)
Paola Elisabetta Galbiati	Catia Cesari	Michele Bugliesi	Pietro Caliceti
Monica Luisa Micaela Montironi	Pietro Caliceti	Paola Elisabetta Galbiat	Monica Luisa Micaela Montiror

7. REMUNERATION AND APPOINTMENTS COMMITTEE

On 7 February 2017, the Board of Directors of the Company, in compliance with the recommendations regarding corporate governance contained within the Self-Regulation Code, resolved to establish a remuneration appointments and committee, pursuant to articles 5 and 6 of the Self-Regulation Code, approving the regulation for the operation of the committee itself (the "**Remuneration and Appointments Committee**").

7.1. The composition and operation of the Remuneration and Appointments Committee (pursuant to art. 123-*bis*, paragraph 2, letter d) TUF)

The members of the Remuneration and Appointments Committee, including its Chairman, in office as at the date of this Report, were appointed by the Board of Directors on 26 June 2019.

In particular, the following persons were appointed as members of the Remuneration and Appointments Committee: Gianpiero Lenza, Catia Cesari and Marino Marin (as the Chairman).

On 6 February 2020, the Board of Directors integrated the composition of the Appointments and Remuneration Committee following the resignation of the director Gianpiero Lenza and thus appointed independent director Pietro Caliceti.

The Remuneration and Appointments Committee was established pursuant to principle 6.P.3 of the Self-Regulation Code which provides that said committee shall be composed of independent directors or alternatively of non-executive directors, the majority of whom must be independent (in this case the Chairman is to be appointed from independent directors).

At least one member of the committee is required to have knowledge and experience in financial matters or remuneration policies considered adequate by the board as at the time of that person's appointment. Currently, the Chairman of the Committee is deemed to fulfil this requirement.

On 13 May 2021, the Company's Board of Directors, following a preliminary assessment by the Remuneration and Appointments Committee, updated the text of the said Committee Regulations so as to bring it in line with the specific content of the new Corporate Governance Code.

The Regulation of the Remuneration and Appointments Committee can be viewed on the Issuer's website under the section “Corporate Governance / Management and Control Bodies”.

On 13 May 2021 the Company's Board of Directors resolved to grant the above-mentioned Committee a budget of Euro 30,000 for the entire financial year in progress.

The Remuneration and Appointments Committee is able to access the information and corporate functions necessary to carry out its duties, as well as rely on external consultants.

7.2. Function of the Remuneration and Appointments Committee

The Remuneration and Appointments Committee carries out all the duties attributed to it by the Corporate Governance Code and in particular:

<u>Duties and functions of the Committee regarding the appointment of directors and self-assessment of the Board of Directors</u>

The Committee assists the Board of Directors in carrying out the following activities:

a) periodic self-assessment of the size, composition and actual functioning of the Board of Directors and its committees, also considering the role that the Board has played in defining strategies and monitoring management performance and the adequacy of the internal control system and risk management; in carrying out this assessment, the Committee may be supported, if deemed appropriate, by an independent consultant. As part of this activity, the Committee also supports the Board of Directors in defining the tools and methodology to be used for the self-assessment process of the Board of Directors as well as in verifying compliance with any disclosure obligation inherent to this activity, in order to to guarantee the transparency of the process itself. With regard to the composition, the Committee draws up criteria for assessing the independence requirements of the Company's directors to be submitted to the Board for approval. In relation to the independence requirements, the Committee proposes to the Board of Directors the quantitative and qualitative criteria to be considered, in accordance with the provisions of the Corporate Governance Code;

b) definition of the optimal composition of the Board of Directors and its committees. In particular, the Committee formulates to the Board of Directors, in view of each renewal of the Board of Directors and taking into account the results of the self-assessment referred to in the previous letter a), its opinion on the optimal quantitative and qualitative composition of the Board of Directors and of the internal board committees as well as on the professional and managerial figures whose presence on the Board is deemed appropriate;

c) identification of candidates for the office of director in the event of co-optation. In particular, the Committee proposes to the Board of Directors the candidates for the office of Director if, during the year, one or more Directors leave office (Article 2386, first paragraph, of the Italian Civil Code), ensuring compliance with the requirements on the minimum number of independent Directors and on the shares reserved for the less represented gender;

d) any presentation of a list by the outgoing Board of Directors to be implemented in a manner that ensures its formation and transparent presentation, in the event that the outgoing Board of Directors, compatibly with the legislative and statutory provisions in force, considers a list of candidates for the renewal of the administrative body; as part of this activity, the Committee participates in the investigation activity, formulating opinions, also making use of the support of any external consultants, in order to identify the candidates from which those who will make up the list presented by the Board of Directors will be chosen;

e) preparation, updating and implementation of any plan for the succession of the Chief executive officer and other executive Directors, which identifies at least the procedures to be followed in the event of early termination of office;

f) verification of the existence of adequate procedures for the succession of executives with strategic responsibility.

Furthermore, the Committee in assisting the Board of Directors:

a) may express, with the frequency deemed most appropriate, recommendations to the Board of Directors regarding the maximum number of offices as director or statutory auditor in other companies listed on regulated markets (including foreign) compatible with the effective performance of the office of director Company, taking into account the participation of the Directors in the internal board committees. To this end, the Committee identifies general criteria differentiated on the basis of the commitment connected to each role (executive or non-executive Director), also in relation to the nature and size of the companies in which the offices are held as well as their possible membership in the group of the Company, expressing its opinion on the preparation and possible update of the orientation, pursuant to the Corporate Governance Code, on the maximum number of directorships or statutory auditors that a director can hold and carrying out the investigation related to related periodic checks and assessments, to be submitted to the Board;

b) indicates to the Board of Directors candidates for the office of Director to be submitted to the Shareholders' Meeting, considering any reports received from shareholders, if it is not possible to draw the required number of Directors from the lists submitted by the shareholders;

c) carries out the investigation relating to the periodic checks of the independence and integrity requirements of the Directors and the absence of causes of incompatibility or ineligibility of the Directors;

d) assists the Board of Directors (where appropriate, also in agreement with the other internal board committees) in the preparation of any criteria for the designation of managers with strategic responsibilities whose appointment falls within the competence of the Board by virtue of the current legislation, including regulatory to the Board of Directors its assessments on the proposals of the Chief Executive Officer;

e) formulates opinions on the merit assessment of each case and problem addressed by the Board relating to the assembly's authorization of any exceptions to the prohibition of competition provided for by art. 2390 (prohibition of competition).

<u>Duties and functions of the Committee regarding the remuneration of directors, general managers, statutory auditors and executives with strategic responsibilities</u>

The Committee carries out the following activities:

a) assists the Board of Directors in the development of the remuneration policy and the remuneration paid (in accordance with the provisions of art. 123-ter of Legislative Decree no. 58 of 24 February 1998, "TUF"); in particular, the Committee proposes and submits the approval of the remuneration report, including the remuneration policy referred to in this letter a), to the Board of Directors, for its presentation to the Shareholders' Meeting of the Company in accordance with current legislation and the Corporate Governance Code;

b) expresses its opinion on the remuneration of executive Directors and other Directors who hold particular offices as well as on the setting of performance objectives related to the variable component of such remuneration and on the verification of the effective achievement of the performance objectives of the aforementioned Directors, in agreement with the sustainability committee if the aforementioned objectives concern ESG indicators;

c) monitors the application of the remuneration policy referred to in letter to); periodically assesses the adequacy and overall consistency of the remuneration policy for directors and managers with strategic responsibilities;

d) evaluates and formulates any proposals to the Board of Directors regarding the design of periodic short and medium / long-term incentive plans, including equity, stock options, widespread shareholding and similar incentive and loyalty plans for management and employees of the Company, also with reference to the suitability to pursue the objectives of the plans, expressing an opinion on the methods for assigning the aforementioned instruments to the beneficiaries;

e) performs the additional tasks assigned to it by the Board of Directors, monitoring the application of the decisions adopted by the Board of Directors on the subject of remuneration.

When the Remuneration Committee carries out its consultative and investigative activity on issues relating to the discipline of transactions with related parties, the discussion of the matter will preferably be carried out in agreement with the committee for transactions with related parties of the Company.

A director is not entitled to take part in the Remuneration and Appointments Committee meetings in which proposals are made to the Board of Directors regarding that director's own remuneration, unless the proposals regard all members of the Board Committees in general.

The establishment of this Committee ensures the fullest possible information and transparency regarding the remuneration of the Chief Executive Officer and senior management, as well as the procedures for its determination. However, in accordance with art. 19 of the Articles of Association and art. 2389, paragraph 3 Civil Code, the Remuneration and Appointments Committee shall only perform advisory and recommendation functions, whereas the powers to set the remuneration of the directors holding specific offices remains with the Board of Directors, in consultation with the Board of Statutory Auditors. This power is subject to the right of the shareholders to set at the Shareholders' Meeting the overall figure for the remuneration of all directors - including those directors holding specific offices.

Regarding the level of participation of the individual members of the Remuneration and Appointments Committee at meetings, please see the information provided in the table at page 20 of this Report.

In the current financial year, the Remuneration and Appointments Committee intends to meet whenever necessary to ensure the correct and effective fulfilment of duties. During Financial Period, the Remuneration and Appointments Committee met 9 times each meeting having an average duration of 1.05 hours.

Activity of the Appointments Committee:

- carry out preliminary assessment for a succession plan:
- complete its activities relating to the self-assessment of the Board of Directors and to opine on the Board of Directors functioning and that of the intra-board Committees, as well as on their size and composition (see Art. 5 C) letter a) of the Self-Regulation Code), analyse the Report on said self-assessment and submit the outcomes to the Board of Directors.

- support the Board of Directors in carrying out preliminary inquiries to ascertain that the independence and integrity requirements of the Board members are met, as well as to ascertain any causes of incompatibility, ineligibility or forfeiture of such requirements;

- support the Board of Directors in carrying out preliminary inquiries to ascertain the maximum number of offices held as director and auditor in other companies;

- inquire into any diversity policies as may have been adopted in relation to the composition of the corporate bodies;
- evaluate the possible amendment of Unieuro's Articles of Association in light of the provisions of art. 147-ter and 148 of Legislative Decree 58/98 (TUF) concerning gender balance on the bodies of listed companies; submitting the issue to the Board of Directors

- evaluate the Letter of the Italian Committee for Corporate Governance on the application of the Self-Regulation Code of listed companies; giving its positive opinion on the Company's compliance with the observations contained in said document and submitting it to the Board of Directors;

- give their opinion on the new organizational structure of the Company as submitted by the top management;

Activities carried out by the Remuneration Committee

- definition of the Company's Remuneration Policy as well as approval of the Report concerning the policy on remuneration and recompense paid,

- evaluation and preparation of the Information Document concerning the 2020-2025 Long-Term Incentive Plan for submission at the Shareholders' Meeting held on 17 December 2020;

- gave its favourable opinion on: (i) the content of the Regulation implementing the 2020-2025 Performance Share Plan and sent it to the Board of Directors for approval; (ii) the content of the proposal formulated by the Company on the identification of beneficiaries of the 1st Cycle of the 2020-2025 Performance Share Plan and the allocation of the number of shares to the extent proposed for each beneficiary and submission of the proposal for approval by the Board of Directors.

- gave a positive opinion on the grant of rights over shares to carry out the Long-Term Incentive Plan 2018-2025 to the extent proposed for each beneficiary by the Company functions, also resolving on the submission of the above-mentioned proposal to the Board of Directors;

- confirmed, with support of a consulting firm of primary standing, the consistency of the short-term bonus system (MBO) already approved at the Shareholders' Meeting held on 12 June 2020, in the particular socio-economic context that has arisen and submission of its said analyses to the Board of Directors;

- gave its opinion on the final balance of the company results for the year 2019 ("MBO").

Furthermore, during the Financial Period, the Committee approved: (i) the report on its own activities for submission to the Board of Directors as well as (ii) the Committee budget proposal. Said Committee also asked the Company for timely alignment on management of the impact of Covid-19, with the Committee having evaluated in a positive light the initiatives undertaken and having appreciated the promptness with which they were adopted by the Company.

The Remuneration and Appointments Committee meetings have been attended by the Company's Human Resources Director (on occasions replaced by the Legal Director) who acted as secretary and presented those issues within the remit of responsibility. The Chairman of the Board of Statutory Auditors, was amongst others who participated at the meeting.

The meetings were all convened by the Chairman of the Committee who coordinated their tasks. The secretary duly drew up minutes for all the meetings.

The chairman provides information regarding the activities of the Remuneration and Appointments Committee at the next Board of Directors meeting.

8. REMUNERATION OF THE DIRECTORS

8.1. General remuneration policy

For information regarding the general policy for remuneration relative to the Financial Period please see the Company's report concerning remuneration and recompense paid which was drafted pursuant to art. 123-*ter* TUF and approved by the Board of Directors on 6 May 2020, after having been examined and approved by the Remuneration and Appointments Committee such report to be made available to the public within the deadlines and in the manner set forth by the applicable provisions of law and regulations, including by way of publication on the Company website (https://unieurospa.com/en/_home/) under section "Corporate Governance / Shareholders Meetings / 2020 Meeting".

For further information on the application of the remuneration policy for the Financial Year, please refer to the second section of the Remuneration Report concerning the policy for remuneration and recompense paid by the Company pursuant to art. 123-*ter* TUF duly approved by the Board of Directors on 19 May 2021 available to the public within the term and in the manner envisaged by the applicable laws and regulations, which includes publication on the website https://unieurospa.com/en/_home/ within the Section "Corporate Governance/ Shareholders' Meetings / 2021 Meeting"

Please also refer to the first section of said report relating to the proposed remuneration policy for the 2021-2022 financial year.

9. CONTROL AND RISK COMMITTEE

The Control and Risk Committee was established pursuant to principle 7.P.4 of the Self-Regulation Code which provides that such committee shall be composed of independent directors, or alternatively, non-executive directors, the majority of whom must be independent (in such case the Chairman shall be appointed from amongst the independent directors).

9.1. The composition and operation of the Control and Risk Committee (pursuant to art. 123-bis, paragraph 2, letter d) TUF)

The members of the Control and Risk Committee, including its Chairman, were appointed by the Board of Directors on 26 June 2019. Namely, Gianpiero Lenza, Monica Luisa Micaela Montironi and Marino Marin (as Chairman) were appointed as members of the Control and Risk Committee.

Following the resignation of director Gianpiero Lenza on 4 March 2020, the Board of Directors resolved to integrate the composition of the Control and Risk Committee and thus appointed independent Director Paola Elisabetta Galbiati as the third Committee member, so elected on 20 February.

The Control and Risk Committee in office on the date of this report, is consequently made up entirely of Independent Directors, being Marino Marin (in his capacity as Chairman), Monica Luisa Micaela Montironi and Paola Elisabetta Galbiati.

At least one member of the Control and Risk Committee must possess knowledge of accounting and finance and/or risk management deemed adequate at the time of their appointment by the board. Currently the Chairman of the Committee fulfils this requirement.

Please note that, pursuant to the Application Criteria 7.C.1. letters (b) and (d), during the meeting held on 6 May 2020, the Board of Directors, based on the information provided to them, evaluated the internal control and risk management system adopted by the Company consistent with the application criteria pursuant to principle 7.C.1 of the Self-Regulation Code.

Specifically, during this meeting, the Chief Executive Officer reported to those present with regard to the operation of the Company's internal control and risk management system. The internal control and risk management system has also been evaluated by the Control and Risks Committee, which found it to be in line with the objectives of safeguarding the company's assets, efficiency and efficacy of the corporate processes, reliability of the financial information, compliance with the laws and regulations, Articles of Association and internal procedures, deeming the system consistent with the application criteria pursuant to principle 7.C.1 of the Self-Regulation Code.

It should be noted that the Company will proceed during the year 2021 to align the internal operating regulations of the committee with the recommendations of the Corporate Governance Code.

9.2. Functions entrusted to the Control and Risk Committee

To assist the Board of Directors and pursuant to the requirements of application criterion 7.C.2. of the Self-Regulation Code, the Control and Risk Committee shall:

(i) assess the correct use of accounting standards and their uniformity for the purpose of drafting the financial statements, together with the manager responsible for preparing the company's accounting documents ("**Financial Reporting Officer**") and after consulting with the auditor and the Board of Statutory Auditors;

(ii) express opinions on specific aspects regarding the identification of the main business risks;

(iii) examine the periodic reports which contain assessments of the internal control and risk management system as well as those particularly significant reports prepared by the internal audit department;

(iv) monitor the autonomy, adequacy, effectiveness and efficiency of the internal audit department operations;

(v) request the internal audit department to carry out audits on specific operating areas, concurrently informing the Chairman of the Board of Statutory Auditors;

(vi) report to the Board of Directors at least every six months, when the annual and half-yearly financial report subject to approval, on the activities carried out as well as on the adequacy of the internal control and risk management system;

(vii) support by means of appropriate investigative activities, the assessments and decisions of the Board of Directors on the management of risks arising from detrimental issues that have been brought to the attention of the Board of Directors.

In compliance with the provisions of application criteria 7.C.1 of the Self-Regulation Code, the Control and Risk Committee, furthermore shall issue its own opinion to the Board of Directors regarding:

(i) the guidelines of the internal control and risk management system, so that the main risks concerning the Issuer and its Controlled Companies can be correctly identified, adequately measured, managed and monitored, so determining the degree of compatibility of these risks with the healthy and correct management of the company coherently with the strategic objectives that have been set;

(ii) the adequacy and efficacy of the internal control system and the risk management with regard to the characteristics of the Issuer and the risk profile assumed, as well as the efficacy thereof;

(iii) the work schedule prepared by the internal audit department manager;

(iv) the description contained within the Corporate Governance Report of the main characteristics of the internal control and risk management system and the procedures for coordination between the individuals involved therein, including the valuation of the adequacy of the system itself;

(v) the results provided by the audit firm in any letter of suggestions and in its report on fundamental issues that emerged during their legal audit; and

(vi) the proposal relative to the appointment, revocation and remuneration of the internal audit manager, as well as the adequacy of the resources assigned to such manager for the fulfilment of his or her functions.

Regarding the level of participation of the individual members of the Control and Risk Committee at meetings, please see the information provided in the above table at page 20 of this Report.

During current financial year, the Control and Risk Committee shall meet whenever considered necessary for the correct and effective discharge of its duties.

During the Financial Year the Committee met six times, each meeting having an average duration of one and a half hours.

During Financial Period, the Control and Risk Committee met, *inter alia to*:

- illustrate to the newly appointed members those bodies that make up the internal control system of Unieuro and how they operate, as well as inform them on risk analysis and the audit plan FY2021 (Art. 7 of the Self-Regulation Code);
- review the summary of the main outcomes of the corporate risk assessment;
- review the summary prepared by ICT Director Luigi Pontillo concerning the current information system structure;
- review the summary of the *cyber maturity assessment* undertaken by ICT Director Luigi Pontillo with support from KPMG;
- stay informed and updated as to the adoption of the new ERP (SAP - FORHANA) with a presentation of the phases envisaged for the transition to the new ERP - monitoring the main connected risks - sharing the committee’s methods and updating times with the support of ICT Director Luigi Pontillo and the Chief Omnichannel officer Bruna Olivieri;
- analyse the adequacy of the Unieuro Group policy and systems in line with the privacy legislation with the support of DPO (Data Protection Officer) Paolo Balboni of ICT Consulting Law Firm and Corporate Legal Counsel Director Filippo Fonzi and privacy officer Diego Fulco.
- verify that the respective entrusted manager has ensured effective compliance with the accounting and administrative procedures (art. 154-bis, c.4. TUF) - Law 262/05, such verification limited to the half-yearly and annual financial reports;
- receive information on the measures adopted or to be adopted in relation to the COVID-19 epidemic with the participation of the HR Director Paolo Botticelli and the Head of the Prevention and Protection Service Daniele Colli;
- assess the correct use and consistency of the accounting principles used for the approval of the draft financial statements (application criterion 7.C.1. letter e) and 7.C.2 letter a) of the Self-Regulation Code); report to the Legal Auditor on any critical issues found; comment on the correct use of the standards for the purposes of any non-financial declarations drawn up pursuant to Legislative Decree No. 254/2016 and/or the completeness and reliability of such declarations;
- review the data relating to the *impairment test*;
- examine the adequacy of the internal control and risk management system and of the periodic and annual Internal Audit report in relation to the Control and Risk Committee and the Board of Directors;
- verify effective compliance with the accounting and administrative procedures on the part of the manager responsible therefor, as well as verify the adequacy of the means and powers available to said manager as per Law 262/2005 and examine said manager’s report;
- assess the adequacy of the organizational, administrative and accounting structures;
- examine the *Audit* plan approved by the Board of Directors as well as the periodic Internal Audit reports;
- evaluate the new corporate organizational structure.

It is underlined that the same parameters applied to the financial period closed on 29 February 2020 which refer to the methodology recommended in the CoSO *report*, have been applied to the evaluation of identification, analysis outcomes and measurement of the main risks (strategic, operational, financial and regulatory), which characterize the Company's business (application criterion 7.C.4. Of the Self-Regulation Code).

The Control and Risk Committee has been regularly attended by the Company's Internal Auditor, who acted as secretary, in order to present issues under his/her responsibility as well as - as the case may be - attended by the Supervisory Body, the Auditing Firm and/or consultants or managers of the Companies called from time to time to support the Committee in the performance of its functions.

Furthermore, the Director in charge of the Internal Control and Risk Management System and Board of Statutory Auditors participated at these meetings on a regular basis.

The Control and Risk Committee is entitled to access information and company functions, as required for such Committee to perform its duties, also using external consultants within the limits set by the Board of Directors.

The Board awarded the Control and Risk Committee a budget of €30,000 until the end of the Financial Period to enable it to carry out its tasks. In compliance with the provisions of the Board Regulation, in particular circumstances, any such budget provided to the Control and Risk Committee may be increased.

The meetings were all convened by the Chairman of the Committee who coordinated their tasks. The secretary duly drew up minutes for all the meetings.

10. SUSTAINABILITY COMMITTEE

On 12 November 2020, the Board of Directors established the first Sustainability Committee. Said Committee carries out propositional and consultative functions vi-a-vis the Board on sustainability matters, evaluating those processes, initiatives and activities required to safeguard Unieuro's commitment to create long-term value for the benefit of all its stakeholders.

10.1. Composition and functioning of the Sustainability Committee

The members of the Sustainability Committee, including its Chairman, in office at the date of this Report were appointed by the Board of Directors on 12 November 2020.

More specifically, the following persons were appointed as members of the Sustainability Committee: Michele Bugliesi, Paola Elisabetta Galbiati and Catia Cesari (as Chairman). All members of the Sustainability Committee are independent.

On 13 May 2021, the Company's Board of Directors approved the text of the Regulations to govern said Committee further to a preliminary assessment on the part of the Remuneration and Appointments Committee and the Sustainability Committee, aligning the content thereof with that of the new Corporate Governance Code and also formally transposing the related indications.

The Regulations of the Sustainability Committee are available on the Issuer's website in the section "corporate-governance / management-and-control-bodies /".

On May 13 2021, the Company's Board of Directors resolved to allocate said Committee a fixed budget of Euro 30,000 for the entire current year.

In carrying out its functions, the Sustainability Committee has had the opportunity to access the information and company functions as are necessary for the due fulfilment of its duties and has also relied on external consultants within the remit of the terms established by the Board.

10.2. Functions conferred on the Sustainability Committee

As part of its propositional and consultative functions towards the Board of Directors, the Sustainability Committee has the following functions:

a) to monitor policies and, more generally, sustainability issues and responsible innovation related to the exercise of business activities and *stakeholder engagement* activity;

b) to support the Board of Directors in drawing up a sustainability strategy also by way of:

- identifying topics pertinent for generating long-term value and drawing up a materiality analysis, also coordinating, where necessary, with the Control and Risk Committee of the Company;

- supporting the Company in the formulation of Business Plans with a view to pursuing the creation of long-term value, taking into account the interests of all relevant stakeholders; indicates the addresses on which to articulate a sustainability action plan, setting forth those sustainability issues and responsible innovation which are relevant to the Company, the initiatives to be carried out for each of them, the necessary resources therefor and related benefits thereof as well as express opinions / formulate proposals on the contents of the same;

c) monitoring the progress of the activities and projects set forth in the above-mentioned action plan;

d) overseeing the evolution of sustainability issues also in light of international guidelines and principles laid down on the topic, duly monitoring the positioning of the Company with respect to the market (e.g. participation and inclusion in sustainability indices, principles and ESG performance);

e) verifying the general layout of the declarations made in the consolidated non-financial statement, the structuring of its content and the completeness and transparency of the information provided therein; its Chairman shall report on the outcomes of his/her Committee's checks to the Control and Risk Committee which is called to evaluate the appropriateness of periodic non-financial information so as to correctly reflect the business model, the strategies of the company, the impact of its activity and the level of *performance* actually achieved;

f) promoting Company participation in initiatives and events relevant to sustainability and responsible innovation, with a view to consolidating the corporate reputation in the domestic and international arenas;

g) giving opinions on policies and information related to sustainability and responsible innovation issues;

h) at the request of the Board of Directors and/or the Chief Executive Officer, giving opinions on questions that may have an impact on sustainability and responsible innovation issues;

With regard to the percentage of attendance at meetings on the part of individual members of the Control and Risk Committee, please refer to the table on page 20 above.

During the current year, the Sustainability Committee plans to meet as many times as is deemed necessary to ensure the correct and effective performance of its duties.

Taking into account the fact that the Sustainability Committee was only established in November 2020, said Committee held a single one-hour meeting during the Financial Year at which time Unieuro's approach to sustainability was analysed and objectives to be achieved with relative timelines were drawn up.

11. RELATED PARTIES COMMITTEE

The Related Parties Committee was set up pursuant to the Company's internal Procedure concerning Related Party Transactions in compliance with the relevant legislation and regulations in this area. It is made up exclusively by unrelated and non-executive directors and the majority thereof are independent directors in accordance with TUF and the Self-Regulation Code. Its main role is to provide reasoned opinions on the Company's interests in carrying out any Related Party Transactions, as well as on the convenience and substantial correctness of the conditions envisaged therefor.

11.1. Composition and functioning of the Related Parties Committee

The members of the Related Parties Committee, including its Chairman, were appointed by the Board of Directors on June 26 2019. More specifically, the following independent directors were appointed onto the Related Parties Committee: Pietro Caliceti, Monica Luisa Micaela Montironi and Marino Marin (as President).

In carrying out its functions, the Related Parties Committee has had the opportunity to access the information and company functions necessary for the due fulfilment of its duties and has also relied on external consultants, within the remit of the terms established by the Board.

11.2. Functions conferred on the Related Parties Committee

The Related Parties Committee performs those functions envisaged by current legislation and by the Company's internal procedure for Related Party Transactions and in particular it:

- formulates specific reasoned opinions on Unieuro's interests in carrying out Transactions with Related Parties, both in the case of transactions classed as of Greater Relevance and those classed as Lesser Relevance, giving its opinion on the convenience and substantial correctness of the related conditions for the transaction against timely and adequate flows of information;

- may request information and make observations to the Chief Executive Officer and the persons in charge of conducting the negotiations or the investigations regarding the profiles contained in received information flows, in the scenario in which the transactions in the class of transactions of Greater Importance;

- may propose to the Board of Directors any changes or additions to the above-mentioned Procedure.

During the current year, the Related Parties Committee expects to meet as often as is deemed necessary for the correct and effective performance of its duties.

It met 6 times during the Financial Year, each meeting having an average duration of 0.35 hours, to analyse information furnished by the Company regarding the performance of transactions with related parties in the quarters of the financial year, as well as to give its opinion whenever the Procedure for the management of transactions with related parties of Unieuro S.p.A. so required.

12. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

During the Financial Period and in compliance with Principle 7.P.1 of the Self-Regulation Code, the Issuer adopted an internal control and risk management system that will allow it to identify, measure, manage and monitor the main risks in line with best domestic and international practices.

The internal control and risk management system contribute to protect the company's assets, the efficiency and efficacy of the corporate processes, compliance with the laws and regulations, the Articles of Association, the internal procedures as well as the reliability of the financial information. In this area, the internal control system, set up with the objective of guaranteeing the reliability, accuracy, integrity and timeliness of the financial information, must therefore be considered as an integrative element rather than separate from the general risk management system adopted by the Company.

Said system is integral to the general organizational and corporate governance structures adopted by the company, taking into consideration as appropriate the best domestic and international practices as well as the models of reference, also in light of the evolution of this subject.

In particular, the planning, implementation and monitoring of the internal control and risk management system determined by the company have been inspired by the CoSo Framework methodology developed on the basis of the guidelines of the Committee of Sponsoring *Organizations of the Treadway Commissions*; the company plans and carries out ongoing development and streamlining of the system in all its components, in the context of continuous improvement. These components are briefly summarised below.

a) Control environment

The control environment is the organizational context within which the strategies and objectives are established as well as the procedures by which the business activities are structured and the risks are identified and managed. This encapsulates many elements, including the ethical values of the company, the skills and development of the personnel, the operating style and the procedures with which delegations, powers and responsibilities are conferred.

b) Risk assessment

Risk assessment is considered as a basic element of the system. To this end, in order to acquire instruments that are more in line with the requirements of the control and risk management system required by the organizational model overall, the status as a listed company and the business dynamics, the Company has initiated a structured process aimed at identifying and assessing risks, which provides the base methodology for identifying control system and audit plan priorities.

c) Control activities

The control activities are determined within the framework of regulations, policies, guidelines and procedures that can help to ensure that the decisions for handling risks are executed in an adequate fashion. The Audit Plan, in accordance with principles of conformity with the task of optimising corporate resources and efficiency, has been implemented taking into consideration the main results of the risk assessment activities; these elements were supplemented by control activities that were triggered as a result of the requirements stated by the Financial Reporting Officer and by the Supervisory Body, for which Internal Audit provides operational support, as explained in more detail below. The Audit Plan was approved by the Board of Directors, after analysis and evaluation by the Control and Risk Committee.

d) Information and Communication

Information is necessary at all corporate levels to identify, evaluate and implement the decisions for the handling of the risks as well as to carry out control activities in compliance with the objectives that have been previously set. The individuals who make up the internal control and risk management system carry out their function also by maintaining a constant flow of executive reporting in line with their roles.

e) Monitoring

The internal control and risk management system is periodically audited and updated in order to align the structure and the implementation procedures with the specific requirements of the organization and the market in which the Company operates, according to the guidelines expressed by the Board of Directors

On 6 May 2021, the Board of Directors: (i) approved the annual work plan prepared by the head of the Internal Audit function, having consulted the Board of Statutory Auditors and the director responsible for the internal control and risk management system; and (ii) held, based on the information provided to the Directors and having heard the opinion of the Control and Risk Committee, that the internal control and risk management system adopted by the Company is consistent with the provisions of Application Criterion 7.C.1. of the Self-Regulation Code for listed companies.

12.1 Risk management system in relation to financial reporting

As regards the internal control system in place for the preparation of the financial reports, the Company has undertaken a process of adjustment to the indications set forth in law 262/05. This process aims to document the accounting and administrative model that has been adopted as well as to put in motion specific audit checks by way of support to the certification process under the Financial Reporting Officer’s responsibility.

The above-mentioned accounting and administrative audit model constitute the totality of internal procedures and instruments adopted by the Company to ensure achievement of the corporate objectives of reliability, accuracy, integrity and speed in financial reporting.

The methods applied by the Financial Reporting Officer for the analysis and verification of the administrative and accounting audit system is set forth in a document describing the model, which has been constructed in line with the indications set forth in the "CoSo Report" which is referred to as the model of reference in the ANDAF Guideline for the Financial Reporting Officer preparing the Company’s accounts.

The valuation of the risks identified by the financial reporting at both the *entity* and process and individual transaction levels, aims to measure the appropriateness of the safeguards in place to efficiently mitigate the risks inherent to the administrative-accounting process.

The approach adopted is mindful of possible risks arising due to innocent mistake as well as the risks that derive from fraudulent intent, thus providing for the planning and monitoring of safeguards and controls that guarantee coverage of this nature of risk, as well as coordination with those control protocols that have been implemented as part of the overall internal control system.

Furthermore, the approach adopted is mindful of both manual controls and those made by information systems in support of the accounting and administrative processes, in other words, so-called automatic controls at the application system level and IT general controls safeguarding the areas which relates to system access, control of development and modifications and finally, adequacy of the IT structures. At the general IT and infrastructure level, the control system is subject to analyses to reveal issues and carry out initiatives aimed at strengthening it.

Monitoring activities are concentrated on the operating processes which refer to material accounting items. Furthermore, *ad hoc* checks are carried out on activities connected to closing of those operations which the company documents, allocates the responsibilities therefor and authorizes through a dedicated information system, so as to guarantee the completeness and accuracy thereof.

The Financial Reporting Officer constantly monitors the adequacy of the controls, initiating corrective actions where necessary.

Based on the results of the activity for the tracking of the processes, risks and controls, the company determines improvement plans aimed at introducing and/or modifying the controls whether at the general or at the individual process level and moves to determine or update the administrative - accounting procedures.

12.2 Director in charge of the internal control and risk management system

By way of support to the Issuer's internal control and risk system and in addition to the internal control system, the Company's Board of Directors appointed Giancarlo Nicosanti Monterastelli on 26 June 2019 as the director in charge of the internal control and risk management system having the duties listed in application criterion 7.C.4. of the Self-Regulation Code. To this end, the Issuer deems that the appointment of Giancarlo Nicosanti Monterastelli who also holds office as CEO, is in line with the provisions of the Self-Regulation Code, which outlines the positive aspects connected to a choice of this nature, also having regard to the specific knowledge held by the individual appointed to the role.

In conformity with the provisions of art. 7 of the Self-Regulation Code (Application Criterion 7.C.4.), the Director in charge of the internal control and risk management system is required to:

- identify the main corporate risks, taking into account the characteristics of the activity carried out by the Issuer and its Controlled Companies and periodically submit them for examination by the Board of Directors;
- put into effect the guidelines determined by the Board of Directors, as follow-up the planning, realization and management of the internal control and risk management system and verify the relative adequacy and efficacy on an ongoing basis;
- deal with any adaptation of the control system to the dynamics of the operating conditions and the legislative and regulatory environment;
- request, at his/her discretion, the Internal Audit department to check specific operating areas and compliance with the internal rules and procedures in executing the corporate operations. In such case he/she shall concurrently inform the Chairman of the Board of Directors, the chairman of the Control and Risk Committee and the Chairman of the Board of Statutory Auditors;

- immediately inform the Control and Risk Committee (or the Board of Directors) of any problems and critical areas that are flagged up as a result of activities or of which he/she becomes aware so that the committee (or the Board) can take the appropriate actions.

12.3. Internal Audit Department Manager

At its meeting of 12 April 2017, the Board appointed Raffaella Folli as the *Internal Audit* Department Manager of the Issuer in charge of the Issuer's internal audit operations.

The appointment of the Internal Audit Manager is the result of a proposal put forward by the director in charge of the internal control and risk management system, after receiving favourable opinions from Control and Risk Committee and the Board of Statutory Auditors.

On the proposal of the director in charge of the internal control and risk management system and having received the favourable opinions from the Control and Risk Committee and Board of Statutory Auditors, the Board fixed the remuneration of the *Internal Audit* Department Manager in line with the corporate policies and ensured that the appropriate resources for the discharge of the relative duties are available to such manager.

The Internal Audit Department Manager reports directly to the Board of Directors and is not responsible for any operating area.

The Internal Audit Manager has adequate resources at his/her disposal to carry out the allocated tasks. During Financial Period, the Internal Audit Manager carried out the relative tasks in conformity with application criterion. 7.C.5. of the Self-Regulation Code in line with the Plan approved by the Board of Directors, the results of which were reported to the Management, the Control and Risk Committee, the Board of Statutory Auditors and the Board of Directors.

The Company believes the incentivising mechanisms for the Internal Audit Manager are consistent with the tasks assigned to this role (Application Criterion 6.C.3.).

12.4. Organisational model (pursuant to Legislative Decree no. 231/2001)

On 17 May 2016, the Company approved and adopted the Organisation, Management and Control Model, pursuant to Legislative Decree No. 231/2001 (respectively: "**Model**" and "**Decree**"). Additionally, on 12 April 2017, the Company updated and approved the new Model in line with the rules governing market abuse offences. On 15 November 2020, an induction sitting of the most recent members of the Committee having taken place beforehand, the Company approved an updated version of the Model further to the introduction into law of a new type of criminal offence.

The Code of Conduct provides for standards of conduct and guidelines to be followed when conducting business, in the relations between employees of the Company and the Group, and in relations with third parties. This document was prepared mindful of the Company's specific requirements arising in virtue of its operations. The Model Code of Conduct and the aforementioned policies are available on the Company's website www.unieurospa.com "Corporate Governance" section.

At its meeting of 26 June 2019, the Board of Directors further resolved to confirm the appointment of the Supervisory Body, the members of which are Giorgio Rusticali (Chairman), Chiara Tebano (Lawyer), and Raffaella Folli. The Supervisory Body so constituted fulfils the requirements of autonomy, independence, professionalism and continuity of the applicable activities.

The Model consists of two parts. The first part is general in nature and illustrates the purposes, recipients, members of the preventive control system of the Model itself and - in line with the provisions of the Decree - the structure, operation and duties of the Supervisory Body, which pursuant to art. 6 of the Decree, is in charge of monitoring the functioning and observance of the Model.

This first part of the Model also provides for training and information of the company's personnel to familiarise them with the contents of said Model.

The second part of the Model is of a special nature and contains a description of the types of offences provided for in the Decree as well as the penalties applicable thereto, as concerns those risk areas considered applicable to the Company as a result of risk areas that were identified during the risk assessment process.

The types of offences which the Model aims to prevent, based on the risk mapping which was conducted prior to its adoption, are:

a. Offences involving relations with the Public Administration;
b. Corporate offences;
c. Crimes for the purpose of terrorism or subversion of democratic order, transnational crimes, organised criminality, handling of stolen goods, money laundering, concealing/handling the proceeds of crime, use of unlawfully obtained money, goods or utilities, employment of third parties who reside illegally in the country;
d. Crimes against persons;
e. Market abuse crimes;
f. Culpable offences in violation of the laws on occupational health and safety;
g. Computer crime and illegal data processing;
h. Falsifying instruments and identification marks and crimes against industry and commerce;
i. Crimes involving intellectual property rights;
j. Inducement to withhold information from, or make untruthful declarations to, the Court authorities;
k. Environmental crimes;
l. Corruption between private parties;
m. tax offences.

As part of its set of tools to safeguard against the risk of corruption, as of 2019 the Company has a Whistleblowing Policy ("**Policy**") in place for the purpose of:

- establishing procedures for the reporting of unlawful or illegitimate conduct or behaviour, whether based on acts or omissions, which constitute, may constitute or may facilitate a violation of the Group's Code of Ethics and/or the Organization, Management and Control

Model in accordance with Legislative Decree 231/01 as adopted by the Company and in any case conduct as may violate the policies and/or rules that govern corporate processes;

- ensuring a work environment in which employees and internal collaborators are comfortable in reporting any "Unlawful Conduct" being carried out within the Company.

The main features of the Company's whistleblowing system are:

- two information channels open to employees and collaborators, one of which is IT based;
- management of reported events in line with the provisions of the internal organisational provisions adopted by the Company on Whistleblowing;
- ensuring that the identity of the whistleblower shall be kept confidential pursuant to Law No. 179/2017;
- prohibiting any direct or indirect retaliatory or discriminatory acts against the whistleblower for reasons connected directly or indirectly to the unlawful conduct reported;
- applying a system of sanctions to those persons who violate the commitments, obligations and protection guaranteed by the Company.

The whistleblowing IT channel adopted by the company uses an online platform ("Whistleblowing Portal") which allows for the sending of reports in line with the relevant legislative provisions. Access to the Whistleblowing Portal is subject to a "no-log" policy so as to prevent the identification of any whistleblower who wishes to remain anonymous.

For more information on the whistleblowing system and on the other anti-corruption procedural instruments in place, you are invited to consult the company documentation made available in the “Company Documents and Procedures” section of the Company's website.

12.5. Auditing firm

Pursuant to the applicable definitions and provisions of the law, the Shareholders’ Meeting on 12 December 2016 resolved to appoint the auditing firm KPMG S.p.A. - with legal and administrative offices located at Via Vittor Pisani no. 25 Milan, registered under number 13 of the Register of auditing firms held by the Ministry of Economy and Finance pursuant to art. 161 TUF and number 70623 of the Register of legal auditors - to conduct the legal audit of the annual financial statements for the financial years ending 28 February 2017 until 28 February 2025, pursuant to articles 14 and 16 of Legislative Decree No. 39 of 27 January 2010, and the abbreviated audit of the abbreviated half year financial statements for the half years ending from 31 August 2017 until 31 August 2024. In consideration of the further activities required from the Independent Auditors due to, *inter alia*, the acquisition of the entire shareholding in Monclick Srl, the Issuer conferred on the Independent Auditors, the task to carry out legal review of the consolidated financial statements for the financial years ending 28 February 2018 on 28 February 2025. Furthermore, in consideration of the activities required of the Auditing Firm by Legislative Decree No. 39 of 27 January 2010 and by (EU) Regulation No. 537/2014 (due to the entry into force of the new accounting standards IFRS 9, 15 and 16), as a consequence of the acquisition of the business units and above-mentioned shareholding in Monclick S.r.l., the Company upwardly adjusted the fees payable to the Audit firm, in compliance with the provisions of the relevant engagement letter[18].

12.6. Financial Reporting Officer and other roles and corporate functions

Article 20 of the Articles of Association provides that the financial reporting officer be appointed by the Board of Directors, after the Board has received the mandatory albeit non- binding opinion of the Board of Statutory Auditors. Said corporate articles also provide that the Director tasked with preparing the corporate accounting documents shall hold a degree, obtained in Italy or abroad, in an economic or financial subject. He/she shall also have either at least three years of experience in the specific sectors of activity in which the Company operates or in management consultancy which includes administrative and accounting matters. He/she shall satisfy the integrity requirements envisaged for Directors.

In observance of art. 154-*bis* TUF, and in compliance with the procedures for appointments set forth in art. 20 of the Articles of Association, on 7 February 2017 the Issuer's Board of Directors appointed Italo Valenti, Chief Financial Officer of Unieuro, as the Financial Reporting Officer[19].

Upon appointment, the Board confirmed that the appointees satisfy the requisites mentioned in the above Articles and vested the financial reporting officer with the powers and means necessary for the performance of the duties attributed to such office.

The Company believes that the incentivising mechanisms for the Financial Reporting Officer are consistent with the tasks assigned to this role (Application Criterion 6.C.3.).

12.7. Data Protection Officer

As of 25 May 2018, the Company has adopted a Privacy Organizational Model, in compliance with the provisions set forth in Regulation (EU) 2016/679 (GDPR) and, in general, with the regulation on privacy, defining guidelines, inter alia, for the management of corporate and organizational relations and for the necessary coordination of operational and compliance activities regarding personal data processing.

On 15 April 2021, the Company appointed lawyer Diego Fulco - founding partner and partner in the law firm, Net For Legal having its registered office in Milan, VAT number IT13218070152 - as its new DPO for the Company and its controlled company, Monclick Srl with Sole Shareholder and conferred upon such DPO all the powers and functions referred to under article 39 GDPR. This appointment is effective as of 27 April 2021.

[18] It should be noted that on 30 September 2019 the auditing firm KPMG was entrusted with the legal audit of the accounting situation from 29 February 2020 to 28 February 2025 of the 100% subsidiary Carini Retail S.r.l. It should be noted that on 5 August 2020 Unieuro and Carini Retail S.r.l. in execution of the resolutions passed on March 18, 2020 respectively by the Board of Directors of Unieuro, pursuant to articles 2365 and 2505 Civil Code and article 16 of the Articles of Associations, and at the Extraordinary Shareholders' Meeting of Carini Retail, stipulated the deed of merger for the merger by incorporation of the subsidiary Carini Retail into the parent company Unieuro

[19] It should be noted that on 9 April 2021 Unieuro announced that, following the signing of an agreement for the consensual resolution of the employment relationship with the Company, with effect from May 31, 2021 Italo Valenti will resigned from his office as Chief Financial Officer and the positions of manager in charge of the preparation of the financial statements and investor relator of Unieuro and will pursue other professional opportunities. Italo Valenti will hold his offices and responsibilities until such date in order to assist the Board of Directors in the approval of the consolidated financial statements and the draft financial statements as at 28 February 2021. The Company has already started the search for a successor of equally high profile, so as to allow a change in organizational continuity.

12.8. Coordination between the individuals involved in the internal control and risk management system

In order to optimize interaction between them and maximize efficiency of the internal control and risk management system, pursuant to the recommendations of the Self-Regulation Code, the Company has identified the roles and responsibilities of those individuals involved in the internal control and risk management system, to avoid overlapping of the respective areas of activity and skills or duplication of controls carried out.

Specifically:

- members of the Board of Statutory Auditors are always invited to take part in the meetings of the Control and Risk Committee, as is the Director in charge of the Internal control system;
- the Director in charge of the internal control and risk management system is required to promptly inform the Control and Risk Committee and the Board of any problems and critical issues that arise during the carrying out of his/her activities or which he/she has otherwise become aware of, so that the Committee and the Board are able to take the appropriate steps;
- the Internal Audit Function Manager shall ensure that there is a periodic flow of information, including for those issues that are particularly significant, such flow not only with the Control and Risk Committee but also with all individuals who, in their various capacities, supervise the internal control and risk management system, such as the Board, the Financial Reporting Officer, the Supervisory Body, the Audit Firm and the Director in charge of the internal control and risk management system, each for the issues within their respective areas of competence;
- the Internal Audit function manager shall directly participate at meetings of the Supervisory Body as an internal member and, where required, shall regularly take part in verifications conducted by the Board of Statutory Auditors;
- the Board of Statutory Auditors shall communicate periodically with the Board of Directors, Control and Risk Committee, Supervisory Body, Audit firm and the Financial Reporting Officer;
- the Supervisory Body may be called to participate in the meetings of the Board of Directors and the Control and Risk Committee as a guest, reporting every half year regarding its own activities;
- the Audit Firm may be invited to take part in the Control and Risk Committee meetings to update the Committee on the activities conducted;
- twice a year, at the half-year and annual closings, a meeting takes place of the control bodies (Control and Risk Committee, Board of Statutory Auditors, Supervisory Body, Internal Audit, Financial Reporting Officer, Director in charge, Independent Auditors) to ensure the alignment and coordination of the control activities carried out by each of them;
- The DPO shall maintain a flow of periodic communication with the Control and Risk Committee, sending quarterly reports to the Board of Directors and the Board of Statutory Auditors.

13. INTERESTS OF THE DIRECTORS AND TRANSACTIONS WITH RELATED PARTIES

In conformity with the requirements of Consob in Regulation 17221/2010 of 12 March 2010 containing provisions on related-party transactions, on 12 April 2017, after receiving the opinion in favour of two Independent Directors then in office, the Board of Directors definitively approved an internal procedure for transactions with related parties (the "**Procedure**"), which is available on the Company's website at https://unieurospa.com/en/_home/ under section “Corporate Governance / Corporate Documents and Procedures”.

The above-mentioned procedure applies to transactions with related parties (the definition of which is provided in the respective definitions of the Consob Related Party regulation, which is expressly referred to in the Procedure) conducted directly by the Company or through controlled companies.

In conformance with the Consob Related Party Regulation, the procedure governs, *inter alia*, the inquiry and approval procedures regarding transactions with related parties of *greater importance* based on the criteria indicated in Consob's Related Party Regulation and those transactions with related parties classified as of *lesser importance*, which are transactions other than those of *greater importance* and transactions involving modest amounts (individual transactions of not more than €150,000 where the related party is a natural person and not more than €300,000 where the related party is not a natural person).

Pursuant to the provisions of the Consob Related Parties Regulation, the Procedure considers to be transactions of greater importance with related parties those in which at least one of the relevant indexes indicated in attachment 3 of said Regulation is higher than the threshold of 5% and requires that a specific corporate body (comprised of the Chief Financial Officer and the Legal Director) be entrusted with the task of deciding how to apply the Procedure to the specific transaction, including the manner for classifying a transaction as of *greater importance* or of *lesser importance*.

In accordance with article 10 paragraph 1 of the Consob Related Parties Regulation, “*recently listed companies*” - meaning those companies whose shares are listed in the period between the start date of trading and the date of approval of the financial statements for the second financial year following the listing - are entitled to apply the procedure provided for the approval of transactions of lesser importance also to the approval of transactions of greater importance notwithstanding art. 8 of the aforementioned Regulation. Unieuro availed itself of this right as expressly indicated in the Procedure.

Unieuro lost its status of recently listed company upon approval of the financial statements for the financial period as at 29 February 2020.

Pursuant to the Consob Related Parties Regulation, the Procedure provides that, prior to approval of a transaction with related parties, the Related Parties Committee - which shall be comprised exclusively of unrelated and non-executive directors and a majority of independent directors pursuant to the TUF and the Self-Regulation Code - shall give a reasoned, non-binding opinion on the interests of the Company to pursue the transaction as well as the convenience and essential correctness of the terms and conditions related thereto[20].

The rules provided by the Procedure do not apply in the following cases which are deemed as exempt therefrom:

[20] See the Related Parties Committee chapter for more details.

(i) board resolutions regarding remuneration to members of the Board of Directors pursuant to article 2389, paragraph 1 Civil Code and resolutions regarding remuneration of directors entrusted with particular duties and included in the total amount of the remuneration of all the directors, which has previously been determined by the Shareholders' Meeting pursuant to article 2389, paragraph 3 Civil Code;

(ii) resolutions, other than those indicated under (i) above, regarding the remuneration of directors vested with particular duties, as well as other managers with strategic responsibilities, provided that:

- the company has a remuneration policy in place which the Remuneration and Appointments Committee was involved in determining;
- a report describing the remuneration policy has been submitted for approval and vote at the Shareholders' Meeting; and
- the granted remuneration is coherent with such policy;

(iii) transactions of a negligible amount;

(iv) remuneration plans based on financial instruments approved at the Shareholders' Meeting pursuant to article 114-*bis* TUF and the relative executive operations;

(v) ordinary transactions (being transactions in the remit of ordinary operations and their relative activity that are connected to the financial activities of the Company or the Controlled Company carrying out the transaction) that are concluded at arm's length with regard to the market or standard;

(vi) transactions carried out by the Company with its Controlled Companies or transactions carried out between such Controlled Companies, as well as connected companies, to the extent that the Controlled Companies or connected companies that are counterparties in the transaction do not have any significant interests in other related parties of the company;

(vii) board resolutions regarding remuneration payable to members of the Board of Statutory Auditors, pursuant to article 2402 Civil Code.

It is noted that any decisions regarding the renewal, including tacit or automatic renewal, of contracts and relations stipulated with related parties of the Issuer in the period prior to the formal adoption of the related party transactions policy and Procedure described above, shall be made in compliance with this Procedure once it has been approved by the Board of Directors subsequent to the Trading Start Date.

In light of the provisions of Legislative Decree No 49/2019, as implemented by Consob Resolution No. 21624 of 10 December 2020 published on 11 December 2020, the Company shall adapt the Procedure within the timescales required by law (i.e. by 30 June 2021).

14. APPOINTMENT OF THE STATUTORY AUDITORS

The Board of Statutory Auditors is appointed at the Company's ordinary Shareholders' Meeting.

Pursuant to articles 21 in 22 of the Articles of Association, the Issuer has adopted a transparent procedure for the appointment of the statutory auditors which guarantees, among other things, adequate and timely information regarding the personal and professional features of the candidates in office.

For as long as the Company's shares are listed on a regulated market in Italy or in another member state of the European Union, the Board of Statutory Auditors will be elected at the ordinary Shareholders' Meeting on the basis of lists submitted by the shareholders as provided below and ensuring a gender balance respecting the applicable laws and regulations.

Shareholders have the right to submit a list to the extent that they hold, whether individually or jointly with others on the date of submission of said list, the share percentage established by law or regulations in force from time to time (4.5%, pursuant to the Consob Management Deliberation No. 48 of 7 May 2021).

The lists have two sections: one for the appointment of statutory auditors and the other for the appointment of alternate auditors. The first candidate in each section shall be a certified auditor and shall have worked for a minimum of 3 (three) years as an auditor for clients that are legally required to have their financial statements audited. Should the other candidates do not meet such requirement for the immediately preceding period, they must meet the other professional requirements under applicable legislation and regulations from time to time. In the event of non-fulfilment of the obligations laid down in this paragraph, the list will be deemed unsubmitted.

Each list that contains 3 (three) or more candidates (mindful that there are two sections), shall also include a number of candidates from the under-represented gender so as to ensure that the list respects the principle of equality between genders and the number is at least the minimum required under the laws and regulatory provisions in force from time to time. Any list that fails to fulfil the obligations laid down in this paragraph shall be deemed unsubmitted.

As concerns gender balance, please refer to that discussed above in Paragraph 4.1 above in relation to regulatory changes and the consequent amendments to the Articles of Association which were approved by the shareholders at a Shareholder's Meeting held in 2021.

The lists shall be submitted within the period prescribed by the applicable legislation referred to in the convocation notice at the Company's registered office or electronically, as stated in the notice, and made public within the timeline and in the manner laid down by applicable legislation and regulations. If by the deadline for the submission of lists, only one list has been submitted or there are only lists submitted by shareholders acting together within the meaning of art. 144-*quinquies* of the Issuer Regulation, then lists may be submitted for up to three days after said deadline. In this event, the thresholds indicated in the Articles of Association are reduced by half. Together with the lists, the following shall also be submitted:

- (i) information about the shareholders who submitted the list and an indication of the percentage of equity held by them;
- (ii) a declaration from shareholders other than those who hold, even jointly, a controlling or relative majority interest, certifying the absence of direct or indirect relationships with such shareholders under applicable legislation and regulations;

(iii) the *curriculum vitae* of the candidates and a declaration from each candidate attesting that there are no grounds for ineligibility or incompatibility and that he or she meets the requirements for office;

(iv) information about the candidates with an indication of administrative and supervisory positions held in other companies, as well as a declaration by the candidates that they meet the requirements, including those in terms of integrity, professionalism, independence and those concerning concurrent office, provided by applicable legislation and regulations and the articles of association, and their acceptance of the nomination and office, if elected;

(v) a declaration whereby each candidate accepts his or her nomination;

(vi) any other declaration, information and/or document as may be required by applicable legislation and regulations.

Any shareholder/s, who have signed a shareholders' agreement pertaining to the Company and relevant for the purposes of article 122 of the TUF, parent company, controlled companies and companies under common control and any other entities with whom a relationship exists, including indirectly within the meaning of applicable legislation and regulations, may not submit or participate in the submission of more than one list, even through an intermediary or trust company, nor vote for different lists.

Each candidate shall only be included in one list, otherwise he or she shall be considered ineligible.

Any list not complying with the provisions set forth in this paragraph shall be considered as not having been submitted.

The statutory auditors will be the first two candidates from the list with the highest number of votes ("**Majority List**") and the first candidate from the list obtaining the second highest number of votes ("**Minority List**") submitted by shareholders who are not related, even indirectly, to the shareholders who submitted or voted for the Majority List, and this candidate will also be appointed Chairman of the Board of Statutory Auditors.

The alternate auditors will be the first alternate candidate on the Majority List and the first alternate candidate on the Minority List.

If the gender balance is not achieved as required by applicable legislation including any *pro tempore* regulations, the necessary replacements will be selected from the candidates put forward for the office of standing auditor on the Majority List, in the order in which the candidates are listed.

If fewer candidates are elected based on the lists submitted than there are auditors to be elected, the remainder will be elected at the Shareholders' Meeting on simple majority ensuring that the gender balance required under applicable legislation, including any *pro tempore* regulations, is achieved.

In the event of a tie between the lists, a tie-breaker vote to decide the between the candidates subject of the tie shall be held for anyone entitled to vote at the Shareholders' Meeting. The candidates who obtain a simple majority of the votes shall be elected.

If only one list is submitted, the entire Board of Statutory Auditors shall be elected from that list in accordance with applicable legislation and regulations. If no list is submitted, the Shareholders' Meeting will shall resolve on the candidate by statutory majority.

The Chairman of the Board of Statutory Auditors shall be the statutory auditor elected from the Minority List, unless only one list is submitted or no list is submitted; in such cases the Chairman of the Board of Statutory Auditors shall be appointed at the Shareholders' Meeting by resolution a voted on simple majority of representative votes.

15. COMPOSITION AND OPERATION OF THE BOARD OF STATUTORY AUDITORS (pursuant to art. 123-bis, paragraph 2, letters d) and d-bis) TUF)

Pursuant to art. 21 of the Articles of Association, the Board of Statutory Auditors shall be comprised of 3 (three) statutory auditors and 2 (two) alternate auditors who satisfy the requirements of professionalism, integrity and independence as required by law and other applicable provisions.

As concerns the requirement of professionalism in particular, pursuant to art. 1, paragraph 2, letters b) and c) of Ministerial Decree 162 of 30 March 2000, matters and sectors of activity which are closely related to those of the business carried out by the Company means those matters and sectors of activity connected to or inherent in the operations of the Company, as these are indicated in the corporate objects clause.

The requirements, functions, responsibilities of the Board of Statutory Auditors are governed by law.

Statutory Auditors shall remain in office for three company financial years. Their term of office shall expire on the date of the Shareholders' Meeting convened to approve the financial statements relative to their third year in office. Said auditors may be re-elected.

The Board of Statutory Auditors in office at the date of this Report and appointed at the Shareholders' Meeting on 18 June 2019 is composed of Giuseppina Manzo (Chairman), Maurizio Voza and Federica Mantini (standing auditors), Valeria Francavilla and Davide Barbieri (alternate auditors). Such composition shall remain in office until the approval of the financial statements as at 28 February 2022.

At the Shareholders' Meeting held on 18 June 2019, the standing auditors Maurizio Voza and Federica Mantini, as well as the alternate auditor Valeria Francavilla, were selected from the list of candidates presented by Monte Paschi Fiduciaria S.p.A. on behalf of IEH (Majority List, based on a vote of 59.62% of the ordinary shares admitted to vote). The Chairman of the Board of Statutory Auditors, Giuseppina Manzo as well as the alternate auditor Davide Barbieri were selected from the list (Minority List) presented by institutional investors.

At the date of this Report, the Board of Statutory Auditors is therefore composed as follows:

Name and Surname	Office Held		Year of birth	Date of first appointment	In office since	In office until	List[21]	Independence from the code	Attendance at the meetings [22]	Nr. of assignments[23]
Giuseppina Manzo	Chairman		1981	18/06/2019	18/06/2019	2022 financial statements approval	m	X	100,00%	6 (of which 1 issuers)
Maurizio Voza	Statutory auditor		1976	23/06/2012	12/12/2016	2022 financial statements approval	M	X	100%	3 (of which 1 issuers)
Federica Mantini	Statutory auditor		1973	18/06/2019	18/06/2019	2022 financial statements approval	M	X	100,00%	7 (of which 1 issuers)
Valeria Francavilla	Alternate Auditor		1981	18/06/2019	18/06/2019	2022 financial statements approval	M	X	N/A	16 (nessuna emittente)
Davide Barbieri	Alternate Auditor		1984	18/06/2019	18/06/2019	2022 financial statements approval	m	X	N/A	10 (of which 1 issuers)

[21] This column indicates the M/m depending on whether the member was elected from the list voted by the majority (M) or by a minority (m).
[22] This column contains the attendance rate of the auditors at meetings of the Board of Statutory Auditors (ratio between the number of attendances and the number of meetings held during the actual time during which the individual in question was in office).
[23] This column contains the number of offices held by the individual in question as a director or statutory auditor which are deemed relevant for the purposes of article 148-*bis* TUF (including the Issuer), in addition to the office held in the Company and in any of its controlled companies. The complete list of offices is published by Consob on its own website pursuant to art. 144-*quinquiesdecies* of the Issuers' Regulation. Offices (if any) held in listed companies are indicated in brackets.

For more information about the members of the Board of Statutory Auditors, please refer to the website of the Issuer https://unieurospa.com/en/_home/, in the section "governance/board of auditors" where the *curriculum vitae* of Statutory Auditors illustrating the professional characteristics of the Auditors are available.

Pursuant to the recommendations made in the Self-Regulation Code and in accordance with applicable laws, the Board of Statutory Auditors shall monitor the financial reporting process, the efficacy of the Internal Control and Risks System, the legal auditing of the annual and consolidated accounts and the independence of the independent auditors, in particular as concerns any non-auditing services this latter may provide. To correctly perform their own activities, the Statutory Auditors may request the Internal Audit Manager to carry out checks on specific operating areas or company operations.

During Financial Period, in the performance of its activities, the Board of Statutory Auditors have coordinated with the Internal Audit Department and the Control and Risk Committee by means of participation in discussions on issues of specific interest. The Internal Audit Manager has participated on a regular basis in the checks carried out by the members of the Board of Statutory auditors.

All Statutory Auditors must satisfy the requirements of eligibility, integrity and professionalism as provided by the applicable laws and regulations. Furthermore, in application of the recommendations set forth under Application Criterion 8.C.1. of the Self-Regulation Code, the above-mentioned article 21 of the Articles of Association provides that all Statutory Auditors must satisfy the requirements of independence set forth in the applicable legislation and regulations.

In application of article 144-*novies* of the Issuer Regulation and the above-mentioned application criterion, the holding the requirements indicated above by the members of the Board of Statutory Auditors shall be assessed by the Board of Statutory Auditors:

(i) after their appointment; the outcomes of this verification shall be disclosed to the market by press release;

(ii) every year; the relative results shall be provided in the report on corporate governance.

On the Trading Start Date, the Board of Directors ascertained that all the members of the Board of Statutory Auditors in office at that time fulfilled the requirements of professionalism and integrity required by article 148 TUF and Regulation No.162/2000 adopted pursuant to the Ministry of Justice, and that the offices they held did not exceed the cumulative limit set under article 144-*terdecies* of the Issuer Regulation.

The 8 April 2020, was the last occasion upon which the Board of Statutory verified that all the members of the Board of Statutory Auditors continue to fulfil the requirements of integrity and professionalism required by article 148 TUF and the implementation regulation adopted with Decree No. 162/2000 issued by the Ministry of Justice. At 14 April 2020 meeting, the Board of Directors also verified the continued fulfilment of the independence requirements of article 148, paragraph 3 TUF and the combined provisions of articles 3 and 8 of the Self-Regulation Code, for all members of the Board of Statutory Auditors and found that none of them falls within the remit of the matters under article 148, paragraph 3 TUF and the combined provisions of articles 3 and 8 of the Self-Regulation Code.

Also on 8 April 2020, the Board of Statutory Auditors examined the outcomes of the self-assessment process pursuant to rule Q.1.1. (Code of Conduct of the Board of Statutory Auditors of listed companies - April 2018) to ascertain the existence and continuance of members' suitability requirements as well as its correct and effective operation. Said Board of Statutory Auditors' self-assessment process, deemed to be successfully concluded, was recorded in minutes and sent to the Board of Directors.

Please note that, in application of Recommendation No. 7 of the Corporate Governance Code - which specifies determined circumstances deemed to compromise or that would appear to compromise, the independence of a director (as well as that of an auditor, pursuant to Recommendation No. 9) - the Board of Directors on April 15 2021 following a preliminary assessment carried out by the Remuneration and Appointments Committee, laid down the assessment criteria to measure the relevant nature of commercial, financial or professional relations of independent directors with the Company, as well as any additional remuneration received by said directors in relation thereto.

More specifically, the Board of Directors deems a Director to satisfy the independency requirements based on the following factors, without prejudice to any particular circumstances to be considered based on the specific case:

- the <u>total value of any commercial, financial or professional relationships</u> maintained during the current year or in the three previous years with the Company and/or its subsidiaries or with its executive directors or top management or with a person who controls the company or with the related executive directors or top management, does <u>not exceed the lesser amount between</u>:
    - 5% of the annual turnover of the company or entity of which the Director has control, or is a key representative of, or of the professional firm or consulting company which he/she is a *partner* in;
    - (i) Euro 300,000 (meaning an annual fee for professional services rendered to the Company by the company or body over which the Director has control of or of which he/she is a key representative or by the professional firm or company consultancy of which he/she is a partner in or (ii) Euro 150,000 (meaning an annual fee for the professional services rendered to the Company by the Director as an individual professional).
- the <u>additional remuneration</u> paid directly to the Director during the current financial period or in the three previous financial periods (i) by the Company or (ii) by its parent company or any subsidiaries thereof, <u>does not exceed the overall remuneration</u> he/she receives due to his/her office and participation in those committees recommended by the Corporate Governance Code or envisaged by the legislation in force.

The Board also specified that the fact of being a "close family member" of a person who exceeds one of the above-mentioned thresholds is also a circumstance deemed relevant to the compromising of a director's independence, whereby "close family members" are deemed to be parents, children, spouses who are not legally separated and cohabitants, in alignment with that set forth in the Q&A

to the Corporate Governance Code published in November 2020 by the Corporate Governance Committee.

With regard to the Board of Statutory Auditors, you are reminded that the Corporate Governance Code provides that all members of the control body shall satisfy the same independence requirements as those applicable to directors under Recommendation 7. The independence assessment shall be carried out by the management body or the control body in the manner and within the timelines mentioned above, on the basis of the information provided by each member of the control body. As concerns the specific practice of Unieuro S.p.A., we remind you that, to date - the Board of Statutory Auditors performs the assessment of its own members' independence in compliance with standard Q.1.1. (Self-assessment of the board of statutory auditors) referred to in the code of conduct governing boards of statutory auditors of listed companies (April 2018 version) and then informs the Board of Directors of its findings.

That stated, on 21 April 2021 the Board of Statutory Auditors found that all members of the Board of Statutory Auditors satisfy the independence requirements provided for by law and by the Corporate Governance Code as well as the integrity and professionalism requirements under art. 148 TUF and its implementing regulation adopted by Decree of the Ministry of Justice No. 162/2000. On May 13 2021, the Board of Director took note of said findings.

Also on 21 April 2021, the Board of Statutory Auditors verified the outcomes of the self-assessment process pursuant to regulation Q.1.1. (Code of conduct of Boards of Statutory Auditors of listed companies - April 2018) so as to check the existence and continuity of conformance with eligibility requirements on the part of its members and the correctness and effectiveness of its own system. The self-assessment process was recorded in minutes and found to have a satisfactory outcome. Said minutes were furnished to the Board of Directors.

Below is a summary on the members of the Board of Statutory Auditors.

GIUSEPPINA MANZO

Giuseppina Manzo was born in Taranto on 9 January 1981 and graduated in Business Law and Economics from the Luigi Bocconi University of Milan in 2004. In 2009, she was admitted to the Order of Chartered Accountants of Milan and the Register of Official Auditors. In 2013, she gained an Executive Masters diploma in Corporate Finance and Banking from the SDA Bocconi School of Management. She acts as auditor for numerous companies, some of which are listed on the Italian Stock Exchange. Having commenced her professional career in Hitachi Europe S.r.l., she moved to Banca Intesa S.p.A. and then to the firm of Professor Angelo Provasoli. Currently she is a manager at the firm Partners S.p.A.

MAURIZIO VOZA

Maurizio Voza was born in Eboli (SA) on 5 February 1976 and gained his degree in business and economics in 1994 from Federico II University of Naples. In 2001, he attended a master's degree course in insurance and risk management at the Luigi Bocconi University of Milan and in 2007 he gained a master's degree in VAT Specialization organized by IPSOA, Milan. From 2002 to 2005 he worked for Ernst & Young S.p.A. and subsequently became Tax/Balance Supervisor at BMW Group S.p.A. and at Fluidra Service Italia S.p.A. A chartered accountant and auditor since 2003, has held the position of chairman on the board of auditors of numerous companies and acts as sole auditor for numerous Italian councils. He has been the Financial Manager for Lee Hetch Harrison S.r.l./Adecco Group, since 2012, where he also served as a member of the board of directors.

FEDERICA MANTINI

Federica Mantini was born in Milan on 18 August 1973 and graduated in business and economics from the Catholic University of Milan. She is admitted to the Order of Chartered Accountants of Milan, the Register of Auditors and is on the roll of Court Appointed Technical Consultants - Court of Milan. She is an expert on the "Professional Technique" course of the Catholic University of Milan. She sits on the board of statutory auditors of various companies, as well as on the board of directors of Colombo & Associati S.r.l. Founder of LM Studio in May 2019, Ms Mantini was previously a Partner of Colombo & Associati S.r.l. from 2012 to 2019 and has also worked with Borghesi Colombo & Associati, Deloitte Financial Advisory Services S.p.A., Poli & Associati S.p.A. and Deloitte & Touche S.p.A.

VALERIA FRANCAVILLA

Valeria Francavilla was born in Saronno (VA) on December 1, 1981 and graduated in business and economics from the L.I.U.C University of Castellanza (VA). She acts as standing auditor and alternate auditor in numerous public companies in diverse business sectors, as well as sole director of Ma.pi.fin. S.r.l. Having started her professional career at the associated firm Guatri-Contri, she is currently a chartered accountant in Milan at the Conti Firm.

DAVIDE BARBIERI

Davide Barbieri was born in Cremona on 2 July 1984 and graduated in Business Administration and Management from the University of Parma in 2008. In 2012 he was admitted to the Order of Chartered Accountants of Parma and to the Register of Auditors. Mr Barbieri is also a Partner of the "Professional Association of Certified Accountants Cerati Giuseppe Laurini Luca Ampollini Carla". Mr Barbieri acts as chairman of the board of statutory auditors of Danieli & C. as well as standing auditor and alternate auditor of various companies operative in diverse sectors. He also carries out functions of administrator, receiver and liquidator. He is currently a partner of the Cerati Laurini & Ampollini firm.

During the Financial Period, the Board of Statutory Auditors met 12 times, with each meeting having an average duration of 2.5 hours and with a percentage attendance as per that indicated in the above Table. For the 2021-2022 financial period at least 10 meetings have currently been scheduled (4 of which have already been held as at the date of this Report).

15.1 Diversity criteria and policies

With regard to the diversity policy, as already reported above in relation to the Board of Directors, on 18 March 2021, said Board of Directors assessed whether it would be opportune to adopt a specific diversity policy; they decided that such a specific policy was not necessary on grounds that the set of legislative and regulatory provisions, including the provisions of the Self-Regulation Code concerning the composition of the administrative, management and control bodies of the Company allows for an adequate composition regarding aspects such as gender, age, experiences, professional and personal characteristics.

In any case, it should be noted that the Board of Statutory Auditors currently consists of 3 members belonging to the most represented gender and 2 members belonging to the under-represented gender.

The Chief Executive Officer has ensured that following their appointment and during their term of office, the statutory auditors shall be able to participate in the most appropriate way in those initiatives aimed at furnishing them with adequate knowledge of the sector of activity in which the Issuer operates, the Company dynamics and their evolution, the correct risk management principles as well as the reference regulatory and self-regulatory framework (Application criterion 2.C.2.).

The compensation of the standing members of the Board of Statutory Auditors is determined at an ordinary Shareholders' Meeting at the time of their appointment. The information on the remuneration of the Statutory Auditors is set forth in the Report concerning the policy of remuneration and recompense paid which has been drawn up by the Company pursuant to art. 123-*ter* TUF and is available on the Company's website.

The Statutory Auditors shall carry out their duties autonomously and independently in relation to the Shareholders. For this purpose, any Auditor who has an interest in a specific Company transaction whether on his/her own behalf or on behalf of any third party, shall promptly and comprehensively inform the other Auditors and the Chairman of the Board of Directors as to the nature, terms, origins and scope of his/her such interest.

16. SHAREHOLDER RELATIONS

Shareholders have access to the most significant corporate documentation which is provided speedily and on an ongoing basis on the website https://unieurospa.com/en/_home/. All price sensitive press releases disclosed to the market can be found on this website as can the periodic accounting documentation of the Issuer as soon as it has been approved by the appropriate corporate bodies (annual financial statements, half year financial statements, interim reports on operations) as well as all documentation as is required to be published by law.

Specifically, the main documents relating to Corporate Governance as well as the Organisational Model pursuant to Legislative Decree No. 231/2001 can be consulted on the above website.

Pursuant to Article 2.2.3, paragraph 3, letter k) of the Stock Market Regulation, on 7 February 2017, the Board resolved to appoint Italo Valenti as the manager of the Investor Relations who will handle relations with all shareholders and institutional investors and also perform any specific duties relating to the management of price sensitive information and the relations with Consob and Borsa Italiana[24].

In a critical and volatile year such as 2020/21 has been, Unieuro has assured of its ever-greater willingness to communicate and engage in reliance on its Investor Relations function whose primary objective has been that of ensuring apposite alignment of financial market information in light of the unfolding rapid series of events, underlining the solidity of Unieuro and the continuity of its medium and long-term prospects.

Such unprecedented and challenging context, which began in March 2020, initially caused an increase in investors' concerns as to the sustainability of the business itself against the background of a pandemic with unpredictable outcomes and lightning-fast spread. During the first months of the year, Unieuro demonstrated its ability to communicate proactively, seriously and transparently, taking the most appropriate opportunities to share the current state of operations and also highlighting risks, opportunities, objectives and actions taken to deal with the emergency situation.

As of May, with the emergence of strong consumption trends favourable to the Company's business, the Corporate IR & Communication function focused on sharing positive messages with external stakeholders as and when the news was known, with particular attention on the criterion concerning fair and balanced information and the significance thereof for the purposes of correct valuation of listed stock.

During its activities interfacing with the financial market, Unieuro was called to demonstrate its ability to realise the vision which it has promoted to potential investors ever since its IPO.

During the 2020/21 financial period, such activities concerned:

- promotion of quality coverage of the Unieuro stock on the part of brokers, followed by a pan-European broker (Kepler Cheuvreux) and three Italian brokers (Mediobanca, Banca Akros and Alantra);

[24] It should be noted that on 9 April 2021 Unieuro announced that, following the signing of an agreement for the consensual resolution of the employment relationship with the Company, with effect from May 31, 2021 Italo Valenti will leave his office as Chief Financial Officer and the positions of manager in charge of the preparation of the financial statements and investor relator of Unieuro and will pursue other professional opportunities. Italo Valenti will hold its positions and responsibilities until such date in order to assist the Board of Directors in the approval of the consolidated financial statements and the draft financial statements as at 28 February 2021. The Company has appointed Marco Pacini as the new Chief Financial Officer and manager in charge of preparing the Company's corporate accounting documents, starting from 1 June 2021.

- organization of conference calls dedicated to financial analysts and investors for public and direct discussion with management on the evolution of the emergency and concerning the company's economic, financial, and assets/liabilities results.
- participation in investor conferences and roadshows organized by third parties and - strictly held on a virtual basis - with particular reference to the STAR Conference held in May 2020 promoted by Borsa Italiana;
- constant updating of the corporate website, https://unieurospa.com/en/_home/, dedicated to all those stakeholders, in particular financing stakeholders, interested in learning more about Unieuro's corporate identity, its strategies, its results and, more generally, its investment case. The site also serves as an archive for corporate documentation for the benefit of shareholders and investors;
- promoting Unieuro visibility on the main financial, traditional and digital media, on occasion of the publication of information on periodic results and extraordinary transactions;
- use of the professional social network LinkedIn as a workable instrument for sharing corporate content for the benefit of small shareholders and employees in particular.

In compliance with the recommendations of the Corporate Governance Code, the Company shall establish a dialogue policy with shareholders for submission for Board of Directors' approval during the year 2021/2022.

17. SHAREHOLDERS' MEETINGS (pursuant to art. 123-bis, Para. 2, letter c) TUF)

Pursuant to the provisions of the applicable laws, the ordinary Shareholders' Meeting will approve the financial statements, appoint and revoke directors, Statutory Auditors, the Chairman of the Board of Statutory Auditors and establish the remuneration of the directors and the Statutory Auditors and resolve on any other issues that fall under its competence pursuant to the law. The extraordinary Shareholders' Meeting will resolve on amendments to the Articles of Association as well as any other issues which fall under its exclusive competence pursuant to the law.

The Company fully embraces the references contained in art. 9, Principles 9.P.1 and 9.P.2 of the Self-Regulation Code, which aim to: (i) promote initiatives to facilitate participation of the largest possible number of shareholders at the Shareholders' Meetings and the exercise of their shareholders' rights; and (ii) ensure continuing dialogue with the shareholders which is founded on an understanding of the reciprocal roles (Board of Directors and Shareholders' Meeting). The Company considers it appropriate to also adopt specific measures aimed at appropriately making best use of the meeting institution - in addition to ensuring regular participation of its own directors at the Shareholders' Meetings.

Indeed, mindful of the desired outcomes intended by special legislation regarding listed companies, by shareholders' meeting resolution of 6 February 2017, the Company obtained a shareholders' meeting regulation aimed at governing the order and operation of the meetings and ensure that each shareholder is able to give personal input on issues on the agenda.

The contents of the regulation are in line with the latest models which have been specifically created by certain business associations for listed companies, as provided by the aforementioned resolution.

In accordance with art. 9 of the Articles of Association, the Shareholders' Meeting may be ordinary or extraordinary as defined by law and it shall be convened, pursuant to and in the manner provided by the law, at the headquarters of the Company or elsewhere, provided the location is within Italy. The convocation notice, which shall contain the information required pursuant to the applicable law and regulations shall be published on the Company's website and advertised in the any other manner provided for by the applicable law and regulations.

The ordinary Shareholders' Meeting must be convened at least once per year for approval of the annual financial statements within 120 (one hundred and twenty) days from the end of the financial year or within 180 (one hundred eighty) days in those cases permitted by law.

During the Financial Period, two Shareholders' Meetings were held, the first on 12 June 2020 at which shareholders holding 29.45 of the share capital were in attendance. The second was held on 17 December 20201 with shareholders holding 42.57% of share capital in attendance.

Participation by those entitled to vote at said Shareholders' Meetings was carried out by the representative designated pursuant to art. 135-undecies TUF, which is Spafid S.p.A. This manner of participation was used on grounds that the Board of Directors, in consideration of the emergency situation, deemed it apposite to avail of the option under art. 106 paragraph 4 of Legislative Decree No 18 of 17 March 2020, converted with amendments into Law of 24 April 2020, the application of which was last extended by Legislative Decree 31 December 2020 No. 183 converted with amendments into Law February 26 2021 No. 21.

Members of the Board of Directors and statutory auditors in office participated in the above-mentioned two Shareholders' Meeting during which the Chairman of the Board of Directors and the

Chief Executive Officer reported on behalf of the Board of Directors on the operations carried out and those that are scheduled, duly furnishing the shareholders with sufficient information so they have knowledge of the facts as required for them to resolve on the decisions under the competence of the Shareholders' Meeting. Prior to the meeting, within the deadlines and in the form prescribed by law and the Articles of Association, Shareholders were provided with all documentation prepared in support of the individual items on the agenda.

17.1 Right to participate and vote at the Shareholders' Meeting

Each share carries one vote.

Persons who are entitled to vote are allowed to intervene at the Shareholders' Meeting.

The right to attend the Shareholders' Meeting and exercise voting rights is attested by means of a communication to the Company by the intermediary on behalf of the individual evidenced as holding voting rights at the end of the accounting day on the seventh day on which the market is open, prior to the date set for the first convocation of the Shareholders' Meeting. Such communication from the intermediary must be received by the Company by the end of the third day that the market is open prior to the date set for the first convocation of the Shareholders' Meeting or any other deadline set by the applicable laws and regulations. The rights of attendance and vote shall still apply even if the communications have been received by the Company later than the deadlines indicated above, provided such communications are received before commencement of the Shareholders' Meeting upon single convocation.

Individuals entitled to attend the Shareholders' Meeting may be represented by a proxy authorised in accordance with the law. Shareholders are entitled to notify the Company regarding any proxy participation at the Shareholders' Meeting by sending notice thereof by e-mail to the address indicated in the notice of convocation of the Shareholders' Meeting or by any other manner as may be indicated. Postal voting is permitted in conformity with the applicable laws and regulations and with the methods indicated in the convocation notice.

17.2. Conducting of Shareholders' Meetings

The Shareholders' Meeting is deemed quorate and can pass resolutions with the majorities provided for by law.

A Shareholder may vote by post in accordance with the procedures set by law.

The Shareholders' Meeting shall be chaired by the Chairman of the Board of Directors and, in his or her absence, the person designated by the attendees.

The Chairman of the Shareholders Meeting, including by means of any specifically delegated person/s, shall verify that the Shareholders' Meeting is quorate, ascertain the identity and legitimation of the attending shareholders and regulate the proceedings - for such purpose establishing the procedures for discussion and voting (no secret ballots) - and ascertain the results of the vote.

The Chairman will be assisted by a secretary, who does not have to be a shareholder, appointed at the Shareholders' Meeting. In the cases allowed by the law, or when the Shareholders' Meeting so considers appropriate, the functions of the secretary will be exercised by a notary public.

The resolutions passed at the Shareholders' Meeting shall be detailed in the meeting minutes and signed as provided for by law.

In addition to the provisions of the law and the Articles of Association, the Shareholders' Meeting shall also be governed by the Shareholders' Meeting Regulation which was approved on 7 February 2017, effective from the Trading Start Date of the company shares on the MTA - Star segment. The Shareholders' Meeting Regulation is available on the Company's website https://unieurospa.com/en/_home/ under the section "Corporate Governance".

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During the Financial Year there has been an extreme market volatility of stock prices triggered by the sudden spread of the pandemic and the uncertainty associated therewith. As far as changes in the composition of the shareholder structure is concerned, you are referred to that stated in chapter 2 of this Report.

18. ADDITIONAL CORPORATE GOVERNANCE PRACTICES (pursuant to art. 123-bis, paragraph 2, letter a) TUF)

The Issuer has not adopted corporate governance practices that are additional to those required by the applicable laws and regulations.

Specifically, please refer to the previous Paragraph 10.4 of the Report with regard to the model adopted by the company pursuant to Legislative Decree No. 231/2001.

19. CHANGES TO THE CLOSURE OF THE FINANCIAL Period OF REFERENCE

As of closure of the Financial Period up to the date of this Report, there have been no changes in the corporate governance structure compared to those indicated in the specific sections of this Report.

20. CONSIDERATIONS ON THE LETTER OF 22 DECEMBER 2020 FROM THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE

The recommendations formulated by the Chairman of the Corporate Governance Committee in its communication of 22 December 2020 were, first of all, submitted to the attention of the Chairman of the Board of Directors, the Chief Executive Officer and the Chairman of the Board of Statutory Auditors (the parties to whom this letter was addressed). Such recommendations were evaluated by the above-mentioned recipients and then were brought to the attention of the Board of Directors and the Board of Statutory Auditors during the meeting held on 18 March 2021, following examination of said recommendations by the Remuneration Appointments Committee in the meeting held beforehand on 11 March 2021.

The below table illustrates the position of Unieuro on the recommendations of the Chairman of the Corporate Governance Committee.

AREA	RECOMMENDATION	ACTIVITIES of UNIEURO
Sustainability	*integrate the sustainability of the business activity into the definition of strategies, internal control and risk management system and the remuneration policy, also on the basis of an analysis of the relevance of the factors that may affect the generating of value in the long term*	*Activities carried out:* • *The Unieuro MBO system provides a performance objective linked to customer satisfaction as resulting from questionnaires submitted to them and this confirms the Company's attention to the level of interaction with its end users.* • *As evidence of interest on the topic, in November 2020 Unieuro appointed a Sustainability Committee.* *Ongoing activities:* • *The Board of Directors is evaluating positively, through the preliminary work of the Sustainability Committee and the Appointments and Remuneration Committee, introduction of a performance target linked to a sustainability index within the second cycle of the LTIP 2020-2025.* • *The strategic plan of Unieuro, as is soon to be approved, will take into account the topic of sustainability as an integrated element in the business.*
Pre-consiliar information	*explicitly determine the deadlines deemed appropriate for the submission of documentation*	*On going activities:* • *Within the fiscal year, the Board of Directors will be called to*

	provide a clear indication of the terms identified and their actual compliance in the corporate governance report *do not provide that such time limits may be waived for the sole purpose of confidentiality*	*approve the Board Regulation that will contain, in addition to the above procedure, the elements of governance necessary for the correct and proper management of the body.* • *A procedure on the management of information flows between the company functions is being drafted and will be integrated into the Board of Directors' Regulations.*
Application of the independence criteria	*always justify on an individual basis the possible disapplication of one or more independence criteria* *define ex ante the quantitative and/or qualitative criteria to be used in assessing the significance of the relationships being evaluated*	Activities carried out: • *The Board of Directors has never disapplied the independence criteria set out in the Self-Regulations Code and/or the Corporate Governance Code.* • *On 15 April 2021, the Board issued a document setting out "Qualitative and quantitative criteria for the analysis of the relations between directors and Unieuro S.p.A. when assessing the independence requirements".*
Self-assessment of the management body	*Overseeing the board review process* *Assess the contribution of the board to the definition of strategic plans.*	Activities carried out: • *The board review process has been prepared in accordance with the Regulations of the Remuneration and Appointments Committee.* Ongoing activities: • *The Company is preparing a new Strategic Plan, involving and updating from time to time the Board and the intra-board committees for the parts of their*

		respective competence also in order to transpose their inputs.
Appointment and succession of directors	*give a detailed account of the activities carried out by the Appointments Committee where they are unified with the Remuneration Committee or its functions are attributed to the Board of Directors.*	*Activities carried out:* • *Half-yearly report of the activities carried out by the Remuneration and Appointments Committee to the Board of Directors.* • *When reporting on corporate governance and activities, details are given concerning the activities carried out by the Committee acting as Appointments Committee compared to those carried out acting as Remuneration Committee.*
	Ensure the completeness and timeliness of the draft resolutions functional to the appointment process of corporate bodies and express, at least for those companies with non-concentrated ownership, an orientation on its optimal composition;	*Planned activities:* • *Taking into account the renewal of the Board of Directors which will take place at the Shareholders' Meeting 2022, the Company will evaluate in good time the formulation of guidelines on the composition of the administrative body*
	Provide, at least in large companies[25], a succession plan for executive directors identifying at least the procedures to be followed in the event of early termination of office.	*Activities carried out/ongoing:* • *The Succession Plan of the CEO reached a point of execution with the appointment of the General Manager.* • *the elaboration of a plan of succession centralized on the first business lines is in the process of analysis.*

[25] It should be noted that Unieuro is not a "large" company within the meaning of the Corporate Governance Code, which defines a large company as a company whose capitalisation exceeded 1 billion euro on the last open trading day of each of the three previous calendar years.

Remuneration policies	*provide clear guidance on the identification of the weighting of the variable component, distinguishing between components related to annual and multiannual time horizons;*	*Activities carried out:* • *Within the Remuneration Policy, Unieuro already provides these details.*
	strengthen the link between variable remuneration and long-term performance objectives, including, where relevant, non-financial parameters;	*Activities carried out:* • *the new long-term performance share incentive plan for 2020-2025 was approved during the December 2020 Shareholders' Meeting.* *On going activities:* • *The Board is assessing the introduction of a performance target linked to a sustainability index within the remit of the second cycle of the LTIP 2020-2025.*
	limit to exceptional cases, following appropriate explanations, the possibility of paying out sums not linked to predetermined parameters (i.e. ad hoc bonuses);	*Starting from the Remuneration Policy approved by the Shareholders' Meeting held in June 2020, the right to recognize one-off bonuses for the achievement of results of particular strategic significance was eliminated.*
	define criteria and procedures for awarding severance allowances on termination of office;	*The Company ensures compliance with the provisions in force regarding the definition of criteria and procedures required for awarding severance allowances on termination of office, as reported in the Remuneration Policy.*
	verify that the level of remuneration granted to non-executive directors and members of the supervisory body is adequate for the competence, professionalism and commitment required by their appointment.	*The Company has carried out an analysis of the compensation granted to directors and statutory auditors and, also in the light of these results, deemed it appropriate to submit an adjustment of said compensation for approval at the*

		Shareholders' Meeting scheduled for 15 June 2021

TABLE 1

STRUCTURE OF THE SHARE CAPITAL

	No. ordinary shares	% compared to CS	Share of quoted capital: % on ordinary capital	Rights and obligations
Ordinary shares	20,397,987[26]	100%	100%	ordinary

MAJOR HOLDINGS IN SHARE CAPITAL
Reference date: 13 May 2021

Subject placed at the top of the shareholding chain	Direct shareholder	No. ordinary shares	% of ordinary share capital	% of voting share capital
Iliad SA	• Iliad Holding S.p.A. • Iliad SA	2,060,374	10.16%(*)	10.16%(*)
Amundi Asset Management	Amundi SGRpa	1,363,501	6.72%	6.72%
Mediolanum Gestione Fondi SGR p.A.	Mediolanum Gestione Fondi SGR p.A.	982,954	4.85%	4.85%
Giuseppe Silvestrini	• Victor S.r.l. • Giuseppe Silvestrini	860,434	4.24%	4.24%
JPMorgan Asset Management Holdings Inc.	JPMorgan Asset Management (UK) Limited	663,571	3.27%	3.27%

(*) to which is added a 1.9% related to an equity swap subscribed to by Iliad Holding S.p.A. maturing on 17 September 2021, with underlying Unieuro shares.

[26] Shares resulting from the latest certification of the share capital deposited in the Chamber of Commerce

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

Item 1 - Ordinary part: Financial Statements as at February 28th 2021, accompanied by the Management Report of the Board of Directors and including the Report of the Board of Statutory Auditors and the Report of the Auditing Firm. Presentation of the Consolidated Financial Statements as at February 28th 2021 and the non-financial consolidated statement drawn up pursuant to Legislative Decree 254/2016.

RESULT OF THE VOTE

No. shares represented **9,969,279** **100.000%**

	Shares	% of participant capital	% of the share capital
In favour	9,969,279	100.000%	48.299%
Against	0	0.000%	0.000%
Abstained	0	0.000%	0.000%
Non voters	0	0.000%	0.000%
Total	**9,969,279**	**100.000%**	**48.299%**

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UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

RESULT OF THE VOTE

Item 1 - Ordinary part: Financial Statements as at February 28th 2021, accompanied by the Management Report of the Board of Directors and including the Report of the Board of Statutory Auditors and the Report of the Auditing Firm. Presentation of the Consolidated Financial Statements as at February 28th 2021 and the non-financial consolidated statement drawn up pursuant to Legislative Decree 254/2016.

N°	Entitled person	Attorney	Delegate	Own shares	Proxy shares	% over ord. Shares	VOTE
1	INDEPENDANCE ET EXPANSION EUROPE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		43,770	0.212	F
2	INDEPENDANCE ET EXPANSION FRANCE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		285,500	1.383	F
3	PRIVILEDGE - JP MORGAN PAN EUROPEAN FLEXIBLE EQUITY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		27,074	0.131	F
4	INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,258	0.045	F
5	MEBA PENSION TRUST DEFINED BENEFIT PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,010	0.044	F
6	CATHOLIC UNITED INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,428	0.051	F
7	FIS GROUP COLLECTIVE INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,000	0.048	F
8	AIC FUND II HANCOCK HORIZON INTERNATIONAL SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,448	0.055	F
9	GLOBEFLEX INTERNATIONAL ALL CAP COMMINGLED TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		36,950	0.179	F
10	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		259	0.001	F
11	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		752	0.004	F
12	VEBA PARTNERSHIP N L P		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,818	0.009	F
13	SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,879	0.145	F
14	FLORIDA BIRTH RELATED NEUROLOGICAL INJURY COMPENSATION ASSOCIATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		720	0.003	F
15	CHURCH OF ENGLAND INVESTMENT FUND FOR PENSIONS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,557	0.090	F
16	MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		32,288	0.156	F
17	HKL II LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		42,870	0.208	F
18	RAMI PARTNERS LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		45,184	0.219	F
19	MERCER GLOBAL SMALL COMPANIES SHARES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,532	0.104	F
20	JTW TRUST NO. 1 UAD 9/19/02		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,996	0.092	F
21	STATE OF IDAHO ENDOWMENT FUND INVESTMENT BOARD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,033	0.010	F
22	THE NORTHERN TRUST COMPANY SUB-ADVISED COLLECTIVE FUNDS TRUS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,883	0.232	F
23	CATERPILLAR INC MASTER RETIREMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		41,904	0.203	F
24	HRW TESTAMENTARY TRUST NO. 12		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,293	0.123	F
25	HRW TRUST NO 4 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,007	0.068	F
26	HRW TESTAMENTARY TRUST NO. 8		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,977	0.126	F
27	HRW TESTAMENTARY TRUST NO 4		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,071	0.034	F
28	STEELWORKERS PENSION TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		53,071	0.257	F
29	HRW TRUST NO 2 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,478	0.070	F
30	HRW TESTAMENTARY TRUST NO 1		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,773	0.047	F
31	STANLIB FUNDS LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,788	0.023	F
32	ARROWSTREET US GROUP TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,647	0.037	F
33	SOUTHERN CALIFORNIA EDISON COMPANY RETIREMENT PLAN TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,252	0.016	F
34	PUBLIC SCHOOL TEACHERS PENSION AND RETIREMENT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,677	0.057	F

35	STATE TEACHERS RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		62,718	0.304	F
36	TWO SIGMA ABSOLUTE RETURN PORTFOLIO LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		190,800	0.924	F
37	JHVIT INT'L SMALL CO TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		707	0.003	F
38	JHF II INT'L SMALL CO FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,335	0.026	F
39	HILLSDALE GLOBAL SMALL CAP EQUITY FUND.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		22,900	0.111	F
40	CC&L ALTERNATIVE GLOBAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		247	0.001	F
41	CX QUANTITATIVE CLIMATE LTD C/O MAPLES CORPORATE SERVICES (BVI) LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		20,795	0.101	F
42	SCHRODER INTERNATIONAL SELECTION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,960	0.121	F
43	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		292,239	1.416	F
44	ODDO CAP HORIZONS PME ETI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		30,000	0.145	F
45	MERCER UNHEDGED OVERSEAS SHARES TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,275	0.021	F
46	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		272,212	1.319	F
47	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,657	0.071	F
48	STATE STREET GLOBAL ADVISORS LUXEMBOURG SICAV		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,734	0.023	F
49	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		366	0.002	F
50	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5	0.000	F
51	ARROWSTREET INTERNATIONAL EQUITY EAFE TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		82,110	0.398	F
52	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,192	0.015	F
53	MERCER GE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,221	0.035	F
54	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,059	0.005	F
55	GMO INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		81,916	0.397	F
56	GMO TAXMANAGED INTERNATIONAL EQUITIES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		877	0.004	F
57	JNL/DFA INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7	0.000	F
58	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,596	0.008	F
59	MGI FUNDS PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		768	0.004	F
60	MARYLAND STATE RETIREMENT PENSION SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721	0.003	F
61	ARROWSTREET (CANADA) INTERNATIONAL DEVELOPED MARKET EX US FUND I		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,898	0.106	F
62	ARROWSTREET (CANADA) GLOBAL WORLD SMALL CAP FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,575	0.056	F
63	HARTFORD SCHRODERS INTERNATIONAL MULTI-CAP VALUE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,464	0.089	F
64	SSB INT SMALL CAP ACTIVE SECURITIES LENDING COMMON TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,006	0.024	F
65	TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		107,886	0.523	F
66	EHP ADVANTAGE INTERNATIONAL ALTERNA FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,700	0.032	F
67	NEW YORK STATE COMMON RETIREMENT FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		452	0.002	F
68	CC AND L US Q MARKET NEUTRAL ONSHORE FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		55	0.000	F
69	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		129,232	0.626	F
70	CSIF 2 - CREDIT SUISSE (LUX) COPERNICUS ITALY EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,760	0.154	F
71	ODDO BHF ACTIVE SMALL CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		386,283	1.871	F
72	ODDO BHF ACTIVE MICRO CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		72,000	0.349	F
73	ISHARES VII PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,465	0.051	F
74	SPDR S&P INTERNATIONAL SMALL CAP ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,911	0.009	F
75	PRINCE GEORGES COUNTY COMPREHENSIVE SUPPLEMENTAL PENSION PLANS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,348	0.011	F
76	AWARE SUPER		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,172	0.011	F
77	AWARE SUPER LEVEL 28		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		8	0.000	F
78	NATWEST ST JAMES'S PLACE BALANCED MANAGED UNIT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,764	0.023	F
79	GMO BENCHMARKFREE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		54	0.000	F

80	GMO IMPLEMENTATION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,674	0.008	F
81	EHP GUARDIAN INTERNATIONAL ALTERNATIVE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		600	0.003	F
82	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,907	0.053	F
83	MAPFRE AM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		135,390	0.656	F
84	MAN FUNDS XII SPC-MAN 1783 III SP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,253	0.045	F
85	MACKENZIE INTERNATIONAL QUANTITATIVE SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,649	0.032	F
86	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,601	0.231	F
87	UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH ON BEHALF OF MS-B HAUPFONDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,619	0.051	F
88	CPPIB MAP CAYMAN SPC-SEGREGATED PORTFOLIO H MAPLES CORPORATE SERVICES LTD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		780	0.004	F
89	CHALLENGE FUNDS - CHALLENGE ITALIAN EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		60,000	0.291	F
90	FLORIDA RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		121,283	0.588	F
91	UTAH STATE RETIREMENT SYSTEMS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		733	0.004	F
92	HAAS ACTIONS ENTREPRENEURS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,315	0.026	F
93	LAZARD/WILMINGTON EAFE SMALL CAP EQUITY ADVANTAGE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,258	0.118	F
94	NATIONAL ELEVATOR INDUSTRY PENSION PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,439	0.046	F
95	WILSHIRE MUTUAL FUNDS, INC. - WILSHIRE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,477	0.027	F
96	ENTERGY CORPORATION RETIREMENT PLANS MASTER TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,128	0.141	F
97	ALGEBRIS UCITS FUNDS PLC ALGEBRIS CORE ITALY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,000	0.150	F
98	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		462,954	2.243	F
99	AMUNDI SGR SPA / AMUNDI RISPARMIO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		225,501	1.092	F
100	AMUNDI SGR SPA / AMUNDI SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721,000	3.493	F
101	MUL LYX FTSE IT ALL CAP PIR 20		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,079	0.020	F
102	LYXOR FTSE ITALIA MID CAP PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		126,976	0.615	F
103	GOVERNMENT OF NORWAY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,580	1.040	F
104	INVESCO FTSE RAFI DEVELOPED MARKETS EX US SMALL MID ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		15,364	0.074	F
105	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		420,000	2.035	F
106	AMUNDI DIVIDENDO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		146,000	0.707	F
107	AMUNDI VALORE ITALIA PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		150,000	0.727	F
108	AMUNDI ACCUMULAZIONE ITALIA PIR 2023		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		77,700	0.376	F
109	PORTZAMPARC PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		153,500	0.744	F
110	PORTZAMPARC FRANCE OPPORTUNITES		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		46,402	0.225	F
111	PORTZAMPARC EUROPE PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,600	0.323	F
112	DESA S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,000	1.037	F
113	FONDAZIONE CASSA DI RISPARMIO DI TERNI E NARNI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		666,172	3.227	F
114	GNM INVESTIMENTI S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		196,977	0.954	F
115	ILIAD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		374,909	1.816	F
116	ILIAD HOLDING SPA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,145,465	10.394	F
117	MELPART SRL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,000	0.320	F
118	NICOSANTI MONTERASTELLI GIANCARLO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		100,000	0.484	F
119	SPAFID FIDUCIANTE N. 301122		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		397	0.002	F

SHARES **% OF PARTICIPANT CAPITAL**

IN FAVOUR	9,969,279	100.000%
AGAINST	0	0.000%
ABSTAINED	0	0.000%
NON VOTERS	0	0.000%
SHARES TOTAL PRESENT	9,969,279	100.000%

Communication 1
Time: 15:00

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

COMMUNICATION OF THE PRESIDENT

Present are no. 119 entitled to vote

representing no. 9,969,279 ordinary shares

equal to 48.299 % of no. 20,640,849

ordinary shares, making up the share capital

People present 1

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

Item 2 - Ordinary part: Allocation of profits from the business year and proposal for the distribution of a dividend. Related resolutions

RESULT OF THE VOTE

No. shares represented **9,969,279** **100.000%**

	Shares	% of participant capital	% of the share capital
In favour	9,969,279	100.000%	48.299%
Against	0	0.000%	0.000%
Abstained	0	0.000%	0.000%
Non voters	0	0.000%	0.000%
Total	**9,969,279**	**100.000%**	**48.299%**

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

RESULT OF THE VOTE

Item 2 - Ordinary part: Allocation of profits from the business year and proposal for the distribution of a dividend. Related resolutions

N°	Entitled person	Attorney	Delegate	Own shares	Proxy shares	% over ord. Shares	VOTE
1	INDEPENDANCE ET EXPANSION EUROPE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		43,770	0.212	F
2	INDEPENDANCE ET EXPANSION FRANCE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		285,500	1.383	F
3	PRIVILEDGE - JP MORGAN PAN EUROPEAN FLEXIBLE EQUITY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		27,074	0.131	F
4	INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,258	0.045	F
5	MEBA PENSION TRUST DEFINED BENEFIT PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,010	0.044	F
6	CATHOLIC UNITED INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,428	0.051	F
7	FIS GROUP COLLECTIVE INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,000	0.048	F
8	AIC FUND II HANCOCK HORIZON INTERNATIONAL SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,448	0.055	F
9	GLOBEFLEX INTERNATIONAL ALL CAP COMMINGLED TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		36,950	0.179	F
10	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		259	0.001	F
11	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		752	0.004	F
12	VEBA PARTNERSHIP N L P		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,818	0.009	F
13	SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,879	0.145	F
14	FLORIDA BIRTH RELATED NEUROLOGICAL INJURY COMPENSATION ASSOCIATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		720	0.003	F
15	CHURCH OF ENGLAND INVESTMENT FUND FOR PENSIONS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,557	0.090	F
16	MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		32,288	0.156	F
17	HKL II LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		42,870	0.208	F
18	RAMI PARTNERS LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		45,184	0.219	F
19	MERCER GLOBAL SMALL COMPANIES SHARES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,532	0.104	F
20	JTW TRUST NO. 1 UAD 9/19/02		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,996	0.092	F
21	STATE OF IDAHO ENDOWMENT FUND INVESTMENT BOARD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,033	0.010	F
22	THE NORTHERN TRUST COMPANY SUB-ADVISED COLLECTIVE FUNDS TRUS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,883	0.232	F
23	CATERPILLAR INC MASTER RETIREMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		41,904	0.203	F
24	HRW TESTAMENTARY TRUST NO. 12		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,293	0.123	F
25	HRW TRUST NO 4 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,007	0.068	F
26	HRW TESTAMENTARY TRUST NO. 8		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,977	0.126	F
27	HRW TESTAMENTARY TRUST NO 4		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,071	0.034	F
28	STEELWORKERS PENSION TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		53,071	0.257	F
29	HRW TRUST NO 2 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,478	0.070	F
30	HRW TESTAMENTARY TRUST NO 1		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,773	0.047	F
31	STANLIB FUNDS LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,788	0.023	F
32	ARROWSTREET US GROUP TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,647	0.037	F
33	SOUTHERN CALIFORNIA EDISON COMPANY RETIREMENT PLAN TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,252	0.016	F
34	PUBLIC SCHOOL TEACHERS PENSION AND RETIREMENT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,677	0.057	F

35	STATE TEACHERS RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		62,718	0.304	F
36	TWO SIGMA ABSOLUTE RETURN PORTFOLIO LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		190,800	0.924	F
37	JHVIT INT'L SMALL CO TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		707	0.003	F
38	JHF II INT'L SMALL CO FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,335	0.026	F
39	HILLSDALE GLOBAL SMALL CAP EQUITY FUND.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		22,900	0.111	F
40	CC&L ALTERNATIVE GLOBAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		247	0.001	F
41	CX QUANTITATIVE CLIMATE LTD C/O MAPLES CORPORATE SERVICES (BVI) LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		20,795	0.101	F
42	SCHRODER INTERNATIONAL SELECTION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,960	0.121	F
43	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		292,239	1.416	F
44	ODDO CAP HORIZONS PME ETI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		30,000	0.145	F
45	MERCER UNHEDGED OVERSEAS SHARES TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,275	0.021	F
46	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		272,212	1.319	F
47	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,657	0.071	F
48	STATE STREET GLOBAL ADVISORS LUXEMBOURG SICAV		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,734	0.023	F
49	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		366	0.002	F
50	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5	0.000	F
51	ARROWSTREET INTERNATIONAL EQUITY EAFE TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		82,110	0.398	F
52	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,192	0.015	F
53	MERCER GE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,221	0.035	F
54	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,059	0.005	F
55	GMO INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		81,916	0.397	F
56	GMO TAXMANAGED INTERNATIONAL EQUITIES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		877	0.004	F
57	JNL/DFA INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7	0.000	F
58	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,596	0.008	F
59	MGI FUNDS PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		768	0.004	F
60	MARYLAND STATE RETIREMENT PENSION SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721	0.003	F
61	ARROWSTREET (CANADA) INTERNATIONAL DEVELOPED MARKET EX US FUND I		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,898	0.106	F
62	ARROWSTREET (CANADA) GLOBAL WORLD SMALL CAP FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,575	0.056	F
63	HARTFORD SCHRODERS INTERNATIONAL MULTI-CAP VALUE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,464	0.089	F
64	SSB INT SMALL CAP ACTIVE SECURITIES LENDING COMMON TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,006	0.024	F
65	TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		107,886	0.523	F
66	EHP ADVANTAGE INTERNATIONAL ALTERNA FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,700	0.032	F
67	NEW YORK STATE COMMON RETIREMENT FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		452	0.002	F
68	CC AND L US Q MARKET NEUTRAL ONSHORE FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		55	0.000	F
69	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		129,232	0.626	F
70	CSIF 2 - CREDIT SUISSE (LUX) COPERNICUS ITALY EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,760	0.154	F
71	ODDO BHF ACTIVE SMALL CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		386,283	1.871	F
72	ODDO BHF ACTIVE MICRO CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		72,000	0.349	F
73	ISHARES VII PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,465	0.051	F
74	SPDR S&P INTERNATIONAL SMALL CAP ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,911	0.009	F
75	PRINCE GEORGES COUNTY COMPREHENSIVE SUPPLEMENTAL PENSION PLANS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,348	0.011	F
76	AWARE SUPER		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,172	0.011	F
77	AWARE SUPER LEVEL 28		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		8	0.000	F
78	NATWEST ST JAMES'S PLACE BALANCED MANAGED UNIT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,764	0.023	F
79	GMO BENCHMARKFREE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		54	0.000	F

80	GMO IMPLEMENTATION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,674	0.008	F
81	EHP GUARDIAN INTERNATIONAL ALTERNATIVE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		600	0.003	F
82	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,907	0.053	F
83	MAPFRE AM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		135,390	0.656	F
84	MAN FUNDS XII SPC-MAN 1783 III SP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,253	0.045	F
85	MACKENZIE INTERNATIONAL QUANTITATIVE SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,649	0.032	F
86	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,601	0.231	F
87	UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH ON BEHALF OF MS-B HAUPFONDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,619	0.051	F
88	CPPIB MAP CAYMAN SPC-SEGREGATED PORTFOLIO H MAPLES CORPORATE SERVICES LTD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		780	0.004	F
89	CHALLENGE FUNDS - CHALLENGE ITALIAN EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		60,000	0.291	F
90	FLORIDA RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		121,283	0.588	F
91	UTAH STATE RETIREMENT SYSTEMS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		733	0.004	F
92	HAAS ACTIONS ENTREPRENEURS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,315	0.026	F
93	LAZARD/WILMINGTON EAFE SMALL CAP EQUITY ADVANTAGE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,258	0.118	F
94	NATIONAL ELEVATOR INDUSTRY PENSION PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,439	0.046	F
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114	GNM INVESTIMENTI S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		196,977	0.954	F
115	ILIAD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		374,909	1.816	F
116	ILIAD HOLDING SPA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,145,465	10.394	F
117	MELPART SRL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,000	0.320	F
118	NICOSANTI MONTERASTELLI GIANCARLO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		100,000	0.484	F
119	SPAFID FIDUCIANTE N. 301122		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		397	0.002	F

SHARES **% OF PARTICIPANT CAPITAL**

IN FAVOUR	9,969,279	100.000%
AGAINST	0	0.000%
ABSTAINED	0	0.000%
NON VOTERS	0	0.000%
SHARES TOTAL PRESENT	9,969,279	100.000%

Communication 1
Time: 15:00

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

COMMUNICATION OF THE PRESIDENT

Present are no. 119 entitled to vote

representing no. 9,969,279 ordinary shares

equal to 48.299 % of no. 20,640,849

ordinary shares, making up the share capital

People present 1

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

Item 3.1 - Ordinary part: Report concerning the policy for remuneration and recompense paid: Proposal that the remuneration of the Board of Directors be increased. Related Resolutions.

RESULT OF THE VOTE

No. shares represented **9,969,279** **100.000%**

	Shares	% of participant capital	% of the share capital
In favour	6,621,307	66.417%	32.079%
Against	2,946,080	29.552%	14.273%
Abstained	401,892	4.031%	1.947%
Non voters	0	0.000%	0.000%
Total	**9,969,279**	**100.000%**	**48.299%**

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

RESULT OF THE VOTE

Item 3.1 - Ordinary part: Report concerning the policy for remuneration and recompense paid: Proposal that the remuneration of the Board of Directors be increased. Related Resolutions.

N°	Entitled person	Attorney	Delegate	Own shares	Proxy shares	% over ord. Shares	VOTE
1	INDEPENDANCE ET EXPANSION EUROPE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		43,770	0.212	C
2	INDEPENDANCE ET EXPANSION FRANCE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		285,500	1.383	C
3	PRIVILEDGE - JP MORGAN PAN EUROPEAN FLEXIBLE EQUITY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		27,074	0.131	C
4	INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,258	0.045	C
5	MEBA PENSION TRUST DEFINED BENEFIT PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,010	0.044	C
6	CATHOLIC UNITED INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,428	0.051	C
7	FIS GROUP COLLECTIVE INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,000	0.048	C
8	AIC FUND II HANCOCK HORIZON INTERNATIONAL SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,448	0.055	C
9	GLOBEFLEX INTERNATIONAL ALL CAP COMMINGLED TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		36,950	0.179	C
10	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		259	0.001	C
11	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		752	0.004	C
12	VEBA PARTNERSHIP N L P		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,818	0.009	C
13	SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,879	0.145	C
14	FLORIDA BIRTH RELATED NEUROLOGICAL INJURY COMPENSATION ASSOCIATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		720	0.003	C
15	CHURCH OF ENGLAND INVESTMENT FUND FOR PENSIONS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,557	0.090	C
16	MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		32,288	0.156	C
17	HKL II LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		42,870	0.208	C
18	RAMI PARTNERS LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		45,184	0.219	C
19	MERCER GLOBAL SMALL COMPANIES SHARES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,532	0.104	C
20	JTW TRUST NO. 1 UAD 9/19/02		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,996	0.092	C
21	STATE OF IDAHO ENDOWMENT FUND INVESTMENT BOARD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,033	0.010	C
22	THE NORTHERN TRUST COMPANY SUB-ADVISED COLLECTIVE FUNDS TRUS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,883	0.232	C
23	CATERPILLAR INC MASTER RETIREMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		41,904	0.203	C
24	HRW TESTAMENTARY TRUST NO. 12		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,293	0.123	C
25	HRW TRUST NO 4 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,007	0.068	C
26	HRW TESTAMENTARY TRUST NO. 8		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,977	0.126	C
27	HRW TESTAMENTARY TRUST NO 4		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,071	0.034	C
28	STEELWORKERS PENSION TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		53,071	0.257	C
29	HRW TRUST NO 2 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,478	0.070	C
30	HRW TESTAMENTARY TRUST NO 1		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,773	0.047	C
31	STANLIB FUNDS LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,788	0.023	C
32	ARROWSTREET US GROUP TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,647	0.037	C
33	SOUTHERN CALIFORNIA EDISON COMPANY RETIREMENT PLAN TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,252	0.016	C
34	PUBLIC SCHOOL TEACHERS PENSION AND RETIREMENT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,677	0.057	C

35	STATE TEACHERS RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		62,718	0.304	C
36	TWO SIGMA ABSOLUTE RETURN PORTFOLIO LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		190,800	0.924	C
37	JHVIT INT'L SMALL CO TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		707	0.003	C
38	JHF II INT'L SMALL CO FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,335	0.026	C
39	HILLSDALE GLOBAL SMALL CAP EQUITY FUND.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		22,900	0.111	C
40	CC&L ALTERNATIVE GLOBAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		247	0.001	C
41	CX QUANTITATIVE CLIMATE LTD C/O MAPLES CORPORATE SERVICES (BVI) LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		20,795	0.101	C
42	SCHRODER INTERNATIONAL SELECTION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,960	0.121	C
43	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		292,239	1.416	C
44	ODDO CAP HORIZONS PME ETI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		30,000	0.145	C
45	MERCER UNHEDGED OVERSEAS SHARES TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,275	0.021	C
46	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		272,212	1.319	C
47	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,657	0.071	C
48	STATE STREET GLOBAL ADVISORS LUXEMBOURG SICAV		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,734	0.023	C
49	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		366	0.002	C
50	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5	0.000	C
51	ARROWSTREET INTERNATIONAL EQUITY EAFE TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		82,110	0.398	C
52	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,192	0.015	C
53	MERCER GE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,221	0.035	C
54	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,059	0.005	C
55	GMO INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		81,916	0.397	C
56	GMO TAXMANAGED INTERNATIONAL EQUITIES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		877	0.004	C
57	JNL/DFA INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7	0.000	C
58	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,596	0.008	C
59	MGI FUNDS PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		768	0.004	C
60	MARYLAND STATE RETIREMENT PENSION SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721	0.003	C
61	ARROWSTREET (CANADA) INTERNATIONAL DEVELOPED MARKET EX US FUND I		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,898	0.106	C
62	ARROWSTREET (CANADA) GLOBAL WORLD SMALL CAP FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,575	0.056	C
63	HARTFORD SCHRODERS INTERNATIONAL MULTI-CAP VALUE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,464	0.089	C
64	SSB INT SMALL CAP ACTIVE SECURITIES LENDING COMMON TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,006	0.024	C
65	TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		107,886	0.523	C
66	EHP ADVANTAGE INTERNATIONAL ALTERNA FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,700	0.032	C
67	NEW YORK STATE COMMON RETIREMENT FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		452	0.002	C
68	CC AND L US Q MARKET NEUTRAL ONSHORE FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		55	0.000	C
69	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		129,232	0.626	C
70	CSIF 2 - CREDIT SUISSE (LUX) COPERNICUS ITALY EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,760	0.154	C
71	ODDO BHF ACTIVE SMALL CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		386,283	1.871	C
72	ODDO BHF ACTIVE MICRO CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		72,000	0.349	C
73	ISHARES VII PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,465	0.051	C
74	SPDR S&P INTERNATIONAL SMALL CAP ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,911	0.009	C
75	PRINCE GEORGES COUNTY COMPREHENSIVE SUPPLEMENTAL PENSION PLANS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,348	0.011	C
76	AWARE SUPER		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,172	0.011	C
77	AWARE SUPER LEVEL 28		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		8	0.000	C
78	NATWEST ST JAMES'S PLACE BALANCED MANAGED UNIT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,764	0.023	C
79	GMO BENCHMARKFREE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		54	0.000	C

80	GMO IMPLEMENTATION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,674	0.008	C
81	EHP GUARDIAN INTERNATIONAL ALTERNATIVE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		600	0.003	C
82	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,907	0.053	C
83	MAPFRE AM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		135,390	0.656	A
84	MAN FUNDS XII SPC-MAN 1783 III SP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,253	0.045	F
85	MACKENZIE INTERNATIONAL QUANTITATIVE SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,649	0.032	F
86	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,601	0.231	F
87	UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH ON BEHALF OF MS-B HAUPFONDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,619	0.051	F
88	CPPIB MAP CAYMAN SPC-SEGREGATED PORTFOLIO H MAPLES CORPORATE SERVICES LTD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		780	0.004	F
89	CHALLENGE FUNDS - CHALLENGE ITALIAN EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		60,000	0.291	F
90	FLORIDA RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		121,283	0.588	F
91	UTAH STATE RETIREMENT SYSTEMS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		733	0.004	F
92	HAAS ACTIONS ENTREPRENEURS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,315	0.026	F
93	LAZARD/WILMINGTON EAFE SMALL CAP EQUITY ADVANTAGE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,258	0.118	C
94	NATIONAL ELEVATOR INDUSTRY PENSION PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,439	0.046	C
95	WILSHIRE MUTUAL FUNDS, INC. - WILSHIRE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,477	0.027	C
96	ENTERGY CORPORATION RETIREMENT PLANS MASTER TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,128	0.141	C
97	ALGEBRIS UCITS FUNDS PLC ALGEBRIS CORE ITALY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,000	0.150	F
98	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		462,954	2.243	F
99	AMUNDI SGR SPA / AMUNDI RISPARMIO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		225,501	1.092	F
100	AMUNDI SGR SPA / AMUNDI SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721,000	3.493	F
101	MUL LYX FTSE IT ALL CAP PIR 20		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,079	0.020	F
102	LYXOR FTSE ITALIA MID CAP PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		126,976	0.615	F
103	GOVERNMENT OF NORWAY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,580	1.040	F
104	INVESCO FTSE RAFI DEVELOPED MARKETS EX US SMALL MID ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		15,364	0.074	F
105	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		420,000	2.035	F
106	AMUNDI DIVIDENDO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		146,000	0.707	F
107	AMUNDI VALORE ITALIA PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		150,000	0.727	F
108	AMUNDI ACCUMULAZIONE ITALIA PIR 2023		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		77,700	0.376	F
109	PORTZAMPARC PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		153,500	0.744	A
110	PORTZAMPARC FRANCE OPPORTUNITES		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		46,402	0.225	A
111	PORTZAMPARC EUROPE PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,600	0.323	A
112	DESA S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,000	1.037	F
113	FONDAZIONE CASSA DI RISPARMIO DI TERNI E NARNI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		666,172	3.227	F
114	GNM INVESTIMENTI S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		196,977	0.954	F
115	ILIAD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		374,909	1.816	F
116	ILIAD HOLDING SPA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,145,465	10.394	F
117	MELPART SRL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,000	0.320	F
118	NICOSANTI MONTERASTELLI GIANCARLO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		100,000	0.484	F
119	SPAFID FIDUCIANTE N. 301122		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		397	0.002	F

SHARES **% OF PARTICIPANT CAPITAL**

IN FAVOUR	6,621,307	66.417%
AGAINST	2,946,080	29.552%
ABSTAINED	401,892	4.031%
NON VOTERS	0	0.000%
SHARES TOTAL PRESENT	9,969,279	100.000%

Communication 1
Time: 15:00

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

COMMUNICATION OF THE PRESIDENT

Present are no. 119 entitled to vote

representing no. 9,969,279 ordinary shares

equal to 48.299 % of no. 20,640,849

ordinary shares, making up the share capital

People present 1

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

Item 3.2 - Ordinary part: Report concerning the policy for remuneration and recompense paid: Proposal that the remuneration of the Board of Auditors be increased. Related Resolutions

RESULT OF THE VOTE

No. shares represented **9,969,279** **100.000%**

	Shares	% of participant capital	% of the share capital
In favour	9,567,387	95.969%	46.352%
Against	0	0.000%	0.000%
Abstained	401,892	4.031%	1.947%
Non voters	0	0.000%	0.000%
Total	**9,969,279**	**100.000%**	**48.299%**

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

RESULT OF THE VOTE

Item 3.2 - Ordinary part: Report concerning the policy for remuneration and recompense paid: Proposal that the remuneration of the Board of Auditors be increased. Related Resolutions

N°	Entitled person	Attorney	Delegate	Own shares	Proxy shares	% over ord. Shares	VOTE
1	INDEPENDANCE ET EXPANSION EUROPE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		43,770	0.212	F
2	INDEPENDANCE ET EXPANSION FRANCE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		285,500	1.383	F
3	PRIVILEDGE - JP MORGAN PAN EUROPEAN FLEXIBLE EQUITY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		27,074	0.131	F
4	INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,258	0.045	F
5	MEBA PENSION TRUST DEFINED BENEFIT PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,010	0.044	F
6	CATHOLIC UNITED INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,428	0.051	F
7	FIS GROUP COLLECTIVE INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,000	0.048	F
8	AIC FUND II HANCOCK HORIZON INTERNATIONAL SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,448	0.055	F
9	GLOBEFLEX INTERNATIONAL ALL CAP COMMINGLED TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		36,950	0.179	F
10	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		259	0.001	F
11	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		752	0.004	F
12	VEBA PARTNERSHIP N L P		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,818	0.009	F
13	SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,879	0.145	F
14	FLORIDA BIRTH RELATED NEUROLOGICAL INJURY COMPENSATION ASSOCIATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		720	0.003	F
15	CHURCH OF ENGLAND INVESTMENT FUND FOR PENSIONS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,557	0.090	F
16	MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		32,288	0.156	F
17	HKL II LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		42,870	0.208	F
18	RAMI PARTNERS LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		45,184	0.219	F
19	MERCER GLOBAL SMALL COMPANIES SHARES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,532	0.104	F
20	JTW TRUST NO. 1 UAD 9/19/02		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,996	0.092	F
21	STATE OF IDAHO ENDOWMENT FUND INVESTMENT BOARD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,033	0.010	F
22	THE NORTHERN TRUST COMPANY SUB-ADVISED COLLECTIVE FUNDS TRUS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,883	0.232	F
23	CATERPILLAR INC MASTER RETIREMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		41,904	0.203	F
24	HRW TESTAMENTARY TRUST NO. 12		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,293	0.123	F
25	HRW TRUST NO 4 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,007	0.068	F
26	HRW TESTAMENTARY TRUST NO. 8		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,977	0.126	F
27	HRW TESTAMENTARY TRUST NO 4		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,071	0.034	F
28	STEELWORKERS PENSION TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		53,071	0.257	F
29	HRW TRUST NO 2 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,478	0.070	F
30	HRW TESTAMENTARY TRUST NO 1		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,773	0.047	F
31	STANLIB FUNDS LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,788	0.023	F
32	ARROWSTREET US GROUP TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,647	0.037	F
33	SOUTHERN CALIFORNIA EDISON COMPANY RETIREMENT PLAN TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,252	0.016	F
34	PUBLIC SCHOOL TEACHERS PENSION AND RETIREMENT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,677	0.057	F

35	STATE TEACHERS RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		62,718	0.304	F
36	TWO SIGMA ABSOLUTE RETURN PORTFOLIO LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		190,800	0.924	F
37	JHVIT INT'L SMALL CO TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		707	0.003	F
38	JHF II INT'L SMALL CO FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,335	0.026	F
39	HILLSDALE GLOBAL SMALL CAP EQUITY FUND.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		22,900	0.111	F
40	CC&L ALTERNATIVE GLOBAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		247	0.001	F
41	CX QUANTITATIVE CLIMATE LTD C/O MAPLES CORPORATE SERVICES (BVI) LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		20,795	0.101	F
42	SCHRODER INTERNATIONAL SELECTION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,960	0.121	F
43	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		292,239	1.416	F
44	ODDO CAP HORIZONS PME ETI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		30,000	0.145	F
45	MERCER UNHEDGED OVERSEAS SHARES TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,275	0.021	F
46	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		272,212	1.319	F
47	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,657	0.071	F
48	STATE STREET GLOBAL ADVISORS LUXEMBOURG SICAV		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,734	0.023	F
49	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		366	0.002	F
50	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5	0.000	F
51	ARROWSTREET INTERNATIONAL EQUITY EAFE TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		82,110	0.398	F
52	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,192	0.015	F
53	MERCER GE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,221	0.035	F
54	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,059	0.005	F
55	GMO INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		81,916	0.397	F
56	GMO TAXMANAGED INTERNATIONAL EQUITIES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		877	0.004	F
57	JNL/DFA INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7	0.000	F
58	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,596	0.008	F
59	MGI FUNDS PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		768	0.004	F
60	MARYLAND STATE RETIREMENT PENSION SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721	0.003	F
61	ARROWSTREET (CANADA) INTERNATIONAL DEVELOPED MARKET EX US FUND I		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,898	0.106	F
62	ARROWSTREET (CANADA) GLOBAL WORLD SMALL CAP FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,575	0.056	F
63	HARTFORD SCHRODERS INTERNATIONAL MULTI-CAP VALUE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,464	0.089	F
64	SSB INT SMALL CAP ACTIVE SECURITIES LENDING COMMON TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,006	0.024	F
65	TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		107,886	0.523	F
66	EHP ADVANTAGE INTERNATIONAL ALTERNA FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,700	0.032	F
67	NEW YORK STATE COMMON RETIREMENT FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		452	0.002	F
68	CC AND L US Q MARKET NEUTRAL ONSHORE FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		55	0.000	F
69	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		129,232	0.626	F
70	CSIF 2 - CREDIT SUISSE (LUX) COPERNICUS ITALY EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,760	0.154	F
71	ODDO BHF ACTIVE SMALL CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		386,283	1.871	F
72	ODDO BHF ACTIVE MICRO CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		72,000	0.349	F
73	ISHARES VII PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,465	0.051	F
74	SPDR S&P INTERNATIONAL SMALL CAP ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,911	0.009	F
75	PRINCE GEORGES COUNTY COMPREHENSIVE SUPPLEMENTAL PENSION PLANS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,348	0.011	F
76	AWARE SUPER		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,172	0.011	F
77	AWARE SUPER LEVEL 28		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		8	0.000	F
78	NATWEST ST JAMES'S PLACE BALANCED MANAGED UNIT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,764	0.023	F
79	GMO BENCHMARKFREE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		54	0.000	F

80	GMO IMPLEMENTATION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,674	0.008	F
81	EHP GUARDIAN INTERNATIONAL ALTERNATIVE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		600	0.003	F
82	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,907	0.053	F
83	MAPFRE AM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		135,390	0.656	A
84	MAN FUNDS XII SPC-MAN 1783 III SP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,253	0.045	F
85	MACKENZIE INTERNATIONAL QUANTITATIVE SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,649	0.032	F
86	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,601	0.231	F
87	UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH ON BEHALF OF MS-B HAUPFONDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,619	0.051	F
88	CPPIB MAP CAYMAN SPC-SEGREGATED PORTFOLIO H MAPLES CORPORATE SERVICES LTD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		780	0.004	F
89	CHALLENGE FUNDS - CHALLENGE ITALIAN EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		60,000	0.291	F
90	FLORIDA RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		121,283	0.588	F
91	UTAH STATE RETIREMENT SYSTEMS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		733	0.004	F
92	HAAS ACTIONS ENTREPRENEURS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,315	0.026	F
93	LAZARD/WILMINGTON EAFE SMALL CAP EQUITY ADVANTAGE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,258	0.118	F
94	NATIONAL ELEVATOR INDUSTRY PENSION PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,439	0.046	F
95	WILSHIRE MUTUAL FUNDS, INC. - WILSHIRE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,477	0.027	F
96	ENTERGY CORPORATION RETIREMENT PLANS MASTER TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,128	0.141	F
97	ALGEBRIS UCITS FUNDS PLC ALGEBRIS CORE ITALY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,000	0.150	F
98	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		462,954	2.243	F
99	AMUNDI SGR SPA / AMUNDI RISPARMIO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		225,501	1.092	F
100	AMUNDI SGR SPA / AMUNDI SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721,000	3.493	F
101	MUL LYX FTSE IT ALL CAP PIR 20		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,079	0.020	F
102	LYXOR FTSE ITALIA MID CAP PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		126,976	0.615	F
103	GOVERNMENT OF NORWAY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,580	1.040	F
104	INVESCO FTSE RAFI DEVELOPED MARKETS EX US SMALL MID ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		15,364	0.074	F
105	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		420,000	2.035	F
106	AMUNDI DIVIDENDO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		146,000	0.707	F
107	AMUNDI VALORE ITALIA PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		150,000	0.727	F
108	AMUNDI ACCUMULAZIONE ITALIA PIR 2023		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		77,700	0.376	F
109	PORTZAMPARC PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		153,500	0.744	A
110	PORTZAMPARC FRANCE OPPORTUNITES		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		46,402	0.225	A
111	PORTZAMPARC EUROPE PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,600	0.323	A
112	DESA S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,000	1.037	F
113	FONDAZIONE CASSA DI RISPARMIO DI TERNI E NARNI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		666,172	3.227	F
114	GNM INVESTIMENTI S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		196,977	0.954	F
115	ILIAD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		374,909	1.816	F
116	ILIAD HOLDING SPA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,145,465	10.394	F
117	MELPART SRL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,000	0.320	F
118	NICOSANTI MONTERASTELLI GIANCARLO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		100,000	0.484	F
119	SPAFID FIDUCIANTE N. 301122		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		397	0.002	F

SHARES **% OF PARTICIPANT CAPITAL**

IN FAVOUR	9,567,387	95.969%
AGAINST	0	0.000%
ABSTAINED	401,892	4.031%
NON VOTERS	0	0.000%
SHARES TOTAL PRESENT	9,969,279	100.000%

Communication 1
Time: 15:00

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

COMMUNICATION OF THE PRESIDENT

Present are no. 119 entitled to vote
representing no. 9,969,279 ordinary shares
equal to 48.299 % of no. 20,640,849
ordinary shares, making up the share capital

People present 1

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

Item 4 - Ordinary part: Proposal that the remuneration of the Board of Directors be increased. Related Resolutions

RESULT OF THE VOTE

No. shares represented	**9,969,279**	**100.000%**

	Shares	% of participant capital	% of the share capital
In favour	9,567,387	95.969%	46.352%
Against	0	0.000%	0.000%
Abstained	401,892	4.031%	1.947%
Non voters	0	0.000%	0.000%
Total	**9,969,279**	**100.000%**	**48.299%**

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

RESULT OF THE VOTE

Item 4 - Ordinary part: Proposal that the remuneration of the Board of Directors be increased. Related Resolutions

N°	Entitled person	Attorney	Delegate	Own shares	Proxy shares	% over ord. Shares	VOTE
1	INDEPENDANCE ET EXPANSION EUROPE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		43,770	0.212	F
2	INDEPENDANCE ET EXPANSION FRANCE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		285,500	1.383	F
3	PRIVILEDGE - JP MORGAN PAN EUROPEAN FLEXIBLE EQUITY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		27,074	0.131	F
4	INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,258	0.045	F
5	MEBA PENSION TRUST DEFINED BENEFIT PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,010	0.044	F
6	CATHOLIC UNITED INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,428	0.051	F
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8	AIC FUND II HANCOCK HORIZON INTERNATIONAL SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,448	0.055	F
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15	CHURCH OF ENGLAND INVESTMENT FUND FOR PENSIONS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,557	0.090	F
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17	HKL II LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		42,870	0.208	F
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19	MERCER GLOBAL SMALL COMPANIES SHARES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,532	0.104	F
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24	HRW TESTAMENTARY TRUST NO. 12		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,293	0.123	F
25	HRW TRUST NO 4 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,007	0.068	F
26	HRW TESTAMENTARY TRUST NO. 8		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,977	0.126	F
27	HRW TESTAMENTARY TRUST NO 4		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,071	0.034	F
28	STEELWORKERS PENSION TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		53,071	0.257	F
29	HRW TRUST NO 2 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,478	0.070	F
30	HRW TESTAMENTARY TRUST NO 1		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,773	0.047	F
31	STANLIB FUNDS LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,788	0.023	F
32	ARROWSTREET US GROUP TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,647	0.037	F
33	SOUTHERN CALIFORNIA EDISON COMPANY RETIREMENT PLAN TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,252	0.016	F
34	PUBLIC SCHOOL TEACHERS PENSION AND RETIREMENT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,677	0.057	F

35	STATE TEACHERS RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		62,718	0.304	F
36	TWO SIGMA ABSOLUTE RETURN PORTFOLIO LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		190,800	0.924	F
37	JHVIT INT'L SMALL CO TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		707	0.003	F
38	JHF II INT'L SMALL CO FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,335	0.026	F
39	HILLSDALE GLOBAL SMALL CAP EQUITY FUND.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		22,900	0.111	F
40	CC&L ALTERNATIVE GLOBAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		247	0.001	F
41	CX QUANTITATIVE CLIMATE LTD C/O MAPLES CORPORATE SERVICES (BVI) LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		20,795	0.101	F
42	SCHRODER INTERNATIONAL SELECTION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,960	0.121	F
43	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		292,239	1.416	F
44	ODDO CAP HORIZONS PME ETI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		30,000	0.145	F
45	MERCER UNHEDGED OVERSEAS SHARES TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,275	0.021	F
46	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		272,212	1.319	F
47	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,657	0.071	F
48	STATE STREET GLOBAL ADVISORS LUXEMBOURG SICAV		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,734	0.023	F
49	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		366	0.002	F
50	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5	0.000	F
51	ARROWSTREET INTERNATIONAL EQUITY EAFE TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		82,110	0.398	F
52	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,192	0.015	F
53	MERCER GE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,221	0.035	F
54	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,059	0.005	F
55	GMO INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		81,916	0.397	F
56	GMO TAXMANAGED INTERNATIONAL EQUITIES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		877	0.004	F
57	JNL/DFA INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7	0.000	F
58	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,596	0.008	F
59	MGI FUNDS PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		768	0.004	F
60	MARYLAND STATE RETIREMENT PENSION SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721	0.003	F
61	ARROWSTREET (CANADA) INTERNATIONAL DEVELOPED MARKET EX US FUND I		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,898	0.106	F
62	ARROWSTREET (CANADA) GLOBAL WORLD SMALL CAP FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,575	0.056	F
63	HARTFORD SCHRODERS INTERNATIONAL MULTI-CAP VALUE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,464	0.089	F
64	SSB INT SMALL CAP ACTIVE SECURITIES LENDING COMMON TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,006	0.024	F
65	TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		107,886	0.523	F
66	EHP ADVANTAGE INTERNATIONAL ALTERNA FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,700	0.032	F
67	NEW YORK STATE COMMON RETIREMENT FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		452	0.002	F
68	CC AND L US Q MARKET NEUTRAL ONSHORE FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		55	0.000	F
69	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		129,232	0.626	F
70	CSIF 2 - CREDIT SUISSE (LUX) COPERNICUS ITALY EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,760	0.154	F
71	ODDO BHF ACTIVE SMALL CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		386,283	1.871	F
72	ODDO BHF ACTIVE MICRO CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		72,000	0.349	F
73	ISHARES VII PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,465	0.051	F
74	SPDR S&P INTERNATIONAL SMALL CAP ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,911	0.009	F
75	PRINCE GEORGES COUNTY COMPREHENSIVE SUPPLEMENTAL PENSION PLANS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,348	0.011	F
76	AWARE SUPER		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,172	0.011	F
77	AWARE SUPER LEVEL 28		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		8	0.000	F
78	NATWEST ST JAMES'S PLACE BALANCED MANAGED UNIT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,764	0.023	F
79	GMO BENCHMARKFREE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		54	0.000	F

80	GMO IMPLEMENTATION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,674	0.008	F
81	EHP GUARDIAN INTERNATIONAL ALTERNATIVE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		600	0.003	F
82	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,907	0.053	F
83	MAPFRE AM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		135,390	0.656	A
84	MAN FUNDS XII SPC-MAN 1783 III SP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,253	0.045	F
85	MACKENZIE INTERNATIONAL QUANTITATIVE SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,649	0.032	F
86	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,601	0.231	F
87	UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH ON BEHALF OF MS-B HAUPFONDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,619	0.051	F
88	CPPIB MAP CAYMAN SPC-SEGREGATED PORTFOLIO H MAPLES CORPORATE SERVICES LTD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		780	0.004	F
89	CHALLENGE FUNDS - CHALLENGE ITALIAN EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		60,000	0.291	F
90	FLORIDA RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		121,283	0.588	F
91	UTAH STATE RETIREMENT SYSTEMS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		733	0.004	F
92	HAAS ACTIONS ENTREPRENEURS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,315	0.026	F
93	LAZARD/WILMINGTON EAFE SMALL CAP EQUITY ADVANTAGE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,258	0.118	F
94	NATIONAL ELEVATOR INDUSTRY PENSION PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,439	0.046	F
95	WILSHIRE MUTUAL FUNDS, INC. - WILSHIRE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,477	0.027	F
96	ENTERGY CORPORATION RETIREMENT PLANS MASTER TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,128	0.141	F
97	ALGEBRIS UCITS FUNDS PLC ALGEBRIS CORE ITALY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,000	0.150	F
98	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		462,954	2.243	F
99	AMUNDI SGR SPA / AMUNDI RISPARMIO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		225,501	1.092	F
100	AMUNDI SGR SPA / AMUNDI SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721,000	3.493	F
101	MUL LYX FTSE IT ALL CAP PIR 20		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,079	0.020	F
102	LYXOR FTSE ITALIA MID CAP PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		126,976	0.615	F
103	GOVERNMENT OF NORWAY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,580	1.040	F
104	INVESCO FTSE RAFI DEVELOPED MARKETS EX US SMALL MID ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		15,364	0.074	F
105	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		420,000	2.035	F
106	AMUNDI DIVIDENDO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		146,000	0.707	F
107	AMUNDI VALORE ITALIA PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		150,000	0.727	F
108	AMUNDI ACCUMULAZIONE ITALIA PIR 2023		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		77,700	0.376	F
109	PORTZAMPARC PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		153,500	0.744	A
110	PORTZAMPARC FRANCE OPPORTUNITES		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		46,402	0.225	A
111	PORTZAMPARC EUROPE PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,600	0.323	A
112	DESA S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,000	1.037	F
113	FONDAZIONE CASSA DI RISPARMIO DI TERNI E NARNI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		666,172	3.227	F
114	GNM INVESTIMENTI S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		196,977	0.954	F
115	ILIAD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		374,909	1.816	F
116	ILIAD HOLDING SPA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,145,465	10.394	F
117	MELPART SRL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,000	0.320	F
118	NICOSANTI MONTERASTELLI GIANCARLO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		100,000	0.484	F
119	SPAFID FIDUCIANTE N. 301122		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		397	0.002	F

SHARES **% OF PARTICIPANT CAPITAL**

IN FAVOUR	9,567,387	95.969%
AGAINST	0	0.000%
ABSTAINED	401,892	4.031%
NON VOTERS	0	0.000%
SHARES TOTAL PRESENT	9,969,279	100.000%

Communication 1
Time: 15:00

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

COMMUNICATION OF THE PRESIDENT

Present are no. 119 entitled to vote

representing no. 9,969,279 ordinary shares

equal to 48.299 % of no. 20,640,849

ordinary shares, making up the share capital

People present 1

E-MARKET SDIR CERTIFIED

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

Item 5 - Ordinary part: Proposal that the remuneration of the Board of Auditors be increased. Related Resolutions.

RESULT OF THE VOTE

No. shares represented **9,969,279** **100.000%**

	Shares	% of participant capital	% of the share capital
In favour	9,833,889	98.642%	47.643%
Against	0	0.000%	0.000%
Abstained	135,390	1.358%	0.656%
Non voters	0	0.000%	0.000%
Total	**9,969,279**	**100.000%**	**48.299%**

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

RESULT OF THE VOTE

Item 5 - Ordinary part: Proposal that the remuneration of the Board of Auditors be increased. Related Resolutions.

N°	Entitled person	Attorney	Delegate	Own shares	Proxy shares	% over ord. Shares	VOTE
1	INDEPENDANCE ET EXPANSION EUROPE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		43,770	0.212	F
2	INDEPENDANCE ET EXPANSION FRANCE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		285,500	1.383	F
3	PRIVILEDGE - JP MORGAN PAN EUROPEAN FLEXIBLE EQUITY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		27,074	0.131	F
4	INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,258	0.045	F
5	MEBA PENSION TRUST DEFINED BENEFIT PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,010	0.044	F
6	CATHOLIC UNITED INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,428	0.051	F
7	FIS GROUP COLLECTIVE INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,000	0.048	F
8	AIC FUND II HANCOCK HORIZON INTERNATIONAL SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,448	0.055	F
9	GLOBEFLEX INTERNATIONAL ALL CAP COMMINGLED TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		36,950	0.179	F
10	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		259	0.001	F
11	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		752	0.004	F
12	VEBA PARTNERSHIP N L P		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,818	0.009	F
13	SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,879	0.145	F
14	FLORIDA BIRTH RELATED NEUROLOGICAL INJURY COMPENSATION ASSOCIATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		720	0.003	F
15	CHURCH OF ENGLAND INVESTMENT FUND FOR PENSIONS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,557	0.090	F
16	MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		32,288	0.156	F
17	HKL II LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		42,870	0.208	F
18	RAMI PARTNERS LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		45,184	0.219	F
19	MERCER GLOBAL SMALL COMPANIES SHARES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,532	0.104	F
20	JTW TRUST NO. 1 UAD 9/19/02		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,996	0.092	F
21	STATE OF IDAHO ENDOWMENT FUND INVESTMENT BOARD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,033	0.010	F
22	THE NORTHERN TRUST COMPANY SUB-ADVISED COLLECTIVE FUNDS TRUS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,883	0.232	F
23	CATERPILLAR INC MASTER RETIREMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		41,904	0.203	F
24	HRW TESTAMENTARY TRUST NO. 12		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,293	0.123	F
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43	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		292,239	1.416	F
44	ODDO CAP HORIZONS PME ETI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		30,000	0.145	F
45	MERCER UNHEDGED OVERSEAS SHARES TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,275	0.021	F
46	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		272,212	1.319	F
47	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,657	0.071	F
48	STATE STREET GLOBAL ADVISORS LUXEMBOURG SICAV		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,734	0.023	F
49	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		366	0.002	F
50	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5	0.000	F
51	ARROWSTREET INTERNATIONAL EQUITY EAFE TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		82,110	0.398	F
52	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,192	0.015	F
53	MERCER GE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,221	0.035	F
54	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,059	0.005	F
55	GMO INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		81,916	0.397	F
56	GMO TAXMANAGED INTERNATIONAL EQUITIES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		877	0.004	F
57	JNL/DFA INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7	0.000	F
58	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,596	0.008	F
59	MGI FUNDS PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		768	0.004	F
60	MARYLAND STATE RETIREMENT PENSION SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721	0.003	F
61	ARROWSTREET (CANADA) INTERNATIONAL DEVELOPED MARKET EX US FUND I		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,898	0.106	F
62	ARROWSTREET (CANADA) GLOBAL WORLD SMALL CAP FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,575	0.056	F
63	HARTFORD SCHRODERS INTERNATIONAL MULTI-CAP VALUE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,464	0.089	F
64	SSB INT SMALL CAP ACTIVE SECURITIES LENDING COMMON TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,006	0.024	F
65	TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		107,886	0.523	F
66	EHP ADVANTAGE INTERNATIONAL ALTERNA FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,700	0.032	F
67	NEW YORK STATE COMMON RETIREMENT FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		452	0.002	F
68	CC AND L US Q MARKET NEUTRAL ONSHORE FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		55	0.000	F
69	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		129,232	0.626	F
70	CSIF 2 - CREDIT SUISSE (LUX) COPERNICUS ITALY EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,760	0.154	F
71	ODDO BHF ACTIVE SMALL CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		386,283	1.871	F
72	ODDO BHF ACTIVE MICRO CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		72,000	0.349	F
73	ISHARES VII PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,465	0.051	F
74	SPDR S&P INTERNATIONAL SMALL CAP ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,911	0.009	F
75	PRINCE GEORGES COUNTY COMPREHENSIVE SUPPLEMENTAL PENSION PLANS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,348	0.011	F
76	AWARE SUPER		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,172	0.011	F
77	AWARE SUPER LEVEL 28		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		8	0.000	F
78	NATWEST ST JAMES'S PLACE BALANCED MANAGED UNIT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,764	0.023	F
79	GMO BENCHMARKFREE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		54	0.000	F

80	GMO IMPLEMENTATION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,674	0.008	F
81	EHP GUARDIAN INTERNATIONAL ALTERNATIVE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		600	0.003	F
82	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,907	0.053	F
83	MAPFRE AM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		135,390	0.656	A
84	MAN FUNDS XII SPC-MAN 1783 III SP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,253	0.045	F
85	MACKENZIE INTERNATIONAL QUANTITATIVE SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,649	0.032	F
86	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,601	0.231	F
87	UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH ON BEHALF OF MS-B HAUPFONDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,619	0.051	F
88	CPPIB MAP CAYMAN SPC-SEGREGATED PORTFOLIO H MAPLES CORPORATE SERVICES LTD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		780	0.004	F
89	CHALLENGE FUNDS - CHALLENGE ITALIAN EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		60,000	0.291	F
90	FLORIDA RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		121,283	0.588	F
91	UTAH STATE RETIREMENT SYSTEMS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		733	0.004	F
92	HAAS ACTIONS ENTREPRENEURS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,315	0.026	F
93	LAZARD/WILMINGTON EAFE SMALL CAP EQUITY ADVANTAGE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,258	0.118	F
94	NATIONAL ELEVATOR INDUSTRY PENSION PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,439	0.046	F
95	WILSHIRE MUTUAL FUNDS, INC. - WILSHIRE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,477	0.027	F
96	ENTERGY CORPORATION RETIREMENT PLANS MASTER TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,128	0.141	F
97	ALGEBRIS UCITS FUNDS PLC ALGEBRIS CORE ITALY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,000	0.150	F
98	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		462,954	2.243	F
99	AMUNDI SGR SPA / AMUNDI RISPARMIO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		225,501	1.092	F
100	AMUNDI SGR SPA / AMUNDI SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721,000	3.493	F
101	MUL LYX FTSE IT ALL CAP PIR 20		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,079	0.020	F
102	LYXOR FTSE ITALIA MID CAP PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		126,976	0.615	F
103	GOVERNMENT OF NORWAY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,580	1.040	F
104	INVESCO FTSE RAFI DEVELOPED MARKETS EX US SMALL MID ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		15,364	0.074	F
105	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		420,000	2.035	F
106	AMUNDI DIVIDENDO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		146,000	0.707	F
107	AMUNDI VALORE ITALIA PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		150,000	0.727	F
108	AMUNDI ACCUMULAZIONE ITALIA PIR 2023		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		77,700	0.376	F
109	PORTZAMPARC PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		153,500	0.744	F
110	PORTZAMPARC FRANCE OPPORTUNITES		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		46,402	0.225	F
111	PORTZAMPARC EUROPE PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,600	0.323	F
112	DESA S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,000	1.037	F
113	FONDAZIONE CASSA DI RISPARMIO DI TERNI E NARNI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		666,172	3.227	F
114	GNM INVESTIMENTI S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		196,977	0.954	F
115	ILIAD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		374,909	1.816	F
116	ILIAD HOLDING SPA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,145,465	10.394	F
117	MELPART SRL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,000	0.320	F
118	NICOSANTI MONTERASTELLI GIANCARLO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		100,000	0.484	F
119	SPAFID FIDUCIANTE N. 301122		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		397	0.002	F

SHARES **% OF PARTICIPANT CAPITAL**

IN FAVOUR	9,833,889	98.642%
AGAINST	0	0.000%
ABSTAINED	135,390	1.358%
NON VOTERS	0	0.000%
SHARES TOTAL PRESENT	9,969,279	100.000%

Communication 1
Time: 15:00

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

COMMUNICATION OF THE PRESIDENT

Present are no. 119 entitled to vote

representing no. 9,969,279 ordinary shares

equal to 48.299 % of no. 20,640,849

ordinary shares, making up the share capital

People present 1

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

Item 6 - Ordinary part: Appointment of 2 directors after redetermination of the number of members of board of directors from 9 to 11

RESULT OF THE VOTE

No. shares represented **9,969,279** **100.000%**

	Shares	% of participant capital	% of the share capital
In favour	9,420,475	94.495%	45.640%
Against	548,804	5.505%	2.659%
Abstained	0	0.000%	0.000%
Non voters	0	0.000%	0.000%
Total	**9,969,279**	**100.000%**	**48.299%**

RESULT OF THE VOTE

Punto 6 Ordinaria - Nomina di n. 2 (due) Amministratori, previa rideterminazione da n. 9 (nove) a n. 11 (undici) del numero dei componenti del Consiglio di Amministrazione. Deliberazioni inerenti e conseguenti.

N°	Entitled person	Attorney	Delegate	Own shares	Proxy shares	% over ord. Shares	VOTE
1	INDEPENDANCE ET EXPANSION EUROPE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		43,770	0.212	F
2	INDEPENDANCE ET EXPANSION FRANCE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		285,500	1.383	F
3	PRIVILEDGE - JP MORGAN PAN EUROPEAN FLEXIBLE EQUITY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		27,074	0.131	F
4	INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,258	0.045	F
5	MEBA PENSION TRUST DEFINED BENEFIT PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,010	0.044	F
6	CATHOLIC UNITED INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,428	0.051	F
7	FIS GROUP COLLECTIVE INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,000	0.048	F
8	AIC FUND II HANCOCK HORIZON INTERNATIONAL SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,448	0.055	F
9	GLOBEFLEX INTERNATIONAL ALL CAP COMMINGLED TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		36,950	0.179	F
10	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		259	0.001	F
11	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		752	0.004	F
12	VEBA PARTNERSHIP N L P		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,818	0.009	F
13	SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,879	0.145	F
14	FLORIDA BIRTH RELATED NEUROLOGICAL INJURY COMPENSATION ASSOCIATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		720	0.003	F
15	CHURCH OF ENGLAND INVESTMENT FUND FOR PENSIONS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,557	0.090	F
16	MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		32,288	0.156	F
17	HKL II LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		42,870	0.208	F
18	RAMI PARTNERS LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		45,184	0.219	F
19	MERCER GLOBAL SMALL COMPANIES SHARES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,532	0.104	F
20	JTW TRUST NO. 1 UAD 9/19/02		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,996	0.092	F
21	STATE OF IDAHO ENDOWMENT FUND INVESTMENT BOARD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,033	0.010	F
22	THE NORTHERN TRUST COMPANY SUB-ADVISED COLLECTIVE FUNDS TRUS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,883	0.232	F
23	CATERPILLAR INC MASTER RETIREMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		41,904	0.203	F
24	HRW TESTAMENTARY TRUST NO. 12		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,293	0.123	F
25	HRW TRUST NO 4 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,007	0.068	F
26	HRW TESTAMENTARY TRUST NO. 8		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,977	0.126	F
27	HRW TESTAMENTARY TRUST NO 4		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,071	0.034	F
28	STEELWORKERS PENSION TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		53,071	0.257	F
29	HRW TRUST NO 2 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,478	0.070	F
30	HRW TESTAMENTARY TRUST NO 1		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,773	0.047	F
31	STANLIB FUNDS LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,788	0.023	F
32	ARROWSTREET US GROUP TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,647	0.037	F
33	SOUTHERN CALIFORNIA EDISON COMPANY RETIREMENT PLAN TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,252	0.016	F
34	PUBLIC SCHOOL TEACHERS PENSION AND RETIREMENT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,677	0.057	F
35	STATE TEACHERS RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		62,718	0.304	F

36	TWO SIGMA ABSOLUTE RETURN PORTFOLIO LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		190,800	0.924	F
37	JHVIT INT'L SMALL CO TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		707	0.003	F
38	JHF II INT'L SMALL CO FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,335	0.026	F
39	HILLSDALE GLOBAL SMALL CAP EQUITY FUND.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		22,900	0.111	F
40	CC&L ALTERNATIVE GLOBAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		247	0.001	F
41	CX QUANTITATIVE CLIMATE LTD C/O MAPLES CORPORATE SERVICES (BVI) LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		20,795	0.101	F
42	SCHRODER INTERNATIONAL SELECTION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,960	0.121	F
43	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		292,239	1.416	F
44	ODDO CAP HORIZONS PME ETI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		30,000	0.145	F
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48	STATE STREET GLOBAL ADVISORS LUXEMBOURG SICAV		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,734	0.023	F
49	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		366	0.002	F
50	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5	0.000	F
51	ARROWSTREET INTERNATIONAL EQUITY EAFE TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		82,110	0.398	F
52	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,192	0.015	F
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62	ARROWSTREET (CANADA) GLOBAL WORLD SMALL CAP FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,575	0.056	F
63	HARTFORD SCHRODERS INTERNATIONAL MULTI-CAP VALUE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,464	0.089	F
64	SSB INT SMALL CAP ACTIVE SECURITIES LENDING COMMON TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,006	0.024	F
65	TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		107,886	0.523	F
66	EHP ADVANTAGE INTERNATIONAL ALTERNA FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,700	0.032	F
67	NEW YORK STATE COMMON RETIREMENT FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		452	0.002	F
68	CC AND L US Q MARKET NEUTRAL ONSHORE FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		55	0.000	F
69	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		129,232	0.626	F
70	CSIF 2 - CREDIT SUISSE (LUX) COPERNICUS ITALY EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,760	0.154	F
71	ODDO BHF ACTIVE SMALL CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		386,283	1.871	F
72	ODDO BHF ACTIVE MICRO CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		72,000	0.349	F
73	ISHARES VII PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,465	0.051	F
74	SPDR S&P INTERNATIONAL SMALL CAP ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,911	0.009	F
75	PRINCE GEORGES COUNTY COMPREHENSIVE SUPPLEMENTAL PENSION PLANS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,348	0.011	F
76	AWARE SUPER		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,172	0.011	F
77	AWARE SUPER LEVEL 28		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		8	0.000	F
78	NATWEST ST JAMES'S PLACE BALANCED MANAGED UNIT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,764	0.023	F
79	GMO BENCHMARKFREE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		54	0.000	F
80	GMO IMPLEMENTATION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,674	0.008	F

81	EHP GUARDIAN INTERNATIONAL ALTERNATIVE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		600	0.003	F
82	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,907	0.053	F
83	MAPFRE AM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		135,390	0.656	F
84	MAN FUNDS XII SPC-MAN 1783 III SP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,253	0.045	F
85	MACKENZIE INTERNATIONAL QUANTITATIVE SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,649	0.032	F
86	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,601	0.231	F
87	UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH ON BEHALF OF MS-B HAUPFONDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,619	0.051	F
88	CPPIB MAP CAYMAN SPC-SEGREGATED PORTFOLIO H MAPLES CORPORATE SERVICES LTD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		780	0.004	F
89	CHALLENGE FUNDS - CHALLENGE ITALIAN EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		60,000	0.291	F
90	FLORIDA RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		121,283	0.588	F
91	UTAH STATE RETIREMENT SYSTEMS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		733	0.004	F
92	HAAS ACTIONS ENTREPRENEURS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,315	0.026	F
93	LAZARD/WILMINGTON EAFE SMALL CAP EQUITY ADVANTAGE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,258	0.118	C
94	NATIONAL ELEVATOR INDUSTRY PENSION PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,439	0.046	C
95	WILSHIRE MUTUAL FUNDS, INC. - WILSHIRE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,477	0.027	C
96	ENTERGY CORPORATION RETIREMENT PLANS MASTER TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,128	0.141	C
97	ALGEBRIS UCITS FUNDS PLC ALGEBRIS CORE ITALY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,000	0.150	F
98	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		462,954	2.243	F
99	AMUNDI SGR SPA / AMUNDI RISPARMIO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		225,501	1.092	F
100	AMUNDI SGR SPA / AMUNDI SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721,000	3.493	F
101	MUL LYX FTSE IT ALL CAP PIR 20		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,079	0.020	F
102	LYXOR FTSE ITALIA MID CAP PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		126,976	0.615	F
103	GOVERNMENT OF NORWAY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,580	1.040	F
104	INVESCO FTSE RAFI DEVELOPED MARKETS EX US SMALL MID ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		15,364	0.074	F
105	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		420,000	2.035	F
106	AMUNDI DIVIDENDO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		146,000	0.707	F
107	AMUNDI VALORE ITALIA PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		150,000	0.727	F
108	AMUNDI ACCUMULAZIONE ITALIA PIR 2023		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		77,700	0.376	F
109	PORTZAMPARC PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		153,500	0.744	C
110	PORTZAMPARC FRANCE OPPORTUNITES		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		46,402	0.225	C
111	PORTZAMPARC EUROPE PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,600	0.323	C
112	DESA S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,000	1.037	C
113	FONDAZIONE CASSA DI RISPARMIO DI TERNI E NARNI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		666,172	3.227	F
114	GNM INVESTIMENTI S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		196,977	0.954	F
115	ILIAD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		374,909	1.816	F
116	ILIAD HOLDING SPA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,145,465	10.394	F
117	MELPART SRL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,000	0.320	F
118	NICOSANTI MONTERASTELLI GIANCARLO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		100,000	0.484	F
119	SPAFID FIDUCIANTE N. 301122		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		397	0.002	F

SHARES **% OF PARTICIPANT CAPITAL**

IN FAVOUR	9,420,475	94.495%
AGAINST	548,804	5.505%
ABSTAINED	0	0.000%
NON VOTERS	0	0.000%
SHARES TOTAL PRESENT	9,969,279	100.000%

Communication 1
Time: 15:00

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

COMMUNICATION OF THE PRESIDENT

Present are no. 119 entitled to vote

representing no. 9,969,279 ordinary shares

equal to 48.299 % of no. 20,640,849

ordinary shares, making up the share capital

People present 1

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

Item 1.1 - Extraordinary part: Proposed amendments to the Company's Articles of Association. Related resolutions. Proposed amendment to Article 13.1 on the majority required for the approval by the outgoing Board of Directors of the list for the appointment of the new Board of Directors

RESULT OF THE VOTE

No. shares represented **9,969,279** **100.000%**

	Shares	% of participant capital	% of the share capital
In favour	9,969,279	100.000%	48.299%
Against	0	0.000%	0.000%
Abstained	0	0.000%	0.000%
Non voters	0	0.000%	0.000%
Total	**9,969,279**	**100.000%**	**48.299%**

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

RESULT OF THE VOTE

Item 1.1 - Extraordinary part: Proposed amendments to the Company's Articles of Association. Related resolutions. Proposed amendment to Article 13.1 on the majority required for the approval by the outgoing Board of Directors of the list for the appointment of the new Board of Directors

N°	Entitled person	Attorney	Delegate	Own shares	Proxy shares	% over ord. Shares	VOTE
1	INDEPENDANCE ET EXPANSION EUROPE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		43,770	0.212	F
2	INDEPENDANCE ET EXPANSION FRANCE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		285,500	1.383	F
3	PRIVILEDGE - JP MORGAN PAN EUROPEAN FLEXIBLE EQUITY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		27,074	0.131	F
4	INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,258	0.045	F
5	MEBA PENSION TRUST DEFINED BENEFIT PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,010	0.044	F
6	CATHOLIC UNITED INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,428	0.051	F
7	FIS GROUP COLLECTIVE INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,000	0.048	F
8	AIC FUND II HANCOCK HORIZON INTERNATIONAL SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,448	0.055	F
9	GLOBEFLEX INTERNATIONAL ALL CAP COMMINGLED TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		36,950	0.179	F
10	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		259	0.001	F
11	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		752	0.004	F
12	VEBA PARTNERSHIP N L P		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,818	0.009	F
13	SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,879	0.145	F
14	FLORIDA BIRTH RELATED NEUROLOGICAL INJURY COMPENSATION ASSOCIATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		720	0.003	F
15	CHURCH OF ENGLAND INVESTMENT FUND FOR PENSIONS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,557	0.090	F
16	MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		32,288	0.156	F
17	HKL II LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		42,870	0.208	F
18	RAMI PARTNERS LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		45,184	0.219	F
19	MERCER GLOBAL SMALL COMPANIES SHARES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,532	0.104	F
20	JTW TRUST NO. 1 UAD 9/19/02		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,996	0.092	F
21	STATE OF IDAHO ENDOWMENT FUND INVESTMENT BOARD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,033	0.010	F
22	THE NORTHERN TRUST COMPANY SUB-ADVISED COLLECTIVE FUNDS TRUS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,883	0.232	F
23	CATERPILLAR INC MASTER RETIREMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		41,904	0.203	F
24	HRW TESTAMENTARY TRUST NO. 12		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,293	0.123	F
25	HRW TRUST NO 4 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,007	0.068	F
26	HRW TESTAMENTARY TRUST NO. 8		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,977	0.126	F
27	HRW TESTAMENTARY TRUST NO 4		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,071	0.034	F
28	STEELWORKERS PENSION TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		53,071	0.257	F
29	HRW TRUST NO 2 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,478	0.070	F
30	HRW TESTAMENTARY TRUST NO 1		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,773	0.047	F
31	STANLIB FUNDS LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,788	0.023	F
32	ARROWSTREET US GROUP TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,647	0.037	F
33	SOUTHERN CALIFORNIA EDISON COMPANY RETIREMENT PLAN TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,252	0.016	F
34	PUBLIC SCHOOL TEACHERS PENSION AND RETIREMENT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,677	0.057	F

35	STATE TEACHERS RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		62,718	0.304	F
36	TWO SIGMA ABSOLUTE RETURN PORTFOLIO LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		190,800	0.924	F
37	JHVIT INT'L SMALL CO TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		707	0.003	F
38	JHF II INT'L SMALL CO FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,335	0.026	F
39	HILLSDALE GLOBAL SMALL CAP EQUITY FUND.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		22,900	0.111	F
40	CC&L ALTERNATIVE GLOBAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		247	0.001	F
41	CX QUANTITATIVE CLIMATE LTD C/O MAPLES CORPORATE SERVICES (BVI) LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		20,795	0.101	F
42	SCHRODER INTERNATIONAL SELECTION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,960	0.121	F
43	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		292,239	1.416	F
44	ODDO CAP HORIZONS PME ETI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		30,000	0.145	F
45	MERCER UNHEDGED OVERSEAS SHARES TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,275	0.021	F
46	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		272,212	1.319	F
47	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,657	0.071	F
48	STATE STREET GLOBAL ADVISORS LUXEMBOURG SICAV		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,734	0.023	F
49	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		366	0.002	F
50	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5	0.000	F
51	ARROWSTREET INTERNATIONAL EQUITY EAFE TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		82,110	0.398	F
52	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,192	0.015	F
53	MERCER GE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,221	0.035	F
54	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,059	0.005	F
55	GMO INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		81,916	0.397	F
56	GMO TAXMANAGED INTERNATIONAL EQUITIES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		877	0.004	F
57	JNL/DFA INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7	0.000	F
58	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,596	0.008	F
59	MGI FUNDS PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		768	0.004	F
60	MARYLAND STATE RETIREMENT PENSION SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721	0.003	F
61	ARROWSTREET (CANADA) INTERNATIONAL DEVELOPED MARKET EX US FUND I		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,898	0.106	F
62	ARROWSTREET (CANADA) GLOBAL WORLD SMALL CAP FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,575	0.056	F
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76	AWARE SUPER		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,172	0.011	F
77	AWARE SUPER LEVEL 28		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		8	0.000	F
78	NATWEST ST JAMES'S PLACE BALANCED MANAGED UNIT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,764	0.023	F
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81	EHP GUARDIAN INTERNATIONAL ALTERNATIVE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		600	0.003	F
82	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,907	0.053	F
83	MAPFRE AM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		135,390	0.656	F
84	MAN FUNDS XII SPC-MAN 1783 III SP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,253	0.045	F
85	MACKENZIE INTERNATIONAL QUANTITATIVE SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,649	0.032	F
86	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,601	0.231	F
87	UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH ON BEHALF OF MS-B HAUPFONDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,619	0.051	F
88	CPPIB MAP CAYMAN SPC-SEGREGATED PORTFOLIO H MAPLES CORPORATE SERVICES LTD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		780	0.004	F
89	CHALLENGE FUNDS - CHALLENGE ITALIAN EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		60,000	0.291	F
90	FLORIDA RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		121,283	0.588	F
91	UTAH STATE RETIREMENT SYSTEMS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		733	0.004	F
92	HAAS ACTIONS ENTREPRENEURS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,315	0.026	F
93	LAZARD/WILMINGTON EAFE SMALL CAP EQUITY ADVANTAGE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,258	0.118	F
94	NATIONAL ELEVATOR INDUSTRY PENSION PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,439	0.046	F
95	WILSHIRE MUTUAL FUNDS, INC. - WILSHIRE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,477	0.027	F
96	ENTERGY CORPORATION RETIREMENT PLANS MASTER TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,128	0.141	F
97	ALGEBRIS UCITS FUNDS PLC ALGEBRIS CORE ITALY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,000	0.150	F
98	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		462,954	2.243	F
99	AMUNDI SGR SPA / AMUNDI RISPARMIO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		225,501	1.092	F
100	AMUNDI SGR SPA / AMUNDI SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721,000	3.493	F
101	MUL LYX FTSE IT ALL CAP PIR 20		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,079	0.020	F
102	LYXOR FTSE ITALIA MID CAP PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		126,976	0.615	F
103	GOVERNMENT OF NORWAY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,580	1.040	F
104	INVESCO FTSE RAFI DEVELOPED MARKETS EX US SMALL MID ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		15,364	0.074	F
105	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		420,000	2.035	F
106	AMUNDI DIVIDENDO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		146,000	0.707	F
107	AMUNDI VALORE ITALIA PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		150,000	0.727	F
108	AMUNDI ACCUMULAZIONE ITALIA PIR 2023		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		77,700	0.376	F
109	PORTZAMPARC PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		153,500	0.744	F
110	PORTZAMPARC FRANCE OPPORTUNITES		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		46,402	0.225	F
111	PORTZAMPARC EUROPE PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,600	0.323	F
112	DESA S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,000	1.037	F
113	FONDAZIONE CASSA DI RISPARMIO DI TERNI E NARNI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		666,172	3.227	F
114	GNM INVESTIMENTI S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		196,977	0.954	F
115	ILIAD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		374,909	1.816	F
116	ILIAD HOLDING SPA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,145,465	10.394	F
117	MELPART SRL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,000	0.320	F
118	NICOSANTI MONTERASTELLI GIANCARLO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		100,000	0.484	F
119	SPAFID FIDUCIANTE N. 301122		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		397	0.002	F

SHARES **% OF PARTICIPANT CAPITAL**

IN FAVOUR	9,969,279	100.000%
AGAINST	0	0.000%
ABSTAINED	0	0.000%
NON VOTERS	0	0.000%
SHARES TOTAL PRESENT	9,969,279	100.000%

E-MARKET SDIR CERTIFIED

Communication 1

Time: 15:00

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

COMMUNICATION OF THE PRESIDENT

Present are no.	119	entitled to vote		
representing no.	9,969,279	ordinary shares		
equal to	48.299	% of	no.	20,640,849

ordinary shares, making up the share capital

People present 1

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

Item 1.2 - Extraordinary part: Proposed amendments to the Company's Articles of Association. Related resolutions.
Proposed amendment to Article 13.9 on the deadline for filing the list submitted by the outgoing Board of Directors

RESULT OF THE VOTE

No. shares represented **9,969,279** **100.000%**

	Shares	% of participant capital	% of the share capital
In favour	9,969,279	100.000%	48.299%
Against	0	0.000%	0.000%
Abstained	0	0.000%	0.000%
Non voters	0	0.000%	0.000%
Total	**9,969,279**	**100.000%**	**48.299%**

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

RESULT OF THE VOTE

Item 1.2 - Extraordinary part: Proposed amendments to the Company's Articles of Association. Related resolutions. Proposed amendment to Article 13.9 on the deadline for filing the list submitted by the outgoing Board of Directors

N°	Entitled person	Attorney	Delegate	Own shares	Proxy shares	% over ord. Shares	VOTE
1	INDEPENDANCE ET EXPANSION EUROPE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		43,770	0.212	F
2	INDEPENDANCE ET EXPANSION FRANCE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		285,500	1.383	F
3	PRIVILEDGE - JP MORGAN PAN EUROPEAN FLEXIBLE EQUITY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		27,074	0.131	F
4	INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,258	0.045	F
5	MEBA PENSION TRUST DEFINED BENEFIT PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,010	0.044	F
6	CATHOLIC UNITED INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,428	0.051	F
7	FIS GROUP COLLECTIVE INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,000	0.048	F
8	AIC FUND II HANCOCK HORIZON INTERNATIONAL SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,448	0.055	F
9	GLOBEFLEX INTERNATIONAL ALL CAP COMMINGLED TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		36,950	0.179	F
10	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		259	0.001	F
11	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		752	0.004	F
12	VEBA PARTNERSHIP N L P		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,818	0.009	F
13	SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,879	0.145	F
14	FLORIDA BIRTH RELATED NEUROLOGICAL INJURY COMPENSATION ASSOCIATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		720	0.003	F
15	CHURCH OF ENGLAND INVESTMENT FUND FOR PENSIONS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,557	0.090	F
16	MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		32,288	0.156	F
17	HKL II LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		42,870	0.208	F
18	RAMI PARTNERS LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		45,184	0.219	F
19	MERCER GLOBAL SMALL COMPANIES SHARES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,532	0.104	F
20	JTW TRUST NO. 1 UAD 9/19/02		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,996	0.092	F
21	STATE OF IDAHO ENDOWMENT FUND INVESTMENT BOARD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,033	0.010	F
22	THE NORTHERN TRUST COMPANY SUB-ADVISED COLLECTIVE FUNDS TRUS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,883	0.232	F
23	CATERPILLAR INC MASTER RETIREMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		41,904	0.203	F
24	HRW TESTAMENTARY TRUST NO. 12		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,293	0.123	F
25	HRW TRUST NO 4 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,007	0.068	F
26	HRW TESTAMENTARY TRUST NO. 8		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,977	0.126	F
27	HRW TESTAMENTARY TRUST NO 4		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,071	0.034	F
28	STEELWORKERS PENSION TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		53,071	0.257	F
29	HRW TRUST NO 2 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,478	0.070	F
30	HRW TESTAMENTARY TRUST NO 1		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,773	0.047	F
31	STANLIB FUNDS LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,788	0.023	F
32	ARROWSTREET US GROUP TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,647	0.037	F
33	SOUTHERN CALIFORNIA EDISON COMPANY RETIREMENT PLAN TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,252	0.016	F
34	PUBLIC SCHOOL TEACHERS PENSION AND RETIREMENT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,677	0.057	F

35	STATE TEACHERS RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		62,718	0.304	F
36	TWO SIGMA ABSOLUTE RETURN PORTFOLIO LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		190,800	0.924	F
37	JHVIT INT'L SMALL CO TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		707	0.003	F
38	JHF II INT'L SMALL CO FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,335	0.026	F
39	HILLSDALE GLOBAL SMALL CAP EQUITY FUND.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		22,900	0.111	F
40	CC&L ALTERNATIVE GLOBAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		247	0.001	F
41	CX QUANTITATIVE CLIMATE LTD C/O MAPLES CORPORATE SERVICES (BVI) LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		20,795	0.101	F
42	SCHRODER INTERNATIONAL SELECTION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,960	0.121	F
43	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		292,239	1.416	F
44	ODDO CAP HORIZONS PME ETI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		30,000	0.145	F
45	MERCER UNHEDGED OVERSEAS SHARES TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,275	0.021	F
46	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		272,212	1.319	F
47	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,657	0.071	F
48	STATE STREET GLOBAL ADVISORS LUXEMBOURG SICAV		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,734	0.023	F
49	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		366	0.002	F
50	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5	0.000	F
51	ARROWSTREET INTERNATIONAL EQUITY EAFE TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		82,110	0.398	F
52	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,192	0.015	F
53	MERCER GE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,221	0.035	F
54	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,059	0.005	F
55	GMO INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		81,916	0.397	F
56	GMO TAXMANAGED INTERNATIONAL EQUITIES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		877	0.004	F
57	JNL/DFA INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7	0.000	F
58	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,596	0.008	F
59	MGI FUNDS PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		768	0.004	F
60	MARYLAND STATE RETIREMENT PENSION SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721	0.003	F
61	ARROWSTREET (CANADA) INTERNATIONAL DEVELOPED MARKET EX US FUND I		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,898	0.106	F
62	ARROWSTREET (CANADA) GLOBAL WORLD SMALL CAP FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,575	0.056	F
63	HARTFORD SCHRODERS INTERNATIONAL MULTI-CAP VALUE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,464	0.089	F
64	SSB INT SMALL CAP ACTIVE SECURITIES LENDING COMMON TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,006	0.024	F
65	TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		107,886	0.523	F
66	EHP ADVANTAGE INTERNATIONAL ALTERNA FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,700	0.032	F
67	NEW YORK STATE COMMON RETIREMENT FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		452	0.002	F
68	CC AND L US Q MARKET NEUTRAL ONSHORE FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		55	0.000	F
69	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		129,232	0.626	F
70	CSIF 2 - CREDIT SUISSE (LUX) COPERNICUS ITALY EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,760	0.154	F
71	ODDO BHF ACTIVE SMALL CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		386,283	1.871	F
72	ODDO BHF ACTIVE MICRO CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		72,000	0.349	F
73	ISHARES VII PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,465	0.051	F
74	SPDR S&P INTERNATIONAL SMALL CAP ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,911	0.009	F
75	PRINCE GEORGES COUNTY COMPREHENSIVE SUPPLEMENTAL PENSION PLANS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,348	0.011	F
76	AWARE SUPER		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,172	0.011	F
77	AWARE SUPER LEVEL 28		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		8	0.000	F
78	NATWEST ST JAMES'S PLACE BALANCED MANAGED UNIT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,764	0.023	F
79	GMO BENCHMARKFREE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		54	0.000	F

80	GMO IMPLEMENTATION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,674	0.008	F
81	EHP GUARDIAN INTERNATIONAL ALTERNATIVE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		600	0.003	F
82	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,907	0.053	F
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87	UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH ON BEHALF OF MS-B HAUPFONDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,619	0.051	F
88	CPPIB MAP CAYMAN SPC-SEGREGATED PORTFOLIO H MAPLES CORPORATE SERVICES LTD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		780	0.004	F
89	CHALLENGE FUNDS - CHALLENGE ITALIAN EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		60,000	0.291	F
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92	HAAS ACTIONS ENTREPRENEURS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,315	0.026	F
93	LAZARD/WILMINGTON EAFE SMALL CAP EQUITY ADVANTAGE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,258	0.118	F
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95	WILSHIRE MUTUAL FUNDS, INC. - WILSHIRE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,477	0.027	F
96	ENTERGY CORPORATION RETIREMENT PLANS MASTER TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,128	0.141	F
97	ALGEBRIS UCITS FUNDS PLC ALGEBRIS CORE ITALY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,000	0.150	F
98	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		462,954	2.243	F
99	AMUNDI SGR SPA / AMUNDI RISPARMIO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		225,501	1.092	F
100	AMUNDI SGR SPA / AMUNDI SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721,000	3.493	F
101	MUL LYX FTSE IT ALL CAP PIR 20		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,079	0.020	F
102	LYXOR FTSE ITALIA MID CAP PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		126,976	0.615	F
103	GOVERNMENT OF NORWAY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,580	1.040	F
104	INVESCO FTSE RAFI DEVELOPED MARKETS EX US SMALL MID ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		15,364	0.074	F
105	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		420,000	2.035	F
106	AMUNDI DIVIDENDO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		146,000	0.707	F
107	AMUNDI VALORE ITALIA PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		150,000	0.727	F
108	AMUNDI ACCUMULAZIONE ITALIA PIR 2023		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		77,700	0.376	F
109	PORTZAMPARC PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		153,500	0.744	F
110	PORTZAMPARC FRANCE OPPORTUNITES		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		46,402	0.225	F
111	PORTZAMPARC EUROPE PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,600	0.323	F
112	DESA S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,000	1.037	F
113	FONDAZIONE CASSA DI RISPARMIO DI TERNI E NARNI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		666,172	3.227	F
114	GNM INVESTIMENTI S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		196,977	0.954	F
115	ILIAD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		374,909	1.816	F
116	ILIAD HOLDING SPA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,145,465	10.394	F
117	MELPART SRL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,000	0.320	F
118	NICOSANTI MONTERASTELLI GIANCARLO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		100,000	0.484	F
119	SPAFID FIDUCIANTE N. 301122		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		397	0.002	F

SHARES **% OF PARTICIPANT CAPITAL**

IN FAVOUR	9,969,279	100.000%
AGAINST	0	0.000%
ABSTAINED	0	0.000%
NON VOTERS	0	0.000%
SHARES TOTAL PRESENT	9,969,279	100.000%

Communication 1
Time: 15:00

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

COMMUNICATION OF THE PRESIDENT

Present are no. 119 entitled to vote

representing no. 9,969,279 ordinary shares

equal to 48.299 % of no. 20,640,849

ordinary shares, making up the share capital

People present 1

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

Item 1.3 - Extraordinary part: Proposed amendments to the Company's Articles of Association. Related resolutions.
Proposed amendment to Article 14 on the procedures for electing members of the Board of Directors

RESULT OF THE VOTE

No. shares represented **9,969,279** **100.000%**

	Shares	% of participant capital	% of the share capital
In favour	9,969,279	100.000%	48.299%
Against	0	0.000%	0.000%
Abstained	0	0.000%	0.000%
Non voters	0	0.000%	0.000%
Total	**9,969,279**	**100.000%**	**48.299%**

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

RESULT OF THE VOTE

Item 1.3 - Extraordinary part: Proposed amendments to the Company's Articles of Association. Related resolutions. Proposed amendment to Article 14 on the procedures for electing members of the Board of Directors

N°	Entitled person	Attorney	Delegate	Own shares	Proxy shares	% over ord. Shares	VOTE
1	INDEPENDANCE ET EXPANSION EUROPE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		43,770	0.212	F
2	INDEPENDANCE ET EXPANSION FRANCE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		285,500	1.383	F
3	PRIVILEDGE - JP MORGAN PAN EUROPEAN FLEXIBLE EQUITY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		27,074	0.131	F
4	INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,258	0.045	F
5	MEBA PENSION TRUST DEFINED BENEFIT PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,010	0.044	F
6	CATHOLIC UNITED INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,428	0.051	F
7	FIS GROUP COLLECTIVE INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,000	0.048	F
8	AIC FUND II HANCOCK HORIZON INTERNATIONAL SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,448	0.055	F
9	GLOBEFLEX INTERNATIONAL ALL CAP COMMINGLED TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		36,950	0.179	F
10	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		259	0.001	F
11	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		752	0.004	F
12	VEBA PARTNERSHIP N L P		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,818	0.009	F
13	SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,879	0.145	F
14	FLORIDA BIRTH RELATED NEUROLOGICAL INJURY COMPENSATION ASSOCIATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		720	0.003	F
15	CHURCH OF ENGLAND INVESTMENT FUND FOR PENSIONS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,557	0.090	F
16	MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		32,288	0.156	F
17	HKL II LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		42,870	0.208	F
18	RAMI PARTNERS LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		45,184	0.219	F
19	MERCER GLOBAL SMALL COMPANIES SHARES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,532	0.104	F
20	JTW TRUST NO. 1 UAD 9/19/02		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,996	0.092	F
21	STATE OF IDAHO ENDOWMENT FUND INVESTMENT BOARD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,033	0.010	F
22	THE NORTHERN TRUST COMPANY SUB-ADVISED COLLECTIVE FUNDS TRUS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,883	0.232	F
23	CATERPILLAR INC MASTER RETIREMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		41,904	0.203	F
24	HRW TESTAMENTARY TRUST NO. 12		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,293	0.123	F
25	HRW TRUST NO 4 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,007	0.068	F
26	HRW TESTAMENTARY TRUST NO. 8		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,977	0.126	F
27	HRW TESTAMENTARY TRUST NO 4		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,071	0.034	F
28	STEELWORKERS PENSION TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		53,071	0.257	F
29	HRW TRUST NO 2 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,478	0.070	F
30	HRW TESTAMENTARY TRUST NO 1		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,773	0.047	F
31	STANLIB FUNDS LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,788	0.023	F
32	ARROWSTREET US GROUP TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,647	0.037	F
33	SOUTHERN CALIFORNIA EDISON COMPANY RETIREMENT PLAN TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,252	0.016	F
34	PUBLIC SCHOOL TEACHERS PENSION AND RETIREMENT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,677	0.057	F

35	STATE TEACHERS RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		62,718	0.304	F
36	TWO SIGMA ABSOLUTE RETURN PORTFOLIO LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		190,800	0.924	F
37	JHVIT INT'L SMALL CO TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		707	0.003	F
38	JHF II INT'L SMALL CO FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,335	0.026	F
39	HILLSDALE GLOBAL SMALL CAP EQUITY FUND.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		22,900	0.111	F
40	CC&L ALTERNATIVE GLOBAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		247	0.001	F
41	CX QUANTITATIVE CLIMATE LTD C/O MAPLES CORPORATE SERVICES (BVI) LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		20,795	0.101	F
42	SCHRODER INTERNATIONAL SELECTION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,960	0.121	F
43	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		292,239	1.416	F
44	ODDO CAP HORIZONS PME ETI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		30,000	0.145	F
45	MERCER UNHEDGED OVERSEAS SHARES TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,275	0.021	F
46	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		272,212	1.319	F
47	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,657	0.071	F
48	STATE STREET GLOBAL ADVISORS LUXEMBOURG SICAV		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,734	0.023	F
49	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		366	0.002	F
50	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5	0.000	F
51	ARROWSTREET INTERNATIONAL EQUITY EAFE TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		82,110	0.398	F
52	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,192	0.015	F
53	MERCER GE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,221	0.035	F
54	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,059	0.005	F
55	GMO INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		81,916	0.397	F
56	GMO TAXMANAGED INTERNATIONAL EQUITIES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		877	0.004	F
57	JNL/DFA INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7	0.000	F
58	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,596	0.008	F
59	MGI FUNDS PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		768	0.004	F
60	MARYLAND STATE RETIREMENT PENSION SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721	0.003	F
61	ARROWSTREET (CANADA) INTERNATIONAL DEVELOPED MARKET EX US FUND I		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,898	0.106	F
62	ARROWSTREET (CANADA) GLOBAL WORLD SMALL CAP FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,575	0.056	F
63	HARTFORD SCHRODERS INTERNATIONAL MULTI-CAP VALUE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,464	0.089	F
64	SSB INT SMALL CAP ACTIVE SECURITIES LENDING COMMON TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,006	0.024	F
65	TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		107,886	0.523	F
66	EHP ADVANTAGE INTERNATIONAL ALTERNA FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,700	0.032	F
67	NEW YORK STATE COMMON RETIREMENT FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		452	0.002	F
68	CC AND L US Q MARKET NEUTRAL ONSHORE FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		55	0.000	F
69	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		129,232	0.626	F
70	CSIF 2 - CREDIT SUISSE (LUX) COPERNICUS ITALY EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,760	0.154	F
71	ODDO BHF ACTIVE SMALL CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		386,283	1.871	F
72	ODDO BHF ACTIVE MICRO CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		72,000	0.349	F
73	ISHARES VII PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,465	0.051	F
74	SPDR S&P INTERNATIONAL SMALL CAP ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,911	0.009	F
75	PRINCE GEORGES COUNTY COMPREHENSIVE SUPPLEMENTAL PENSION PLANS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,348	0.011	F
76	AWARE SUPER		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,172	0.011	F
77	AWARE SUPER LEVEL 28		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		8	0.000	F
78	NATWEST ST JAMES'S PLACE BALANCED MANAGED UNIT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,764	0.023	F
79	GMO BENCHMARKFREE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		54	0.000	F

80	GMO IMPLEMENTATION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,674	0.008	F
81	EHP GUARDIAN INTERNATIONAL ALTERNATIVE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		600	0.003	F
82	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,907	0.053	F
83	MAPFRE AM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		135,390	0.656	F
84	MAN FUNDS XII SPC-MAN 1783 III SP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,253	0.045	F
85	MACKENZIE INTERNATIONAL QUANTITATIVE SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,649	0.032	F
86	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,601	0.231	F
87	UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH ON BEHALF OF MS-B HAUPFONDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,619	0.051	F
88	CPPIB MAP CAYMAN SPC-SEGREGATED PORTFOLIO H MAPLES CORPORATE SERVICES LTD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		780	0.004	F
89	CHALLENGE FUNDS - CHALLENGE ITALIAN EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		60,000	0.291	F
90	FLORIDA RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		121,283	0.588	F
91	UTAH STATE RETIREMENT SYSTEMS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		733	0.004	F
92	HAAS ACTIONS ENTREPRENEURS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,315	0.026	F
93	LAZARD/WILMINGTON EAFE SMALL CAP EQUITY ADVANTAGE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,258	0.118	F
94	NATIONAL ELEVATOR INDUSTRY PENSION PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,439	0.046	F
95	WILSHIRE MUTUAL FUNDS, INC. - WILSHIRE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,477	0.027	F
96	ENTERGY CORPORATION RETIREMENT PLANS MASTER TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,128	0.141	F
97	ALGEBRIS UCITS FUNDS PLC ALGEBRIS CORE ITALY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,000	0.150	F
98	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		462,954	2.243	F
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117	MELPART SRL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,000	0.320	F
118	NICOSANTI MONTERASTELLI GIANCARLO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		100,000	0.484	F
119	SPAFID FIDUCIANTE N. 301122		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		397	0.002	F

SHARES **% OF PARTICIPANT CAPITAL**

IN FAVOUR	9,969,279	100.000%
AGAINST	0	0.000%
ABSTAINED	0	0.000%
NON VOTERS	0	0.000%
SHARES TOTAL PRESENT	9,969,279	100.000%

Communication 1
Time: 15:00

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

COMMUNICATION OF THE PRESIDENT

Present are no. 119 entitled to vote

representing no. 9,969,279 ordinary shares

equal to 48.299 % of no. 20,640,849

ordinary shares, making up the share capital

People present 1

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

Item 1.4 - Extraordinary part: Proposed amendments to the Company's Articles of Association. Related resolutions. Proposed amendment to Article 17.1 on granting the Board of Directors the authority to appoint the Chairman.

RESULT OF THE VOTE

No. shares represented **9,969,279** **100.000%**

	Shares	% of participant capital	% of the share capital
In favour	4,428,045	44.417%	21.453%
Against	5,541,234	55.583%	26.846%
Abstained	0	0.000%	0.000%
Non voters	0	0.000%	0.000%
Total	**9,969,279**	**100.000%**	**48.299%**

E-MARKET SDIR CERTIFIED

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

RESULT OF THE VOTE

Item 1.4 - Extraordinary part: Proposed amendments to the Company's Articles of Association. Related resolutions. Proposed amendment to Article 17.1 on granting the Board of Directors the authority to appoint the Chairman.

N°	Entitled person	Attorney	Delegate	Own shares	Proxy shares	% over ord. Shares	VOTE
1	INDEPENDANCE ET EXPANSION EUROPE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		43,770	0.212	C
2	INDEPENDANCE ET EXPANSION FRANCE SMALL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		285,500	1.383	C
3	PRIVILEDGE - JP MORGAN PAN EUROPEAN FLEXIBLE EQUITY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		27,074	0.131	C
4	INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,258	0.045	C
5	MEBA PENSION TRUST DEFINED BENEFIT PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,010	0.044	C
6	CATHOLIC UNITED INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,428	0.051	C
7	FIS GROUP COLLECTIVE INVESTMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,000	0.048	C
8	AIC FUND II HANCOCK HORIZON INTERNATIONAL SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,448	0.055	C
9	GLOBEFLEX INTERNATIONAL ALL CAP COMMINGLED TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		36,950	0.179	C
10	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		259	0.001	C
11	ALASKA PERMANENT FUND CORPORATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		752	0.004	C
12	VEBA PARTNERSHIP N L P		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,818	0.009	C
13	SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,879	0.145	C
14	FLORIDA BIRTH RELATED NEUROLOGICAL INJURY COMPENSATION ASSOCIATION		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		720	0.003	C
15	CHURCH OF ENGLAND INVESTMENT FUND FOR PENSIONS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,557	0.090	C
16	MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		32,288	0.156	C
17	HKL II LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		42,870	0.208	C
18	RAMI PARTNERS LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		45,184	0.219	C
19	MERCER GLOBAL SMALL COMPANIES SHARES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,532	0.104	C
20	JTW TRUST NO. 1 UAD 9/19/02		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,996	0.092	C
21	STATE OF IDAHO ENDOWMENT FUND INVESTMENT BOARD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,033	0.010	C
22	THE NORTHERN TRUST COMPANY SUB-ADVISED COLLECTIVE FUNDS TRUS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,883	0.232	C
23	CATERPILLAR INC MASTER RETIREMENT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		41,904	0.203	C
24	HRW TESTAMENTARY TRUST NO. 12		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,293	0.123	C
25	HRW TRUST NO 4 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,007	0.068	C
26	HRW TESTAMENTARY TRUST NO. 8		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		25,977	0.126	C
27	HRW TESTAMENTARY TRUST NO 4		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,071	0.034	C
28	STEELWORKERS PENSION TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		53,071	0.257	C
29	HRW TRUST NO 2 UAD 01/17/03		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,478	0.070	C
30	HRW TESTAMENTARY TRUST NO 1		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,773	0.047	C
31	STANLIB FUNDS LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,788	0.023	C
32	ARROWSTREET US GROUP TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,647	0.037	C
33	SOUTHERN CALIFORNIA EDISON COMPANY RETIREMENT PLAN TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,252	0.016	C
34	PUBLIC SCHOOL TEACHERS PENSION AND RETIREMENT FUND OF CHICAGO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,677	0.057	C

35	STATE TEACHERS RETIREMENT SYSTEM OF OHIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		62,718	0.304	C
36	TWO SIGMA ABSOLUTE RETURN PORTFOLIO LLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		190,800	0.924	C
37	JHVIT INT'L SMALL CO TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		707	0.003	C
38	JHF II INT'L SMALL CO FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,335	0.026	C
39	HILLSDALE GLOBAL SMALL CAP EQUITY FUND.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		22,900	0.111	C
40	CC&L ALTERNATIVE GLOBAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		247	0.001	C
41	CX QUANTITATIVE CLIMATE LTD C/O MAPLES CORPORATE SERVICES (BVI) LIMITED		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		20,795	0.101	C
42	SCHRODER INTERNATIONAL SELECTION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,960	0.121	C
43	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		292,239	1.416	C
44	ODDO CAP HORIZONS PME ETI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		30,000	0.145	C
45	MERCER UNHEDGED OVERSEAS SHARES TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,275	0.021	C
46	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		272,212	1.319	C
47	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		14,657	0.071	C
48	STATE STREET GLOBAL ADVISORS LUXEMBOURG SICAV		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,734	0.023	C
49	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		366	0.002	C
50	AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5	0.000	C
51	ARROWSTREET INTERNATIONAL EQUITY EAFE TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		82,110	0.398	C
52	TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		3,192	0.015	C
53	MERCER GE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7,221	0.035	C
54	GMO FUNDS PLC GMO GLOBAL REAL RETURN (UCITS) FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,059	0.005	C
55	GMO INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		81,916	0.397	C
56	GMO TAXMANAGED INTERNATIONAL EQUITIES FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		877	0.004	C
57	JNL/DFA INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		7	0.000	C
58	LVIP DIMENSIONAL INTERNATIONAL CORE EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,596	0.008	C
59	MGI FUNDS PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		768	0.004	C
60	MARYLAND STATE RETIREMENT PENSION SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721	0.003	C
61	ARROWSTREET (CANADA) INTERNATIONAL DEVELOPED MARKET EX US FUND I		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		21,898	0.106	C
62	ARROWSTREET (CANADA) GLOBAL WORLD SMALL CAP FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		11,575	0.056	C
63	HARTFORD SCHRODERS INTERNATIONAL MULTI-CAP VALUE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		18,464	0.089	C
64	SSB INT SMALL CAP ACTIVE SECURITIES LENDING COMMON TRUST FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,006	0.024	C
65	TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		107,886	0.523	C
66	EHP ADVANTAGE INTERNATIONAL ALTERNA FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,700	0.032	C
67	NEW YORK STATE COMMON RETIREMENT FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		452	0.002	C
68	CC AND L US Q MARKET NEUTRAL ONSHORE FUND II		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		55	0.000	C
69	JPMORGAN FUNDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		129,232	0.626	C
70	CSIF 2 - CREDIT SUISSE (LUX) COPERNICUS ITALY EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,760	0.154	C
71	ODDO BHF ACTIVE SMALL CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		386,283	1.871	C
72	ODDO BHF ACTIVE MICRO CAP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		72,000	0.349	C
73	ISHARES VII PLC		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,465	0.051	C
74	SPDR S&P INTERNATIONAL SMALL CAP ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,911	0.009	C
75	PRINCE GEORGES COUNTY COMPREHENSIVE SUPPLEMENTAL PENSION PLANS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,348	0.011	C
76	AWARE SUPER		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,172	0.011	C
77	AWARE SUPER LEVEL 28		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		8	0.000	C
78	NATWEST ST JAMES'S PLACE BALANCED MANAGED UNIT TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,764	0.023	C
79	GMO BENCHMARKFREE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		54	0.000	C

80	GMO IMPLEMENTATION FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		1,674	0.008	C
81	EHP GUARDIAN INTERNATIONAL ALTERNATIVE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		600	0.003	C
82	ONTARIO POWER GENERATION INC .		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,907	0.053	C
83	MAPFRE AM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		135,390	0.656	F
84	MAN FUNDS XII SPC-MAN 1783 III SP		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,253	0.045	F
85	MACKENZIE INTERNATIONAL QUANTITATIVE SMALL CAP FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		6,649	0.032	F
86	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		47,601	0.231	F
87	UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH ON BEHALF OF MS-B HAUPFONDS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		10,619	0.051	F
88	CPPIB MAP CAYMAN SPC-SEGREGATED PORTFOLIO H MAPLES CORPORATE SERVICES LTD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		780	0.004	F
89	CHALLENGE FUNDS - CHALLENGE ITALIAN EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		60,000	0.291	F
90	FLORIDA RETIREMENT SYSTEM		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		121,283	0.588	F
91	UTAH STATE RETIREMENT SYSTEMS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		733	0.004	F
92	HAAS ACTIONS ENTREPRENEURS		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,315	0.026	F
93	LAZARD/WILMINGTON EAFE SMALL CAP EQUITY ADVANTAGE FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		24,258	0.118	C
94	NATIONAL ELEVATOR INDUSTRY PENSION PLAN		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		9,439	0.046	C
95	WILSHIRE MUTUAL FUNDS, INC. - WILSHIRE INTERNATIONAL EQUITY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		5,477	0.027	C
96	ENTERGY CORPORATION RETIREMENT PLANS MASTER TRUST		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		29,128	0.141	C
97	ALGEBRIS UCITS FUNDS PLC ALGEBRIS CORE ITALY FUND		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		31,000	0.150	C
98	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		462,954	2.243	C
99	AMUNDI SGR SPA / AMUNDI RISPARMIO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		225,501	1.092	C
100	AMUNDI SGR SPA / AMUNDI SVILUPPO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		721,000	3.493	C
101	MUL LYX FTSE IT ALL CAP PIR 20		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		4,079	0.020	C
102	LYXOR FTSE ITALIA MID CAP PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		126,976	0.615	C
103	GOVERNMENT OF NORWAY		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,580	1.040	C
104	INVESCO FTSE RAFI DEVELOPED MARKETS EX US SMALL MID ETF		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		15,364	0.074	C
105	MEDIOLANUM GESTIONE FONDI SGR - FLESSIBILE FUTURO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		420,000	2.035	C
106	AMUNDI DIVIDENDO ITALIA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		146,000	0.707	C
107	AMUNDI VALORE ITALIA PIR		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		150,000	0.727	C
108	AMUNDI ACCUMULAZIONE ITALIA PIR 2023		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		77,700	0.376	C
109	PORTZAMPARC PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		153,500	0.744	F
110	PORTZAMPARC FRANCE OPPORTUNITES		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		46,402	0.225	F
111	PORTZAMPARC EUROPE PME		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,600	0.323	F
112	DESA S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		214,000	1.037	F
113	FONDAZIONE CASSA DI RISPARMIO DI TERNI E NARNI		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		666,172	3.227	F
114	GNM INVESTIMENTI S.R.L.		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		196,977	0.954	F
115	ILIAD		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		374,909	1.816	F
116	ILIAD HOLDING SPA		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		2,145,465	10.394	F
117	MELPART SRL		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		66,000	0.320	F
118	NICOSANTI MONTERASTELLI GIANCARLO		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		100,000	0.484	F
119	SPAFID FIDUCIANTE N. 301122		RAPP. DESIGNATO SPAFID S.P.A. (PERANI ELENA)		397	0.002	F

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SHARES TOTAL PRESENT	9,969,279	100.000%

Communication 1
Time: 15:00

UNIEURO S.P.A.

Ordinary and Extraordinary Shareholders' Meeting, 15th june 2021

COMMUNICATION OF THE PRESIDENT

Present are no. 119 entitled to vote

representing no. 9,969,279 ordinary shares

equal to 48.299 % of no. 20,640,849

ordinary shares, making up the share capital

People present 1