GRUPPO ORSERO

CONSOLIDATED HALF-YEARLY FINANCIAL REPORT AS AT JUNE 30, 2021

Contents


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Glob
Fernánde
VALOR A LA DISTRIBUCIÓ

OUR WORLD, AT A GLANCE

AROUND THE WORLD, OUR GROUP IS SEEN AS A SYMBOL OF **ITALIAN EXCELLENCE, TENACITY AND SUCCESS**. WE'RE KNOWN FOR DELICIOUS FRUIT AND VEGETABLE PRODUCTS, AS WELL AS FOR OUR **AUTHENTICITY AND INTEGRITY**.

80 YEARS OF ACTIVITY

+ 1,500 SUPPLIERS AROUND THE WORLD

+ 300 PRODUCT TYPES

2 BUSINESS AREAS

IMPORT & DISTRIBUTION OF FRUIT AND VEGETABLES IN SOUTHERN EUROPE

SHIPPING OF BANANAS AND PINEAPPLES

PRESENT IN **8 COUNTRIES**
ITALY, SPAIN, FRANCE, PORTUGAL, GREECE, COSTA RICA, COLOMBIA, MEXICO

+ 1,600 EMPLOYEES

60% OF SALES TO LARGE RETAIL IN THE MAIN EUROPEAN MARKETS

+ 100 LARGE RETAIL CLIENTS

+ 10,000 CLIENTS INCLUDING LARGE RETAIL CHAINS AND SMALL GREENGROCERS

MARKET LEADER IN ITALY AND PORTUGAL

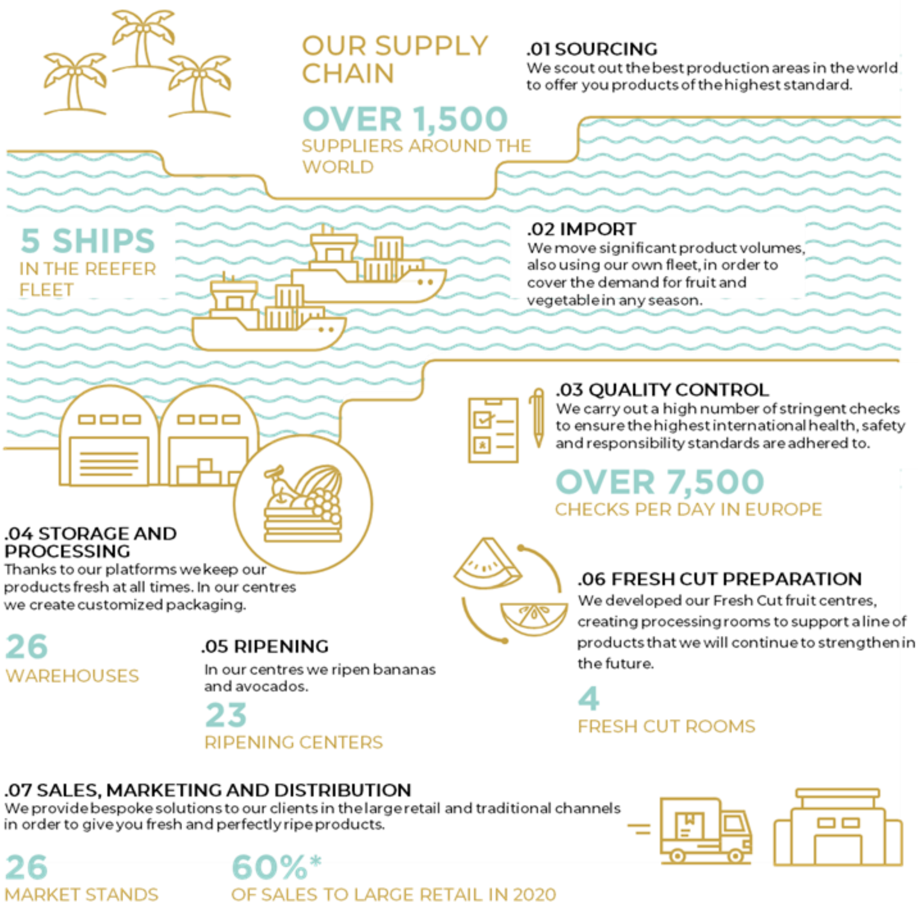
SECOND IN SPAIN

THIRD IN FRANCE

BUSINESS MODEL

FROM ALL FOUR CORNERS OF THE PLANET TO YOUR TABLE, IN EVERY SEASON

The world has changed since we first started working in the fresh fruit and vegetable section, but one **essential principle** has remained the same for us. Our **constant focus on quality**. We now manage and monitor the entire **value chain**, allowing us to achieve excellence and ensure safety and security at every stage and thus maintaining the freshness and quality of our products.



*aggregate value of sales in the Group's European Import and Distribution division.

Key economic, equity and financial data

Economic data:

Thousands of euro	Ist Semester 2021	Ist Semester 2020
Net sales	513,110	520,759
Adjusted Ebitda	26,589	23,499
% Adjusted Ebitda	5.18%	4.51%
Adjusted Ebit	12,595	10,922
Ebit	12,054	9,094
Profit/loss for the period	8,209	6,212
Profit/loss attributable to non controlling interests	205	200
Profit/loss attributable to Owners of Parent	8,004	6,012
Adjusted profit/loss for the period	8,593	7,462

Equity data:

Thousands of euro	30.06.2021	31.12.2020
Net Invested Capital	257,736	263,423
Capital and reserves attributable to Parent Company	165,658	159,617
Non-Controlling Interest	645	494
Total Shareholders' Equity	166,303	160,111
Net Financial Position	91,433	103,311

Main indicators:

	Ist Semester 2021	Year 2020	Ist Semester 2020
Net Financial Position/Total Shareholders' Equity	0.55	0.65	0.77
Net Financial Position/Adjusted Ebitda*	1.78	2.13	2.77
Main indicators without IFRS 16 effect			
Net Financial Position/Total Shareholders' Equity	0.38	0.46	0.57
Net Financial Position/Adjusted Ebitda*	1.44	1.84	2.63

* Please note that the l'Adjusted Ebitda of the first Semester is determined "rolling", that is to say, considering for the Adjusted Ebitda at 30.06.2021 the result achiev ed from 1° July 2020 to 30 June 2021, while for the Adjusted Ebitda at 30.06.2020, the result achiev ed from 1° July 2019 to 30 June 2020.

Cash flow data:

Thousands of euro	Ist Semester 2021	Ist Semester 2020
Profit/loss for the period	**8,209**	**6,212**
Cash flow from operating activities	21,765	7,533
Cash flow from investing activities	(7,869)	2,726
Cash flow from financing activities	(8,900)	(21,579)
Increase/decrease in cash and cash equivalent	4,996	(11,320)
Net cash and cash equivalents,at beginning of the period	**40,489**	**56,562**
Net cash and cash equivalents,at end of the period	**45,485**	**45,242**

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

Thousands of euro	I st Semester 2021	Year 2020	I st Semester 2020
Adjusted Ebitda	22,786	40,406	19,406
% Adjusted Ebitda	4.4%	3.9%	3.7%
Financial income and expense (Without exchange rate differences)	(1,260)	(2,786)	(1,440)
Total Shareholders' Equity	166,982	160,669	155,114
Net Financial Position	62,956	74,437	88,223
Main indicators			
Net Financial Position/Total Shareholders' Equity	0.38	0.46	0.57
Net Financial Position/Adjusted Ebitda*	1.44	1.84	2.63

* Please note that the Adjusted Ebitda of the first Semester is determined "rolling", that is to say, considering for the Adjusted Ebitda at 30.06.2021 the result achiev ed from 1° July 2020 to 30 June 2021, while for the Adjusted Ebitda at 30.06.2020, the result achiev ed from 1° July 2019 to 30 June 2020.

The tables above provide initial preliminary details of the Group business trend in the first half of 2021, fully described later on in the dedicated sections of this report.

Orsero S.p.A. corporate information.

Registered Office:

Orsero S.p.A.
Corso Venezia 37 – 20121 Milan

Legal data:

Share capital: 69,163,340
No. of ordinary shares with no par value: 17,682,500
Tax ID and Milan Register of Companies enrolment no.: 09160710969
Milan Chamber of Commerce enrolment no. R.E.A. 2072677
Company website www.orserogroup.it

Composition of Orsero S.p.A. corporate bodies

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

Board of Directors[1]:

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

Board of Auditors[5]:

Giorgio Grosso[4]	Chairman
Michele Paolillo	Statutory Auditor
Elisabetta Barisone	Statutory Auditor
Michele Graziani[4]	Alternate Auditor
Paolo Rovella	Alternate Auditor

Control and Risks Committee[6]:

Vera Tagliaferri	Chair
Armando Rodolfo de Sanna	Member
Riccardo Manfrini	Member

Remuneration and Appointments Committee[6]:

Armando Rodolfo de Sanna	Chair
Vera Tagliaferri	Member
Paolo Prudenziati	Member

Related Parties Committee[6]:

Laura Soifer	Chair
Vera Tagliaferri	Member
Elia Kuhnreich	Member

Independent Auditors:

KPMG S.p.A.

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[1] The Board of Directors, consisting of nine members, was appointed by the Shareholders' Meeting on April 30, 2020 and shall remain in office until the date of approval of the financial statements at December 31, 2022.
[2] Declared, on submission of the list for the appointment of the Board of Directors, that he/she meets the independence requirements set forth in Articles 147-ter, paragraph 4 and 148, paragraph 3 of the Consolidated Law on Finance (TUF) and Art. 3 of the Corporate Governance Code of listed companies.
[3] Declared, on submission of the list for the appointment of the Board of Directors, that he/she meets the independence requirements set forth by law and the articles of association.
[4] Taken from the list submitted jointly by funds managed by Praude Asset Management Limited.
[5] The Board of Statutory Auditors, consisting of three statutory auditors and two alternates, was appointed by the Shareholders' Meeting on April 30, 2020 and shall remain in office until the date of approval of the financial statements at December 31, 2022.
[6] The members of the Remuneration and Appointments, Related Parties and Control and Risks committees were appointed by the Board of Directors on May 6, 2020 and shall remain in office until the date of approval of the financial statements at December 31, 2022.

Group Structure

SHIPPING	IMPORT & DISTRIBUTION		SERVICES & HOLDING
COSIARMA -ITALY-	FRUTTITAL -ITALY-	H.NOS FERNÁNDEZ LÓPEZ -SPAIN-	ORSERO SPA -ITALY.-
ORSERO CR -COSTA RICA-	FRUTTITAL FIRENZE -ITALY-	AZ FRANCE -FRANCE-	FRESCO FORW. AGENCY -ITALY-
	GALANDI -ITALY-	FRUTTICA -FRANCE-	ORSERO SERVIZI -ITALY-
	SIMBA -ITALY-	EUROFRUTAS -PORTUGAL-	FRUPORT -SPAIN 49%-
	SIMBACOL -COLOMBIA-	BELLA FRUTTA -GREECE-	
	MONCADA FRUTTA -ITALY-	COMM. DE FRUTA ACAPULCO -MEXICO-	

Summary representation of the Group.

Alternative performance indicators

In this consolidated half-yearly financial report, certain economic and financial indicators that are not defined as accounting measures by IAS-IFRS, but which make it possible to discuss the Group's business are presented and analyzed. These figures, explained below, are used to comment on the performance of the Group's business in the sections "Key economic, equity and financial data", "Interim directors' report on operations" and in the "Notes", in compliance with the provisions of the Consob Communication of July 28, 2006 (DEM 6064293) and subsequent amendments and supplements (most recently Warning Notice no. 5/21 of April 29, 2021, which incorporates the ESMA 32-382-1138 guidelines).

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

The definitions of the alternative performance indicators used in the Consolidated Half-Yearly Financial Report are as follows:

EBIT: the operating result

Adjusted EBITDA: the Operating Result (EBIT) including depreciation, amortization, and provisions, however excluding non-recurring costs/income and costs related to Top Management bonuses.

Adjusted EBIT: the Operating Result excluding non-recurring costs/income and costs related to Top Management bonuses.

Current profit/loss for the period: used for a comparison in terms of total consolidated result, represents the profit/loss net of non-recurring income and expense, inclusive of the relative taxes. As such, this indicator provides useful and immediate information on the profit trends for the period without considering non-recurring components.

Fixed assets: calculated as the sum of the following items: goodwill, intangible assets other than goodwill, property, plant and equipment, investments accounted for using the equity method, non-current financial assets, deferred tax assets. Any fair value of hedging derivatives included in the item "non-current financial assets" should be excluded from these items.

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

Other receivables and payables: the sum of the following items: tax assets, other receivables and other current assets, assets held for sale, other non-current liabilities, deferred tax liabilities, provisions, employee benefits, tax liabilities, other current liabilities and liabilities directly related to assets held for sale. Any fair value of hedging derivatives and current financial assets included in the item "other receivables and other current assets" should be excluded from these items.
Net invested capital (NIC): calculated as the algebraic sum of net working capital, fixed assets, and other receivables and other payables, as defined above. This indicator represents the capital "Requirements" necessary for the company's operation at the reporting date, financed through the two components, Capital (Shareholders' Equity) and Third-party Funds (Net Financial Position).
Net financial position (NFP), or also "Total Financial Indebtedness" in the ESMA definition: calculated as the algebraic sum of the following items: cash and cash equivalents, non-current/current financial liabilities, which also include payables associated with acquisition prices still to be paid and the positive/negative fair value of hedging derivatives and current financial assets recorded under the item "other receivables and other current assets".
ROI: calculated as the ratio between Adjusted EBIT and Net invested capital.
Group ROE: calculated as the ratio between the profit/loss attributable to the shareholders of the parent company and the shareholders' equity attributable to the shareholders of the parent company.

Interim directors' report on operations

Introduction

The Condensed consolidated half-yearly financial statements of Orsero relating to the Group of the same name ("Orsero Group") as at June 30, 2021 were prepared in accordance with international accounting standards (IAS/IFRS) pursuant to Regulation (EC) no. 1606/2002, issued by the International Accounting Standard Board (IASB) and endorsed by the European Union, including all International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretation Committee (IFRIC) and of the previous Standing Interpretations Committee (SIC). Additionally, these financial statements were drafted to comply with what is defined in Art. 154-ter of Italian Legislative Decree no. 58/1998 and in compliance with the provisions issued in implementation of Art. 9 of Italian Legislative Decree no. 38/2005, the indications have been considered as given in Consob Resolution no. 15519 of July 27, 2006, setting out "Provisions on financial statements", Consob Resolution no. 15520 of July 27, 2006, setting out "Amendments and supplements of the Issuers' Regulation adopted by Resolution no. 11971/99", Consob Communication no. 6064293 of July 28, 2006, setting out "Corporate disclosures required in compliance with Art. 114, paragraph 5 of Italian Legislative Decree no. 58/98", communication DEM/7042270 of May 10, 2007 and Bank of Italy/Consob/Isvap document no. 2 of February 6, 2009. This financial report was drafted according to IAS 34 "Interim financial reporting", applying the same consolidation principles and measurement criteria as adopted in drafting the financial statements as at December 31, 2020. This report was prepared in accordance with art. 2428 of the Italian Civil Code; it provides the most significant information on the economic, equity, and financial situation as well as the performance of Orsero Group, as a whole and in the various sectors in which it operates.
Orsero S.p.A. (the "Parent company" or the "Company" and, together with its subsidiaries, the "Group" or the "Orsero Group") is a company with its shares listed on the STAR segment of the telematic stock exchange (MTA) since December 23, 2019.
The scope of consolidation for the first half of 2021 changed marginally compared to the same period in 2020, following the acquisition as of July 1, 2020 of the residual 50% of Moncada Frutta S.r.l., which was therefore consolidated on a line-by-line basis starting on that date, and since the minor company M.A.P. Servizi Generali S.r.l. was sold on September 14, 2020.
The Group's operations are, by their nature, subject to significant seasonal phenomena and therefore the results of the first half of the year can be considered only partially representative of performance for the entire year.

Significant events during the first half of the year

The most significant events that took place during the first half of 2021 are described below, consisting mainly of (i) the ongoing monitoring of the effects of Covid-19, (ii) the distribution of the dividend on the 2020 result, (iii) the authorization to buy back and dispose of treasury shares (iv) the purchase of a minority stake in the company Tirrenofruit and (v) the sale of the Milan warehouse owned by Fruttital srl.

Effects of the Covid-19 pandemic

The first half of 2021 continues to be characterized by the presence of the Covid-19 pandemic which, as already reported in the financial report for the year ended December 31, 2020, given the nature of the Group's business linked to the marketing of essential food products, has not had any particular effects on its activities, at least up to now, in terms of sales and results. The absence of a significant impact on the Group's accounts of the Covid-19 epidemic has not, therefore, called into question the going concern assumption, let alone resulted in the deterioration of future economic prospects with ensuing impacts on the Group's assets as specified in the Consob warning in note 1/21 of February 16, 2021 and the ESMA recommendation of October 28, 2020.
The most relevant impacts continue to be at operational level, where the necessary safeguards and precautions are continuing to be applied to employees and third parties in warehouses and markets as well as in offices and aboard ships, in order to reduce the health risk of contagion. The companies thus continued to implement the safety protocols outlined by the Authorities to regulate

entries and interpersonal contact within their operating platforms, offices and ships, carry out the necessary sanitization activities and provide personal protection equipment. All personnel, both internal and external, have continued to collaborate fully, to ensure the effective handling of our products within the warehouses.
In economic terms, up to June 30, 2021, the costs associated with the purchase of personal protection equipment and sanitization services totaled Euro 164 thousand.
The Group's management is also still continuously monitoring the situation from the financial and commercial as well as the organizational standpoint, as well as the treasury situations relating to collections from customers and, lastly, any aid measures in favor of businesses under discussion by the governmental authorities of each country.

FY 2021 Guidance

On February 1, 2021, the Board of Directors, based on the Budget projections approved for FY 2021, disclosed Guidance with reference to the key economic and financial indicators forecast for FY 2021, in continuity with what was already done for FY 2020, as part of the broader strategy of implementing increasingly smooth and effective communication with the Group's stakeholders.
During the approval of the first quarter 2021 results, the Board of Directors updated the FY 2021 Guidance, revising upwards the estimates on the main economic and financial indicators for the current year, in light of the results achieved in the first quarter.

Distribution of the ordinary dividend

The Shareholders' Meeting of April 29, 2021 resolved to allocate the profit for the year of Euro 5,012,498 as proposed by the Board of Directors and in particular to distribute an ordinary monetary dividend of Euro 0.20 per share, gross of withholding taxes, for each existing share entitled to receive a dividend, thus excluding from the calculation 152,514 treasury shares held by the company, for a total dividend of Euro 3,506 thousand. The ex-dividend date was May 10, 2021, the record date was May 11 and payments began on May 12, 2021.

Resolution on the Remuneration Policy

The Shareholders' Meeting of April 29, 2021 approved with a broad majority with an advisory vote pursuant to the law the Report on Remuneration (Section II) and on the compensation paid in 2020.

Authorization to purchase and dispose of treasury shares

The Shareholders' Meeting of April 29, 2021 authorized the Board of Directors to purchase and dispose of Orsero's ordinary treasury shares, subject to revocation of the previous authorization for the portion not executed, pursuant to the joint provisions of Articles 2357 and 2357-ter of the Italian Civil Code, and Article 132 of Legislative Decree 58/1998 as amended (the "Consolidated Law on Finance") and the relative implementing provisions. The objective of renewing this authorization is to confirm the possibility for the Company to have a useful strategic investment opportunity for all purposes permitted by the applicable provisions, including therein the purposes set out in art. 5 of Regulation (EU) no. 596/2014 (Market Abuse Regulation, "MAR"), and in the practices permitted by law under art. 13 of the MAR, when applicable. In line with the prior authorization, the new authorization is for a period of 18 months for the purchase, including in several tranches, of a maximum number of shares which, taking account of the shares of the Company held in the portfolio from time to time, does not, on the whole, exceed a maximum of Euro 2 million. The authorization to dispose of treasury shares has no time limitation. Purchases can be made at a unit consideration of no more than 20% lower and no more than 10% higher than the arithmetic mean of the official prices recorded by Orsero shares on the MTA market in the 10 open stock market days prior to the individual transaction. Orsero currently holds 152,514 treasury shares, equal to 0.86% of the total share capital.

Purchase of shares in Tirrenofruit S.r.l.

On April 12, 2021, an 8% stake was acquired in the distribution company Tirrenofruit S.r.l. for a value of Euro 1,160 thousand with a view to strengthening its strategic positioning with respect to Italian national products in the large retail (GDO) channel.

Sale of the Milan warehouse

During the first half of the year, the negotiation relating to the sale of the Milan warehouse, which is no longer operational, was successfully concluded. The deed of sale was entered into on July 13, and therefore the economic effects (capital gain) will be shown on an accrual basis in the result for the third quarter. In this report as at June 30, the cost value of the warehouse is recognized under "non-current assets held for sale" while the payable equal to the share of the mortgage loan repayable under the loan agreement to the lending bank following the sale is recognized in "liabilities directly associated with non-current assets held for sale".

Trade Working Capital

During the first half of the year, as part of a broader project to reduce trade working capital and improve the efficiency of credit collection activities, the Group agreed upon and activated a working capital management transaction with a leading bank for the sale of certain trade receivables due from several large retaill customers in Europe. With this transaction, the Group aims to achieve better control and management of its trade working capital and greater efficiency in the financial costs of funding, the benefits of which are expected to be fully realized starting in the second half of the year.

Analysis of the economic and financial situation of Orsero Group

The condensed consolidated half-yearly financial statements show a profit of Euro 8,209 thousand (at June 30, 2020: Euro 6,212 thousand), of which Euro 8,004 thousand pertains to the shareholders of the parent company (at June 30, 2020: Euro 6,012 thousand), after amortization, depreciation and provisions of Euro 13,733 thousand (at June 30, 2020: Euro 12,577 thousand), net non-recurring expenses of Euro 642 thousand (mainly related to costs for the Covid-19 protocols, costs for litigation and estimated profit sharing, as required by law, for employees of the French and Mexican companies) and the pro-rata result of companies consolidated at equity of Euro 317 thousand.
Below is a breakdown of the main income statement items, almost all identifiable in the financial statements with the exception of the "Adjusted EBITDA", which is the main performance indicator used by the Group, and "Adjusted EBIT", both defined in the "Alternative performance indicators" section. It should be noted that all the figures shown include the effects of the application of IFRS 16.

Thousands of euro	1st Semester 2021	1st Semester 2020
Net Sales	513,110	520,759
Adjusted Ebitda	26,589	23,499
Adjusted Ebit	12,595	10,922
Operating result (Ebit)	12,054	9,094
Financial income	169	78
Financial expense and exchange rate differences	(1,882)	(1,379)
Other investment income/expense	4	20
Share of profit/loss of associates and joint ventures accounted for using equity method	317	522
Profit/loss before tax	10,664	8,335
Profit/loss for the period	8,209	6,212
Profit/loss attributable to non controlling interests	205	200
Profit/loss attributable to Owners of Parent	8,004	6,012
Adjusted profit/loss for the period	8,593	7,462

The performance in the first half of 2021 was largely positive, better than that of the first half of last year, regarding both distribution and shipping activities. This improvement is due, as far as the Import & Distribution sector is concerned, to the positive performance of some fruit campaigns (especially avocados) in the first quarter, while in the second quarter several campaigns did not perform as well and were also characterized by different timing compared to the second quarter of 2020, a period that was also characterized by conspicuous "panic buying" phenomena in the large retail channel, which had a positive impact on fruit and vegetable volumes and prices.
Adjusted EBITDA, totaling Euro 26,589 thousand, marked an increase of Euro 3,090 thousand compared to last June 30, and the profit for the period of Euro 8,209 thousand increased by Euro 1,997 thousand, essentially linked to the better operating performance expressed by Adjusted EBITDA[1].
In terms of sales, there was a slight decrease in total revenues of Euro 7,649 thousand, or 1.5%, compared to June 30, 2020, due to lower volumes of fruit sold (-4.5%), mainly as a result of the Group's decision to reduce the volumes of Banana products sold, especially with reference to the large retail auctions in Italy, where prices were unprofitable for the supply chain. Revenues were also down for the shipping business, in this case solely due to the decrease in the average exchange rate of the dollar (the currency in which the revenues of companies in this sector are typically denominated) from 1.102 in H1 2020 to the current 1.205 against the euro.
It is worth noting that the decrease in revenues for the Import & Distribution sector was much smaller in percentage than the decrease in volumes thanks to the improvement in average unit sales price. In addition to the mix of the various fruit campaigns during the period, which is a typical characteristic of the sector (being natural products, the campaign for product "x" can take place one year in the period from March to June, and in another year from April to July, making quarterly comparisons difficult), this circumstance is also the result of the Group's strategy of revising its product mix, reducing the weight of commodity products (e.g. bananas) in favor of products with greater added value (e.g. avocados, mangoes, table grapes, kiwis).
It should be noted that within the item "Financial expenses and exchange rate differences", financial expenses amounted to Euro 1,893 thousand, decreasing compared to Euro 2,207 thousand in the first half of 2020, consistent with the reduction in the Group's financial debt, while the exchange rate differences component, amounting to a gain of Euro 11 thousand compared

[1] The improvement of Euro 1,997 thousand results from the better operating performance by Euro 3,090 thousand, higher amortization, depreciation and provisions by Euro 1,416 thousand, lower net financial expenses by Euro 225 thousand, lower foreign exchange gains by Euro 637 thousand, higher taxes by Euro 332 thousand, a lower result from investments accounted for at equity by Euro 205 thousand and lower non-recurring costs by Euro 1,272 thousand.

to Euro 649 thousand in the first half of 2020, reflects the benefit recorded especially by the Mexican company in the first quarter of last year.

Thousands of euro	1st Semester 2021	1st Semester 2020
"Import & Distribution" Sector	481,789	487,950
"Shipping" Sector	49,715	52,720
"Services" Sector	4,931	5,640
Net Sales Inter-sector	(23,325)	(25,551)
Net Sales	**513,110**	**520,759**

Geographical information

The analysis of the information by geographical area shows details of the Group's revenues, divided up into the main geographical areas (thereby meaning those in which the company that generated the revenue is based) for the first half of 2021 and 2020, showing the Group's eurocentric nature.

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Europe	**488,224**	**497,973**	**(9,749)**
of which Italy	*230,530*	*241,418*	*(10,888)*
of which France	*91,964*	*87,853*	*4,111*
o which Spain	*139,605*	*134,912*	*4,693*
Latin America and Central America	**24,886**	**22,786**	**2,100**
Total Net sales	**513,110**	**520,759**	**(7,649)**

As shown in the table, Europe represents the center of the Orsero Group's activities, while non-European revenue is linked to activities carried out in Mexico, relating to the production and marketing/export of avocados, and Costa Rica, to support the sourcing of bananas and pineapples and their maritime transport to Europe. Finally, please note that for Group revenues, the currency component is insignificant (with the exception, as noted above, of Shipping activities, the revenues of which moreover accounts for less than 10% of total revenues), given that the revenues of distributors, apart from the Mexican company, are all in euros.

The table below provides a reconciliation of the Adjusted EBITDA, used by the Group's management team as a performance indicator monitored on a consolidated level, with the profit/loss presented in the consolidated income statement.

Thousands of euro	Ist Semester 2021	Ist Semester 2020
Profit/loss for the period	**8,209**	**6,212**
Income tax expense	2,454	2,123
Financial income	(169)	(78)
Financial expense and exchange rate differences	1,882	1,379
Other investment income/expense	(4)	(20)
Share of profit/loss of associates and joint ventures accounted for using equity method	(317)	(522)
Operating result	**12,054**	**9,094**
Amortization and depreciation	12,358	11,791
Accruals of provision	1,635	786
Non-recurring income	(156)	(41)
Non-recurring expense	697	1,870
Adjusted Ebitda*	**26,589**	**23,499**

* Please note that the Adjusted Ebitda at June 30, 2021 equal to Euro 26,589 thousand (Euro 23,499 thousand at June 30, 2020) increases by Euro 3,803 thousand (Euro 4,093 thousand at June 30, 2020) due to the adoption of IFRS 16 "leases". This improving effect is almost completely offset by the higher depreciation Euro 3,461 thousand (Euro 3,611 thousand at June 30, 2020) and interest expense Euro 463 thousand (Euro 508 thousand at June 30, 2020).

The following table shows the sector results in terms of Adjusted EBITDA, highlighting the improvement recorded by the Import & Distribution sector (Euro 2,321 thousand) and by Shipping (Euro 1,553 thousand). Please note that the Adjusted EBITDA of Euro 26,589 thousand was impacted by the IFRS 16 reclassification of Euro 3,803 thousand, while in the first half of 2020, that impact amounted to Euro 4,093 thousand.
The Services segment is mainly represented by the Parent Company Orsero S.p.A., flanked on a lesser scale by the companies operating in customs services, most of which are provided to third parties, and IT services, mainly inter-company. The result measured by adjusted EBITDA is typically negative, as the Parent Company determines its result according to the dividends collected from Group companies.

Thousands of euro	Ist Semester 2021	Ist Semester 2020
"Import & Distribution" Sector	18,626	16,305
"Shipping" Sector	11,718	10,165
"Services" Sector	(3,755)	(2,971)
Adjusted Ebitda	**26,589**	**23,499**

The following table instead compares current profit for the two periods under review, net of the respective tax effects, showing a limited impact of non-recurring items in the first half of 2021.

Thousands of euro	Ist Semester 2021	Ist Semester 2020
Profit/loss for the period	**8,209**	**6,212**
Covid-19 costs	65	319
Profit sharing established by law for employees	208	155
Top management incentives	99	-
Other non-recurring profit/loss	12	776
Adjusted profit/loss for the period	**8,593**	**7,462**

It should be noted that the profit for the first half of the year was only marginally affected by the bonus component for Top Management, a bonus that the Group typically recognizes only in its annual financial statements on an actual basis. In this context, the pre-tax portion of Euro 130 thousand refers to the portion pertaining to the first half of 2021 of the bonus accrued by the Top Management on the result for the year 2020 - payable, as per the Plan regulations, in two equal tranches in the years 2023 and 2024 - the cost of which, in application of IFRS 2, is spread over the four-year vesting period from 2020 to 2024.

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

Thousands of euro	**30.06.2021**	**31.12.2020**
Fixed Assets	238,315	242,804
Net Working Capital	34,581	37,898
Other receivables and payables	(15,161)	(17,280)
Net Invested Capital	257,736	263,423
Total Shareholders' Equity	166,303	160,111
Net Financial Position	91,433	103,311

The main changes in the financial structure at June 30, 2021 compared to December 31, 2020 are primarily linked to:

- decrease in fixed assets amounting to Euro 4,489 thousand, the main component of which is attributable to the effect of amortization and depreciation of Euro 12,358 thousand and the transfer of the Milan warehouse, sold in July, to non-current assets held for sale, partially offset by investments of Euro 10,537 thousand in intangible and tangible assets, of which Euro 3,082 thousand for new and renewed lease agreements pursuant to IFRS 16 activated in the first half of 2021;
- a decrease in trade net working capital of Euro 3,317 thousand, also made possible by the activation of the working capital management transaction mentioned above, combined with careful monitoring by the Group.
- Improvement, or decrease in the Net Financial Position (also referred to as Total Financial Indebtedness) of Euro 11,879 thousand, due to the changes referred to above, net of the cash flows deriving from operations.

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

	Ist Semester 2021	Year 2020	Ist Semester 2020
Group Roe**	9.38%	8.29%	4.85%
Roi**	9.35%	8.51%	5.92%
Earnings per share "base" ***	0.457	0.706	0.352
Earning per share "Fully Diluted" ***	0.457	0.706	0.352
Net Financial Position/Total Shareholders' Equity	0.55	0.65	0.77
Net Financial Position/Adjusted Ebitda*	1.78	2.13	2.77
Main indicators without IFRS 16 effect			
Net Financial Position/Total Shareholders' Equity	0.38	0.46	0.57
Net Financial Position/Adjusted Ebitda*	1.44	1.84	2.63

* Please note that the Adjusted Ebitda of the first Semester is determined "rolling", that is to say, considering for the Adjusted Ebitda at 30.06.2021 the result achieved from 1° July 2020 to 30 June 2021, while for the Adjusted Ebitda at 30.06.2020 the result achieved from 1° July 2019 to 30 June 2020.

** Please note that the ratios at June 30, 2021 and at June 30, 2020 are determined considering the economic data "rolling", that is to say, considering for the economic data at 30.06.2021 the result achieved from 1° July 2020 to 30 June 2021, while for the economic data at 30.06.2020 the result achieved from 1° July 2019 to 30 June 2020.

*** Please note that the ratios at June 30, 2021 and at June 30, 2020 are determined considering the profit for the first semester, while for the ratio at December 31, 2020 is used the annual data (12 months).

The Group's financial exposure is presented in the table below, in accordance with the model as most recently amended by the ESMA regulations and adopted by CONSOB, which came into force as from this report as at June 30, 2021:

Thousands of euro		30.06.2021	31.12.2020
A	Cash	45,485	40,489
B	Cash equivalents	21	20
C	Other current financial assets	858	217
D	**Liquidity (A + B + C)**	**46,364**	**40,725**
E	Current financial debt (included debt instruments, but excluding current portion of non-current financial debt)	(20,148)	(16,552)
F	Current portion of non-current financial debt *	(25,651)	(23,277)
G	**Current financial indebtedness (E + F)**	**(45,799)**	**(39,829)**
H	**Net current financial indebtedness (G - D)**	**565**	**896**
I	Non-current financial debt (excluding current portion and debt instruments) **	(61,998)	(73,432)
J	debt instruments	(30,000)	(30,000)
K	Non-current trade and other payables	-	(776)
L	**Non-current financial indebtedness (I + J + K)**	**(91,998)**	**(104,208)**
M	**Total financial indebtedness (H + L)**	**(91,433)**	**(103,311)**

* including respectively euro 6,234 and 6,430 from lease contracts ex IFRS 16 as of 30-06.2021 and 31.12.2020

** including respectively euro 22,243 and 22,445 from lease contracts ex IFRS 16 as of 30-06.2021 and 31.12.2020

The separate, specific indication of the debt component linked to the application of IFRS 16 serves to represent the measurement of the Net Financial Position "prior to IFRS 16" at the reporting date, which amounted to Euro 62,956 thousand (equal to Euro 91,433 thousand minus Euro 6,234 thousand short-term minus Euro 22,243 thousand medium/long-term) and 74,437 thousand (equal to Euro 103,311 thousand minus Euro 6,430 thousand short-term minus Euro 22,445 thousand medium/long-term), respectively, used in calculating the covenants on long-term bank and bond loan agreements.

For the sake of clarity, it should be noted that the "other current financial assets" component only shows the positive mark-to-market value of hedging derivatives, while the negative value is shown under item "F" and/or "I" according to the relevant maturities. Medium/long-term payables for bank loans and leases are shown in categories "F" and "I" according to their maturity dates, while payables for residual amounts to be paid on acquisitions are shown in categories "E" and "K". There are no trade payables and/or other overdue payables that fall into the financial classification set forth by ESMA.
Lastly, it should be noted that the item "Current portion of non-current financial debt" at June 30, 2021 includes the payable of Euro 3 million, shown in the financial statements under "Liabilities directly associated with non-current assets held for sale", for the early repayment made on July 13 as a result of the sale of the Milan warehouse.

Shareholders' equity and Treasury shares

The share capital at June 30, 2021, fully paid in, consists of 17,682,500 shares without par value for a value of Euro 69,163,340; there are no preference shares. Holders of ordinary shares have the right to receive the dividends as they are resolved and, for each share held, have a vote to be cast in the Company's shareholders' meeting. Shareholders' equity at June 30, 2021 increased compared to December 31, 2020 mainly due to the profit for the period and the recognition of the mark-to-market of derivatives outstanding at June 30, 2021, which more than offset the reduction related to the dividend payment. The statement of changes in shareholders' equity provides all information explaining the changes taking place in the first half of 2021 and 2020.
At June 30, Orsero S.p.A. held 152,514 treasury shares, equal to 0.86% of the share capital, for a value of Euro 942 thousand, shown as a direct decrease in shareholders' equity. As at June 30, 2021, the Group does not hold, directly or indirectly, shares in parent companies and it did not acquire or sell shares in parent companies during the year.

Commentary on performance of the business sectors

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

- Import & Distribution Sector
- Shipping Sector
- Services Sector

The table below provides a general overview of the performance of the different sectors in the reference period 2021-2020. Please note that the data and comments on the sectors given below show the results of only companies that are consolidated on a line-by-line basis; information is given on the performance of associates further on in the notes.

Thousands of euro	Import & Distribution	Shipping	Services	eliminations	Total
Net sales 30.06.2021 [A]	481,789	49,715	4,931	(23,325)	513,110
Net sales 30.06.2020 [B]	487,950	52,720	5,640	(25,551)	520,759
Net sales change [A] - [B]	(6,161)	(3,006)	(708)	2,226	(7,649)
Adjusted Ebitda 30.06.2021 [A]	18,626	11,718	(3,755)	-	26,589
Adjusted Ebitda 30.06.2020 [B]	16,305	10,165	(2,971)	-	23,499
Adjusted Ebitda change [A] - [B]	2,321	1,553	(784)	-	3,090
NFP 30.06.2021 [A]	n.d.	n.d.	n.d.	n.d.	91,433
NFP 31.12.2020 [B]	n.d.	n.d.	n.d.	n.d.	103,311

We would now like to comment on the trends of the individual operating sectors, referring to the Notes for all the details of the various investees and the consolidation criteria adopted.

Import & Distribution Sector

Thousands of euro	1st Semester 2021	1st Semester 2020
Net Sales	481,789	487,950
Gross commercial margin *	58,556	54,160
% Gross commercial margin	12.15%	11.10%
Adjusted Ebitda	18,626	16,305
% Adjusted Ebitda	3.87%	3.34%
Profit/loss for the period	6,507	5,501

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

In this sector of activity, companies are involved in the import and distribution of fresh fruits and vegetables from many countries around the world, at any time of the year, in the relevant regions, in addition to the companies located in Mexico dedicated to the production and export of avocados. The Distribution sector companies are located and operate on the markets of Mediterranean Europe (Italy, France, Iberian Peninsula and Greece) and Mexico.
The widespread presence in the regions, with specialized platforms in the processing and storage of fresh products, allows the Company to serve both traditional wholesalers/markets and large retail (GDO), with different mixes in different Countries depending on the higher (e.g. France) or lower (e.g. Spain) incidence of GDO on these markets. Overall, GDO sales in the first half of 2021 account for around 59% of the aggregate sales of European distribution companies, down marginally from the figure for the first half of last year.
The table above differs from the summary tables of the other sectors shown below in that it includes a specific indicator for the distribution sector, the “gross commercial margin”, also referred to as the contribution margin, which in distribution companies constitutes the main indicator used to monitor business activity. The “gross sales margin” represents the difference between net sales and the direct costs of the products sold (meaning the purchase costs of the goods, plus incoming and outgoing transport costs, customs duties and packaging costs) where it is considered that these costs represent most of the costs incurred by the company and therefore the positive or negative changes in the gross sales margin tend to be reflected significantly in the profit/loss for the period.
Despite lower sales than in the first half of 2020, the sector's result benefited from the improved margins reported by the French company, which has now returned to excellent levels of profitability, as well as the good performance of activities in Mexico and Greece, which more than offset the lower performance of companies in Italy, Spain and Portugal, countries where the benefits of the increase in fruit and vegetable consumption due to the first wave of the pandemic were most evident in the second quarter of 2020.

It should be noted that Adjusted EBITDA as a percentage of sales, equal to 3.9%, represents an absolutely considerable value in line with the best market levels.
The profit of the sector for the first half of 2021 showed a positive change of Euro 1,006 thousand[1].

Shipping Sector

Thousands of euro	1st Semester 2021	1st Semester 2020
Net Sales	49,715	52,720
Adjusted Ebitda	11,718	10,165
% Adjusted Ebitda	23.57%	19.28%
Profit/loss for the period	5,457	3,899

The Shipping sector reflects only the activities linked to the maritime transport of bananas and pineapples of Central American production, carried out mainly with owned ships, the four reefer units "Cala Rosse", and with a fifth ship operated under a freight contract, which connect, on the basis of a 35-day travel schedule, Central America with the Mediterranean, thereby allowing punctual arrival of fresh fruit in European markets on a weekly basis.
As already mentioned, the lower revenues derive mainly from the change in the exchange rate of the US dollar, the currency in which maritime freight rates are typically denominated, from an average of 1.102 USD/EUR in the first half of 2020 to the current average of 1.205 USD/EUR in the first half of 2021 (down approximately 9% in percentage terms).
Moreover, against the drop in revenues due to currency translation, there was an even better profitability performance compared to the already positive first half of 2020, represented by an Adjusted EBITDA of Euro 11,718 thousand (+15% in percentage terms), made possible by the increased level of fruit volumes transported on the East-bound route, with a load factor in fact almost close to saturation of the ships' transport capacity, the increase in dry containers transported on the West-bound route and the savings in fuel consumption made possible by a more regular course of the travel schedule, already from the 2019 financial year based on a round-trip of 35 days with the use of 5 ships, which allows for a lower travel speed and also has positive effects on the technical condition of the ships and therefore on the useful life of those assets.
All these effects contributed to more than offsetting the lower contribution of the management of containers on behalf of third parties, linked to the decrease in the number of containers managed by the customer, now stabilized at rolling levels.
All cargo contracts have BAF (bunker adjustment factor) clauses which, by adjusting the value of the freight fees based on increases/decreases in the cost of fuel, protect profitability from the variability of fuel costs, at least as regards volumes transported for third-party customers.
The good operating profitability had a positive impact on the profit for the period, amounting to Euro 5,457 thousand[2].

[1] The change of Euro 1,006 thousand results from the better operating performance by Euro 2,321 thousand, higher amortization, depreciation and provisions by Euro 1,246 thousand, lower net financial expenses by Euro 120 thousand, the change in exchange differences from a gain of Euro 608 thousand to a loss of Euro 48 thousand, lower net non-recurring expenses of Euro 1,004 thousand and higher taxes by Euro 538 thousand.
[2] The change of Euro 1,558 thousand results from the better operating performance by Euro 1,553 thousand, lower amortization, depreciation and provisions by Euro 2 thousand, higher taxes by Euro 75 thousand, higher net financial income and non-recurring items for a total of Euro 21 thousand.

Services Sector

Thousands of euro	1st Semester 2021	1st Semester 2020
Net Sales	4,931	5,640
Adjusted Ebitda	(3,755)	(2,971)
Profit/loss for the period	(1,916)	(3,057)

This sector includes the activities related to the Parent Company as well as the activities of providing services in customs and in the IT sector, carried out by some smaller companies.
The Adjusted EBITDA of the sector typically has a negative sign, because, in view of the Parent Company's nature as a holding company, the income and ultimately the profit or loss for the year are tied to the dividends received from Group companies.
It should be noted that in this sector, due to the drop in demand for agency services in the cruise and shipping sectors as a result of Covid-19, in the first half of the year Fresco made extensive use of the ordinary redundancy fund (Cassa Integrazione) to offset the negative economic effects caused by the drop in revenues (Euro 2.1 million compared to Euro 2.8 million, or -25%).

Other information

Management of financial risk

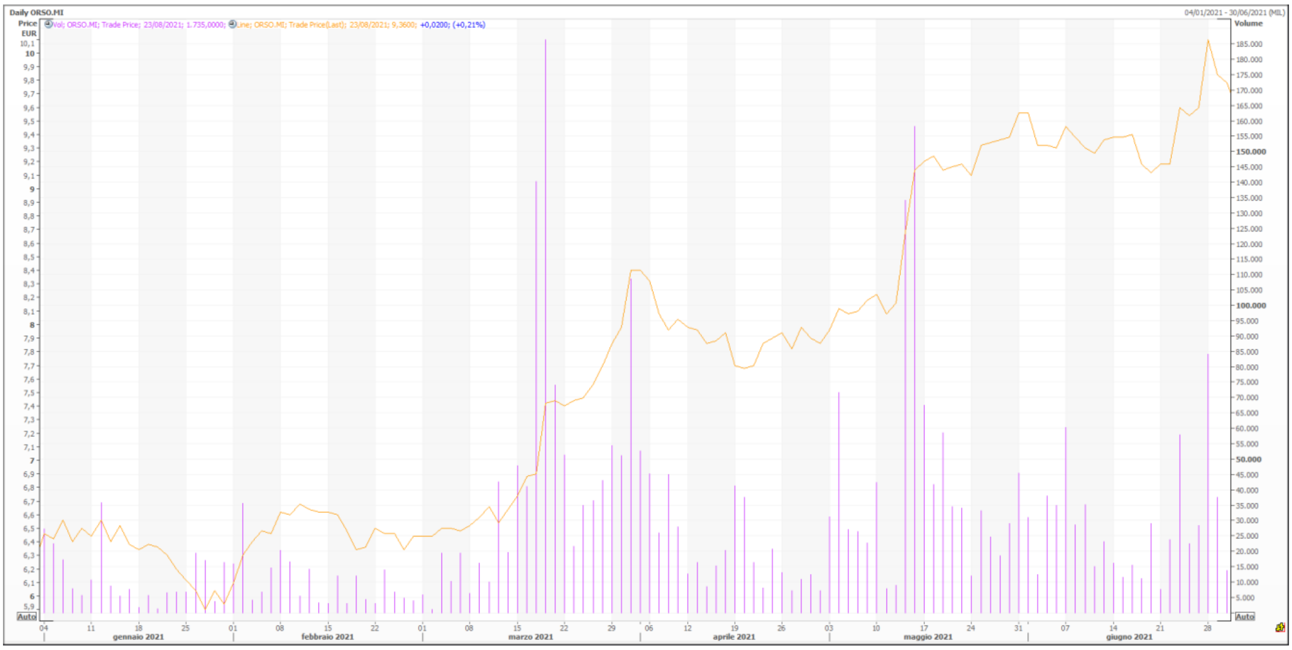
In the first half of 2021, no market risks emerged aside from those described in the financial statements closed as at December 31, 2020 and therefore the financial risk management strategy has remained basically unchanged. An even greater focus has continued to be dedicated to credit risk, without however any significant negative situations emerging. Given the nature of the Group's business, which is related to the marketing of staple food products, the continuation of the Covid-19 health emergency did not have a material impact on the Group's operations, except, as mentioned previously, at operational level in order to ensure the health and safety of employees. The Covid-19 epidemic situation will continue to be monitored by Group management.

Main uncertainties and going concern assumption

No problems are noted with regard to the going concern assumption as the Group has adequate own funds and has no situations of uncertainty such so as to compromise its capacity to carry out operating activities.

Share performance

As of June 30, 2021, the Orsero share recorded a list price of Euro 9.78 per share, up by 51 percentage points compared to the beginning of the year (Euro 6.46 per share at January 4, 2021). The stock market capitalization at June 30, 2021 was Euro 172.9 million (Euro 110.7 million at December 30, 2020).



The following table summarizes the main data relating to the shares and stock market at June 30, 2021.

Share and Stock Exchange Data	1st Half 2021
First price (01/04/2021)	6.46
Maximum annual price	10.15
Minimum annual price	5.90
Closing price (06/30/2021)	9.78
Average daily volume (no. of shares)	27,664
No. of shares in circulation	17,682,500
Stock-Exchange Capitalization	172,934,850

Significant shareholders

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

Shareholder's name (1)	Number of shares	% on the total share capital
FIF Holding S.p.A	5,746,492	32.50%
Grupo Fernandez S.A.	1,115,942	6.31%
Praude Asset Management Ltd.	1,687,379	9.54%
Global Portfolio Investments S.L. (2)	1,014,440	5.74%
First Capital S.p.A.	920,010	5.20%

(1) Updated on April 29, 2021

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

Financial disclosure and relations with Shareholders

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

Tax consolidation

All Italian subsidiaries participate in the "tax consolidation" system headed by Orsero, in accordance with arts.117 et seq. of the TUIR Tax Code.

Workforce

The notes provide an indication of the staff employed by the Group in the first half of 2021 and in 2020. During the year, there were no accidents and serious injuries at work for personnel registered as employees of Group Companies.

Safety and protection of the health of workers

As regards the environment, the Group has always adopted policies that are conducive to food safety and hygiene, respect for and protection of the environment and safety at work. The numerous certifications (such as HACCP, ISO 9001 and 14001, BRC, IFS, OHSAS 18001) obtained by the Group attest to this, as do the significant investments made in recent years to install several photovoltaic plants that can satisfy a good portion of the energy needs of the relative operational sites. It should be noted that an excellent result was achieved on injury reduction due to training, supervision and awareness-raising activities, thus raising the focus on the subject.
Also on the subject of safety and protection of workers' health, in order to cope with the impact of the Covid-19 epidemic, the Group adopted the necessary precautions with regard to employees and third parties both in warehouses and markets and in offices and on ships. The companies implemented the safety protocols outlined by the Authorities to regulate entries and interpersonal contact within their operating platforms and offices, carry out the necessary sanitization activities and provide personal protection equipment.

Research & Development

Considering the nature of the Orsero Group business, there was no basic or applied research carried out; however, as already indicated in the previous Reports, the Group is continuing its implementation and engineering of a new integrated information and management system to meet the specific needs of the distribution sector, with innovative economic/financial planning instruments.

Transactions with related parties

In accordance with the provisions of the Regulation adopted by Consob with resolution no. 17221 of March 12, 2010 and subsequent amendments, Orsero S.p.A. has adopted a Procedure for Transactions with Related Parties, approved by the Board of Directors on February 13, 2017 and most recently amended on May 12, 2021, which is available on the Group's website https://www.orserogroup.it/governance/procedure-societarie/.
The main Group activities, carried out at market prices with related companies, regard commercial relationships for the supply of fruits and vegetables and port services, as well as office leasing. On

the other hand, as concerns related parties that are individuals, these are essentially employment and/or collaboration relationships.
It should be noted that during the first half of 2021, no related party transactions were implemented other than those that are part of the Group's ordinary course of business. With reference to dealings with related parties, please refer to the details provided in the notes.

Investments made in the period

Investments of the Group in the period in intangible assets other than goodwill and in property, plant and equipment amounted to a total of Euro 10,537 thousand, for the most part relating to the purchase and fitting out of the new warehouse in Tenerife, expansion in the general wholesale markets in Spain and other work carried out in the Italian, French and Spanish warehouses. This Euro 10,537 thousand includes Euro 3,082 thousand for "rights of use" as per IFRS 16 linked to renewals/new rental and/or concession contracts for warehouses, offices and sales outlets, as well as contracts for the rental of containers by the shipbuilder and forklifts by the distribution companies. The following table shows the investments made during the year, including IFRS 16 renewals.

Description	Country	Thousands of euro
new Tenerife warehouse (Canary Islands)	Spain	2,157
new ERP project (Italy)	Italy	802
enlargements and upgrades in warehouses	Italy/France/Spain	2,181
new/renewals of lease contracts as per IFRS 16	all countries	3,082
Others	all countries	2,315
Total investments		**10,537**

Transactions deriving from atypical and/or unusual transactions

In compliance with the provisions of the Consob Communication of July 28, 2006, in the first half of 2021 the Company did not implement any atypical and/or unusual transactions as defined in that Communication.

Transactions deriving from non-recurring transactions

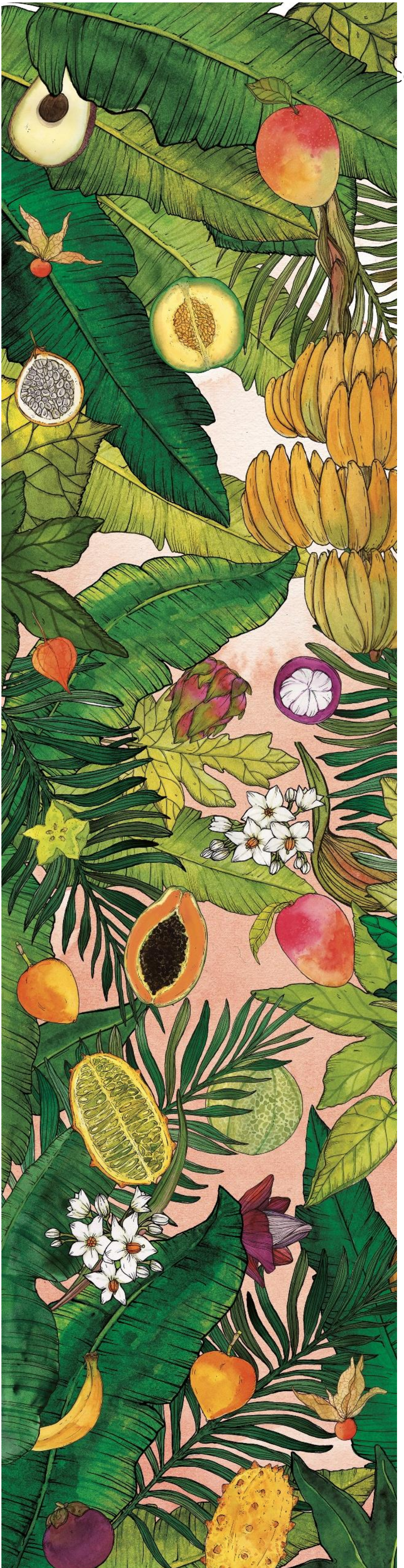
In accordance with the Consob Communication of July 28, 2006, it is specified that in the first half of 2021, the Group incurred costs relating to non-recurring transactions. In accordance with Consob Communication no. 15519 of July 27, 2006, please note that "Other operating revenues/costs" includes Euro 156 thousand and Euro 797 thousand respectively of non-recurring revenues and costs, essentially referring to extraordinary costs incurred during the Covid-19 pandemic and expenses linked to profit-sharing (element required by French and Mexican laws). For more details, refer to the Note 26 "Other operating revenues/costs" and Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".

Significant events after the first half of 2021

As noted, on July 13 the deed of sale of the Milan warehouse was signed, for a price of Euro 4.2 million. As of the date of this Interim Report, there have been no other particularly significant events. With reference to the most recent evolutions of the Covid-19 pandemic, the Group's management continues to follow and monitor developments in order to reduce risks for its personnel and maintain an efficient distribution logistics chain.

Outlook for the Orsero Group

With respect to Covid-19, the Group's priority will continue to be the sustainable growth of its business, while guaranteeing employee safety as a top priority. Indeed, as already noted, the Group has continued with its activities by very rapidly adopting all safety behaviors and measures specified by the authorities of the countries involved, therefore using new protocols and safety measures. During this pandemic, procurement from suppliers has to date been confirmed for the Group, as well as the logistics and goods transport activities that ensure its business continuity.
With reference to business trends for the year under way, given the nature of our activities linked to staple food products, the Covid-19 pandemic did not have particular effects on the Group's activities. If conditions remain consistent with the scenario currently forecasted, no particular elements are expected that could impact the Group in the short term. However, the considerable effects of the pandemic on the Eurozone economy could have a negative impact on consumption in the medium term which is currently impossible to quantify, especially with regard to staple foods.
The Group's management will continue to continuously monitor the situation from the commercial, financial and organizational standpoint, also in light of the recent initiatives ordered by the governments to support economic activity, as well as the treasury situations relating to the cycle of collections from customers and, lastly, any aid measures in favor of businesses. The Group is therefore taking all of the necessary decisions to seek to limit costs and maintain liquidity and its financial strength.
On a more general note, the Group continues to be confident in the possibility of growing its business thanks to its strong competitive positioning and solid financial structure, evaluating possible acquisitions in areas in which the Group intends to grow in the short to medium term, while ensuring that negotiations always take place on the basis of reasonable assessments of the target assets. Please refer to the Investors section of the institutional website for further details on strategies. Furthermore, it will seek to improve on operating synergies and overhead costs.
The Group confirms its commitment to taking all actions required to limit the effects of the Covid-19 pandemic and promptly providing any and all updates.
Lastly, it should be noted that the Group is increasingly committed to ESG issues and in general to creating and developing a sustainable operating environment over the medium to long term. As evidence of this commitment, in 2021 the Top Management decided to invest in the team dedicated to sustainability, to set up an IT system dedicated to the ESG world and to prepare a strategic sustainability plan also with the aim of defining medium-term targets to be taken into account, also in relation to the remuneration policy.



Condensed consolidated half-yearly financial statements as at June 30, 2021

Consolidated Financial Statements

Consolidated statement of financial position[1,2]

Thousands of euro	NOTES	30.06.2021	31.12.2020
ASSETS			
Goodwill	1	48,245	48,426
Intangible assets other than Goodwill	2	7,794	7,263
Property, plant and equipment	3	160,779	166,582
Investments accounted for using the equity method	4	6,481	6,175
Non-current financial assets	5	6,578	5,359
Deferred tax assets	6	8,437	8,999
NON-CURRENT ASSETS		**238,315**	**242,804**
Inventories	7	46,596	35,331
Trade receivables	8	112,646	115,479
Current tax assets	9	14,740	12,256
Other receivables and other current assets	10	13,164	12,625
Cash and cash equivalents	11	45,485	40,489
CURRENT ASSETS		**232,631**	**216,179**
Non-current assets held for sale	12	**2,661**	**-**
TOTAL ASSETS		**473,608**	**458,983**
EQUITY			
Share Capital		69,163	69,163
Other Reserves and Retained Earnings		88,491	78,237
Profit/loss attributable to Owners of Parent		8,004	12,217
Equity attributable to Owners of Parent	**13**	**165,658**	**159,617**
Non-controlling interests	**14**	**645**	**494**
TOTAL EQUITY		**166,303**	**160,111**
LIABILITIES			
Financial liabilities	15	91,998	103,347
Other non-current liabilities	16	957	1,240
Deferred tax liabilities	17	5,206	5,048
Provisions	18	5,420	4,386
Employees benefits liabilities	19	10,150	9,861
NON-CURRENT LIABILITIES		**113,731**	**123,882**
Financial liabilities	15	42,799	40,689
Trade payables	20	124,661	112,912
Current tax liabilities	21	4,678	3,703
Other current liabilities	22	18,436	17,686
CURRENT LIABILITIES		**190,574**	**174,990**
Liabilities directly associated with non-current assets held for sale	23	**3,000**	**-**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**473,608**	**458,983**

[1] The notes commenting on the individual items are an integral part of these Condensed Consolidated Half-Yearly Financial Statements.

[2] In accordance with Consob resolution no. 15519 of July 27, 2006, the effects of related party transactions are given in the explanatory notes to the condensed consolidated half-yearly financial statements and in Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".

Consolidated income statement [1] [2]

Thousands of euro	NOTES	1st Semester 2021	1st Semester 2020
Net sales	25	513,110	520,759
Cost of sales	26	(465,384)	(477,426)
Gross profit		**47,726**	**43,333**
General and administrative expense	27	(35,507)	(33,311)
Other operating income/expense	28	(165)	(929)
Operating result		**12,054**	**9,094**
Financial income	29	169	78
Financial expense and exchange rate differences	29	(1,882)	(1,379)
Other investment income/expense	30	4	20
Share of profit/loss of associates and joint ventures accounted for using equity method	31	317	522
Profit/loss before tax		**10,664**	**8,335**
Income tax expense	31	(2,454)	(2,123)
Profit/loss from continuing operations		**8,209**	**6,212**
Profit/loss from discontinued operations		-	-
Profit/loss for the period		**8,209**	**6,212**
Profit/loss attributable to non controlling interests		**205**	**200**
Profit/loss attributable to Owners of Parent		**8,004**	**6,012**
Earnings per share "base" in euro	33	**0.457**	**0.352**
Earnings per share "Fully Diluted" in euro	33	**0.457**	**0.352**

Consolidated Statement of Comprehensive Income [1] [2]

Thousands of euro	NOTES	1st Semester 2021	1st Semester 2020
Profit/loss for the period		**8,209**	**6,212**
Other comprehensive income that will not be reclassified to profit/loss, before tax		-	-
Income tax relating to components of other comprehensive income that will not be reclassified to profit/loss		-	-
Other comprehensive income that will be reclassified to profit/loss, before tax	14	1,820	(356)
Income tax relating to components of other comprehensive income that will be reclassified to profit/loss	29	(333)	53
Comprehensive income		**9,696**	**5,909**
Comprehensive income attributable to non controlling interests		**205**	**200**
Comprehensive income attributable to Owners of Parent		**9,490**	**5,709**

[1] The notes commenting on the individual items are an integral part of these Condensed Consolidated Half-Yearly Financial Statements.

[2] In accordance with Consob resolution no. 15519 of July 27, 2006, the effects of related party transactions are given in the explanatory notes to the condensed consolidated half-yearly financial statements and in Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".

Consolidated cash flow statement [1][2][3][4]

Thousands of euro	Notes	1st Semester 2021	1st Semester 2020
A. Cash flows from operating activities (indirect method)			
Profit/loss for the period		**8.209**	**6.212**
Adjustments for income tax expense	31	2.454	2.123
Adjustments for interest income/expense	29	1.724	1.301
Adjustments for provisions	8-18	1.635	786
Adjustments for depreciation and amortisation expense and impairment loss	2-3	12.358	11.791
Change in inventories	7	(11.265)	(3.911)
Change in trade receivables	8	2.558	(14.050)
Change in trade payables	20	11.749	3.187
Change in other receivables/assets and in other liabilities		(4.768)	3.519
Interest received/(paid)	31	(1.518)	(1.301)
(Income taxes paid)	29	(1.371)	(2.123)
Cash flow from operating activities (A)		**21.765**	**7.533**
B. Cash flows from investing activities			
Purchase of property, plant and equipment	3	(9.528)	(25.519)
Proceeds from sales of property, plant and equipment	3	3.450	28.303
Purchase of intangible assets	1-2	(1.009)	(1.278)
Proceeds from sales of intangible assets	1-2	181	-
Purchase of interests in investments accounted for using equity method	4	(917)	(522)
Proceeds from sales of investments accounted for using equity method	4	611	945
Purchase of other non-current assets	5-6	(1.160)	(1)
Proceeds from sales of other non-current assets	5-6	503	798
(Acquisitions)/disposal of investments in controlled companies, net of cash		-	-
Cash Flow from investing activities (B)		**(7.869)**	**2.726**
C. Cash Flow from financing activities			
Increase/decrease of financial liabilities	15	(14.836)	1.972
Drawdown of new long-term loans	15	(4.305)	17.947
Pay back of long-term loans	15	12.259	(39.066)
Capital increase and other changes in increase/decrease	13-14	1.576	(2.236)
Disposal/purchase of treasury shares	13-14	-	(196)
Dividends paid	13-14	(3.594)	-
Cash Flow from financing activities (C)		**(8.900)**	**(21.579)**
Increase/decrease in cash and cash equivalents (A ± B ± C)		**4.996**	**(11.320)**
Cash and cash equivalents at 1° January 21-20	11	**40.489**	**56.562**
Cash and Cash equivalents at 30 June 21-20	11	**45.485**	**45.242**

[1] The notes commenting on the individual items are an integral part of these Condensed Consolidated Half-Yearly Financial Statements.

[2] In accordance with Consob resolution no. 15519 of July 27, 2006, the effects of related party transactions are given in the explanatory notes to the condensed consolidated half-yearly financial statements and in Annex 1 “Financial statements tables stated in accordance with Consob Resolution 15519/2006”.

[3] Refer to Notes 9-10-16-17-18-19-21-22 for the item "Changes in other receivables/assets and other payables/liabilities".

[4] With regard to the item "proceeds from the sale of property, plant and equipment" in the first half of 2020, note that this amount includes the reduction in rights of use (pursuant to IFRS 16) and the related liability following the purchase of the warehouses previously leased

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Consolidated statement of changes in shareholders' equity[1][2]

Thousand of euro - NOTES 12-13	Share Capital*	Treasury shares*	Reserve of shareholding acquisition costs*	Legal reserve	Share premium reserve	Reserve of exchange diff.es on translation	Reserve of remeasurements of defined benefit plans	Reserve of cash flow hedges	Reserve of share-based payments	Other reserves	Retained earnings	Profit/loss, attributable to Owners of parent	Equity attributable to Owners of parent	Non-controlling interests	Total equity
December 31, 2019	**69,163**	**(7,426)**	**(153)**	**321**	**80,556**	**(1,342)**	**(901)**	**(410)**	**4,470**	**(5,044)**	**8,965**	**2,022**	**150,221**	**710**	**150,931**
Allocation of the profit/loss	-	-	-	75	-	-	-	-	-		1,947	(2,022)	-	-	-
Issued of equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase/decrease thhrough transfers equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Div idends paid	-	2,456	-	-	(2,456)	-	-	-	-	-	-	-	-	-	-
Other comprehensiv e income net of tax, gains/losses on remeasurements of defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensiv e income net of tax, cash flow hedges	-	-	-	-	-	-	-	(226)	-	-	-	-	**(226)**	-	**(226)**
Other comprehensiv e income net of tax, cash flow hedges interest rates	-	-	-	-	-	-	-	(132)	-	-	-	-	**(132)**	-	**(132)**
Other comprehensiv e income net of tax, cash flow hedges exchange rates	-	-	-	-	-	-	-	56	-	-	-	-	**56**	-	**56**
Purchase of treasury shares	-	(196)	-	-	-	-	-	-	-	-	-	-	**(196)**	-	**(196)**
Increse/decrease through share based payment transactions	-	3,191	-	-	-	-	-	-	(4,470)	-	1,279	-	-	-	-
Change of consolidation scope	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	(1,428)	1	-	-	(17)	(306)	-	**(1,749)**	(184)	**(1,933)**
Profit/loss for the period	-	-	-	-	-	-	-	-	-	-	-	6,012	**6,012**	200	**6,212**
June 30, 2020	**69,163**	**(1,974)**	**(153)**	**396**	**78,100**	**(2,770)**	**(900)**	**(712)**	**-**	**(5,060)**	**11,884**	**6,012**	**153,986**	**726**	**154,712**

Thousand of euro - NOTES 13-14	Share Capital**	Treasury shares**	Reserve of shareholding acquisition costs**	Legal reserve	Share premium reserve	Reserve of exchange diff.es on translation	Reserve of remeasurements of defined benefit plans	Reserve of cash flow hedges	Reserve of share-based payments	Other reserves	Retained earnings	Profit/loss, attributable to Owners of parent	Equity attributable to Owners of parent	Non-controlling interests	Total equity
December 31, 2020	**69,163**	**(942)**	**(153)**	**396**	**77,438**	**(2,879)**	**(1,297)**	**(931)**	**-**	**(5,081)**	**11,685**	**12,217**	**159,617**	**494**	**160,111**
Allocation of the profit/loss	-	-	-	-	-	-	-	-	-	-	12,217	(12,217)	-	-	-
Issued of equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase/decrease thhrough transfers equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Div idends paid	-	-	-	-	-	-	-	-	-	-	(3,506)	-	**(3,506)**	(88)	**(3,594)**
Other comprehensiv e income net of tax, gains/losses on remeasurements of defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensiv e income net of tax, cash flow hedges	-	-	-	-	-	-	-	431	-	-	-	-	**431**	-	**431**
Other comprehensiv e income net of tax, cash flow hedges interest rates	-	-	-	-	-	-	-	187	-	-	-	-	**187**	-	**187**
Other comprehensiv e income net of tax, cash flow hedges exchange rates	-	-	-	-	-	-	-	798	-	-	-	-	**798**	-	**798**
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increse/decrease through share based payment transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change of consolidation scope	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	71	-	-	-	-	57	-	**128-**	33	**161**
Profit/loss for the period	-	-	-	-	-	-	-	-	-	-	-	8,004	**8,004**	205	**8,209**
June 30, 2021	**69,163**	**(942)**	**(153)**	**396**	**77,438**	**(2,808)**	**(1,297)**	**485**	**-**	**(5,081)**	**20,453**	**8,004**	**165,658**	**645**	**166,303**

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1 The notes commenting on the individual items are an integral part of these Condensed Consolidated Half-Yearly Financial Statements.

2 In accordance with Consob resolution no. 15519 of 07/27/06, the effects of related party transactions are given in the explanatory notes to the condensed consolidated half-yearly financial statements and in Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/06".

* Expression of the share capital in compliance with the provisions of IAS 32 net of treasury shares for Euro 1,974 thousand and costs for the acquisition of equity investments of Euro 153 thousand

** Expression of the share capital in compliance with the provisions of IAS 32 net of treasury shares for Euro 942 thousand and costs for the acquisition of equity investments of Euro 153 thousand

Certification pursuant to Art. 154-bis, par. 5 of the Consolidated Law on Finance of the condensed consolidated half-yearly financial statements pursuant to Art. 81-ter of Consob Regulation no. 11971 of May 14, 1999, as amended

1. The undersigned Giacomo Ricca, Corporate Accounting Reporting Officer of the Orsero Group, taking into account the provisions of Art. 154-bis, paragraphs 3 and 4, of Italian Legislative Decree no. 58 of February 24, 1998, hereby certifies:

   - the adequacy, considering the Company's characteristics, and
   - the effective application of administrative and accounting procedures for the preparation of the condensed consolidated half-yearly financial statements during the first half of 2021.

2. The verification of the adequacy and effective application of administrative and accounting procedures for the preparation of the condensed consolidated half-yearly financial statements as at June 30, 2021 was performed taking as a reference the criteria laid out in the "Internal Controls – Integrated Framework" model generally accepted at international level.

3. It is further certified that:

3.1 The condensed consolidated half-yearly financial statements:

   a) are prepared in accordance with International Financial Reporting Standards as endorsed by the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of July 19, 2002;

   b) coincide with the underlying books and accounting records;

   c) provide a true and correct representation of the financial position of the issuer and the group of companies included in the scope of consolidation.

3.2 The interim directors' report includes a reliable analysis of references to the events occurring in the first six months of the year and their impact on the condensed consolidated half-yearly financial statements, along with a description of the main risks and uncertainties to which the Group is exposed, as well as the significant events occurring after the end of the half and the business outlook. The interim directors' report also includes a reliable analysis of information on significant transactions with related parties.

Milan, September 13, 2021

Giacomo Ricca

Corporate Accounting Reporting Officer

Notes to the condensed consolidated half-yearly financial statements

General information

Orsero S.p.A. (the "Parent company" or the "Company"), together with its subsidiaries (the "Group" or the "Orsero Group") is a company with its shares listed on the STAR segment of the telematic stock exchange (MTA) since December 23, 2019, with registered office at Corso Venezia 37, Milan. The Orsero Group boasts a consolidated presence both directly and indirectly through its subsidiaries and/or associates in Europe, Mexico and Latin America, although it mainly operates in Europe.
As at June 30, 2021, the Company's share capital totals Euro 69,163,340.00, divided up into 17,682,500 ordinary shares with no nominal value.
The Group's business is focused on the import and distribution of fruit and vegetables, identifying three business units: Import & Distribution, Shipping, and Services.

Form and content of the condensed consolidated half-yearly financial statements and other general information

Statement of compliance with the IFRS and preparation criteria

These Group condensed consolidated half-yearly financial statements as at June 30, 2021, prepared on the basis that the Parent company and its subsidiaries continue to operate as a going concern, were prepared in accordance with Art. 2, 3 and 9 of Italian Legislative Decree no. 38 of 02/28/2005 and in compliance with the International Financial Reporting Standards (IFRS), the interpretations provided by the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), endorsed by the European Commission as per the procedure envisaged by Regulation (EC) 1606/2002, issued by the European Parliament and Council in July 2002 and in force as at the reporting date, as well as with the previous International Accounting Standards (IAS). Hereinafter in the Consolidated financial statements, to simplify matters, all these standards and interpretations will together be defined as "IFRS".
In preparing this document, consideration was given to the provisions of the Italian Civil Code, Consob Resolutions no. 15519 ("Provisions on the financial statements tables to be issued in implementation of Art. 9, paragraph 3 of Italian Legislative Decree no. 38 of February 28, 2005") and no. 15520 ("Amendments and supplements to the regulation setting out provisions implementing Italian Legislative Decree no. 58/1998"), both dated July 27, 2006, and those of Consob communication no. DEM/6064293 of July 28, 2006 ("Corporate disclosure of listed issuers and issuers with financial instruments disseminated amongst the public pursuant to Art. 116 of the TUF") and Art. 78 of the Issuers' Regulation and Art. 154-ter of Italian Legislative Decree no. 58/1998 as amended, including, in particular, that pursuant to CONSOB warning notice 59/21 of April 29, 2021 for the purposes of the disclosure concerning the Group's financial debt exposure. It is specified that with reference to Consob Resolution no. 15519 of July 27, 2006 on the financial statements tables, specific additional tables have been added representing the statement of financial position, the income statement, the statement of comprehensive income and the statement of cash flows, highlighting significant related party transactions and the effects of non-recurring income and expense in order to avoid compromising the overall legibility of the financial statements tables. This information requested has been included in Notes 26 and 34 and in Annex 1 "Financial statements tables stated in accordance with Resolution 15519/2006".
The Group condensed consolidated half-yearly financial statements at June 30, 2021 were prepared in summary form in accordance with IAS 34 "Interim financial reporting". In accordance with IAS 34, the condensed consolidated half-yearly financial statements do not include all the supplementary information required for the annual financial statements for which, therefore, reference is made to the Group financial statements as at December 31, 2020. Although the

condensed consolidated half-yearly financial statements do not include all information required for a complete financial statement disclosure pursuant to IFRS, they include all the specific notes to explain the relevant events and transactions in order to understand the changes in the Group's financial position and performance since the last annual financial statements. The condensed consolidated half-yearly financial statements consist of the statement of financial position, income statement (in which costs are presented by "destination"), comprehensive income statement, cash flow statement (presented with the indirect method) and the statement of changes in equity. The statements chosen allow the Group's equity, economic and financial situation to be represented in a truthful, correct, reliable and more relevant manner, in line with internal reporting and operating procedures. The amounts indicated on the consolidated accounting schedules and the notes are stated in thousands of euros. These condensed consolidated half-yearly financial statements are compared with last year's consolidated financial statements, which were prepared applying the same criteria except for that described in the paragraph entitled "Accounting standards, amendments and IFRS interpretations applied starting January 1, 2021". It should be noted, in fact, that the accounting standards applied are in line with those adopted in preparing the consolidated statement of financial position at December 31, 2020, as well as the income statement for the first half of 2020, in accordance with IFRS. With regard to the comparability of the data, it should be noted that from July 1, 2020 the company Moncada Frutta S.r.l. was consolidated line-by-line, following the acquisition of the remaining 50% of the company, and that on September 14, 2020 the sale of the minor company M.A.P. Servizi Generali S.r.l. took place.
The condensed consolidated half-yearly financial statements have been drawn up in accordance with the general historical cost principle, with the exception of financial assets, derivative instruments and inventories of fruit stock ripening, measured at fair value. Please also note that the directors have prepared the consolidated financial statements in accordance with paragraphs 25 and 26 of IAS 1 due to the strong competitive position, high profitability, and soundness of the equity and financial structure achieved.
The condensed consolidated half-yearly financial statements at June 30, 2021 were subjected to a limited audit by KPMG S.p.A. and approved by the Board of Directors on September 13, 2021.

Consolidation principles

These condensed consolidated half-yearly financial statements include not only the financial statements of the Parent Company but also the line-by-line consolidation of the financial statements of the companies over which it has direct or indirect control. The Group also has equity investments in associates and other businesses, all entered as non-current assets. These equity investments are recorded using either the equity method or cost of purchase/subscription, including any ancillary costs.
Subsidiaries are consolidated from the date on which the Group effectively acquires control and cease to be consolidated from the date on which control is transferred outside the Group. The consolidated accounting positions are prepared as at June 30, and they are specifically prepared and approved by the Boards of Directors of the individual companies, duly rectified, where necessary, to standardize them with the Parent Company's accounting standards and make them consistent with the international accounting standards IAS/IFRS. The consolidation method used is line-by-line and as regards the consolidation criteria, the same ones are used as those applied to prepare the financial statements as at December 31, 2020, which should be referred to for further details.
Equity investments in subsidiaries are detailed in the paragraph on "List of companies consolidated on a line-by-line basis" and "List of other companies", whilst any changes in investment shares are explained in the paragraph on "*Changes to the consolidation area made during the first half of the year and thereafter*".
The condensed consolidated half-yearly financial statements of Orsero are prepared in Euro as it represents the functional currency of the Parent Company Orsero and of all the companies included in the scope of consolidation, with the exception of:

- the Argentina-based company Rost Fruit S.A.;

- the Costa Rica-based companies Simbarica S.r.l. and Orsero Costa Rica S.r.l.;
- the Colombia-based company Simbacol S.A.S.;
- the Chile-based company Hermanos Fernández Chile S.A.;
- the Mexico-based companies Comercializadora de Frutas Acapulco S.A.C.V. and Productores Aguacate Jalisco S.A.C.V.

The individual financial statements of each company belonging to the Group are prepared in the currency of the primary economic context in which it operates (functional currency). The conversion of the items of financial statements denominated in currencies other than the Euro is carried out applying current exchange rates at the end of the reference period. The income statement items are instead converted at average exchange rates of the half-year. Exchange rate conversion differences resulting from the comparison of the initial equity converted at current exchange rates and the same converted at historical exchange rates, are recognized under equity item "Reserve on exchange rate differences of translation". The exchange rates used for the conversion into Euro of the financial statements of foreign subsidiaries, prepared in local currency, are shown in the following table:

	30.06.2021	1st half 2021	31.12.2020	1st half 2020
Argentine Peso	113.644	110.040	103.249	71.0540
Costa Rican Colon	736.000	740.225	750.556	629.253
Colombian Peso	4,474.18	4,370.33	4,202.34	4,065.31
Mexican Peso	23.5780	24.3270	24.4160	23.8430
Chilean Peso	866.750	868.017	872.520	895.565

Associates are those over which the Group exerts significant influence, which is assumed to exist when the equity investment ranges between 20% and 50%. Associates, over which Orsero exercises significant influence, or companies in which it exercises joint control over financial and operating policies, have been valued using the equity method and are initially measured at cost. Profit or losses relating to the Group are recognized in the consolidated financial statements from the date on which the significant influence commences until the date on which it ends. For a description of the application of the equity method, please refer to the information already provided in the financial statements as at December 31, 2020. Equity investments in associates are detailed in the paragraph on "List of companies consolidated using the equity method" and "List of other companies", whilst any changes in investment shares are explained in the paragraph on "Changes to the consolidation area made during the first half of the year and thereafter".
There are no significant restrictions to the capacity of the associates to transfer funds to the investee, to pay dividends and repay loans or advances.
Finally, there is a residual category called "equity investments in other companies" that comprises companies in which the Group holds no more than 20% of the capital or over which no significant influence is exercised. Equity investments are entered at purchase or subscription cost, which is considered representative of the related fair value that is reduced for any impairment losses. The original value is reinstated in subsequent years if the reasons for the write-down no longer apply.

Scope of consolidation

The scope of consolidation is detailed specifically and accompanied by further information as required by regulations, particularly IFRS 10 and 12 and Articles 38 and 39 of Italian Legislative Decree 127/91, reporting the lists of companies consolidated using the line-by-line method, those valued using the equity method and those valued at cost.

List of companies consolidated on a line-by-line basis

Name	Head office	Investment percentage			Share Capital	Currency
		Direct	Indirect	Interest held by		
AZ France S.A.S	Cavaillon (France) - 56, Avenue JP Boitelet	100.00%			3,360,000	€
Bella Frutta S.A.	Atene (Greece) - 4 Tavrou Str., Ag. Ioannis Rentis	100.00%			1,756,800	€
Comercializadora de Frutas S.A.C.V.	Tinguindin (Mexico) - Carretera Zamora-Los Reyes km. 37,5		100.00%	AZ France S.A.S.	3,299,376	pesos
Cosiarma S.p.A.	Genova (Italy) - via Operai 20	100.00%			2,600,000	€
Eurofrutas S.A.	Alverca (Portugal) - Rua principal Casal das Areias	100.00%			1,100,753	€
Eurorticolas LDA (in liquid.)	Alverca (Portugal) - Rua principal Casal das Areias		100.00%	Eurofrutas S.A.	-	€
Fresco Ships' A&F S.r.l.	Vado Ligure (Italy) - Via Trieste, 25	100.00%			258,000	€
Fruttica S.A.S.	Cavaillon (France) - 89, Chemin du Vieux Taillades		100.00%	Postifruits S.A.S.	100,000	€
Fruttital S.r.l.	Milano (Italy) - via C. Lombroso, 54	100.00%			5,000,000	€
Fruttital Firenze S.p.A.	Firenze (Italy) - Via S. Allende 19 G1	100.00%			300,000	€
Galandi S.p.A.	Firenze (Italy) - Via S. Allende 19 G1	100.00%			500,000	€
Thor (ex GFB) S.r.l.	Milano (Italy) - via Fantoli 6	100.00%			10,000	€
GF Produzione S.r.l.	Milano (Italy) - via Fantoli 6	100.00%			100,000	€
GF Solventa S.L.	Barcelona (Spain) - MERCABARNA, Calle Longitudinal 7, 83		99.96%	Hermanos Fernández López S.A.	50,000	€
GP Frutta S.r.l.	Canicattì (Italy) - Via S. Sammartino 37		100.00%	Postifruits S.A.S.	10,000	€
Hermanos Fernández López S.A.	Cox (Spain) - Avenida de la Industria, s/n P.I. San Fernando	100.00%			258,911	€
Hermanos Fernández Chile S.p.A.	Las Condes (Chile) - Avenida Vitacura 2909		100.00%	Hermanos Fernández López S.A.	10,000,000	pesos
Isa Platanos S.A.	La Laguna - Tenerife (Spain) - Los Rodeos Edificio Star		100.00%	Hermanos Fernández López S.A.	641,430	€
Kiwisol LDA	Maia (Portugal) - Rua de Santo Ovidio 21		99.75%	Eurofrutas S.A.	523,738	€
Moncada Frutta S.r.l.	Ispica (Italy) - Contrada Salmeci SN	100.00%			100,000	€
Orsero Costa Rica S.r.l.	San Jose de Costa Rica - Oficientro Ejecutico La Sabana Edificio torre 1		100.00%	Cosiarma S.p.A.	215,001,000	colones
Orsero Progetto Italia Soc. Agricola a r.l.	Molfetta (Italy) - Via degli Industriali 6 -Zona ASI	100.00%			100,000	€
Orsero Servizi S.r.l.	Milano (Italy) - via Fantoli 6	100.00%			100,000	€
Postifruits S.A.S.	Cavaillon (France) - 89, Chemin du Vieux Taillades		100.00%	AZ France S.A.	7,775	€
Productores Aguacate Jalisco S.A.C.V.	Ciudad Guzman (Mexico) - Constitucion 501 Centro C.P. 49000		70.00%	Comerc.ra de Frutas S.A.C.V.	12,646,666	pesos
R.O.S.T. Fruit S.A.	Buenos Aires (Argentine) - Corrientes 330 - 6° 612	80.00%	20.00%	GF Produzione S.r.l.	24,096,320	pesos
Simba S.p.A.	Milano (Italy) - via Fantoli 6	100.00%			200,000	€
Simbacol S.A.S.	Medellin (Colombia) - Carr. 25 1 A SUR 155 OF 1840		100.00%	Simba S.p.A.	50,172,500	pesos
Simbarica S.r.l.	San Jose de Costa Rica - Oficientro Ejecutico La Sabana Edificio torre 1		100.00%	Simba S.p.A.	100,001,000	colones

List of companies valued using the equity method:

Name	Head office	Investment percentage Direct	Indirect	Interest held by	Share Capital	Currency
Fruport Tarragona S.L.	Moll de Reus Port de Tarragona (Spain)	49.0%			82,473	€
Bonaoro S.L.	La Vera La Orotava Santa Cruz de Tenerife (Spain) Carretera General del Norte, 23		50.0%	Hermanos Fernández López S.A.	2,000,000	€
Moño Azul S.A.	Av .da Scalabrini Ortiz 2069 - EP "A" - Ciudad Autonoma de Buenos Aires		19.2%	Fruttital S.r.l.	367,921,764	pesos

List of other companies:

Name	Head office	Investment percentage Direct	Indirect	Interest held by	Share Capital	Currency
Citrumed S.A.	Bouargoub (Tunisian) Borj Hfaïedh - 8040		50.0%	AZ France S.A.S.	1,081,000	dinar
Decofruit Bcn S.L.	Barcellona (Spain) - Calle Sicilia 410		40.0%	Hermanos Fernández López S.A.	20,000	€

The Group holds a number of minor shareholdings in companies and consortia that are functional to its activities, together with two shareholdings in associated companies as indicated above, whose significance is marginal in relation to the size of the Group. All equity investments are entered at purchase or subscription cost, which is considered representative of the related fair value that is reduced for any impairment losses.

Business combinations

Business combinations are recognized in compliance with IFRS 3 according to the "acquisition method", which entail the recognition in the consolidated financial statements of assets and liabilities of the combined company as if they had been individually acquired. The consideration paid in a business combination is measured at fair value, determined as the sum of the fair values at the acquisition date, of the assets transferred by the acquiring company to the former shareholders of the acquired company, of the liabilities incurred by the acquiring company for these assets, and equity interests issued by the acquiring company. The costs related to the acquisition are recorded as expenses in the periods in which they are incurred. In the event of business combinations that occur in stages, the investment previously held by the Group in the acquired company is restated at fair value on the date control is acquired, and any resulting profit or loss is recognized in the income statement. Goodwill is recognized on the date the Group assumes control of the acquired entity and is measured as the difference between the sum of:

- the consideration paid,
- the net value, at the acquisition date, of the identifiable assets acquired and the liabilities assumed, measured at fair value.

If the fair value of the net identifiable asset acquired is greater than the consideration paid, the resulting difference is recognized in the income statement as income deriving from the transaction, on the acquisition date, after verifying if the fair value of the acquired assets and liabilities is correct. If, at the end of the year in which the business combination took place, the initial recognition of a business combination is incomplete, it must be recognized using provisional values. Adjustments to the provisional values recorded at the acquisition date are recognized retroactively to reflect the new information obtained on the facts and circumstances at the acquisition date that, had they been known, would have affected the measurement of the amounts recognized on that date. The measurement period lasts for 12 months from the acquisition date. Any contingent consideration defined in the business combination agreement is measured at the acquisition-date fair value and included in the value of the consideration transferred in the business combination for the purpose of the calculation of goodwill. Any subsequent changes to that fair value, which can be classified as adjustments occurring during the measurement period, are included in goodwill, retrospectively. After the initial recognition, goodwill is measured at cost net accumulated amortization and write-downs.

Changes in the consolidation area made during the first half of the year and thereafter

With respect to December 31, 2020, there were no changes to the scope of consolidation in the first half of 2021, nor afterwards.
Below is the company map (in a condensed, but more representative version) of the Group:

SHIPPING	IMPORT & DISTRIBUTION		SERVICES & HOLDING
COSIARMA -ITALY-	FRUTTITAL -ITALY-	H.NOS FERNÁNDEZ LÓPEZ -SPAIN-	ORSERO SPA -ITALY.-
ORSERO CR -COSTA RICA-	FRUTTITAL FIRENZE -ITALY-	AZ FRANCE -FRANCE-	FRESCO FORW. AGENCY -ITALY-
	GALANDI -ITALY-	FRUTTICA -FRANCE-	ORSERO SERVIZI -ITALY-
	SIMBA -ITALY-	EUROFRUTAS -PORTUGAL-	FRUPORT -SPAIN 49%-
	SIMBACOL -COLOMBIA-	BELLA FRUTTA -GREECE-	
	MONCADA FRUTTA -ITALY-	COMM. DE FRUTA ACAPULCO -MEXICO-	

Valuation criteria

In the preparation of the condensed consolidated half-yearly financial statements as at June 30, 2021 the same consolidation principles and the same measurement criteria were applied as were used for the preparation of the consolidated financial statements as at December 31, 2020, to which reference is made for the sake of completeness.

Use of estimates, risks and uncertainties

The preparation of the condensed consolidated half-yearly financial statements and related notes in accordance with IFRS requires management to make estimates and assumptions that have an impact on the value of net sales, costs of assets and liabilities of the financial statements and on the disclosure of contingent assets and liabilities at the reporting date. The estimates and assumptions used are based on experience, other relevant factors and the information available. Therefore, the actual results achieved may differ from said estimates. The estimates and assumptions may vary from one year to the next and they are therefore reviewed periodically; the effects of any changes made to them are reflected in the income statement in the period in which the estimate is reviewed.
The main estimates for which the use of subjective valuations by the management is most required were used, inter alia, for:

- allocations for credit risks and write-down of assets;
- measurements of defined benefit obligations as regards the main actuarial assumptions;

- calculation of the fair value of biological assets on the basis of significant input data;
- acquisition of a subsidiary in relation to the fair value of the price transferred (including the potential price) and the fair value of the assets acquired and liabilities accepted, measured provisionally;
- the definition of the useful life of assets and related depreciation and amortization;
- allocations for provisions for environmental risks and for liabilities related to litigation of a legal and fiscal nature; in particular, the valuation processes relate both to determining the degree of probability of conditions that may entail a financial outlay and the quantification of the relevant amount;
- deferred tax assets, the recognition of which is supported by the Group's profitability prospects resulting from the expected profitability of the business plans and the forecast of composition of the "tax consolidation";
- the procedure for verifying the holding of value of intangible assets, property, plant and equipment and equity investments, described in the accounting standard, implies - in the estimation of the value of use - the use of financial Plans of the investees that are based on a set of assumptions and hypotheses about future events and actions of the administrative bodies of the investees, which will not necessarily occur. Similar estimating processes are required when reference is made to the presumable realizable value due to the uncertainty inherent in each trade.

Impairment test

IAS 36 specifies that at the end of each reporting period an entity shall assess whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset. In assessing whether the aforesaid indication exists, the Group shall consider the presence of any "impairment indicators", as required by paragraph 12 of IAS 36. An impairment loss shall be recognized in the income statement when the book value of an asset or cash-generating unit exceeds its recoverable amount. The book values of the Company's assets are in any case measured at the reference date of the annual financial statements. Intangible assets with an indefinite useful life are tested at least annually and every time there is an indication of a possible impairment to determine whether impairment exists.

For the financial statements at June 30, 2021, the Group verified that there were no situations/indicators representative of potential impairment losses of its assets, except for the operations of the Portuguese company, where, in view of the decrease in revenues compared with the trend of previous years, it investigated the causes and carried out an impairment test, with a positive outcome.

Other information

Segment reporting

Within the Group, several segments can be identified differently, which provide a homogeneous group of products and services (business segment) or which supply products and services within a given geographic area (geographic segment). More specifically, in the Orsero Group, three areas of business have been identified:

- Import & Distribution Sector: this sector is a group of companies engaged in the import and distribution of fruit and vegetables in the territories for which they are responsible. The Group's distributors are based and operate mainly in the Italian, French, Spanish, Portuguese and Greek markets;
- Shipping Sector: this sector is a group of companies mainly engaged in the maritime transport of bananas and pineapples;

- Services Sector: this sector represents a residual sector that includes companies engaged in the provision of services related to customs, information technology, and holding coordination activities.

In compliance with the provisions of IFRS 8, segment information is given in the dedicated paragraph under "Segment reporting" (Note 24).

Management of financial risk

IFRS 7 requires additional information to evaluate the significance of financial instruments in relation to the Group's economic performance and financial position. This accounting standard requires a description of the objectives, policies and procedures implemented by the Management for the different types of financial risk (liquidity, market and credit), to which the Group is exposed (foreign exchange, interest rate, bunker).
The Group operates in the trade of commodities that is impacted by various elements that can, in turn, affect the Group's economic, equity and financial performance. These factors are managed through hedges or corporate policies aimed at mitigating any impacts of such elements on corporate results. The Group is exposed to the following financial risks in going about its business:

- liquidity risk, with reference to the availability of financial resources and access to the credit market;
- market risk (including the foreign exchange risk, interest rate risk and price risk);
- credit risk, relating to above all commercial relations.

Please note that the risks mentioned above are constantly monitored, taking action with a view to dealing with and limiting the potential negative effects through the use of appropriate policies and, in general, where deemed necessary, also through specific hedges. This section provides qualitative and quantitative information of reference on the incidence of such risks on the Group. The quantitative data presented below are not predictions and cannot reflect the complexity and the related reactions of markets that could derive from each hypothetical change.

Liquidity risk
The Group manages liquidity risk with a view to ensuring the presence, on a consolidated level, of a liability structure that matches the composition of financial statement assets, in order to maintain a solid level of capital. Credit facilities, even if negotiated on a Group level, are granted for individual companies. The Group has also financed its investments with medium/long-term credit facilities that guarantee a liquidity position that is adequate for its core business. There is plenty of opportunity to use short-term trade credit facilities if trade working capital is needed in connection with organic growth and development.
Please also note that the Group operates in a sector that is relatively protected in terms of liquidity, insofar as there is a specific European regulation (Art. 62 of Decree Law 1/2012), which requires payments of perishable assets to be made within 30 days of the end of the month in which said assets are invoiced. This means that collection and payment terms are relatively short, precisely due to the type of assets marketed. If we then also add the fact that inventories have very rapid stock rotation times and, in any case, an average of 1 or 2 weeks, we can see that the working capital cycle is virtuous and does not entail any liquidity risk in normal market operations. In addition, in June the Group activated a policy with a leading bank for an even better and more flexible management of its working capital.

The table below offers an analysis of deadlines, based on contractual obligations for reimbursement, relative to financial, trade, tax and other payables in place as at June 30, 2021.

Thousands of euro	Balance at June 30, 2021	Within 1 year	1-5 years	Over 5 years
Bond payables	**30,000**	-	15,000	15,000
Medium- to long- term bank loans (Non-current/Current)	**56,267**	18,411	32,827	5,029
Other lenders (Non-current/Current)	**2,516**	1,006	1,510	-
Other lenders (Non-current/Current) ex IFRS 16	**28,477**	6,234	11,861	10,381
Non current liabilities for derivative (Non-current/Current)	**389**	-	389	-
Bank overdrafts	**16,301**	16,301	-	-
Other current lenders short term	**3,129**	3,129	-	-
Payables for price balance on acquisitions (Non-current/Current)	**718**	718	-	-
Other non current liabilities	**957**	-	957	-
Trade payables	**124,661**	124,661	-	-
Current tax liabilities	**4,678**	4,678	-	-
Other current liabilities	**18,436**	18,436	-	-
Non-current/current liabilities at 30.06.2021	**286,529**	**193,574**	**62,544**	**30,411**

It is reported that all amounts indicated in the table above represent values determined with reference to the residual contract end dates. The Group expects to cope with these commitments using cash flow from operations.

Foreign exchange risk

The Group operates, particularly in the Import & Distribution sector, purchasing part of the goods in US dollars and then importing them and selling in euros on the South European markets. On the other hand, in the Shipping Sector, revenues in US dollars are higher than costs incurred in euros, thus limiting in part the Group's currency balance, which is in any event naturally exposed to the US dollar. With reference to this element, the Group has decided to adopt hedges, with the forward purchase of dollars, relating to part of sales the price of which in euros is already defined, while for the remainder it has chosen not to adopt any hedges insofar as the sale prices in euros are defined every day or every week with customers, and this significantly dilutes any effects deriving from the fluctuation of exchange rates and helps to maintain flexibility, a fundamental element in the fruit and vegetable marketing sector. The Group, for sales whose price has not been defined, believes that this operating procedure is consistent with the commercial dynamics of the sector and the most appropriate to minimize the impact of fluctuations in the EUR/USD exchange rate.

Interest rate risk

The Group helps finance its medium/long-term investments and working capital through use of credit instruments. The Group mainly uses medium/long-term credit facilities in euros, part of which at fixed rate and part at variable rate; suitable partial IRS plain vanilla hedges have been activated on the main ones (2018-2024 pool loan for an original figure of Euro 60 million and 2020-2029 pool loan originally for Euro 15 million), with a view to mitigating the risk of fluctuation of the reference rates (Euribor) over time; instead, in the case of the only debenture loan issued, the option was chosen for an entirely fixed rate structure. As at June 30, 2021, the hedges adopted by the Group for the risk in changes to interest rates hedge approximately 68% of medium and long-term variable rate bank loans, thereby meaning that approximately 82% of the Group's entire medium/long-term bond and bank debt is at fixed rate. It is stressed that, in the Group's opinion, such choices are today very prudent, also in view of the expected medium-term evolution of reference rates in Europe.

Please note that at June 30, 2021, two hedging contracts are in place, stipulated by the Parent Company with two banks in accordance with the Pool Loan Agreement originally for Euro 60 million, which contain a cross default clause that entitles the related bank to terminate and/or withdraw from (as applicable) the related hedging contract, in the event of significant default by subsidiaries, parents and/or joint ventures, with the concept of control regulated by the possession of the majority of votes.

Sensitivity analysis on interest rates

In the first half of 2021, the Group's net financial position decreased from Euro 103,311 to Euro 91,433 thousand, of which the component recognized according to IFRS 16 is Euro 28,477 thousand. Below is the ratio of debt to equity as at June 30, 2021 and December 31, 2020. Please note that the financial covenants existing on the bond and pool loans must be counted, as envisaged by the related contracts, on a net financial position that excludes the application of the new standard IFRS 16 for the entire term of said loans.

Thousands of euro	30.06.2021	31.12.2020
Net financial debt	91,433	103,311
Total shareholders'equity	166,303	160,111
Ratio	**0.55**	**0.65**
Main indicators without IFRS 16 effect		
Net financial debt	62,956	74,437
Total shareholders'equity	166,982	160,669
Ratio	**0.38**	**0.46**

The table below shows the incidence during the period of fixed-rate debt or variable-rate debt hedged by IRSs. The incidence of said debt on total "onerous" debt is also indicated, thereby meaning not only bank debt and the debenture loan but also: (i) short-term bank debt; (ii) finance lease payables; and (iii) factoring, all essentially variable rate. Gross financial debt as shown in the balance sheet does not include "non-interest bearing" payables such as mark-to-market positions on derivatives, price quotas to be paid on acquisitions made and payables associated with the application of the new IFRS 16 standard and, with reference to June 30, 2021, the liability of Euro 3,000 thousand, eliminated on July 13 at the time of the sale of the Milan warehouse.

Thousands of euro	30.06.2021	31.12.2020
Total medium- to long- term bank/bond loans (A)	**83,267**	**93,448**
of which fixed rate	68,255	73,092
Percentage - fixed rate	82.0%	78.2%
of which floating rate	15,013	20,356
Percentage - floating rate	18.0%	21.8%
Total other onerous debt (B)	**22,856**	**17,776**
Total onerous debt (A+B)	**106,123**	**111,224**
Percentage - fixed rate	64.3%	65.7%
Percentage - floating rate	35.7%	34.3%

As at June 30, 2021, 82% of the value of medium/long-term debt was hedged. Please note that this hedging is effective against interest rate rises but clearly does not cancel out the effect of any spread variations, envisaged contractually if the ratio between Net Financial Position and Adjusted EBITDA should take a turn for the worse. At the same time, variable-rate debt as a proportion of total medium-term bank debt and bonds fell to 18%, while variable-rate debt as a proportion of total interest-bearing debt, which in this context does not take into account available liquid funds, was around 36%. If there should be an increase on the market in reference rates, the Group should not suffer any particularly serious impacts as compared with the present situation.

Thousands of euro	30.06.2021	31.12.2020	30.06.2020
Evolution of financial charges			
- on fixed rate bond/bank loans	(595)	(1,165)	(561)
- on fixed rate bank loans through derivative	(362)	(839)	(403)
- on floating rate bank loans	(124)	(317)	(212)
- on bank overdrafts and other financial liabilities	(229)	(508)	(240)
- amortizing interests	(120)	(207)	(90)
Total	**(1,430)**	**(3,036)**	**(1,506)**

Below is the sensitivity analysis on the effect of a greater value of interest rates on variable rate, medium-term bank debt. This table shows, in relation to the interest linked to medium/long-term bank loans, the greater expenses that would be incurred, in the reference period, if interest rates should rise between 25 and 100 basis points:

Thousands of euro	30.06.2021	31.12.2020
actual expense on floating rate bank loans	(124)	(317)
+ 25 bp	(24)	(58)
+ 50 bp	(49)	(115)
+ 75 bp	(73)	(173)
+ 100 bp	(97)	(231)

Price volatility risk of fruit and vegetable products

Operating in a sector of agricultural commodities, which by nature are exposed to the variability of the quantities produced as a result of exogenous factors such as, for example, weather and environmental events beyond the control of the industry operators, the Group manages two types of risk connected with agricultural production: procurement and purchase prices. The first element is the most sensitive and, therefore, the Group diversifies its product portfolio as much as possible, through the number of items marketed, the supplier base and the country of origin. In thus doing, the concentration of the risk of product shortages for individual items and supplies is mitigated and the product portfolio is balanced with respect to any production shortages of specific items and/or origins. The second situation regards the variation of prices of products purchased, which is handled through the pricing policy of products on sale. The two dimensions are, in fact, closely linked insofar as the daily or weekly definition of prices of sale allows for the adjustment of any price changes during procurement, up or down. Volatility is also handled by the Group using the methods whereby relations are regulated with suppliers, in whose regard operations very often take place with commission account or sales account schemes. In short, the price paid to the supplier for the products purchased is defined according to the price of the product sold; this situation effectively considerably dilutes the price volatility risk on the fruit and vegetable products acquired.

Price volatility risk of fuels for owned ships

The bunker (fuel) used for the owned ships is the main commodity subject to pricing volatility, to which the Group - and more specifically the Shipping Sector - is exposed, with consequent potential fallout (negative or positive) on the Group's economic results. In order to counter these effects, the Group typically uses two hedging instruments: the first is contractual, applying the "BAF" ("Bunker Adjustment Factor") clause to contracts with customers, which modifies the value of the transport tariff upwards/downwards depending on the evolution of the price of fuel, and the second is financial, hedging through appropriate derivatives over a six-month or annual period a percentage between 30% and 40% of estimated consumption (corresponding in principle to the transport service provided to Group companies). In so doing, the fuel price evolution has a less significant impact on the Group's results and such as to be able to be kept under control.
The market context has historically seen the application of BAF clauses in refrigerated shipping and there are no suggestions that the possibility of stipulating such contracts with third party customers

should cease to apply nor that it may become difficult to find suitable financial hedges on the oil market. Below is an analysis that shows how the ship fuel price impacts the results of the Shipping Sector in the reference period.

Thousands of euro	1st Semester 2021	%	1st Semester 2020	%
Total bunker's cost	11,562	23.26%	13,436	25.48%
Net sales Shipping sector	**49,715**		**52,720**	

It should be noted that since 2020, the company has been using low-sulphur fuel (0.5 vs. the previous 3.5) in accordance with IMO 2020 regulations, with positive impacts on the environment in terms of reducing emissions.

Credit risk

The Group is exposed to credit risk, mainly deriving from commercial relations with its customers and, in particular, any delays or non-payments by such, which, should such occur, may have negative effects on the Group's economic, equity and financial position. The Group operates with a very extensive customer base comprising the large retail channel and "traditional" wholesaler and retailer customers. In consideration of the heterogeneous nature of the customer base, particularly on a European level, the Group adopts risk hedging policies through credit insurance policies with leading international companies and, in any case, through appropriate risk management practices aimed at avoiding exceeding pre-established thresholds of overdue receivables in relation to payment terms and/or amount. Such actions allow the Group to record a very negligible loss on loans in respect to total turnover and one that remains basically constant over time. Additionally, in consideration of the type of assets in which the Group is involved (primary and basic consumer goods for the western diet) and the stability of the sales channels, no changes are expected in the customer base such as to impact the current dimension of credit risk.

The table below provides a breakdown of trade receivables as at June 30, 2021, grouped by past-due, net of the provision for bad debts:

Thousands of euro	30.06.2021	not due	Overdue within 30 days	Overdue between 31 and 90 days	Overdue between 91 and 120 days	Overdue over 120 days
Gross Trade receivables	124,866	91,657	12,440	6,914	574	13,281
Provision for bad debts	(12,219)	(419)	0	(10)	(2)	(11,788)
Trade receivables	112,646	91,238	12,440	6,905	571	1,493

The high amount of the provisions for bad debts stems from the specific tax need not to derecognize receivables that are now "lost" and written-off entirely until completion of the related bankruptcy proceedings (insolvency, arrangements with creditors), as otherwise the tax deductibility of the losses, ceases.

Transactions deriving from non-recurring transactions

In accordance with the Consob Communication of July 28, 2006, it is specified that in the first half of 2021, the Group incurred costs relating to non-recurring transactions. In accordance with Consob Resolution 15519 of July 27, 2006, please note that the item "Other operating revenues/costs" includes Euro 156 thousand and Euro 797 thousand respectively of non-recurring revenues and costs; for details, please refer to Note 28 "Other operating revenues/costs" and Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".

Transactions deriving from atypical and/or unusual transactions

In compliance with the provisions of the Consob Communication of July 28, 2006, in the first half of 2021, the Group did not implement any atypical and/or unusual transactions.

Accounting standards, amendments and IFRS interpretations applied from January 1, 2021

The following IFRS accounting standards, amendments and interpretations were applied for the first time by the Group starting from January 1, 2021:

On May 18, 2017 the IASB published the standard IFRS 17 - Insurance Contracts, which is intended to replace IFRS 4 - Insurance Contracts. The goal of the new standard is to guarantee that an entity provides pertinent information that faithfully represents the rights and obligations deriving from insurance contracts issued. This standard entered into force on January 1, 2021 and, moreover, it is not applicable to the Group.

On August 27, 2020, the IASB published several amendments "Amendments to IFRS 4, IFRS 7, IFRS 9, IFRS 16, and IAS 39, IAS 37 Interest Rate Benchmark Reform - Phase 2" regarding the following accounting standards: IFRS 4 Insurance Contracts, IFRS 7 Financial Instruments Disclosures, IFRS 9 Financial Instruments, IFRS 16 Leases, IAS 39 Financial Instruments: Recognition and Measurement. With reference to the standards and interpretations detailed above, the adoption did not have any impact on the valuation of the Group's assets, liabilities, costs and revenues.

Accounting standards, IFRS and IFRIC amendments and interpretations not yet endorsed by the European Union at June 30, 2021

On January 23, 2020, the IASB published several amendments to IAS 1. The document "Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current" establishes that a liability is classified as current or non-current on the basis of the rights existing at the reporting date. Furthermore, it establishes that the classification is not impacted by the entity's expectation of exercising its rights to defer the settlement of the liability. Lastly, it is clarified that this settlement refers to the transfer to the counterparty of cash, capital instruments, other assets or services. The amendments are applicable to financial statements relating to years starting on January 1, 2023.

On May 14, 2020, the IASB published the document "Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements 2018-2020" with a view to making some specific improvements to those standards. The amendments are applicable to financial statements relating to years starting on January 1, 2022.

On February 12, 2021, the IASB published several amendments to IAS 1. The document "Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies" with the objective of providing information on relevant accounting policies rather than significant accounting policies. The amendments are applicable to financial statements relating to years starting on January 1, 2023.

On February 12, 2021, the IASB published several amendments to IAS 8. In the document "Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting

Estimates" the amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The amendments are applicable to financial statements relating to years starting on January 1, 2023.

On March 31, 2021, the IASB issued Covid-19-Related Rent Concessions beyond June 30, 2021 (Amendments to IFRS 16) extending by one year the period of application of the amendment to IFRS 16 issued in 2020, relating to the recognition of concessions granted to lessees as a result of Covid-19.

On May 6, 2021, the IASB published several amendments to IAS 12 (Income Taxes) to clarify how to account for deferred taxes on transactions such as leases and decommissioning obligations. The amendments are applicable to financial statements relating to years starting on January 1, 2023.

Any impacts that the accounting standards, amendments and interpretations that will soon be applied may have on the Group's financial reporting are currently being analyzed and assessed.

Notes - disclosures on the statement of financial position and the income statement

This chapter provides useful information to explain the most significant changes compared to the previous year in the items of the financial statements, indicating, where appropriate, any possible effects of changes in the scope of consolidation.

NOTE 1. Goodwill

Goodwill was recorded for Euro 48,245 thousand (Euro 48,426 thousand at December 31, 2020).

Thousands of euro	**Goodwill**
Carrying amount at December 31, 2020	**48,426**
Change of year:	
Investments	-
Disposal	(181)
Reclassification and impairment losses	-
Change of consolidation scope	-
Translation differences	-
Carrying amount at June 30, 2021	**48,245**

This item recorded a decrease of Euro 181 thousand as a result of the final calculation of the goodwill recorded on the Moncada Frutta acquisition in the summer of 2020.
In accordance with IAS 36, this item is not subject to amortization, but to an impairment test on annual basis, or more frequently, if specific events and circumstances occur which may indicate impairment (Impairment Testing).
As mentioned above, due to the significant drop in sales reported by the Portuguese company in the first half of the year, the Group analyzed the relative reasons and performed an impairment test to determine whether the value of the goodwill recognized for this company (Euro 1,440 thousand) was still valid.
For all the other companies, it was verified that there were no internal or external indicators of possible impairment, and consequently no need to perform impairment tests on the carrying amounts.

NOTE 2. Intangible assets other than goodwill

Thousands of euro	Intellectual property rights	Concessions, licenses and trademarks	Assets in progress and advances	Other intangible assets	Total
Carrying amount	**3,843**	**11,145**	**3,335**	**882**	**19,206**
Accumulated amortization	**(2,745)**	**(8,360)**	-	**(838)**	**(11,943)**
Carrying amount at December 31, 2020	**1,098**	**2,785**	**3,335**	**45**	**7,263**
Change of year:					
Investments	20	125	852	11	1,009
Disposal - Carrying amount	-	-	-	-	-
Disposal - accumulated amortization	-	-	-	-	-
Reclassification - carrying amount	4	-	-	-	4
Reclassification - accumulated amortization	(4)	-	-	-	(4)
Changes of consolidated companies - Carrying amount	-	-	-	-	-
Changes of consolidated companies - accumulated amortization	-	-	-	-	-
Amortization	(263)	(206)	-	(9)	(478)
Carrying amount	**3,867**	**11,270**	**4,187**	**894**	**20,218**
Accumulated amortization	**(3,011)**	**(8,566)**	-	**(847)**	**(12,425)**
Carrying amount at June 30, 2021	**856**	**2,704**	**4,187**	**47**	**7,794**

In the first half of 2021, intangible assets other than goodwill increased by Euro 531 thousand as a result of investments of Euro 1,009 thousand and amortization of Euro 478 thousand.
It should be noted that in the period in question, no changes in estimates were made in assessing the useful life of intangible assets other than goodwill or in the choice of the amortization method and no internal or external indicators of impairment of intangible assets were identified.
No intangible assets other than goodwill were reclassified as "Non-current assets held for sale".
The item Industrial patents and intellectual property rights shows costs incurred in connection with the software programs and the licenses the Group has obtained; the negative net change of Euro 242 thousand refers to amortization of Euro 263 thousand against investments of Euro 20 thousand.
The item Concessions, licenses and trademarks essentially reflects the amount paid as concession for the exercise of commercial activities (warehouses and points of sale) located within general markets, amortized based on the duration of the concession, as well as the costs of using licensed software programs, amortized on average over a three-year period, and commercial trademarks, amortized over 10 years. The decrease by Euro 81 thousand reflects amortization of Euro 206 thousand, partially offset by investments of Euro 125 thousand.
The item Assets in progress and advances reflects the investments made during the year and not yet operational at the reporting date, essentially referring to the implementation and engineering of the new integrated ERP system meant to replace the current system in order to better meet the Group's ever-growing needs.
Other intangible assets is a residual category that includes expenses incurred for the development of internal programs, amortized according to the respective periods of use.

NOTE 3. Property, plant and equipment

Thousands of euro	Lands and buildings	Plantations	Plant and machinery	Industrial and comm. equipment	Other tangible assets	Assets in progress and advance	Total
Carrying amount	**123,093**	**2,227**	**276,840**	**13,333**	**23,095**	**848**	**439,435**
Accumulated depreciation	**(42,199)**	**(598)**	**(207,404)**	**(6,009)**	**(16,643)**	**-**	**(272,853)**
Balance at December 31, 2020	**80,894**	**1,629**	**69,437**	**7,324**	**6,451**	**848**	**166,582**
Change of year:							
Investments	4,361	-	1,738	684	1,641	1,104	9,528
Disposal - Carrying amount	(3,721)	-	(2,631)	(537)	(747)	-	(7,636)
Disposal - accumulated depreciation	516	-	2,499	537	537	-	4,088
Reclassification - carrying amount	22	2	257	-	4	(284)	-
Reclassification - accumulated depreciation	-	-	-	-	-	-	-
Changes of consolidated companies - Carrying amount	-	-	-	-	-	-	-
Changes of consolidated companies - accumulated depreciation	-	-	-	-	-	-	-
Translation differences - carrying amount	47	4	114	2	12	-	179
Translation differences - accumulated depreciation	(21)	(3)	(48)	(1)	(8)	-	(82)
Depreciation	(2,971)	(94)	(6,317)	(1,394)	(1,103)	-	(11,880)
Carrying amount	**123,802**	**2,232**	**276,317**	**13,481**	**24,005**	**1,668**	**441,506**
Accumulated depreciation	**(44,676)**	**(694)**	**(211,271)**	**(6,868)**	**(17,218)**	**-**	**(280,727)**
Balance at June 30, 2021	**79,126**	**1,538**	**65,047**	**6,613**	**6,787**	**1,668**	**160,779**

At June 30, 2021, property, plant and equipment totaled Euro 160,779 thousand, down by Euro 5,803 thousand compared to the balance as at December 31, 2020 as a result of:

- investments of Euro 9,528 thousand, broken down as follows: "Import & Distribution" for Euro 8,397 thousand (of which Euro 2,185 thousand for rights of use), "Shipping" for Euro 707 thousand (of which Euro 636 thousand for rights of use), "Services" for Euro 424 thousand (of which Euro 261 thousand for rights of use);
- depreciation for the period, Euro 11,880 thousand;
- disposals of assets for a net amount of Euro 3,548 thousand, of which Euro 2,661 thousand represented the cost value of the Milan warehouse reclassified as a non-current asset held for sale, Euro 486 thousand related to the sale of a plot of land in Sicily owned by one of the Tuscan companies of the Group, and Euro 140 thousand for the early termination of lease and rental contracts subject to IFRS 16.
- increase due to the net exchange rate effect of Euro 97 thousand, for the most part referring to the assets of the Mexico-based companies following the revaluation the Mexican Peso which went from 24.416 Pesos/Euro at December 31, 2020 to 23.578 Pesos/Euro as at June 30, 2021.

Land and buildings

The movement for the period shows an overall net decrease of Euro 1,768 due to the amount for disposals (the above-mentioned sale of land in Sicily and the sale, subsequently finalized on July 13, of the Milan warehouse) and depreciation which was higher than the investments made in the period. "Basic" investments for the period amounted to Euro 2,451 thousand and essentially regarded the purchase of the new warehouse located in the Canary Islands, in addition to various modernization works carried out on the Italian, French and Spanish warehouses, plus Euro 1,910

thousand for new contracts, rather than renewals and/or extensions, for the rental of warehouses and offices subject to IFRS 16.
Within this category, the value of land amounted to Euro 13,815 thousand, stated on the basis of the original sale and purchase deeds where existing or separated from the general purchase price of the building on the basis of percentages close to 20%.

Plantations
The item in question saw a decrease of Euro 91 thousand, linked to period depreciation of Euro 94 thousand.

Plant and machinery
This line item includes cold rooms, banana ripening rooms, plants for product calibration and packaging, fruit storage and packaging facilities (Import & Distribution sector) and ships (Shipping sector).
In the first half of the year, this category of assets showed a decrease of Euro 4,390 thousand due to a volume of depreciation that was much greater than the investments made, investments that mainly regarded the plants of the above-mentioned new warehouse in the Canary Islands, in addition to the normal investments made to renew the equipment in the various Group warehouses.
The significant amount of disposals shown in the table refers for the most part (Euro 2.3 million gross value disposed of, Euro 56 thousand net of the relative accumulated depreciation) to the disposal of the plants of the Milan warehouse shown under non-current assets held for sale.
Because of their significance, also in this half-year report the management tested the values of the four "Cale Rosse" vessels for impairment, without identifying any need to write down the value of such vessels due to the good business performance mentioned above.

Industrial and commercial equipment
In this segment, mainly represented by the container fleet of the Shipping Company operated under long-term leases, and therefore subject to IFRS 16, the decrease of Euro 710 thousand originates from the higher value of depreciation which, at Euro 1,394 thousand, more than offsets the investments for the period of Euro 684 thousand, of which Euro 636 thousand related to the renewal of lease contracts.

Other tangible assets
The item includes the assets owned by the Group such as furniture and furnishings, computer and electronic equipment, car fleet, etc.
The increase of Euro 335 thousand for the period reflects investments of Euro 1,641 thousand (of which Euro 536 thousand for IFRS 16 contracts), depreciation of Euro 1,103 thousand and disposals of Euro 211 thousand.

Assets in progress and advances
This account includes investments "in progress", largely represented by works and plants being completed at the new warehouse in the Canary Islands and the other Spanish warehouses.

At June 30, 2021, the Group verified that there were no internal or external indicators of possible impairment for its property, plant and equipment. Consequently, the value of Property, plant and equipment has not been subject to impairment testing.

Leasing – IFRS 16
To complement the information provided in the table above, details are provided below of changes in the amount of rights of use recognized by the Group for the first half of 2021.

Thousands of euro	Lands and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible assets	Total
Carrying amount	**26,397**	**307**	**11,092**	**2,690**	**40,486**
Accumulated depreciation	**(6,485)**	**(163)**	**(4,413)**	**(1,108)**	**(12,170)**
Balance at December 31, 2020	**19,913**	**143**	**6,679**	**1,582**	**28,317**
variations:					
Perimeter of consolidation	-	-	-	-	-
Investments	1,910	-	636	536	3,082
Disposal - Carrying amount	(513)	-	(537)	(276)	(1,326)
Disposal - accumulated depreciation	400	-	537	250	1,186
Reclassification - Carrying amount	-	-	-	-	-
Reclassification - accumulated depreciation	-	-	-	-	-
Depreciations	(1,753)	(41)	(1,332)	(334)	(3,461)
Carrying amount	**27,795**	**307**	**11,191**	**2,950**	**42,243**
Accumulated depreciation	**(7,838)**	**(204)**	**(5,209)**	**(1,193)**	**(14,445)**
Balance at June 30, 2021	**19,956**	**102**	**5,983**	**1,757**	**27,798**

At June 30, 2021, the financial liability associated with the application of IFRS 16 amounted to Euro 28,477 thousand (compared to Euro 28,875 thousand at December 31, 2020), against increases of Euro 3,082 thousand for new contracts entered into in the first half of 2021, and decreases of Euro 3,337 thousand for payments for the period and Euro 143 thousand for reductions due to the termination of lease/rental contracts.
At June 30, the current weighted average rate on contracts subject to IFRS 16 was 2.76%.
For the Group, the application of IFRS 16 has a significant impact in terms of net financial position and Adjusted EBITDA, given the existence of numerous warehouse and fruit and vegetable market point of sale concession and/or rental agreements, as well as operating leases on the reefer container fleet used by the shipping company, with an impact on Adjusted EBITDA at June 30, 2021 of Euro 3,803 thousand compared to Euro 4,093 in the first half of 2020.

NOTE 4. Investments accounted for with the equity method

Thousands of euro	Balance at 31.12.2020	Change 1st Semester 2021					Balance at 30.06.2021
		Profit/loss	Investments	Disposals	Dividends	Other Changes	
Moño Azul S.A.	2,893	118	-	-	-	102	3,113
Bonaoro S.L.U.	964	(2)	600	-	-	(4)	1,557
Fruport Tarragona S.L.	2,318	202	-	-	(707)	(2)	1,811
Total	**6,175**	**317**	**600**	**-**	**(707)**	**96**	**6,481**

Investments accounted for using the equity method amounted to a total of Euro 6,481 thousand at June 30, 2021, with a net increase of Euro 306 thousand due to the conversion into capital of a previous receivable from the associated company Bonaoro, the distribution of dividends and the positive result for the six-month period recorded overall by the companies.
No indication of impairment has been seen for these equity investments.

NOTE 5. Non-current financial assets

Thousands of euro	30.06.2021	31.12.2020	Change
Investments in other companies	1,894	734	1,160
Other non-current financial assets	4,684	4,625	59
Non-current financial assets	**6,578**	**5,359**	**1,219**

At June 30, 2021, this item includes other minor investments measured at cost approximating fair value, security deposits as well as other medium-term receivables from third parties and associates. On April 12, 2021, an 8% stake was acquired in the distribution company Tirrenofruit S.r.l. for a value of Euro 1,160 thousand with a view to strengthening the strategic positioning with respect to Italian national products in the large retail channel.
Substantially unchanged, on the other hand, is the value of other financial assets, mainly represented by the receivable related to the disposal of the Argentine assets carried out in 2018, the payment installments of which are due in the 2nd half of the year, and the loan to the Tunisian associate.
Please refer to Note 36 for further details on changes in transactions with associates.

NOTE 6. Deferred tax assets

Thousands of euro	30.06.2021	31.12.2020	Change
Deferred tax assets	**8,437**	**8,999**	**(562)**

Deferred tax assets at June 30, 2021, equal to Euro 8,437 thousand, consist of the items shown in the table below, while as concerns the breakdown and the changes in that item, please refer to the table below and Note 31 "Income Taxes".

Thousands of Euro	30.06.2021	31.12.2020
Previous tax losses	4,767	4,991
Effect IAS 19	931	931
Depreciation/Goodwill/trademarks	789	763
Reductions in value and provisions	1,146	1,118
Financial derivatives	93	359
Others	709	836
Deferred tax assets	**8,437**	**8,999**

NOTE 7. Inventories

Thousands of euro	30.06.2021	31.12.2020	Change
Raw materials, supplies and consumables	10,395	9,535	860
Biological Assets	1,503	61	1,442
Finished products and goods for resale	34,697	25,734	8,963
Inventories	**46,596**	**35,331**	**11,265**

At June 30, 2021, the value of inventories increased by Euro 11,265 thousand compared to December 31, typically due to seasonality. The increase was also caused by the measurement of the biological asset, represented by the Mexican company's production of avocados, still on the plant but now mature and ready for the sales campaign which typically takes place in the second half of the year.

NOTE 8. Trade receivables

Thousands of euro	30.06.2021	31.12.2020	Change
Trade receivables from third parties	124,180	125,412	(1,232)
Receivables from subsidiaries and associates of the Group not fully consolidated	243	1,904	(1,662)
Receivables from related parties	443	295	147
Provision for bad debts	(12,219)	(12,132)	(87)
Trade receivables	**112,646**	**115,479**	**(2,833)**

All trade receivables are due within one year and derive from normal sales conditions. It should be noted that receivables are shown net of the provision for write-downs allocated over the years to cover bad or doubtful debts that are still in the financial statements pending the conclusion of the related bankruptcy proceedings or out-of-court settlement attempts. There are no receivables due beyond five years. It is believed that the provision for bad debts is appropriate to cope with the risk of potential non-collection of past due receivables.
At June 30, 2021, "Trade receivables" decreased by Euro 2,833 thousand due to improved management of working capital made possible by the above-mentioned activation of the working capital management transaction.
The balance of receivables due from related and associated Group companies mainly refers to normal trade receivables; an analysis of the positions is given in Note 36 on related parties.
The change in the provision for bad debts is reported below, which the Group prepares based on a realistic view of the actual recoverability of the individual receivables, as governed by IFRS 9 “Expected losses” and which is also inclusive of an amount of Euro 50 thousand relating to the more generic risk of non-collection of all financial assets posted to the financial statements.

Thousands of euro	Provision for bad debts
Balance at December 31, 2020	**(12,132)**
Change of year	
Accruals	(266)
Utilizations	179
Change of consolidation scope	-
Others	-
Balance at June 30, 2021	**(12,219)**

The following is the breakdown of the receivables by geographical area:

Thousands of euro	30.06.2021	31.12.2020	Change
Italy	58,572	54,475	4,097
EU countries	50,717	57,834	(7,118)
Non-Eu countries	3,358	3,170	188
Trade receivables	**112,646**	**115,479**	**(2,833)**

NOTE 9. Current tax assets

Thousands of euro	30.06.2021	31.12.2020	Change
For value added tax	11,777	9,616	2,161
For income tax	2,963	2,639	323
Current tax assets	**14,740**	**12,256**	**2,485**

At June 30, 2021, tax assets showed an overall increase of Euro 2,485 thousand, due to the higher value of the VAT credit and tax advances paid.

NOTE 10. Other receivables and other current assets

Thousands of euro	30.06.2021	31.12.2020	Change
Advances to suppliers	5,764	4,348	1,416
Other receivables	4,078	5,709	(1,631)
Accruals and pre-payments	2,443	2,330	113
Current financial assets	879	237	642
Other receivables and other current assets	**13,164**	**12,625**	**539**

At June 30, 2021, this item showed an overall increase of Euro 539 thousand due to the increase in advances to suppliers of Euro 1,416 thousand and in accruals and deferrals of Euro 113 thousand, which offset the decrease in other receivables.
The change in current financial assets derives from the higher positive value of the mark-to-market on the hedges activated by the Group on purchases of US dollars and bunker (fuel) for ships.
As already noted in previous reports starting from the 2017 financial statements, the balance of "Other receivables" was not affected by the receivable from the related party, Argentina S.r.l., for Euro 8,000 thousand, as it has been entirely written off (Note 36).
The item "Accrued and deferred assets" refers to the normal allocations for the recognition and proper allocation of costs related to the following year, typically insurance expenses, leases, and interest.

NOTE 11. Cash and cash equivalents

Thousands of euro	30.06.2021	31.12.2020	Change
Cash and cash equivalents	**45,485**	**40,489**	**4,996**

The balance reflects the current account balances of Group companies. The change in the item can be analyzed in detail in the cash flow statement.

NOTE 12. Non-current assets held for sale

Thousands of euro	30.06.2021	31.12.2020	Change
Non-current assets held for sale	**2,661**	**-**	**2,661**

This item shows at cost the value of the Milan warehouse (land, building and relative installed plant and equipment) sold on July 13, 2021 at a price of Euro 4.2 million, the economic (capital gain) and financial results of which will be reflected in the accounts at September 30, 2021.

NOTE 13. Shareholders' equity attributable to the shareholders of the parent company

The share capital at June 30, 2021, fully paid in, consisted of 17,682,500 shares without par value for a value of Euro 69,163,340; there are no preference shares. Holders of ordinary shares have the right to receive the dividends as they are resolved and, for each share held, have a vote to be cast in the Company's shareholders' meeting.

Shareholders' equity at June 30, 2021 increased compared to December 31, 2020, mainly as a result of the profit attributable to the shareholders of the parent company in the first half of 2021, which more than offset the payment of the dividend of Euro 0.20 per share approved by the Shareholders' Meeting on April 29.
At June 30, 2021, Orsero held 152,514 treasury shares, equal to 0.86% of the share capital, for a value of Euro 942 thousand, shown as a direct decrease in shareholders' equity. As at June 30, 2021, the Group does not hold, directly or indirectly, shares in parent companies and it did not acquire or sell shares in parent companies during the year.
The share premium reserve comes to Euro 77,438 thousand at June 30, 2021, whilst the legal reserve is Euro 647 thousand.
The reserve for exchange rate differences on conversion incorporates all the foreign exchange differences deriving from the conversion of the financial statements of foreign operations.
It should be noted that the cash flow hedging reserve of Euro 485 thousand (positive) shows the value at June 30, 2021 of the mark-to-market of derivatives, net of the tax effect as indicated in the statement of comprehensive income, on bunker for Euro 637 thousand (positive fair value), on USD exchange rates for Euro 144 thousand (positive) and on interest rates for Euro 296 thousand (negative), all accounted for using the cash flow hedging method.
The reserve from the revaluation of defined-benefit plans, established in compliance with the application of IAS 19, has not changed compared to December 31, 2020.
The Shareholders' Meeting of April 29, 2021 resolved to allocate the profit for the year of Euro 5,012,498 as proposed by the Board of Directors and in particular to distribute an ordinary monetary dividend of Euro 0.20 per share, gross of withholding taxes, for each existing share entitled to receive a dividend, thus excluding from the calculation 152,514 treasury shares held by the company, for a total dividend of Euro 3,506 thousand. The ex-dividend date was May 10, 2021, the record date was May 11 and payments began on May 12, 2021.
The consolidated statement of changes in shareholders' equity, included in the consolidated financial statements to which reference is made, illustrates the changes between December 31, 2019 and June 30, 2020 and between December 31, 2020 and June 30, 2021, of the individual reserve items.
The following is a reconciliation as at June 30, 2021 between the Parent Company's equity and equity attributable to the shareholders of the parent company and between the Parent Company's profit for the period and profit for the period attributable to the shareholders of the parent company.

Thousands of euro	**Share capital and reserves 30.06.2021**	**Profit/loss at 30.06.2021**	**Shareholders' equity at 30.06.2021**
Orsero S.p.A. (Parent company)	**144,194**	**(2,108)**	**142,087**
The difference between the carrying amount and the corresponding equity	(42,216)		(42,216)
Pro-quota gains/losses achieved by subsidiaries		13,350	13,350
Pro-quota recognition of associated companies consolidated using the equity method	(799)	317	(481)
Dividends distributed by consolidated companies to the Parent company	3,464	(3,464)	-
Consolidation differences	47,355	-	47,355
Elimination of capital gain and/or other transactions carried out by subsidiaries	5,656	(92)	5,564
Total Group equity and net profit attributable to Parent company	**157,654**	**8,004**	**165,658**
Minority interests and net profit attributable to non controlling interests	439	205	645
Total shareholders' equity and profit/loss	**158,093**	**8,209**	**166,303**

NOTE 14. Non-controlling interests

The change in the item Minority interests is due to the applicable profit for the period. Minority interests in the capital of consolidated companies are now limited, as shown in the table below.

Companies consolidated (figures in thousands of euro)	% non-controlling interests	Capital and reserves	Profit/(Loss)	Non-controlling interests
Productores Aguacate Jalisco S.A.C.V.	30.00%	435	205	641
Kiwisol LDA	0.25%	4	-	4

NOTE 15. Financial liabilities

The financial liabilities disclosure provided below is combined, including both the non-current and current portion, in order to make it more immediately understandable.

Thousands of euro	30.06.2021	31.12.2020	Change
Bond payables (over 12 months)	30,000	30,000	-
Non-current medium term bank loans (over 12 months)	37,856	47,663	(9,807)
Non-current other lenders (over 12 months)	1,510	1,828	(319)
Non-current other lenders (over 12 months) ex IFRS 16	22,243	22,445	(202)
Non-current liabilities for derivative (over 12 months)	389	636	(246)
Non-current payables for price balance on acquisitions (over 12 months)	-	775	(775)
Non - current financial liabilities	**91,998**	**103,347**	**(11,349)**
Bond payables (current)	-	-	-
Current medium term bank loans *	18,411	15,785	2,625
Bank overdrafts	16,301	13,829	2,472
Current other lenders	1,006	1,061	(55)
Current other lenders ex IFRS 16	6,234	6,430	(196)
Other current lenders short term	3,129	1,057	2,072
Current liabilities for the derivatives	-	861	(861)
Current payables for price balance on acquisitions	718	1,666	(948)
Current financial liabilities	**45,799**	**40,689**	**5,109**

** comprehensive of euro 3 million reimbursed on the sale of the Milan warehouse, posted in the item "liabilities directly related to non-current assets held for sale"*

The change in the first half of 2021 by a total of Euro 5,330 thousand (between non-current and current) reflects the main components mostly related to medium-term loans as detailed below:

- the payment by the Parent Company of the June 30 installment of Euro 5,455 thousand on the pool loan, along with Euro 70 thousand accounted for as implicit interest deriving from the recognition of the item with the amortized cost method. Please recall that at June 30, a hedge is in place on 74% of that loan against interest rate fluctuations, for which the mark to market value is a negative Euro 294 thousand. This loan is subject to respect for financial covenants, verified on an annual basis;
- the payment of Euro 555 thousand in interest on the debenture loan of Euro 30,000 thousand (recall that the first principal installment will be due in October 2023). Please also note that the debenture loan calls for compliance with the financial covenants, such as the ratio between the net financial position and Adjusted EBITDA and the net financial position and shareholders' equity at the reporting date; as at this date, full compliance was noted;

- the regular repayment by the company Fruttital of maturing loan installments of Euro 1,384 thousand. Please note that at June 30, a hedge is in place on 65% of the pool loan originally for Euro 15,000 thousand against interest rate fluctuations, for which the mark to market value is a negative Euro 95 thousand. This loan is subject to respect for financial covenants, verified on an annual basis;
- for Az France S.A.S., the regular repayment of loan installments falling due for a total of Euro 386 thousand;
- the payment by Thor (ex GFB) S.r.l. of the amounts due for maturing loan installments of Euro 20 thousand;
- a new loan taken out by Hermanos Fernández López S.A. for Euro 1,000 thousand against the repayment of outstanding loans at maturity for a total of Euro 616 thousand;
- the repayments at maturity by Cosiarma S.p.A. of loan installments for Euro 244 thousand;
- the regular repayment by Moncada Frutta of the installments due for Euro 64 thousand;
- the regular repayment of the installments due for the Mexican company Comercializadora de Frutas for Euro 115 thousand;
- new finance leases taken out by Hermanos Fernández López S.A. amounting to Euro 223 thousand against payments on finance leases outstanding totaling Euro 517 thousand;
- the repayment of the installments set forth in the lease agreement ex Fruttital Cagliari for Euro 35 thousand;
- the payment of finance leases for the company Eurofrutas for Euro 42 thousand;
- within the item other financial payables, the IFRS 16 component is equal respectively to Euro 28,477 thousand, of which Euro 3,082 thousand due to new contracts entered into in the first half of 2021, payments in the reference period for Euro 3,337 thousand and write-offs following the early termination of contracts for Euro 143 thousand;
- between December 31, 2020 and June 30, 2021, there was a clear improvement in the mark-to-market value of derivatives, which went from a negative value of Euro 1,279 thousand to a positive one of Euro 469 thousand, of which Euro 389 thousand negative on interest rate hedges, Euro 669 thousand positive on bunker and Euro 189 thousand positive on US dollar exchange rates.
- the regular payment of the amounts due on acquisitions: Euro 1,000 thousand for the acquisition of the Fruttica Group, Euro 300 thousand for Sevimpor, Euro 243 thousand for Galandi. Following the final calculations made on the acquisition of Moncada Frutta, which led to a reduction of Euro 181 thousand in the value of goodwill originally calculated, the price to be paid was accordingly reduced from Euro 499 to Euro 318 thousand.

Please note that the following loans have change of control clauses:

- Orsero debenture loan for an original Euro 30 million, falling due in 2028;
- Orsero pool loan for an original Euro 60 million, falling due in 2024;
- Fruttital pool mortgage loan for an original Euro 15 million, falling due in 2029;
- La Caixa loan in Fruttital for an original Euro 2.6 million, falling due in 2023;
- Banque Populaire loans in AZ France for an original total of Euro 1.3 million, falling due in 2023 and 2024;
- Credit Lyonnais loans in AZ France for an original total of Euro 1.8 million, falling due in 2022 and 2023;
- Credit Lyonnais mortgage loan in AZ France for an original Euro 1.65 million, falling due in 2029;
- La Caixa loan in Hermanos Fernández López originally for Euro 0.5 million, falling due in 2024;
- Comercializadora de Frutas mortgage loans for an original total of USD 1.5 million, falling due in April and August 2022.

The schedule of medium-term debt to banks and other lenders at December 31, 2020 and June 30, 2021 is detailed in the following table, organized in two columns (due by June 30, 2022 and due beyond June 30, 2022, the latter in turn broken down by amounts due by June 30, 2026 and amount due after said date) to provide a better comparison with the previous table.

Thousands of euro	Total	30.06.22	> 30.06.22		30.06.22-30.06.26	> 30.06.26
Bond payables (Non-current/current)	30,000	-	30,000	broken down	15,000	15,000
Medium term bank loans (Non - current/ current)	56,267	18,411	37,856		32,827	5,029
Other lenders (Non - current/ current)	2,516	1,006	1,510		1,510	-
Other lenders (Non - current/ current) ex IFRS 16	28,477	6,234	22,243		11,861	10,381
Liabilities for the derivatives (Non-current/current)	389	-	389		389	-
Bank overdrafts	16,301	16,301	-		-	-
Other current lenders short term	3,129	3,129	-		-	-
Payables for price balance on acquisitions (Non-current/current)	718	718	-		-	-
Non-current/current financial liabilities at 30.06.2021	**137,797**	**45,799**	**91,998**		**61,587**	**30,411**

Thousands of euro	Total	2021	> 31.12.21		2022-2025	> 31.12.25
Bond payables (Non-current/current)	30,000	-	30,000	broken down	15,000	15,000
Medium term bank loans (Non - current/ current)	63,448	15,785	47,663		40,404	7,259
Other lenders (Non - current/ current)	2,890	1,061	1,828		1,828	-
Other lenders (Non - current/ current) ex IFRS 16	28,875	6,430	22,445		11,822	10,622
Liabilities for the derivatives (Non-current/current)	1,496	861	636		636	-
Bank overdrafts	13,829	13,829	-		-	-
Other current lenders short term	1,057	1,057	-		-	-
Payables for price balance on acquisitions (Non-current/current)	2,442	1,666	775		775	-
Non-current/current financial liabilities at 31.12.2020	**144,037**	**40,689**	**103,347**		**70,465**	**32,882**

At June 30, 2021, the following are in place: (i) a hedge on part of bunker consumption of the ship-owning company, the mark-to-market of which at the reporting date is positive and equal to Euro 669 thousand; (ii) a hedge on interest rates on the pool loan of Euro 60 million, the mark-to-market of which is negative and equal to Euro 294 thousand at the reporting date and another hedge on interest rates on the pool loan of Euro 15,000 thousand, taken out by Fruttital S.r.l., the mark-to-market of which at the reporting date is negative and equal to Euro 95 thousand; (iii) a hedge on purchases in USD, the mark-to-market of which is positive and equal to Euro 189 thousand.

Please note that in view of the loans granted, as at June 30, 2021, mortgages were posted on corporate assets, as follows:
Fruttital S.r.l.: mortgage on four (after July 13, three) former NBI warehouses acquired in January 2020 for an amount equal to the residual value of the loan;
AZ France S.A.S.: mortgage on the property in the favor of Credit Lyonnais for an amount equal to the residual loan value;
Thor S.r.l. (formerly GFB S.r.l.): mortgage on the property in favor of Banca Carige S.p.A. for an amount of Euro 631 thousand, equal to twice the residual debt.
Comercializadora de Frutas Acapulco: mortgage on the land and building and pledge on specific plants acquired in connection with the loan, for a total of USD 1,500 thousand in the favor of Banamex, and mortgage on land and building relative to the credit facilities on a Banamex revolving mortgage current account, for USD 1,600 thousand.

Please note that some loan contracts and the debenture loan envisage compliance with financial and equity covenants, summarized in the table below. In the majority of cases, a verification of respect for the covenants is required at the annual reporting date. Please note that the financial covenants existing on the bond and pool loan must be counted, as envisaged by the related contracts, on a net financial position that excludes the application of the new standard IFRS 16 for the entire term of said loans. The debenture loan also calls for respect for the financial parameters at June 30; the latter, at June 30, 2021, were respected in full.

Thousands of euro	Duration	Period	Parameter	Limit	Respected
Bond payables 30 M€ - Parent company	2018-2028	Annually/ Half-yearly	Net financial position / Total Shareholders' Equity	<1,25	yes
Bond payables 30 M€ - Parent company	2018-2028	Annually/ Half-yearly	Net Financial Position / Adjusted Ebitda	<3/4*	yes
Bond payables 30 M€ - Parent company	2018-2028	Annually/ Half-yearly	Adjusted Ebitda/ Net financial expenses	>5	yes
Pool loan 60 M€ - Parent company	2018-2024	Annually	Net financial position / Total Shareholders' Equity	<1,5	yes
Pool loan 60 M€ - Parent company	2018-2024	Annually	Net Financial Position / Adjusted Ebitda	<3,0	yes
Medium term loan 15 M€ - Fruttital	2020-2029	Annually	Net financial position / Total Shareholders' Equity	<1,5	yes
Medium term loan 15 M€ - Fruttital	2020-2029	Annually	Net Financial Position / Adjusted Ebitda	<3,0	yes
Medium term loan Banamex 1,5 M$ - Comercializadora de Frutas	2020-2022	Annually	Net financial position / Total Shareholders' Equity	>5	yes
Medium term loan Banamex 1,5 M$ - Comercializadora de Frutas	2020-2022	Annually	Net Financial Position / Adjusted Ebitda	<2	yes
Medium term loan Banamex 1,5 M$ - Comercializadora de Frutas	2020-2022	Annually	Current assets/ Current liabilities	>1,2	yes

* The first parameter must be respected in the annual verification and the second on a half-yearly basis

In accordance with the new guidelines prepared by ESMA, published in the note dated March 4, 2021, and adopted by CONSOB in warning notice no. 5/21 dated April 29, 2021, the table below shows the Net Financial Position, also "Total Financial Indebtedness", of the Group as at June 30, 2021, compared with December 31, 2020.

	Thousands of euro	30.06.2021	31.12.2020
A	Cash	45,485	40,489
B	Cash equivalents	21	20
C	Other current financial assets	858	217
D	**Liquidity (A + B + C)**	**46,364**	**40,725**
E	Current financial debt (included debt instruments, but excluding current portion of non-current financial debt)	(20,148)	(16,552)
F	Current portion of non-current financial debt *	(25,651)	(23,277)
G	**Current financial indebtedness (E + F)**	**(45,799)**	**(39,829)**
H	**Net current financial indebtedness (G - D)**	**565**	**896**
I	Non-current financial debt (excluding current portion and debt instruments) **	(61,998)	(73,432)
J	debt instruments	(30,000)	(30,000)
K	Non-current trade and other payables	-	(776)
L	**Non-current financial indebtedness (I + J + K)**	**(91,998)**	**(104,208)**
M	**Total financial indebtedness (H + L)**	**(91,433)**	**(103,311)**

* including respectively euro 6,234 and 6,430 from lease contracts ex IFRS 16 as of 30-06.2021 and 31.12.2020

** including respectively euro 22,243 and 22,445 from lease contracts ex IFRS 16 as of 30-06.2021 and 31.12.2020

The separate, specific indication of the debt component linked to the application of IFRS 16 serves to represent the measurement of the Net Financial Position "prior to IFRS 16" at the reporting date, which amounted to Euro 62,956 thousand (equal to Euro 91,433 thousand minus Euro 6,234 thousand short-term minus Euro 22,243 thousand medium/long-term) and 74,437 thousand (equal to Euro 103,311 thousand minus Euro 6,430 thousand short-term minus Euro 22,445 thousand

medium/long-term), respectively, used in calculating the covenants on long-term bank and bond loan agreements.
For the sake of clarity, it should be noted that the "other current financial assets" component only shows the positive mark-to-market value of hedging derivatives, while the negative value is shown under item "F" and/or "I" according to the relevant maturities. Medium/long-term payables for bank loans and leases are shown in categories "F" and "I" according to their maturity dates, while payables for residual amounts to be paid on acquisitions are included in categories "E" and "K". There are no trade payables and/or other overdue payables that fall into the financial classification set forth by ESMA.
Lastly, it should be noted that the item "Current portion of non-current financial debt" at June 30, 2021 includes the payable of Euro 3 million, shown in the financial statements under "Liabilities directly related to non-current assets held for sale", for the early repayment made on July 13 as a result of the sale of the Milan warehouse.

The table below shows the change in liquidity for the period in relation to cash flows generated by operating, investing and financing activities as detailed in the cash flow statement.

Thousands of euro	**30.06.2021**	**31.12.2020**
Cash flow from operating activities	21,765	37,993
Cash flow from investing activities	(7,869)	(10,981)
Cash flow from financing activities	(8,900)	(43,086)
Increase/decrease in cash and cash equivalent	4,996	(16,074)
Net cash and cash equivalents, at beginning of the period	**40,489**	**56,562**
Net cash and cash equivalents, at end of the period	**45,485**	**40,489**

In terms of changes in liabilities as a result of financing activities, information is provided that allows users of the financial statements to evaluate the changes that occurred in compliance with IAS 7.

Liabilities from financing activities thousands of euro	**31.12.2020**	**New loans**	**Repayments**	**Cash Flow**	**Derivatives**	**Changes of consolidation scope**	**ex-rate changes/ others**	**30.06.2021**
Bond payables (over 12 months)	30,000	-	-	-	-	-	-	30,000
Non-current medium term bank loans	63,448	1,000	(8,191)	-	-	-	10	56,267
Non-current other lenders (over 12 months)	2,890	223	(597)	-	-	-	-	2,516
IFRS 16 Effect	28,875	3,082	(3,480)	-	-	-	-	28,477
Factor	1,057	3,129	(1,057)	-	-	-	-	3,129
Current other lenders short term*	-	-	-	-	-	-	-	-
Current liabilities for the derivatives	1,496	-	-	-	(1,107)	-	-	389
Bank overdrafts	13,829	-	-	2,472	-	-	-	16,301
Payables for price balance on acquisitions (Non current-current)	2,442	-	(1,543)	-	-	-	(181)	718
Current financial assets	(237)	-	-	-	(641)	-	(1)	(879)
Total	**143,801**	**7,434**	**(14,868)**	**2,472**	**(1,748)**	**-**	**(172)**	**136,919**

NOTE 16. Other non-current liabilities

Thousands of euro	**30.06.2021**	**31.12.2020**	**Change**
Other non-current liabilities	**957**	**1,240**	**(283)**

The item "Other non-current liabilities" amounted to Euro 957 thousand as at June 30, 2021, with a decrease of Euro 283 thousand compared to December 31, 2020, due mainly to the decrease of deferred income relating to investment contributions received that will be recognized in the income statement in future years in correlation with the amortization and depreciation calculated on such investments.

NOTE 17. Deferred tax liabilities

Thousands of euro	30.06.2021	31.12.2020	Change
Deferred tax liabilities	**5,206**	**5,048**	**159**

At June 30, 2021, the item increased by Euro 159 thousand.
For further details, reference is made to Note 31 "Income taxes".

NOTE 18. Provisions

Thousands of euro	30.06.2021	31.12.2020	Change
Provision for the return of containers	2,215	1,915	300
Provisions for risks and charges	3,205	2,471	734
Provisions	**5,420**	**4,386**	**1,034**

The item "Provisions for risks and charges" includes provisions made on the basis of the disputes existing as at June 30, 2021 in the various Group companies, which are the result of accurate estimates made by the Directors, while the "Provision for container returns" includes the provision set up for the expected maintenance costs to be incurred when the containers used in shipping activities are returned at the end of the contract.
The change in the container provision in the first half of the year reflected the periodic accrual, while the other provisions for risks increased by a total of Euro 620 thousand in relation to some labor disputes, according to estimates made by the directors, also in collaboration with the lawyers assisting us in these cases.
With regard to other risks as highlighted in the December 2020 financial statements, there were no significant changes.

NOTE 19. Employee benefits liabilities

A statement of changes in the liabilities for employee benefits at June 30, 2021 is attached.

Thousands of euro	Employees benefits liabilities
Balance at December 31, 2020	**9,861**
Change of year:	
Accruals	568
Benefits paid and transferred	(268)
Interest cost	(12)
Gain/losses resulting from changes in actuarial assumptions	-
Change of consolidation scope	-
Other changes	-
Balance at June 30, 2021	**10,150**

The liability relative to the provision for employee benefits refers to the Italian and foreign companies of the Group, in accordance with the various national regulations, and essentially includes employee severance indemnity accrued by employees in service at June 30, net of

advances paid to employees. In accordance with IAS 19, the Provision for employee benefits is measured using the actuarial valuation methodology.
The main financial and demographic assumptions utilized in determining the present value of the liability relating to the Provision for employee benefits are described below; for the preparation of the condensed consolidated half-yearly financial statements, the financial and demographic assumptions used for the financial statements as at December 31, 2021 were deemed adequate and therefore utilized.

Discount rate	
Italy, France, Greece, Spain, Portugal	Curva Euro Composite AA al 31.12.2020
Mexico	Iboox GEMX Aggregate 10-15 as of 31.12.20_ 5,752% e Iboox GEMX Aggregate 7-10 as of 31.12.20_ 5,345%
Inflation rate	
Italy	1.5%
France, Greece, Spain, Portugal, Mexico	Included in the salary increases
Salary increases (included inflation)	
Italy, France, Greece, Spain, Portugal	1.00%
Mexico	n.a.
Mortality rate	
Italy	SIMF 2019
Mexico	Mexico Life Table 2010
Spain	Spanish Life Table 2018
Portugal	Portugal Life Table 2018
Greece	Greek Life table 2017
France	France Life Table 2018
Access to retirement	
Italy	Minimum access requirements required by Monti-Forner Law
Portugal, Spain, Mexico, Greece, France	Minimum access requirements required by current legislation
Probability of termination	
Italy	Cosiarma e Galandi 5,2%, Fruttital, Orsero Servizi e Fresco 5%, Fruttital Firenze 8,5%, Orsero 6,3%, Simba 8% e Moncada 4%
France	Cas général 9,00%, Cadres 10,00%, Agent de maîtrise 8,00%
Greece	White Collar 7,00%, Blue Collar 6,00%
Spain	Barcellona 3,5%, Alicante 4,2%, Tarragona 2%, Siviglia e Madrid 8%
Portugal	6.00%
Mexico	Acapulco 5,5%, Jalisco 6,5%

NOTE 20. Trade payables

Thousands of euro	30.06.2021	31.12.2020	Change
Payables to suppliers	121,699	111,704	9,995
Payables to subsidiaries and associates of the Group not fully consolidated	2,378	1,078	1,300
Payables to related parties	585	130	455
Trade payables	**124,661**	**112,912**	**11,749**

There are no trade payables with a residual maturity of more than 5 years recognized in the financial statements. As at June 30, 2021, there are no past-due payables of significant value.

At June 30, 2021, the net increase of the item amounted to Euro 11,749 thousand as a result of the increase of Euro 9,995 thousand in payables to suppliers, Euro 1,300 thousand in payables to associated companies and Euro 455 thousand in payables to related companies of the Group. In order to make the data easier to understand, payables to natural person related parties for salaries and/or remuneration of company officers are shown in the respective categories.
The sharp increase in payables compared to December 31, 2020 reflects the seasonal nature of the Group's business.

The geographic breakdown of the payables is as follows:

Thousands of euro	30.06.2021	31.12.2020	Change
Italy	74,545	67,199	7,346
EU countries	47,934	43,506	4,428
Non-Eu countries	2,182	2,207	(24)
Trade payables	**124,661**	**112,912**	**11,749**

NOTE 21. Current tax liabilities

Thousands of euro	30.06.2021	31.12.2020	Change
For value added tax (VAT)	689	377	312
For income tax of the year	2,544	1,740	803
For withholding tax	1,165	1,183	(18)
For indirect taxes and others	281	403	(123)
Current tax liabilities	**4,678**	**3,703**	**974**

At June 30, 2021, this item showed a balance of Euro 4,678 thousand, up by a total of Euro 974 thousand compared to the balance at December 31, 2020, as a result of the increase in payables for VAT (Euro 312 thousand) and taxes (Euro 803 thousand) and the decrease in payables for withholding and indirect taxes and other sundry payables (Euro 123 thousand).
There are currently no past due amounts related to the item in question.

NOTE 22. Other current liabilities

Thousands of euro	30.06.2021	31.12.2020	Change
Social security contributions	3,357	3,353	5
Payables to personnel	8,040	8,493	(452)
Payables relating to operations on behalf of third parties	1,382	1,286	96
Other current payables	4,389	3,493	895
Accrued expenses and deferred income	1,268	1,061	207
Other current liabilities	**18,436**	**17,686**	**750**

At June 30, 2021, "Other current liabilities" showed an increase of Euro 750 thousand, originating from a lower amount due to personnel, after payment of the 2020 MBO bonus to top managers, which partly offset the increase in other payable items. It should also be noted that the reason for the increase within the category "other payables" is mainly the higher payable compared to December 31 for collections from revenues pertaining to the second half of the year recorded by the shipbuilder.
Payables to personnel relate to current items for June, as well as accrued and unused holidays, 13th month accruals and the estimated profit-sharing institutionally due to the workforce of the French and Mexican companies on the basis of local regulations.

Within other current liabilities, payables to natural person related parties at June 30, 2021 amounted to Euro 425 thousand, of which Euro 379 thousand related to employment relationships and Euro 47 thousand to compensation to corporate bodies.

Note 23 Liabilities directly associated with non-current assets held for sale

This item shows the value of the portion of the mortgage loan, taken out in 2020 for an original amount of Euro 15 million, for the acquisition of the four Italian warehouses formerly owned by Nuova Beni Immobiliari, repaid on July 13, 2021 at the same time as the sale of the Milan warehouse, as provided for in the loan agreement.

NOTE 24. Segment reporting

Based on the current organizational structure of the Orsero Group, the information required by IFRS 8, broken down by "business segment", is shown below.

Thousands of euro	1st Semester 2021				
	Import & Distribution	Shipping	Services	Eliminations/ Consolidated adjustments	Total
Net sales to third parties	481,769	29,560	1,782	-	513,110
Inter-segment net sales	20	20,155	3,150	(23,325)	-
Net sales of the sector	**481,789**	**49,715**	**4,931**	**(23,325)**	**513,110**
Adjusted Ebitda	**18,626**	**11,718**	**(3,755)**	**-**	**26,589**
Adjusted Ebit	**10,782**	**6,182**	**(4,369)**	**-**	**12,595**
Amortization and depreciation	(6,646)	(5,236)	(477)	-	(12,358)
Accruals of provision	(1,198)	(300)	(137)	-	(1,635)
Non recurring income	61	-	95	-	156
Non recurring expense	(553)	(6)	(138)	-	(697)
Financial income	129	4	100	(64)	169
Financial expesense	(783)	(155)	(1,019)	64	(1,892)
Exchange rate differences	(48)	53	6	-	11
Share of profit from companies consolidated at equity	-	-	-	317	317
Revaluations of securities and investments	1	-	-	-	1
Devaluations of securities and investments	-	-	-	-	-
Intra-group dividends	-	-	2,157	(2,157)	-
Result of securities and investments negotiation	3	-	-	-	3
Profit/loss before tax	**9,593**	**6,078**	**(3,167)**	**(1,840)**	**10,664**
Income tax expense	(3,085)	(620)	1,251	-	(2,454)
Profit/loss for the period	**6,507**	**5,457**	**(1,916)**	**(1,840)**	**8,209**

Thousands of euro	30.06.2021			
	Import & Distribution	Shipping	Services	Total
Total assets without investments in Joint ventures/associates	338,357	77,927	238,488	654,772
Investments in Joint ventures and associates	5,119	-	2,159	7,278
Total aggregate assets	**343,477**	**77,927**	**240,647**	**662,051**
Total aggregate liabilities	**245,437**	**31,029**	**95,426**	**371,892**
Total aggregate shareholders'equity	**98,040**	**46,899**	**145,220**	**290,159**

Thousands of euro	1st Semester 2020				
	Import & Distribution	Shipping	Services	Eliminations/ Consolidated adjustments	Total
Net sales to third parties	487,947	30,468	2,344	-	520,759
Inter-segment net sales	3	22,252	3,295	(25,551)	-
Net sales of the sector	**487,950**	**52,720**	**5,640**	**(25,551)**	**520,759**
Adjusted Ebitda	**16,305**	**10,165**	**(2,971)**	**-**	**23,499**
Adjusted Ebit	**9,707**	**4,628**	**(3,412)**	**-**	**10,922**
Amortization and depreciation	(6,112)	(5,237)	(441)	-	(11,791)
Accruals of provision	(486)	(300)	-	-	(786)
Non recurring income	41	-	-	-	41
Non recurring expense	(1,553)	(19)	(297)	-	(1,870)
Financial income	66	5	106	(99)	78
Financial expesense	(839)	(185)	(1,102)	99	(2,027)
Exchange rate differences	608	16	24	-	648
Share of profit from companies consolidated at equity	-	-	-	522	522
Revaluations of securities and investments	-	-	-	-	-
Devaluations of securities and investments	-	-	-	-	-
Intra-group dividends	-	-	653	(653)	-
Result of securities and investments negotiation	20	-	-	-	20
Profit/loss before tax	**8,050**	**4,444**	**(4,028)**	**(131)**	**8,335**
Income tax expense	(2,548)	(546)	971	-	(2,123)
Profit/loss for the period	**5,501**	**3,899**	**(3,057)**	**(131)**	**6,212**

Thousands of euro	30.06.2020			
	Import & Distribution	Shipping	Services	Total
Total assets without investments in Joint ventures/associates	361,322	76,460	245,171	682,953
Investments in Joint ventures and associates	4,519	-	2,783	7,302
Total aggregate assets	**365,841**	**76,460**	**247,954**	**690,256**
Total aggregate liabilities	**265,020**	**26,999**	**105,091**	**397,111**
Total aggregate shareholders'equity	**100,821**	**49,461**	**142,863**	**293,145**

In compliance with what is indicated in IFRS 8, in the table above a disclosure is given on total assets, total liabilities, the amount of the investment in associates and joint ventures and, lastly, aggregate shareholders' equity by sector. It is specified that the sector data indicated in the notes should be read together with the performance indicators expressed in the interim directors' report on operations.

Main customer

It should be noted that there are no revenues from transactions with a single external customer equal to or greater than 10% of the Group's total revenues.

NOTE 25. Net sales

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Revenues from sales	481,921	490,556	(8,635)
Revenues from services	31,189	30,203	986
Net Sales	**513,110**	**520,759**	**(7,649)**

At June 30, 2021, turnover was Euro 513.110 thousand, a decrease of Euro 7,649 thousand, or 1.5%, compared to June 30, 2020. For a detailed analysis of sales, please refer to the interim report on operations, in the section "Commentary on performance of the business sectors". Please note that Group revenues mainly derive from the sale of fresh fruit and vegetables from many of the world's countries, on the territories under its purview.
Revenues from the sale of goods included sales of Euro 200 thousand to associated companies, while services to related companies amounted to Euro 76 and 78 thousand, respectively, as detailed in Note 36 below, all carried out under normal market conditions.

Geographical information

The analysis of the information by geographical area shows details of the Group's revenues, divided up into the main geographical areas (thereby meaning those in which the company that generated the revenue is based) for the first half of 2021 and 2020, showing the Group's basically eurocentric nature.

Thousands of euro	**1st Semester 2021**	**1st Semester 2020**	**Change**
Europe	**488,224**	**497,973**	**(9,749)**
of which Italy	*230,530*	*241,418*	*(10,888)*
of which France	*91,964*	*87,853*	*4,111*
of which Spain	*139,605*	*134,912*	*4,693*
Latin America and Central America	**24,886**	**22,786**	**2,100**
Total net sales	**513,110**	**520,759**	**(7,649)**

As shown in the table above, the Eurozone constitutes the core of the Orsero Group business, whilst the revenues achieved in Latin and Central America derive from the activities carried out mainly in Mexico and Costa Rica. Revenues in Europe showed both positive and negative changes depending on the country, based on the higher (France) or lower (Italy, Spain) volumes of fruit sold in the half-year, accompanied by a different product mix which impacted average unit sales prices.

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

NOTE 26. Cost of sales

The following table shows the cost of goods sold by allocation and by nature.

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Raw materials and finished goods costs	343,751	353,734	(9,983)
Cost of commissions on purchases and sales	1,042	968	74
Transport and handlig costs	67,882	68,972	(1,090)
Personnel costs	14,579	13,711	868
Depreciation and amortization	10,265	9,611	655
Accruals of provision	300	300	-
External production and maintenance costs	12,424	13,091	(667)
Utilities	3,177	3,326	(149)
Bunker'cost	11,562	13,436	(1,874)
Rental costs for ships and containers	2,852	3,417	(564)
Leases and rentals	576	526	50
Other costs	591	498	93
Other operating revenues and cost recoveries	(3,619)	(4,163)	544
Cost of goods sold	**465,384**	**477,426**	**(12,042)**

The decrease in the cost of sales consists mainly of the lower purchase cost of fruit and vegetables, which is closely linked to the decrease in revenues, given the typical trading nature of the Group's business. On the other hand, the increase in labor costs reflects the expansion of the workforce, which began in the second half of last year, offset by the lower use of external services.
Similarly, for the shipping sector, there was a reduction in the bunker cost - thanks to the lower quantities of fuel used compared to the first half of 2020 - and in charters, the latter also linked to the reduction, which began in 2020, of container management activities on behalf of third parties.
Note that the item "Raw material and finished goods costs" comprises Euro 3,076 thousand of costs due to associates, valued at market value and included in the balances indicated in Note 34, to which reference is made.
Similarly, "transportation and handling costs" includes costs of Euro 2,603 thousand from associated companies and Euro 526 thousand from related companies, while "other operating revenues and cost recoveries" includes Euro 55 thousand in revenues from associated companies.
For further details, reference is made to Note 36.

NOTE 27. General and administrative expense

The table below details the overhead and administrative costs by nature.

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Personnel costs and external collaborations	20,577	19,269	1,308
Corporate bodies fees	755	704	51
professional, legal, tax and notary services	2,038	2,165	(127)
maintenance costs	2,881	3,155	(274)
Commercial, advertising, promotional expenses	624	567	56
Insurance expenses	950	807	143
Utilities	855	866	(11)
service costs with associated and related companies	176	48	128
Other costs	2,750	2,600	150
commission and guarantee expenses	473	463	10
Depreciation and amortization	2,092	2,180	(87)
provisions	1,335	486	849
General and administrative expense	**35,507**	**33,311**	**2,196**

The table shows an increase in overhead and administrative costs compared to the previous year, mainly due to labor costs, again linked to an increase in the workforce, and the provisions for risks already described above.
The item "costs to associated and related companies" includes Euro 9 thousand to associated companies and Euro 167 thousand to related companies, while it should be noted that the figures relating to labor costs and compensation to corporate bodies for the first half of 2021 include costs of Euro 1,121 and 252 thousand relating to related parties physical persons, disclosed here for the first time.

NOTE 28. Other operating income/expense

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Other operating income	1,610	1,715	(105)
Other operating expenses	(1,774)	(2,643)	869
Total other operating income/expense	**(165)**	**(929)**	**764**

Annexed are details of the items “Other operating revenues” and “Other operating costs” for the first half of 2021 and 2020 with a separate indication of ordinary items with respect to “non-recurring” ones.

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Revenues from recovery of costs and insurance reimbursements	96	134	(39)
Plusvalues and contingent revenues in ordinary course of business	651	619	32
Others	707	920	(213)
Other ordinary operating income	**1,454**	**1,673**	**(220)**
Covid-19 income	61	28	33
Others	95	14	81
Other non-recurring operating income	**156**	**41**	**114**

Other ordinary revenue, like the item "Other ordinary costs" below, includes cost and revenue elements not already classified in the above sections of the income statement and elements such as contingent assets and liabilities of costs and revenues linked to previous years due to differences in estimates, which as such recur every year (for example, reversals of premiums received from and/or given to customers and suppliers, differences on insurance reimbursements collected compared to forecasts, etc.). They also include any contributions for operating expenses, capital gains and capital losses on current disposals of assets and the capitalization of costs linked to investment initiatives.
In the first half of 2021, in particular, capitalization was recorded with reference to the progress status of the new ERP system implementation for Euro 413 thousand.
Non-recurring revenues, on the other hand, included Euro 61 thousand in income related to subsidies from Covid-19.
Please note that the item “Other operating revenue” comprises Euro 18 thousand from associated companies and Euro 17 thousand from related companies.

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Penalties, sanctions and costs for damage to third parties	(187)	(26)	(161)
Minusvalues and contingent losses in ondinary course of business	(890)	(748)	(142)
Other ordinary operating expenses	**(1,077)**	**(774)**	**(304)**
Covid-19 costs	(164)	(620)	456
Profit sharing established by law for employees	(293)	(222)	(71)
Top management incentives	(130)	-	(130)
Others	(110)	(1,028)	918
Other non-recurring operating expenses	**(697)**	**(1,870)**	**1,173**

Given what is noted above with respect to the nature of the ordinary costs shown in this table, there was a significant reduction in Covid-19-related costs in the first half of 2021 compared to the same period of the previous year.
It should be noted that no allocations have been made for Top Management bonuses for the current financial year, as these are only assessed and quantified in the annual financial statements. The amount of Euro 130 thousand therefore represents the cost of the portion of the bonus accrued in 2020, which is recognized, in compliance with IFRS 2, during the 2020-2024 vesting period.

NOTE 29. Financial income, financial expense and exchange differences

The item "Financial income, financial expense and exchange differences" is broken down as follows:

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Financial income	169	78	91
Financial expense	(1,893)	(2,027)	134
Exchange rate differences	11	648	(637)
Financial income, financial expense, exchange differences	**(1,712)**	**(1,301)**	**(412)**

For each item included in the item in question, details are provided below:

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Interest income to third parties	139	69	71
Interest income to associates and joint ventures	18	4	15
Interest for IAS 19	12	6	6
Financial income	**169**	**78**	**91**

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Interest expenses from bank/bond	(1,409)	(1,506)	97
Interest expenses to third parties	(21)	(12)	(8)
Interest expenses IFRS 16	(463)	(508)	45
Financial expense	**(1,893)**	**(2,027)**	**134**

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Realized exchange rate differences	(243)	696	(938)
Unrealized exchange rate differences	254	(48)	302
Exchange rate differences	**11**	**648**	**(637)**

Note the reduction in financial expenses, made possible by the decrease in financial debt, and the reversal of the impact of exchange rate differences, which had been affected in the first quarter of last year by a significant profit recorded by the Mexican company.

NOTE 30. Other investment income/expense and share of profit/loss of investments accounted for using the equity method

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Dividends	3	3	1
Share of profit from companies consolidated at equity	317	522	(205)
Revaluations of securities and investments	1	-	1
Devaluations of securities and investments	-	-	-
Result of securities and investments negotiation	-	17	(17)
Total	**321**	**542**	**(220)**

The change in the amount of "Other income/expenses from investments" and in the share of profits/losses of investments accounted for using the equity method essentially refers to the pro-rata recognition of the results of associated companies consolidated using the equity method. It should be noted that the negative change compared to the previous year is due to the presence of the share of the results of the company Moncada Frutta, amounting to Euro 155 thousand, consolidated on a line-by-line basis as from July 1, 2020.

NOTE 31. Income tax expense

All Italian subsidiaries participate in the "tax consolidation" system headed by Orsero, in accordance with arts. 117 et seq. of the TUIR Tax Code.
The changes in taxes are summarized in the following table.

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Current taxes for the year	(3,843)	(3,849)	6
income tax from statutory tax consolidation	1,588	2,052	(464)
Deferred taxes incomes and liabilities	(199)	(326)	126
Income tax expense	**(2,454)**	**(2,123)**	**(332)**

The table below shows and details the decrease in the effective tax rate compared to the first half of 2020, also made possible by the greater impact of taxation from the international register of Cosiarma (register that provides for an 80% reduction in the taxable amount) while a separate line shows the IRAP and CVAE (France) taxes calculated on a different tax base.

Thousands of euro	1st Semester 2021		1st Semester 2020	
	Taxable	Tax rate 24%	Taxable	Tax rate 24%
Profit/loss before tax	**10,664**		**8,335**	
Theoretical tax		**(2,559)**		**(2,000)**
International register Cosiarma		902		675
Share of profit from companies consolidated at equity	(317)	76	(522)	125
Foreign companies for different tax rate		(229)		(44)
Taxed dividends from Group companies	2,158	(26)	(1,853)	(11)
Non imposable items/recoveries		(197)		(323)
Effective tax		**(2,033)**		**(1,579)**
Irap/Cvae taxes		(421)		(545)
Income tax expense in the consolidated financial statement		**(2,454)**		**(2,123)**
Effective rate		23.0%		25.5%

The table below shows the changes in the various deferred tax asset components by type.

Thousands of euro	Statement of financial position		Income statement	Comprehensive income statement
	30.06.2021	31.12.2020	1st Semester 2021	1st Semester 2021
Previous tax losses	4,767	4,991	(224)	-
Effect IAS 19	931	931	-	-
Depreciation/Goodwill/trademarks	789	763	25	-
Reductions in value and provisions	1,146	1,118	28	-
Financial derivatives	93	359	-	(266)
Others	709	836	(127)	-
Deferred tax assets	**8,437**	**8,999**	**(298)**	**(266)**

The table below shows the changes in the various deferred tax liability components by type.

Thousands of euro	Statement of financial position		Income statement	Comprehensive income statement
	30.06.2021	31.12.2020	1st Semester 2021	1st Semester 2021
Leasing	(1,602)	(1,617)	15	-
Warehouse revaluation	(227)	(227)	-	-
On J-entries FV Magazzini Fernández	(1,852)	(1,885)	33	-
Ships depreciation	(1,448)	(1,309)	51	-
Financial derivatives	(78)	(10)	-	(67)
Deferred tax liabilities	**(5,206)**	**(5,048)**	**99**	**(67)**

As of June 30, 2021, there were no significant tax disputes other than those reported in the 2020 financial statements. There are no significant amendments to the tax legislation between the first half of 2021 and the same period of 2020, with the exception of the reduction of the tax rate in France, which declined from 28% to 26.5% starting on January 1, 2021.

NOTE 32. Reconciliation of the Adjusted EBITDA with the period profit

A reconciliation is provided of the Adjusted EBITDA, used by the Group's management as a performance indicator monitored on a consolidated level, with the period profit/loss presented in the income statement.

Thousands of euro	1st Semester 2021	1st Semester 2020	Change
Profit/loss for the period	**8,209**	**6,212**	**1,997**
Income tax expense	2,454	2,123	332
Financial income	(169)	(78)	(91)
Financial expense and exchange rate differences	1,882	1,379	503
Other investment income/expense	(4)	(20)	15
Share of profit/loss of associates and joint ventures accounted for using equity method	(317)	(522)	205
Operating result (Ebit)	**12,054**	**9,094**	**2,961**
Amortization and depreciation	12,358	11,791	567
Accruals of provision	1,635	786	849
Non recurring income	(156)	(41)	(115)
Non recurring expense	697	1,870	(1,173)
Adjusted Ebitda*	**26,589**	**23,499**	**3,090**

* Please note that the Adjusted Ebitda at June 30, 2021 equal to Euro 26,589 thousand (Euro 23,499 thousand at June 30, 2020) includes Euro 3,803 thousand (Euro 4,093 thousand at June 30, 2020) from the positiv e effect related to IFRS 16 "leases". Such improv ing effect is offset by higher depreciation of Euro 3,461 thousand (Euro 3,611 thousand at June 30, 2020) and interest expense of Euro 463 thousand (Euro 508 thousand at June 30, 2020).

NOTE 33. Earnings per share

The basic earnings per share are calculated, in accordance with IAS 33, by dividing the profit attributable to the shareholders of the parent company by the average number of shares outstanding during the period. The "Fully Diluted" earnings per share are calculated by dividing the profit attributable to the shareholders of the parent company by the average number of outstanding shares including special shares and warrants, in both cases excluding treasury shares held.

euro	1st Semester 2021	1st Semester 2020
Profit/loss attributable to Owners of Parent	**8,003,685**	**6,011,666**
Average number of outstanding shares during the period	**17,529,986**	**17,077,225**
Earnings per share "base" in euro	**0.457**	**0.352**
Average number of outstanding shares during the period	17,529,986	17,077,225
Average number of special shares and warrant	-	-
Diluted average number of outstanding shares during the period	**17,529,986**	**17,077,225**
Earning per share "Fully Diluted" in euro	**0.457**	**0.352**

NOTE 34. Disclosures on financial instruments - additional disclosures

The table below shows a detailed analysis of the assets and liabilities envisaged by IFRS 7, in accordance with the categories envisaged by IFRS 9 for the first half of 2021 and for the year 2020.

Thousands of euro	Balance at 30.06.2021	Assets at amortized cost	Assets at FV, with changes recognized in PL*	Assets at FV, with changes recognized in CI*	Liabilities measured at amortized cost	Liabilities at FV with changes recognized in the CI *
Financial assets						
Investments in other companies	1,894	1,894	-	-	-	-
Other non-current financial assets	4,684	4,684	-	-	-	-
Trade receivables	112,646	112,646	-	-	-	-
Current tax assets	14,740	14,740	-	-	-	-
Other receivables and other current assets	13,164	12,285	21	858	-	-
Cash and cash equivalent	45,485	45,485	-	-	-	-
Financial assets	**192,614**	**191,735**	**21**	**858**	**-**	**-**
Financial liabilities						
Financiali liabilities of which:						
Bond payables	*(30,000)*	-	-	-	*(30,000)*	-
Non-current medium term bank loans (over 12 months)	*(37,856)*	-	-	-	*(37,856)*	-
Non-current other lenders (over 12 months)	*(1,510)*	-	-	-	*(1,510)*	-
Non-current other lenders (over 12 months) ex IFRS 16	*(22,243)*	-	-	-	*(22,243)*	-
Non-current liabilities for derivative (over 12 months)	*(389)*	-	-	-	-	*(389)*
Non-current payables for price balance on acquisition (over 12 months)	-	-	-	-	-	-
Current medium term bank loans	*(18,411)*	-	-	-	*(18,411)*	-
Bank overdraft	*(16,301)*	-	-	-	*(16,301)*	-
Current other lenders	*(1,006)*	-	-	-	*(1,006)*	-
Current other lenders ex IFRS 16	*(6,234)*	-	-	-	*(6,234)*	-
Other current lenders short term	*(3,129)*	-	-	-	*(3,129)*	-
Current liabilities for derivative	-	-	-	-	-	-
Current payables for price balance on acquisition	*(718)*	-	-	-	*(718)*	-
Other non-current liabilities	(957)	-	-	-	(957)	-
Trade payables	(124,661)	-	-	-	(124,661)	-
Current tax liabilities	(4,678)	-	-	-	(4,678)	-
Other current liabilities	(18,436)	-	-	-	(18,436)	-
Financial liabilities	**(286,529)**	**-**	**-**	**-**	**(286,139)**	**(389)**

* CI=Comprehensive income; PL=Income Statement; FV= Fair Value

Thousands of euro	Balance at 31.12.2020	Assets at amortized cost	Assets at FV, with changes recognized in PL*	Assets at FV, with changes recognized in CI*	Liabilities measured at amortized cost	Liabilities at FV with changes recognized in the CI *
Financial assets						
Investments in other companies	734	734	-	-	-	-
Other non-current financial assets	4,625	4,625	-	-	-	-
Trade receivables	115,479	115,479	-	-	-	-
Current tax assets	12,256	12,256	-	-	-	-
Other receivables and other current assets	12,625	12,388	20	217	-	-
Cash and cash equivalent	40,489	40,489	-	-	-	-
Financial assets	**186,208**	**185,971**	**20**	**217**	**-**	**-**
Financial liabilities						
Financiali liabilities of which:						
Bond payables	*(30,000)*	-	-	-	*(30,000)*	-
Non-current medium term bank loans (over 12 months)	*(47,663)*	-	-	-	*(47,663)*	-
Non-current other lenders (over 12 months)	*(1,828)*	-	-	-	*(1,828)*	-
Non-current other lenders (over 12 months) ex IFRS 16	*(22,445)*	-	-	-	*(22,445)*	-
Non-current liabilities for derivative (over 12 months)	*(636)*	-	-	-	-	*(636)*
Non-current payables for price balance on acquisition (over 12 months)	*(775)*	-	-	-	*(775)*	-
Current medium term bank loans	*(15,785)*	-	-	-	*(15,785)*	-
Bank overdraft	*(13,829)*	-	-	-	*(13,829)*	-
Current other lenders	*(1,061)*	-	-	-	*(1,061)*	-
Current other lenders ex IFRS 16	*(6,430)*	-	-	-	*(6,430)*	-
Other current lenders short term	*(1,057)*	-	-	-	*(1,057)*	-
Current liabilities for derivative	*(861)*	-	-	-	-	*(861)*
Current payables for price balance on acquisition	*(1,666)*	-	-	-	*(1,666)*	-
Other non-current liabilities	(1,240)	-	-	-	(1,240)	-
Trade payables	(112,912)	-	-	-	(112,912)	-
Current tax liabilities	(3,703)	-	-	-	(3,703)	-
Other current liabilities	(17,686)	-	-	-	(17,686)	-
Financial liabilities	**(279,578)**	**-**	**-**	**-**	**(278,081)**	**(1,496)**

* CI=Comprehensive income; PL=Income Statement; FV= Fair Value

It should be noted that among financial assets only "Other receivables and other current assets" include securities, i.e. financial instruments measured at fair value through profit or loss, and they also include the positive fair value of hedging derivatives through other comprehensive income. Trade and other receivables are measured at the nominal value that, considering the speed of collection, coincides with the value determined by the application of amortized cost, in compliance with IFRS 9. Among financial liabilities, trading derivatives fall within the category "Liabilities measured at fair value", while hedging derivatives are recorded at fair value, with the relative change accounted for in a shareholders' equity reserve, as shown in the comprehensive income statement. In this regard, it is noted that the Group has derivative contracts outstanding as at June 30, 2021 related to interest rate and exchange rate hedges and the bunker hedge as already reported in Notes 9 and 14.

NOTE 35. Disclosures on assets and liabilities measured at fair value

Several standards and disclosure requirements require the Group to measure the fair value of financial and non-financial assets and liabilities. Based on the requirements of IFRS 13 "Fair value measurement", the following disclosure is provided.

Fair value of financial instruments:

- for financial assets and liabilities that are liquid or have a very short maturity, the book amount is considered to approximate fair value; this hypothesis also applies to term deposits, disposable securities and floating rate financial instruments;
- for the measurement of the fair value of hedging instruments, valuation models based on market parameters are used. At the reporting date, interest rate, USD purchase and bunker hedging derivatives had been stipulated, as already described;
- the fair value of non-current financial liabilities is obtained by discounting all future cash flows at the period-end conditions. In the current situation, where for medium-term debt the cost of the loan is aligned with the market value, the nominal values of the debt are considered as fair values.

As regards trade and other receivables and payables, the fair value is equal to the book value, based on the consideration of their close expiry.

Fair value of non-financial instruments:

- for long-term biological assets, the cost method was used net of accumulated depreciation for the determination of the carrying amount;
- for current biological assets (agricultural product on the plant) fair value is used, i.e. the market value net of transportation costs.

It should be noted that, when third party information is used to determine the fair value, such as the prices of brokers or pricing services, the Group evaluates and documents the information obtained from third parties to support the fact that these evaluations comply with the provisions of IFRS, including the fair value hierarchy level in which to reclassify the associated valuation.
In the fair value measurement of an asset or liability, the Group uses observable market data as much as possible. Fair value is divided up into various hierarchical levels according to the input data used in the measurement techniques, as explained below.

- Level 1: the valuation techniques use prices listed (not adjusted) on an active market for identical assets or liabilities subject to valuation;
- Level 2: the valuation techniques consider inputs other than the previous prices, but that can, however, be observed directly (prices) or indirectly (derived from prices) on the market;
- Level 3: the techniques use inputs that are not based on observable market data.

If the input data used to measure the fair value of an asset or liability comes under different fair value hierarchy levels, the entire valuation is inserted in the same input hierarchy level at a lower level which is significant for the entire valuation. The Group records transfers between the different levels of the fair value hierarchy at the end of the year in which the transfer took place.

Financial instruments
Derivatives, valued using techniques based on market data, are swaps on bunkers and exchange rates and IRSs on interest rates whose purpose is to hedge both the fair value of underlying instruments and cash flows. The most frequently applied valuation techniques include "forward pricing" and "swap" models, which use the calculations of the present value. The following table analyzes financial instruments measured at fair value based on three different levels of valuation.

Thousands of euro	30.06.2021			31.12.2020		
Financial assets	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Current financial assets	21	-	-	20	-	-
Hedging derivatives	-	858	-	-	217	-
Financial liabilities						
Speculative derivatives	-	-	-	-	-	-
Hedging derivatives	-	(389)	-	-	(1,496)	-

Level 1 valuation was used for non-significant securities.
Level 2 valuation, used for financial instruments measured at fair value, is based on parameters such as bunker, exchange rates and interest rates that are quoted in active or observable markets on official rate curves. The financial asset measured with Level 2 as of June 30, 2021 relates to the positive fair value of the bunker and dollar exchange rate derivative, while the liability measured with Level 2 as of June 30, 2021 relates to the negative fair values of the medium/long-term loan interest rate derivative.

Non-financial instruments
It is noted that there are non-financial instruments measured at fair value as at June 30, 2021, represented by biological assets of the Mexican production company.

NOTE 36. Transactions with related parties

The Company and the Group have enacted a conduct procedure related to transactions with related parties, both companies and natural persons, in order to monitor and trace the necessary information regarding transactions between Group companies as well as those in which directors and executives of the parent company have interests, for the purpose of their control and possible authorization. The procedure identifies the subjects required to report the above information, defines what transactions should become the subject of communication, and sets the deadlines to submit the information, specifying its content. The main intra-group activities, regulated at market prices, are developed through contractual relations that specifically concerned:

- management of investments;
- regulation of financial flows through centralized treasury and intra-group loans;
- sharing of general, administrative and legal services;
- assistance related to IT services;
- trade agreements.

In addition, there is a fiscal relationship with the Parent Company Orsero, following the option exercised for the national tax consolidation regime, governed by Articles 117 et seq. of the TUIR Tax Code, only for the Italian companies. Receivables and payables arising from such fiscal relationships are not interest-bearing. Transactions between the companies included in the scope of consolidation have been eliminated from the consolidated financial statements and have not been highlighted. It should be noted that during the first half of 2021, no related party transactions were carried out other than those that are part of the Group's ordinary course of business. Below is a summary of the items in the statement of financial position and income statement for transactions between the Group and related parties (other than those with respect to the consolidated subsidiaries) in the first half of 2021. Transactions with the companies shown in the table are essentially of a commercial nature and relate to specific sectors of activity, while those with natural person related parties relate to existing employment relationships or to remuneration due in their capacity as Directors and Statutory Auditors of the Board of Directors of the parent company.

Thousands of euro	Non-current receivables *	Trade receivables	Trade payables	Net sales	Other revenues/ cost recoveries **	Other operating income /expense	Financial income	Trade expense **	General & admin.ve expense
Associates									
Moño Azul S.A.	165	210	513	62	-	-	2	2,023	-
Citrumed S.A.	994	-	1,176	-	55	-	12	1,032	-
Bonaoro S.L.	-	12	82	200	-	-	4	684	9
Decofruit S.L.	-	10	(8)	-	-	18	-	204	-
Fruport S.A.	-	(1)	615	14	-	-	-	1,735	-
Total vs Associates	**1,159**	**230**	**2,378**	**276**	**55**	**18**	**18**	**5,679**	**9**
Related companies									
Nuova Beni Imm.ri	-	222	356	58	-	-	-	-	27
Business Aviation[1]	-	126	111	8	-	-	-	-	-
Immobiliare Ranzi	-	42	-	1	-	-	-	-	-
Argentina S.r.l.	-	8	-	1	-	-	-	-	-
Fif Holding S.p.A.	-	40	-	10	-	-	-	-	-
Grupo Fernandez	-	-	-	-	-	16	-	-	140
Fersotrans	-	-	118	-	-	-	-	526	-
Related parties phisical persons	-	-	-	-	-	-	-	-	1,373
Total vs related parties	**-**	**437**	**585**	**78**	**-**	**17**	**-**	**526**	**1,540**
Total associates and related parties	**1,159**	**667**	**2,962**	**355**	**55**	**35**	**18**	**6,205**	**1,549**
Financial Statement	**4,684**	**112,646**	**124,661**	**513,110**	**3,619**	**1,610**	**169**	**469,003**	**35,406**
% of Financial Statement	**24.8%**	**0.6%**	**2.4%**	**0.1%**	**1.5%**	**2.2%**	**10.8%**	**1.3%**	**4.4%**

* within the account "non-current financial assets"

** included in "Cost of sales"

1. referred to the companies GF Aviation S.r.l. and K-air S.p.A.

Note that the item "Other receivables and other current assets" includes receivables from Argentina S.r.l. for Euro 8,000 thousand, fully written off.
Transactions with related parties are governed by specific contracts, the conditions of which are in line with those of the market.
"Non-current receivables" due from associated companies come to Euro 1,159 thousand and refer to the loan to the Tunisian investee Citrumed, aimed at developing business (orange production for the French market), whilst as concerns Moño Azul, it represents the discounted value of the residual receivable payable over the next two years in accordance with the agreements entered into as part of the contract for the disposal of assets in Argentina, signed in 2018.
The items of trade payables and receivables refer to normal transactions for the supply of goods and the provision of services in the context of commercial relations with these companies.
As mentioned above, costs to natural person related parties relate to the remuneration of employees and directors or statutory auditors of the Board of Directors of the parent company. For more details, refer to Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".

NOTE 37. Share-based payments

As already noted above, the Company, in line with best market practices enacted by listed companies at domestic and international level, has adopted the "2020-2022 Long-Term Monetary Incentive Plan" which aims to stimulate the maximum alignment of Beneficiaries' interests with the pursuit of the priority objective of sustainable creation of value for shareholders in the medium-long term. In particular, it makes it possible to pursue the following objectives: 1) to reward the short-

and long-term performance of the Orsero Group as well as strengthen the alignment between the interests of management and those of shareholders, directing behavior towards the sustainability of performance and the achievement of defined objectives; 2) to develop retention policies aimed at retaining key corporate resources and encouraging them to remain with the Group; 3) to develop policies to attract talented managerial and professional figures. The Plan recognizes within the remuneration structure of the beneficiaries a monetary economic incentive related to the achievement of certain performance and value creation objectives for shareholders, subject to the fulfillment of the access conditions ("Gate") and the continuation of employment with the Orsero Group. Although the Plan does not provide for the assignment of financial instruments, but rather only the attribution of monetary incentives, it does establish that a part of these incentives shall be indexed to the yield of the Company's securities, which is why the Plan itself is subject to the rules set out in Article 114-bis of the Consolidated Law on Finance for plans that provide for the assignment of financial instruments, as applicable. For details about the Plan, please refer to the governance section of the website https://www.orserogroup.it/governance/remunerazione/
It should be noted that the profit for the first half of both years was not affected by the bonus component for Top Management, which the Group typically recognizes only in its annual financial statements on an actual basis.

NOTE 38. Employees

The following table shows the number of employees as at June 30, 2021 and as at December 31, 2020.

	30.06.2021	31.12.2020	Change
Import & Distribution Sector			
Number of employees	1,453	1,398	55
Shipping Sector			
Number of employees	148	148	0
Services Sector			
Number of employees	89	85	4
Number of employees	**1,690**	**1,631**	**59**

NOTE 39. Guarantees provided, commitments and other contingent liabilities.

The guarantees provided by the Company are as follows:

Thousands of euro	30.06.2021	31.12.2020	Change
Guarantees issued in the interest of the Group	5,030	3,585	1,445
Guarantees issued to third parties	1,473	1,911	(438)
Total guarantees	**6,503**	**5,496**	**1,007**

Compared to the end of the previous year, there was an increase of Euro 1,007 thousand due to the higher guarantees given in favor of third parties in the interest of Group companies.

NOTE 40. Significant events after June 30, 2021

As already mentioned, on July 13 the deed of sale of the Milan warehouse was signed and, again in July, the photovoltaic plant installed on the roof of the Albenga warehouse was sold to the company LaerH, owner of the building, realizing a small capital gain.
With reference to the most recent evolutions of the Covid-19 pandemic, the Group's management continues to follow and monitor developments in order to reduce risks for its personnel and maintain an efficient distribution logistics chain.

ANNEX 1. Financial statements tables stated in accordance with Consob Resolution 15519/2006

Consolidated statement of financial position as at June 30, 2021 and as at December 31, 2020

Thousands of euro	30.06.2021	of which related parties			
		Associates	Related	Total	%
ASSETS					
Goodwill	48,245	-	-	-	-
Intangible assets other than Goodwill	7,794	-	-	-	-
Property, plant and equipment	160,779	-	-	-	-
Investment accounted for using the equity method	6,481	6,481	-	6,481	100%
Non-current financial assets	6,578	1,475	-	1,475	22%
Deferred tax assets	8,437	-	-	-	-
NON-CURRENT ASSETS	**238,315**	**7,956**	**-**	**7,956**	**3%**
Inventories	46,596	-	-	-	-
Trade receivables	112,646	230	437	667	1%
Current tax assets	14,740	-	-	-	-
Other receivables and other current assets	13,164	-	-	-	-
Cash and cash equivalents	45,485	-	-	-	-
CURRENT ASSETS	**232,631**	**230**	**437**	**667**	**0%**
Non-current assets held for sale	**2,661**	-	-	-	-
TOTAL ASSETS	**473,608**	**8,187**	**437**	**8,624**	**2%**
Share Capital	69,163	-	-	-	-
Other Reserves and Retained Earnings	88,491	-	-	-	-
Profit/loss attributable to Owners of Parent	8,004	-	-	-	-
Equity attributable to Owners of Parent	**165,658**	**-**	**-**	**-**	**-**
Non-controlling interests	**645**	**-**	**-**	**-**	**-**
EQUITY	**166,303**	**-**	**-**	**-**	**-**
LIABILITIES					
Financial liabilities	91,998	-	-	-	-
Other non-current liabilities	957	-	-	-	-
Deferred tax liabilities	5,206	-	-	-	-
Provisions	5,420	-	-	-	-
Employees benefits liabilities	10,150	-	-	-	-
NON-CURRENT LIABILITIES	**113,731**	**-**	**-**	**-**	**-**
Financial liabilities	42,799	-	-	-	-
Trade payables	124,661	2,378	585	2,962	**2%**
Current tax liabilities	4,678	-	-	-	-
Other current liabilities	18,436	-	425	425	2%
CURRENT LIABILITIES	**190,574**	**2,378**	**1,010**	**3,387**	**2%**
Liabilities directly associated with assets held for sale	**3,000**	-	-	-	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**473,608**	**2,378**	**1,010**	**3,387**	**1%**

Thousands of euro	31.12.2020	of which related parties			
		Associates	Related	Total	%
ASSETS					
Goodwill	48,426	-	-	-	-
Intangible assets other than Goodwill	7,263	-	-	-	-
Property, plant and equipment	166,582	-	-	-	-
Investment accounted for using the equity method	6,175	6,175	-	6,175	100%
Non-current financial assets	5,359	1,463	-	1,463	27%
Deferred tax assets	8,999	-	-	-	-
NON-CURRENT ASSETS	**242,804**	**7,638**	**-**	**7,638**	**3%**
Inventories	35,331	-	-	-	-
Trade receivables	115,479	1,892	290	2,182	2%
Current tax assets	12,256	-	-	-	-
Other receivables and other current assets	12,625	-	-	-	-
Cash and cash equivalents	40,489	-	-	-	-
CURRENT ASSETS	**216,179**	**1,892**	**290**	**2,182**	**1%**
Non-current assets held for sale	**-**	-	-	-	-
TOTAL ASSETS	**458,983**	**9,530**	**290**	**9,820**	**2%**
Share Capital	69,163	-	-	-	-
Other Reserves and Retained Earnings	78,237	-	-	-	-
Profit/loss attributable to Owners of Parent	12,217	-	-	-	-
Equity attributable to Owners of Parent	**159,617**	**-**	**-**	**-**	**-**
Non-controlling interests	**494**	**-**	**-**	**-**	**-**
EQUITY	**160,111**	**-**	**-**	**-**	**-**
LIABILITIES					
Financial liabilities	103,347	-	-	-	-
Other non-current liabilities	1,240	-	-	-	-
Deferred tax liabilities	5,048	-	-	-	-
Provisions	4,386	-	-	-	-
Employees benefits liabilities	9,861	-	-	-	-
NON-CURRENT LIABILITIES	**123,882**	**-**	**-**	**-**	**-**
Financial liabilities	40,689	-	-	-	-
Trade payables	112,912	1,078	130	1,208	1%
Current tax liabilities	3,703	-	-	-	-
Other current liabilities	17,686	-	-	-	-
CURRENT LIABILITIES	**174,990**	**1,078**	**130**	**1,208**	**1%**
Liabilities directly associated with non-current assets held for sale	**-**	-	-	-	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**458,983**	**1,078**	**130**	**1,208**	-

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Consolidated income statement and consolidated statement of comprehensive income as at June 30, 2021 and June 30, 2020

Thousands of euro	I[st] Semester	of which related parties Associates	Related	Total	%
Net sales	513,110	276	78	**355**	0%
Cost of sales	(465,384)	(5,624)	(526)	**(6,150)**	1%
Gross profit	**47,726**	**-**	**-**	**-**	**-**
General and administrative expense	(35,507)	(9)	(1,540)	**(1,549)**	4%
Other operating income/expense	(165)	18	17	**35**	-22%
- of which non-recurring operating income	*156*	-	-	-	-
- of which non-recurring operating expense	*(697)*	-	-	-	-
Operating result	**12,054**	**-**	**-**	**-**	**-**
Financial income	169	18	-	**18**	11%
Financial expense and exchange rate differences	(1,882)	-	-	-	-
Other investment income/expense	4	-	-	-	-
Share of profit/loss of associates accounted for using the equity method	317	-	-	-	-
Profit/loss before tax	**10,664**	**-**	**-**	**-**	**-**
Income tax expense	(2,454)	-	-	-	-
Profit/loss from continuing operations	**8,209**	**-**	**-**	**-**	**-**
Profit/loss from discontinued operations	-	-	-	-	-
Profit/loss for the period	**8,209**	**-**	**-**	**-**	**-**
Profit/loss attributable to non controlling interests	**205**	-	-	-	-
Profit/loss attributable to Owners of Parent	**8,004**	**-**	**-**	**-**	**-**

Thousands of euro	I[st] Semester	of which related parties Associates	Related	Total	%
Profit/loss for the period	**8,209**	**-**	**-**	**-**	**-**
Other comprehensive income that will not be reclassified to profit/loss, before tax	-	-	-	-	-
Income tax relating to components of other comprehensive income that will not be reclassified to profit/loss	-	-	-	-	-
Other comprehensive income that will be reclassified to profit/loss, before tax	1,820	-	-	-	-
Income tax relating to components of other comprehensive income that will be reclassified to profit/loss	(333)	-	-	-	-
Comprehensive income	**9,696**	**-**	**-**	**-**	**-**
Comprehensive income attributable to non controlling interests	**205**	-	-	-	-
Comprehensive income attributable to Owners of Parent	**9,490**	-	-	-	-

Thousands of euro	I st Semester 2020	of which related parties Associates	Related	Total	%
Net sales	520,759	4,393	99	**4,491**	1%
Cost of sales	(477,426)	(6,476)	(78)	**(6,554)**	1%
Gross profit	**43,333**	**-**	**-**	**-**	**-**
General and administrative expense	(33,311)	(9)	(39)	**(48)**	0%
Other operating income/expense	(929)	-	20	**20**	-2%
- of which non-recurring operating income	*41*	-	-	**-**	
- of which non-recurring operating expense	*(1,870)*	-	-	**-**	-
Operating result	**9,094**	**-**	**-**	**-**	**-**
Financial income	78	4	-	**4**	5%
Financial expense and exchange rate differences	(1,379)	-	-	-	-
Other investment income/expense	20	-	-	-	-
Share of profit/loss of associates accounted for using the equity method	522	-	-	-	-
Profit/loss before tax	**8,335**	**-**	**-**	**-**	**-**
Income tax expense	(2,123)	-	-	-	-
Profit/loss from continuing operations	**6,212**	**-**	**-**	**-**	**-**
Profit/loss from discontinued operations	-	-	-	-	-
Profit/loss for the period	**6,212**	**-**	**-**	**-**	**-**
Profit/loss attributable to non controlling interests	**200**	-	-	-	-
Profit/loss attributable to Owners of Parent	**6,012**	**-**	**-**	**-**	**-**

Thousands of euro	I st Semester 2020	of which related parties Associates	Related	Total	%
Profit/loss for the period	**6,212**	**-**	**-**	**-**	**-**
Other comprehensive income that will not be reclassified to profit/loss, before tax	-	-	-	-	-
Income tax relating to components of other comprehensive income that will not be reclassified to profit/loss	-	-	-	-	-
Other comprehensive income that will be reclassified to profit/loss, before tax	(356)	-	-	-	-
Income tax relating to components of other comprehensive income that will be reclassified to profit/loss	53	-	-	-	-
Comprehensive income	**5,909**	**-**	**-**	**-**	**-**
Comprehensive income attributable to non controlling interests	**200**	-	-	-	-
Comprehensive income attributable to Owners of Parent	**5,709**	**-**	**-**	**-**	**-**

Consolidated statement of cash flows as at June 30, 2021 and June 30, 2020

Thousands of euro	Ist Semester 2021	of which related parties		
		Associates	Related	Total
A. Cash flows from operating activities (indirect method)				
Profit/loss for the period	**8,209**			
Adjustments for income tax expense	2,454	-	-	**-**
Adjustments for interest income/expense	1,724	18	-	**18**
Adjustments for provisions	1,635	-	-	**-**
Adjustments for depreciation/amortisation and impairment	12,358	-	-	**-**
Change in inventories	(11,265)	-	-	**-**
Change in trade receivables	2,558	1,662	(147)	**1,514**
Change in trade payables	11,749	1,300	455	**1,754**
Change in other receivables/assets and in other liabilities	(4,768)	-	-	**-**
Interest received/(paid)	(1,518)	-	-	-
(Income taxes paid)	(1,371)	-	-	**-**
Cash flow from operating activities (A)	**21,765**			
B. Cash flows from investing activities				
Purchase of property, plant and equipment	(9,528)	-	-	**-**
Proceeds from sales of property, plant and equipment	3,450	-	-	**-**
Purchase of intangible assets	(1,009)	-	-	**-**
Proceeds from sales of intangible assets	181	-	-	**-**
method	(917)	(917)	-	**(917)**
method	611	611	-	**611**
Purchase of other non-current assets	(1,160)	(12)	-	**(12)**
Proceeds from sales of other non-current assets	503	-	-	**-**
(Acquisitions)/disposal of investments in controlled companies, net of cash	-	-	-	**-**
Cash Flow from investing activities (B)	**(7,869)**			
C. Cash Flow from financing activities				
Increase/decrease of financial liabilities	(14,836)	-	-	**-**
Drawdown of new long-term loans	(4,305)	-	-	**-**
Pay back of long-term loans	12,259	-	-	**-**
Capital increase and other changes in increase/decrease	1,576	-	-	**-**
Disposal/purchase of treasury shares	-	-	-	**-**
Dividends paid	(3,594)	-	-	**-**
Cash Flow from financing activities (C)	**(8,900)**			
Increase/decrease in cash and cash equivalents (A ± B ± C)	**4,996**			
Cash and cash equivalents at 1° January 21-20	**40,489**			
Cash and Cash equivalents at 30 June 21-20	**45,485**			

Thousands of euro	I[st] Semester 2020	of which related parties		
		Associates	Related	Total
A. Cash flows from operating activities (indirect method)				
Profit/loss for the period	**6,212**			
Adjustments for income tax expense	2,123	-	-	-
Adjustments for interest income/expense	1,301	4	-	**4**
Adjustments for provisions	786	-	-	-
Adjustments for depreciation/amortisation and impairment	11,791	-	-	-
Change in inventories	(3,911)	-	-	-
Change in trade receivables	(14,050)	(1,077)	169	**(908)**
Change in trade payables	3,187	407	(712)	**(306)**
Change in other receivables/assets and in other liabilities	3,519	-	-	-
Interest received/(paid)	(1,301)	(4)	-	**(4)**
(Income taxes paid)	(2,123)	-	-	-
Cash flow from operating activities (A)	**7,533**			
B. Cash flows from investing activities				
Purchase of property, plant and equipment	(25,519)	-	(17,138)	**(17,138)**
Proceeds from sales of property, plant and equipment	28,303	-	27,339	**27,339**
Purchase of intangible assets	(1,278)	-	-	-
Proceeds from sales of intangible assets	-	-	-	-
Purchase of interests in investments accounted for using equity method	(522)	(522)	-	**(522)**
Proceeds from sales of investments accounted for using equity method	945	945	-	**945**
Purchase of other non-current assets	(1)	-	-	-
Proceeds from sales of other non-current assets	798	-	-	-
(Acquisitions)/disposal of investments in controlled companies, net of cash	-	-	-	-
Cash Flow from investing activities (B)	**2,726**			
C. Cash Flow from financing activities				
Increase/decrease of financial liabilities	1,972	-	-	-
Drawdown of new long-term loans	17,947	-	118	**118**
Pay back of long-term loans	(39,066)	-	(27,468)	**(27,468)**
Capital increase and other changes in increase/decrease	(2,236)	-	-	-
Disposal/purchase of treasury shares	(196)	-	-	-
Dividends paid	-	-	-	-
Cash Flow from financing activities (C)	**(21,579)**			
Increase/decrease in cash and cash equivalents (A ± B ± C)	**(11,320)**			
Cash and cash equivalents at 1° January 20-19	**56,562**			
Cash and Cash equivalents at 30 June 20-19	**45,242**			

Independent Auditor's Report

KPMG S.p.A.
Revisione e organizzazione contabile
Piazza della Vittoria, 15 int. 11
16121 GENOVA GE
Telefono +39 010 564992
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(Translation from the Italian original which remains the definitive version)

Report on review of condensed interim consolidated financial statements

To the shareholders of
Orsero S.p.A.

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of the Orsero Group comprising the consolidated statement of financial position, the consolidated income statement and the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity and notes thereto as at and for the six months ended 30 June 2021. The directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with Consob (the Italian Commission for Listed Companies and the Stock Exchange) guidelines set out in Consob resolution no. 10867 dated 31 July 1997. A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed interim consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the Orsero Group as at and for the six months ended 30 June 2021 have not been prepared, in all material respects, in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union.

Genoa, 13 September 2021

KPMG S.p.A.

(signed on the original)

Matteo Pastore
Director of Audit


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