



ITALMOBILIARE
INVESTMENT HOLDING

Interim Report

AT JUNE 30, 2022

2022

Interim Report

AT JUNE 30, 2022

Interim Report
approved by the Board of Directors on July 28, 2022

ITALMOBILIARE
Società per Azioni

Registered Office: Via Borgonuovo, 20
20121 Milan – Italy
Share Capital € 100,166,937
Milan Companies Register

Translation from the Italian original version, which remains the definitive one.

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GENERAL INFORMATION

Corporate bodies

BOARD OF DIRECTORS

(Term ends on approval of financial statements at December 31, 2022)

Laura Zanetti	1-7	Chairman
Livio Strazzera	7	Deputy Chairman
Carlo Pesenti	1-2	Chief Executive Officer - Chief Operating Officer
Vittorio Bertazzoni	1-3-6	
Giorgio Bonomi	4	
Mirja Cartia d'Asero	1-4-5-6	
Valentina Casella	3-6	
Marco Cipelletti	6	
Elsa Fornero	1-5-6	
Sebastiano Mazzoleni		
Luca Minoli		
Chiara Palmieri	3-4-5-6	

- 1** Member of the Committee for Sustainability and Social Responsibility
- 2** Director in charge of the Internal Control and Risk Management System
- 3** Member of the Remuneration and Nominations Committee
- 4** Member of the Control and Risk Committee
- 5** Member of the Committee for Transactions with Related Parties
- 6** Independent director
- 7** Independent director (only pursuant to Legislative Decree no. 58 February 24, 1998)

BOARD OF STATUTORY AUDITORS

(Term ends on approval of financial statements at December 31, 2022)

Standing Auditors		Alternate Auditors
Pierluigi De Biasi	Chairman	Michele Casò
Luciana Ravicini		Maria Maddalena Gnudi
Gabriele Villa		Tiziana Nesa

FINANCIAL REPORTING OFFICER

Mauro Torri

INDEPENDENT AUDITORS

(Term ends on approval of financial statements at December 31, 2022)

Deloitte & Touche S.p.A.

Company officers and delegation of powers

The Board of Directors will remain in office until the approval of the financial statements at December 31, 2022. It was appointed by the Shareholders' Meeting held on April 21, 2020 and consists of 12 Directors.

Within the scope of the Board of Directors, the following powers have been granted.

The following duties have been assigned to the **Chairman**, Ms Laura Zanetti: to submit proposals to be resolved on by the Board of Directors; to supervise and ensure compliance with the principles of Corporate Governance approved by the Company and propose any amendment to them to be submitted to the Board of Directors for approval; to supervise the regularity of meetings and actions of the corporate bodies ensuring that the documentation relating to the items on the agenda is made available to Directors and Statutory Auditors suitably in advance; to supervise the work of the Chief Operating Officer with reference to real estate management transactions; to promote the Company's image; in agreement with and in coordination with the Chief Executive Officer, to maintain relations with the economic-financial community, institutional bodies and authorities.

The Chairman has been granted the following powers: to represent the Company in court; to act, including before the criminal court, to protect the Company's interests; to represent the Company as a shareholder at Ordinary and Extraordinary Shareholders' Meetings of other companies; to appoint consultants in general; to grant special and general powers of attorney, including related signature powers, individual or joint, and with the powers and attributions that will be considered necessary for the best performance of the company; to negotiate and conclude any transaction or contract for real estate purchase or sale, exchange and division, for the establishment of easements or property rights in general, permitting and requesting mortgage registrations, cancellations and entries, waiving mortgages and releasing the Property Registrar from all liability and with the right to appoint as a substitute, for each transaction or contract, one or more special attorneys with all the required powers, with the limit of Euro 25 million with joint signature together with the Chief Operating Officer.

The **Chief Executive Officer and Chief Operating Officer** Carlo Pesenti has been assigned the following tasks, inter alia and in addition to the general representation of the Company: to submit proposals to be resolved on by the Board of Directors; to oversee the execution and implementation of the investment plans defined by the Board of Directors; to look after the management policies, corporate development strategies of Italmobiliare S.p.A. and its main subsidiaries, held directly or indirectly; to oversee and direct the activities of Italmobiliare S.p.A. and its main direct or indirect subsidiaries; to establish guidelines for managing the main companies in which Italmobiliare S.p.A., directly or indirectly, holds an equity investment that allows it to exercise significant influence; to look after corporate organisation and propose any changes to the Board of Directors.

To carry out the above mentioned tasks, the Chief Executive Officer can perform any more appropriate activity or initiative and, by way of example: as part of the Company's general policies on accounting reporting (i) to prepare the separate and consolidated draft financial statements (accompanied by the necessary reports and notes accompanying them) to be submitted for approval by the Board of Directors and (ii) to prepare the half-yearly and quarterly financial statements required by law, accompanied by the reports to be submitted for approval by the Board of Directors; to prepare Italmobiliare S.p.A.'s budgets and long-term development and investment plans to be submitted to the Board of Directors for approval; to define the general guidelines for the financial management of the Company and the Group; to determine the addresses relating to the choice of the main managers of Italmobiliare S.p.A. and of the main companies directly or indirectly controlled, as well as, for Italmobiliare S.p.A. only, to personnel management.

The same person has been granted, inter alia, in addition to the powers of representation established in the By-laws, the powers to carry out all tasks relating to administration and arrangements concerning the management of the Company including performing transactions on securities and credit, assume any form of obligations in the name of the Company, accept guarantees, provide collateral security and guarantees for third parties, as long as they are direct or indirect subsidiaries of Italmobiliare, buy and sell government bonds, corporate bonds, mortgage bonds, equities, company quotas, carry out repo transactions and advances on security transactions.

The powers granted for the office of Chief Operating Officer can be exercised within a limit of Euro 25 million for individual transaction, except for real estate transactions exceeding Euro 10 million and up to Euro 25 million, which need the joint signature of the Chairman.

The powers granted for the office of Chief Executive Officer can be exercised within a limit of Euro 25 million, except for funding transactions and transactions on derivatives which can be made within a limit of Euro 50 million, and transactions to sell securities of listed companies, which can be made within a limit of Euro 100 million per single trading day.

Our investments at June 30, 2022

PORTFOLIO COMPANIES



PRIVATE EQUITY



OTHER INVESTMENTS

HEIDELBERGCEMENT

Vontobel



CASH AND OTHER ACTIVITIES



FINANCIAL ASSETS,
TRADING AND CASH

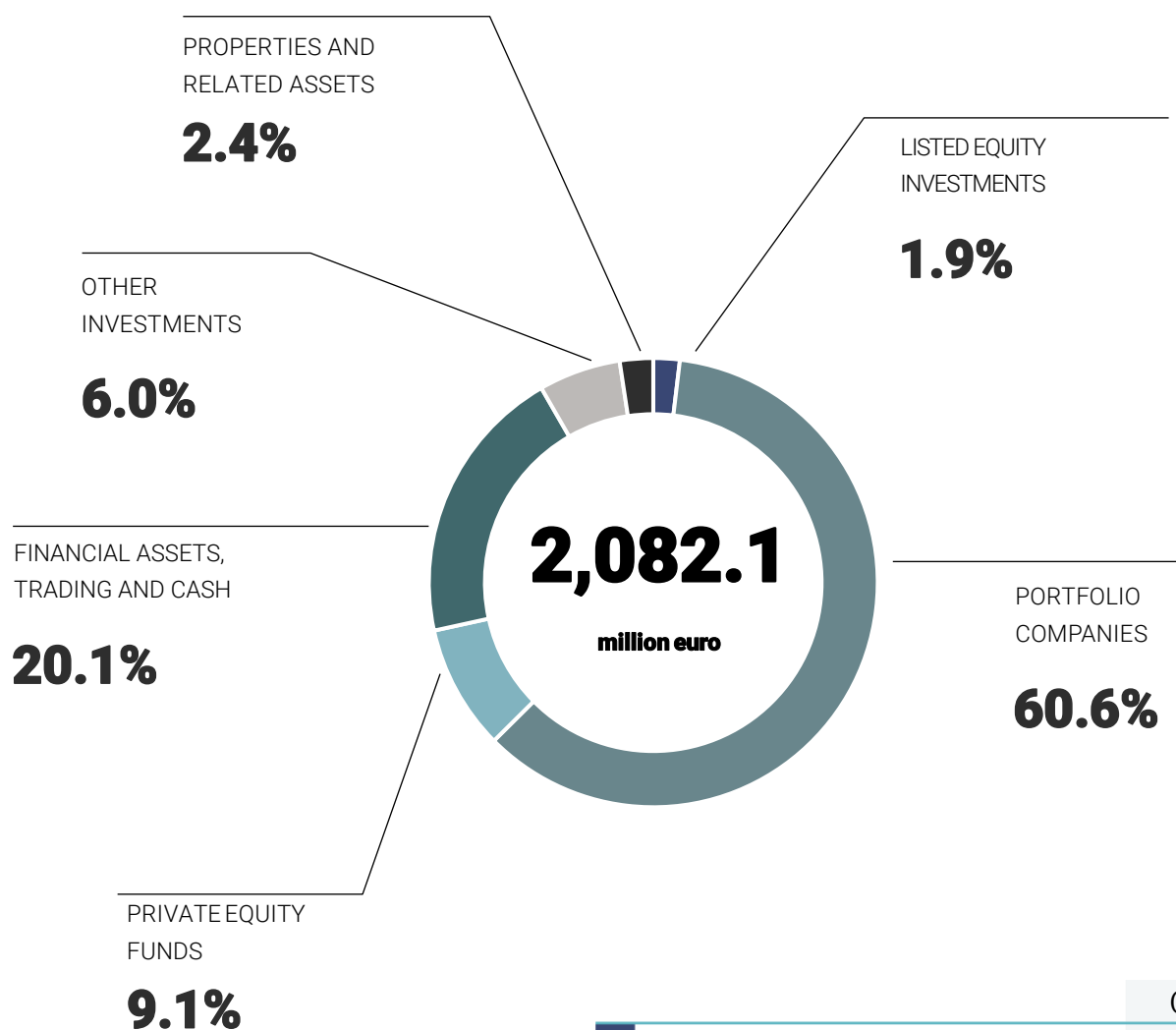


REAL ESTATE AND
RELATED ACTIVITIES

Net Asset Value at December 31, 2021

Changes in the portfolio composition

Sirap Exit from the food plastic packaging sector by disposing Sirap Group's assets	OUT
Botter	IN
Farmagorà	IN



NAV PER SHARE

49.2€

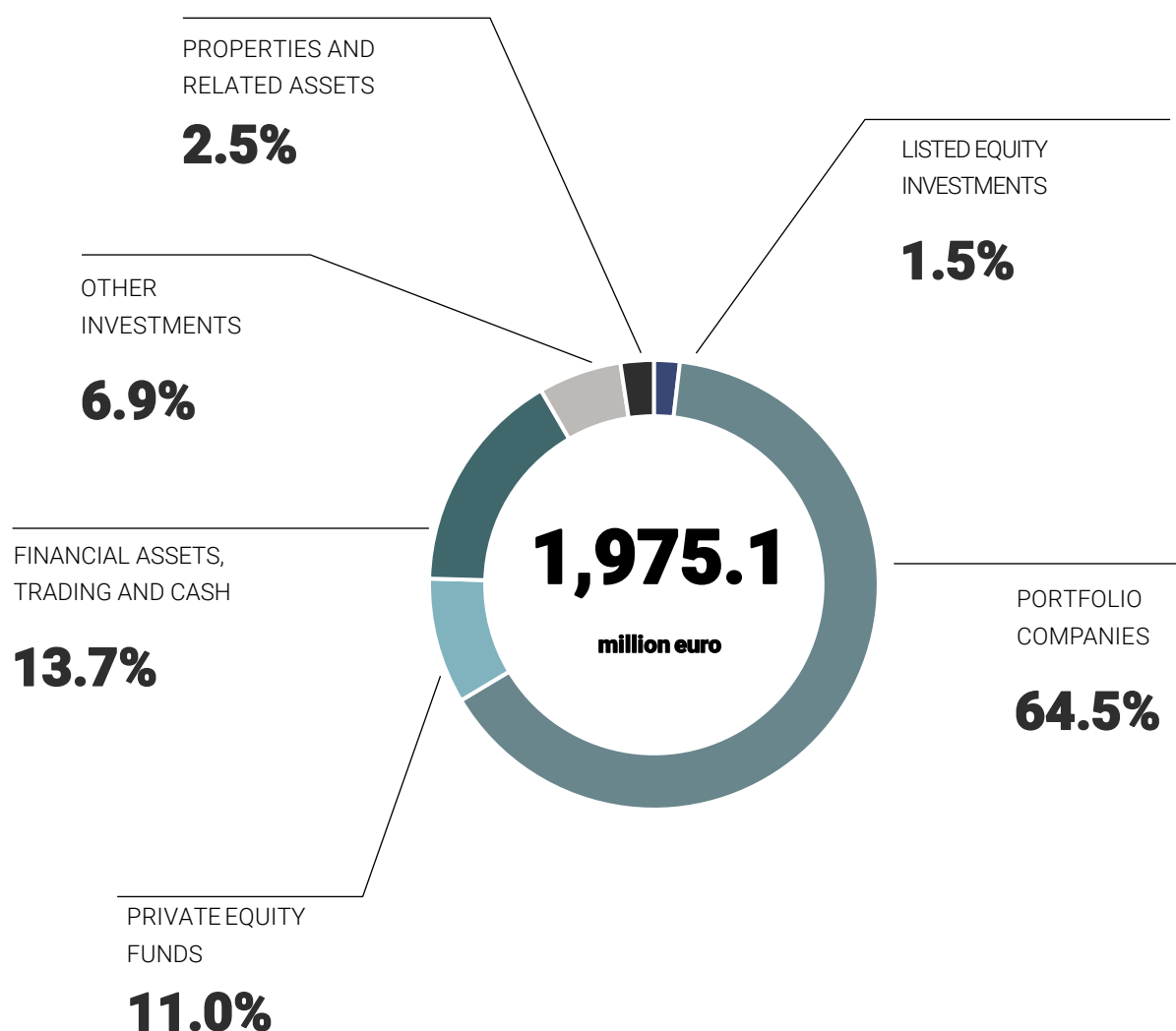
	(million euro)
Listed equity investments	38.7
Portfolio Companies*	1,260.9
Private equity funds	188.5
Financial assets, trading and cash*	419.3
Other investments	124.8
Properties and related assets	49.8
Total NAV at December 31, 2021	2,082.1

(*) Figures relating to 2021 differ from what was published because the investment in Sirap Gema S.r.l. was reclassified from "Portfolio Companies" to "Financial assets, trading, cash and cash equivalents" as the only asset still held by the subsidiary is a financial investment, not attributable to the business sold by Sirap Gema S.r.l.

Net Asset Value at June 30, 2022

Changes in the portfolio composition

Bene Assicurazioni	IN
Archimede S.p.A. (Formula Impresoft)	IN



NAV PER SHARE

46.7€

	(million euro)
Listed equity investments	29.8
Portfolio Companies	1.274.4
Private equity funds	216.8
Financial assets, trading and cash	269.7
Other investments	135.4
Properties and related assets	49.0
Total NAV at June 30, 2022	1,975.1

ITALMOBILIARE
INVESTMENT HOLDING

DIRECTORS'
REPORT
at June 30, 2022

DIRECTORS' REPORT

General Overview

INTRODUCTION

The Directors' Report at June 30, 2022 is prepared in compliance with article 154 ter, paragraphs 2, 3 and 4 of Legislative Decree no. 58 of February 24, 1998 and subsequent amendments.

The condensed interim financial statements are prepared in consolidated form in accordance with paragraph 3.

During the first half of 2022, the consolidation area has changed following the purchase of a further 20% of Callmewine S.r.l., resulting in the increase of Italmobiliare's stake which went from 60% to 80%; the co-investment with Clessidra for the purchase of a 22.99% shareholding in Archimede S.p.A., parent company of Formula Impresoft; the sale of a 5% stake in the share capital of Officina Profumo-Farmaceutica di Santa Maria Novella S.p.A.; the reduction of the investment in Florence InvestCo S.r.l. from 18.08% to 15.28%; the decrease of the Italmobiliare's stake in Iseo Serrature S.p.A. from 39.28% to 39.24% following a capital increase.

SIGNIFICANT EVENTS DURING THE PERIOD

In February 2022, Italmobiliare S.p.A. completed its purchase of a further 20% of Callmewine S.r.l. for 4.5 million euro. As a result, Italmobiliare's stake went from 60% to 80%. This transaction is part of Italmobiliare's strategy to consolidate its shareholding in the company.

On March 31, 2022, Italmobiliare through a co-investment with Clessidra purchased a 22.99% stake in Archimede S.p.A., the 71.07% majority shareholder of Formula Impresoft S.p.A., a company active in the IT industry. Italmobiliare's total investment in this transaction amounts to 20 million euro, of which funding for 8 million euro.

On April 29, 2022, Italmobiliare's investment in Bene Assicurazioni S.p.A. Società Benefit was finalised. The entry into this company's share capital involved a cash out of 40 million euro. Following the cancellation of 4,200,000 treasury shares with no share capital reduction, authorised by IVASS - Istituto per la Vigilanza sulle Assicurazioni (Institute for Insurance Supervision) and awaiting to be registered in the Companies Register, Italmobiliare's interest amounts to 19.996% of the share capital.

In May 2022, Italmobiliare, through its subsidiary FT2 S.r.l., sold a 5% stake in the share capital of Officina Profumo-Farmaceutica di Santa Maria Novella S.p.A. to D Holding S.r.l. for a total amount of 10 million euro.

Dividends for 59.2 million euro were distributed to shareholders in the half-year period.

NET ASSET VALUE

The Net Asset Value (NAV) of Italmobiliare S.p.A. at June 30, 2022 (whose definition and reconciliation is provided in the Attachment), excluding treasury shares, was 1,975.1 million euro, down by approximately 107 million euro compared with December 31, 2021, after the payment of total dividends of 59.2 million euro and taxes of 21 million euro.

At June 30, 2022, the NAV per Italmobiliare share (excluding treasury shares) amounted to 46.71 euro, gross of the payment of total dividends of 1.40 euro per share, showing a decrease of 2.29% compared with December 31, 2021.

(in millions of euro)	June 30, 2022	% of total	December 31, 2021 (*)	% of total
Portfolio Companies ¹	1,274.4	64.5	1,260.9	60.6
Listed equity investments ²	29.8	1.5	38.7	1.9
Other investments	135.4	6.9	124.8	6.0
Private equity funds	216.8	11.0	188.5	9.1
Properties and related assets	49.0	2.5	49.8	2.4
Financial assets, trading, cash and cash equivalents (**)	269.7	13.7	419.3	20.1
Total Net Asset Value ³⁻⁴	1,975.1	100.0	2,082.1	100.0

1. "Portfolio Companies" include the investments in Italgas S.p.A., Caffè Borbone S.r.l., Clessidra Holding S.p.A., Tecnica Group S.p.A., Iseo Serrature S.p.A., AGN Energia S.p.A., Capitelli S.r.l., Officina Profumo-Farmaceutica di Santa Maria Novella S.p.A., Callmewine S.r.l., Casa della Salute S.p.A. and Bene Assicurazioni S.p.A. Società Benefit.

2. The category called "Listed equity investments" includes the main shareholdings in listed companies (HeidelbergCement AG).

3. Note that the NAV of the Portfolio Companies has been affected by the dividends distributed in the first half of the year.

4. The criteria adopted for calculating NAV may be different from those adopted by other companies, so the figures may not be comparable.

(*) Figures relating to 2021 differ from what was published because the investment in Sirap Gema S.r.l. was reclassified from "Portfolio Companies" to "Financial assets, trading, cash and cash equivalents" as the only asset still held by the subsidiary is a financial investment, not attributable to the business sold by Sirap Gema S.r.l.

(**) Note that "Financial assets, trading, cash and cash equivalents" include the net financial position of the parent company Italmobiliare for 220.7 million euro (337.5 million euro at December 31, 2021) and the investment in Sirap Gema S.r.l. for 49 million euro (82 million euro at December 31, 2021).

Compared with December 31, 2021, the decrease of Net Asset Value for approximately 107 million euro is mainly attributable to:

- distribution of dividends for 59.2 million euro;
- tax payments for 21 million euro and holding operating costs for 11.4 million euro;
- negative performance of listed equity investments (HeidelbergCement AG -8.9 million euro), trading activities for -12.4 million euro and other investments for -9.5 million euro;
- positive performance of private equity funds for 13.6 million euro (including a positive exchange rate difference of 9.6 million euro).

The value of Portfolio Companies, net of dividend distributions and new investments made in the first half of the year, remained stable on a like-for-like basis compared with the previous year.

With regard to the Portfolio Companies, the NAV value of 1,274.4 million euro was influenced by the acquisition of Bene Assicurazioni (41 million euro) and the capital increases or capital payments for future capital increases for Casa della Salute (4.3 million euro), Clessidra Holding (4.5 million euro) and Callmewine (4.5 million euro), partially offset by dividend distribution for 39.5 million euro (with the exception of Sirap Gema, which has been reclassified to "Financial assets, trading, cash and cash equivalents", as it now only owns the liquidity from the divestment of its assets).

"Other investments" amounted to 135.4 million euro. The increase was mainly due to the investment in Archimede S.p.A. (parent company of Formula Impresoft S.p.A.), as part of the co-investment along with the Clessidra Capital Partners 4 Fund (12 million euro), and to the capital increases or capital payments for future capital increases for Farmagorà (1.3 million euro) and Florence InvestCo (6 million euro), partially offset by a decrease in the fair value (6.4 million euro) of some listed investments, due to the negative financial market performances and to the disposals occurred during the half-year period (against an increase in liquidity).

"Financial assets, trading, cash and cash equivalents" decreased by 149.6 million euro due to the above, namely: 59.2 million euro of dividends paid by Italmobiliare, 71.9 million euro of new equity investments, 14.7 million euro of investments in private equity funds, and 32.4 million euro of tax payments and holding operating costs. This change was partially offset by 41.8 million euro of dividends received. The remaining investment in Sirap Gema was reclassified under this item as it currently only has liquidity in its assets awaiting to be distributed to the parent company.

NAV calculation at June 30, 2022 was computed by following a specific procedure based on valuations by independent experts, taking into account:

- the market price at June 30, 2022 of the equity investments in listed companies;
- the value of non-listed companies, determined on the basis of commonly used valuation methods (DCF and/or market multiples) or, where sufficient information is not available for the application of the methods envisaged by the International Private Equity and Venture Capital (IPEV) valuation guidelines and/or their consistency can be considered immaterial, their net equity resulting from the latest approved financial statements, determined according to IAS/IFRS or local accounting standards;
- the market value of real estate assets;
- the deferred tax effect, if any.

The Independent Auditors have performed a limited assurance engagement based on ISAE 3000 (Revised) to verify that valuation methods adopted by the Directors for calculating the NAV were in line with the IPEV guidelines.

PERFORMANCE OF THE MAIN GROUP COMPANIES

SUMMARY OF THE HALF YEAR RESULTS

(in millions of euro)	Revenue			Gross operating profit (EBITDA)			Fcf ¹
	June 30 2022	June 30 2021	Change %	June 30 2022	June 30 2021	Change %	1st half 2022 Actual
Italmobiliare	140.9	63.9	>100	103.5	45.9	>100	n.s.
Portfolio Companies							
Caffè Borbone	134.0	129.2	3.7	33.9	46.2	(26.5)	8.0
Officina Profumo-Farmaceutica di Santa Maria Novella	19.5	12.1	61.2	4.1	3.8	7.9	(1.0)
Italgen	22.3	18.3	21.8	0.9	8.7	(89.9)	(8.6)
Casa della Salute	16.6	12.5	32.8	2.5	1.6	56.3	(4.0)
Capitelli	9.7	8.4	15.4	1.6	2.0	(23.0)	0.2
Callmewine	7.7	8.3	(7.2)	(1.1)	0.0	n.s.	(3.0)
Tecnica Group	191.4	173.7	10.2	9.6	17.1	(43.6)	(21.0)
AGN Energia ²	342.3	259.5	31.9	26.3	34.4	(23.5)	13.3
Iseo	84.6	78.6	7.6	11.4	12.0	(5.0)	(11.9)
Total Industrial Portfolio Companies	828.1	700.6	18.2	89.2	125.8	(29.1)	(28.0)
Clessidra Group	15.7	6.9	>100	4.6	(0.8)	>100	n.s.
Total Portfolio Companies³	843.8	707.5	19.3	93.8	125.0	(25.0)	(28.0)

1. Free Cash Flow is the difference between the net financial position at the end of the period and the net financial position at the end of the previous year, gross of dividends paid, capital increases or repayments, the impact of extraordinary operations and the effects of applying IFRS 16.

2. Note that during the first half of 2022 the extraordinary shareholders' meeting of the company approved the change in the company name from "Autogas Nord S.p.A." to "AGN Energia S.p.A."

3. The information in the table relates to the financial statements of each Group company regardless of the date of acquisition of control by Italmobiliare.
n.s. not significant

Italmobiliare's revenue recorded in the half year increased mainly due to the increase in the dividends approved by the subsidiaries. In particular, Sirap Gema, after its business disposal, approved the distribution of dividends for 60 million euro (this amount is offset by the write-down of the investment for 47.4 million euro classified under the item "Impairment losses on financial assets") and Caffè Borbone approved the distribution of dividends for 30 million euro (18 million euro in the same period of 2021).

For the Portfolio Companies the first half of 2022 has been influenced both by the difficult overall context and by some contingent factors; of these it is worth mentioning: for Italgen the impact of the drought on hydroelectric production, for AGN Energia the positive impact of the hedges made on the LPG purchase cost that marked 2021, and for Tecnica an excellent order backlog that is not yet reflected in the first-half result.

Looking at the pro-forma aggregate for the half year:

- Revenue amounted to 843.8 million euro, up 19% compared with the first half of the previous year. All the companies reported growth in the first half year with the exception of Callmewine, which in the first half year of 2021 benefited from the higher domestic consumption of wine as a result of the lockdown. It should be noted that the growth of AGN Energia and Italgen is attributable to contingent factors (growth in LPG costs and pass-through revenues, respectively), while, on the other hand, business volumes decreased compared to the previous year;

- Gross operating profit for the half year amounted to 93.8 million euro, down 31.2 million euro compared with the same period of 2021 (-25%). Neutralising the three contingent factors mentioned above relating to Italgas, AGN Energia and Tecnica, the decrease comes to 8.9 million euro (-7.6%) and is generally attributable to the pressure on margins due to the increase in the cost of raw materials;
- Cash generation in the period was negative for 28.0 million euro, more than explained by the half-year increase in trade working capital amounting to 49.2 million euro and mostly attributable to the impact of the cost of raw materials on the inventory value.

Looking at the individual companies:

- In the food sector, Caffè Borbone and Capitelli closed the half year with higher revenue than in 2021 (+4% and +15%, respectively). Gross operating profit decreased due to the current impact on the industrial margin of the increase in raw material costs;
- In the energy sector, Italgas suffered during the half year from the drought that characterised the period, with production at an all-time low, revenue only apparently growing due to the impact of pass-through revenue, as explained in greater detail below, and EBITDA in sharp decline; AGN Energia recorded growing revenue mainly due to the increase in the cost of LPG, with Retail volumes in slight decline and EBITDA down compared with the first half of 2021 which benefited from a lower raw material cost;
- Iseo continues on its growth path, with revenue rising and EBITDA more or less stable compared with the same period of last year, despite the strong increase in raw material costs;
- The Tecnica Group closed the period with revenue up 10% compared with last year, driven by the winter sports brands; the order backlog is still not reflected in the results, but shows excellent potential for the year as a whole. The level of profit margins is not significant because of the seasonal nature of the business, with a decrease on the previous year due to a worsening of operating costs, even though EBITDA is on the rise;
- Officina Profumo-Farmaceutica in strong growth compared with 2021 (+61%), mainly thanks to the results of direct retail, which is recovering after the pandemic crisis. EBITDA is also up, despite the investments made in marketing and staff to support the long-term growth plan;
- Casa della Salute has grown significantly both in terms of revenue (+33%, +38% if we neutralise the decline in direct revenue linked to Covid) and in terms of EBITDA;
- Callmewine closed the half year with revenue down 7% compared with the first half of 2021, which benefited from the higher domestic consumption of wine during the lockdown; encouraging signs from the second quarter (+5%) and from June (+13%), which are more comparable with respect to the previous year. EBITDA is negative because of the investments made in people and marketing to support future growth.
- For the Clessidra Group, the first half of 2022 closed with a positive brokerage margin of 14.5 million euro (6.6 million euro at June 30, 2021), mainly represented by management fees of the Clessidra Funds for 10 million euro (5.4 million euro at June 30, 2021) and interest and commissions deriving from the Factoring business for 4.7 million euro (1.2 million euro at June 30, 2021). The consolidated situation at June 30 closed with a positive result of 2 million euro.

SUMMARY OF RESULTS OF THE SECOND QUARTER

(in millions of euro)	Revenue			Gross operating profit (EBITDA)		
	Q2 2022	Q2 2021	Change %	Q2 2022	Q2 2021	Change %
Italmobiliare	49.2	45.1	9.1	25.1	37.1	(32.2)
Portfolio Companies						
Caffè Borbone	67.6	64.2	5.3	16.8	22.7	(26.0)
Officina Profumo-Farmaceutica di Santa Maria Novella	10.1	6.7	50.7	1.6	2.3	(30.4)
Italgen	13.3	10.0	33.0	1.5	5.3	(71.7)
Casa della Salute	8.2	6.9	18.8	1.1	0.8	37.5
Capitelli	4.8	4.3	11.6	0.8	1.0	(20.0)
Callmewine	3.9	3.7	5.4	(0.6)	(0.1)	n.s.
Tecnica Group	94.7	72.3	31.0	4.6	5.1	(9.0)
AGN Energia	127.7	103.4	23.5	2.1	8.7	(75.9)
Iseo	42.8	41.2	3.9	5.1	6.1	(16.7)
Total Industrial Portfolio Companies	373.1	312.7	19.3	33.0	51.9	(36.3)
Clessidra Group	7.8	3.2	>100	1.7	(1.0)	n.s.
Total Portfolio Companies	380.9	315.9	20.6	34.7	50.9	(31.8)

n.s. not significant

Note that the quarterly figures have not been audited neither completely nor partially.

Looking at the aggregate of the second quarter alone:

- Revenue amounted to approximately 381 million euro, up 20.6%;
- Gross operating profit was 34.7 million euro, down by approximately 32% compared with 2021.

KEY CONSOLIDATED FIGURES FOR THE FIRST HALF AT JUNE 30, 2022

(in millions of euro)	H1 2022	H1 2021	Change %
Revenue and income	255.4	232.7	9.8
Gross operating profit (EBITDA)	37.8	80.1	(52.8)
% of revenue	14.8	34.4	
Amortisation and depreciation	(15.8)	(11.0)	43.6
Impairment losses on non-current assets	0.0	0.0	n.s.
Operating profit (EBIT)	22.0	69.1	(68.2)
% of revenue	8.6	29.7	
Net finance income (costs)	(0.5)	(1.2)	(58.3)
Impairment losses on financial assets	0.0	0.0	n.s.
Share of profit/(loss) of equity-accounted associates	2.9	8.6	(66.3)
Profit/(loss) before tax	24.4	76.5	(68.1)
% of revenue	9.6	32.9	
Income tax	(11.8)	(25.0)	(52.8)
Profit/(loss) from continuing operations	12.6	51.5	
Profit/(loss) from discontinued operations, net of tax	(2.3)	65.9	>100
Profit/(loss) for the period	10.3	117.4	(91.2)
<i>attributable to:</i>			
- Owners of the parent company	3.3	107.1	(96.9)
- Non-controlling interests	7.0	10.3	(32.0)
Cash flows from investing activities	114.8	108.7	

(in millions of euro)	June 30, 2022	December 31, 2021
Total equity	1,555.9	1,637.9
Equity attributable to owners of the parent company	1,387.4	1,459.6
Net financial position	159.5	354.0
Employees (headcount) at the end of the period	945	848

The economic indicators of continuing operations in the first half of 2022 are as follows:

- **Revenue and income**, equal to 255.4 million euro compared with 232.7 million euro at June 30, 2021 (+9.8%), increased by 22.7 million euro, mainly due to the positive contribution of Caffè Borbone, Casa della Salute and Officina Profumo-Farmaceutica di Santa Maria Novella.
- The **gross operating profit**, equal to 37.8 million euro compared with 80.1 million euro at June 30, 2021, decreased by 42.3 million euro. Specifically, the change is mainly attributable to Italmobiliare, Caffè Borbone and Italgem.
- After amortisation and depreciation higher than in the same period of 2021, **operating profit** came to 22.0 million euro (69.1 million euro in the first half of 2021).
- The **profit before tax**, after finance income and expenses and the results of the companies accounted for using the equity method, comes to 24.4 million euro, compared with 76.5 million euro at June 30, 2021.

As mentioned previously, the Sirap group has been presented on the basis of IFRS 5.

- The **profit after tax** and the result of discontinued operations amounts to 10.3 million euro compared with 117.4 million euro at June 30, 2021.

- At June 30, 2022, **total equity** was 1,555.9 million euro, while **equity attributable to owners of the parent company** was 1,387.4 million euro, compared with 1,637.9 million euro and 1,459.6 million euro respectively at December 31, 2021.
- In the first half of 2022 financial and industrial **investments** were made for a total of 114.8 million euro, 6.1 million euro up on the same period in 2021 (108.7 million euro).
- The consolidated **net financial position** at June 30, 2022 was a positive balance of 159.5 million euro, compared with 354 million euro at the end of December 2021. The negative change of 194.5 million euro is mainly due to the cash generated by operating activities (-25.4 million euro), investments and divestments (-114.8 and +26.2 million euro, respectively), dividend payments (-72.2 million euro) and other changes (-7.3 million euro).

FINANCE COSTS AND OTHER ITEMS

Net finance costs decreased from 1.2 million euro to 0.5 million euro.

It should be remembered that this item does not include the finance costs and income of Italmobiliare and of the other finance companies as, being part of their core business, they are included in the gross operating profit.

The result of the investments in equity-accounted associates is positive for 2.9 million euro (mainly thanks to the positive contribution of AGN Energia and Iseo) down from 8.6 million euro in the first half of 2021 (mainly due to the negative contribution of Tecnica Group and the seasonality of the business).

PROFIT FOR THE PERIOD

The above figures resulted in a positive result before tax of 24.4 million euro in the half year (positive for 76.5 million euro at June 30, 2021).

After 11.8 million euro of tax (25 million euro in the first half of 2021), the result from continuing operations shows a profit of 12.6 million euro in the first half of 2022 (profit of 51.5 million euro in the corresponding period of 2021). To this must be added the negative result from discontinued operations of 2.3 million euro (positive for 65.9 million euro in 2021) to reach the net result of 10.3 million euro (117.4 million euro in 2021), of which 3.3 million euro attributable to the owners of the parent company and 7.0 million euro attributable to non-controlling interests (107.1 and 10.3 million euro respectively in the corresponding period of 2021).

REVENUE AND OPERATING PROFIT AT JUNE 30, 2022 RELATING TO CONTINUING OPERATIONS

CONTRIBUTION TO CONSOLIDATED REVENUE AND INCOME

(net of intragroup eliminations)

(in millions of euro)	H1 2022		H1 2021		Change	
		%		%	%	% ¹
Business segments						
Italmobiliare	28.5	11.2	36.3	15.6	(21.6)	(21.6)
Caffè Borbone	134.0	52.5	129.2	55.5	3.7	3.7
Italgen	22.3	8.7	18.3	7.9	21.8	21.8
Capitelli	9.7	3.8	8.4	3.6	15.4	15.4
Officina Profumo-Farmaceutica di Santa Maria Novella	19.5	7.6	12.1	5.2	61.3	47.6
Casa della Salute	16.6	6.5	12.5	5.4	32.5	29.5
Callmewine	7.7	3.0	8.3	3.6	(7.2)	(7.2)
Tecnica Group	-	0.0	-	0.0	-	-
AGN Energia	-	0.0	-	0.0	-	-
Iseo	-	0.0	-	0.0	-	-
Clessidra	15.7	6.1	6.9	3.0	128.3	128.3
Other companies	1.5	0.6	0.7	0.3	105.6	105.6
Total	255.4	100.0	232.7	100.0	9.8	8.9

1. On a like-for-like basis and at constant exchange rates.

The positive change in revenue and income, equal to 9.8% compared with the first half of 2021, was reached thanks to the results of Officina Profumo-Farmaceutica di Santa Maria Novella (+61.3%) and Casa della Salute (+32.5%).

BREAKDOWN OF CONSOLIDATED PROFIT BY SEGMENT

(in millions of euro)	June 2022	June 2021
Business segments		
Italmobiliare	55.7	41.7
Caffè Borbone	10.8	14.8
Sirap	(2.2)	70.0
Italgen	(0.7)	4.9
Capitelli	0.6	1.7
Officina Profumo-Farmaceutica di Santa Maria Novella	1.1	0.9
Casa della Salute	(0.7)	(0.1)
Callmewine	(0.8)	(0.1)
Tecnica Group	(2.2)	(1.0)
AGN Energia	2.7	6.6
Iseo	2.4	2.9
Other companies	0.7	(1.0)
Elimination of dividends and intragroup gains/losses	(64.1)	(34.2)
Profit/(loss) for the period attributable to the Group	3.3	107.1

STATEMENT OF COMPREHENSIVE INCOME

In the first half of 2022, the components of the comprehensive income from continuing operations had a negative balance of 12.2 million euro (positive for 16.9 million euro in the first half of 2021), mainly due to 14.5 million euro of negative adjustments to assets classified as FVTOCI.

Therefore, taking into account the profit for the period of 10.3 million euro and the components mentioned above, total comprehensive income for the period is negative for 1.9 million euro (138.6 million euro at June 30, 2021).

The statement of comprehensive income forms part of the consolidated financial statements.

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

(in millions of euro)	June 30, 2022	December 31, 2021
Property, plant & equipment and investment property	198.2	188.7
Intangible assets	550.6	553.3
Other non-current assets	622.4	558.1
Non-current assets	1,371.2	1,300.1
Current assets	566.5	697.0
Assets classified as held for sale	0.0	0.1
Total assets	1,937.7	1,997.2
Equity attributable to owners of the parent company	1,387.4	1,459.6
Non-controlling interests	168.5	178.3
Total equity	1,555.9	1,637.9
Non-current liabilities	161.5	128.8
Current liabilities	220.3	230.5
Total liabilities	381.8	359.3
Liabilities directly linked to discontinued operations	-	-
Total equity and liabilities	1,937.7	1,997.2

EQUITY

Total equity at June 30, 2022 was 1,555.9 million euro, showing a decrease of 82 million euro compared with December 31, 2021. Equity attributable to the owners of the parent company decreased by 72.2 million euro, while non-controlling interests decreased by 9.8 million euro. The overall change was due to:

- the profit for the period of 10.3 million euro;
- the change in the fair value reserve on FVTOCI investments for -14.5 million euro, net of the related tax effect;
- dividends paid for 80.2 million euro;
- change in the consolidation area and other changes for -2.4 million euro.

At June 30, 2022, the share capital of Italmobiliare S.p.A. was equal to 100,166,937 euro, divided into 42,500,000 ordinary shares. At June 30, 2022 Italmobiliare S.p.A. holds 217,070 ordinary shares as treasury shares, equal to approximately 0.5% of the share capital.

NET FINANCIAL POSITION

At June 30, 2022 the net financial position, positive for 159.5 million euro, recorded a decrease of 55% compared with the situation at December 31, 2021 (354.0 million euro).

BREAKDOWN OF THE NET FINANCIAL POSITION

(in millions of euro)	June 30, 2022	December 31, 2021
Current financial assets	335.8	496.2
Current financial liabilities	(92.6)	(84.7)
Non-current financial assets	17.8	11.8
Non-current financial liabilities	(101.5)	(69.4)
NFP of assets held for sale	0.0	0.1
Net financial position	159.5	354.0

CONDENSED STATEMENT OF CASH FLOWS

(in millions of euro)	H1 2022	H1 2021
Net financial position at the beginning of period	354.0	320.8
Cash flows from operating activities	(25.4)	2.2
Capital expenditure:		
<i>PPE, investment property and intangible assets</i>	(22.3)	(24.1)
<i>Non-current financial assets</i>	(92.5)	(84.6)
Cash flows from investing activities	(114.8)	(108.7)
Proceeds from disposal of non-current assets	26.2	176.5
Dividends paid	(72.2)	(39.9)
Translation and structure differences	(0.9)	(6.9)
Other change	(7.3)	10.6
Net cash flows for the period	(194.5)	33.8
Cash flows relating to assets classified as held for sale	-	(0.1)
Net financial position at the end of period	159.5	354.5

CAPITAL EXPENDITURE

(in millions of euro)	Investments in non-current financial assets		Investments in PPE and investment property		Investments in intangible assets		Total capital expenditure	
	H1 2022	H1 2021	H1 2022	H1 2021	H1 2022	H1 2021	H1 2022	H1 2021
Business segments								
Italmobiliare	85.8	83.7	0.5	0.3	-	-	86.3	84.0
Caffè Borbone	2.2	-	5.6	5.7	0.1	0.2	8.0	5.9
Officina Profumo-Farmaceutica di Santa Maria Novella	-	-	2.0	0.4	0.1	0.2	2.0	0.6
Sirap	-	-	-	1.7	-	-	-	1.7
Italgen	-	4.8	2.9	2.4	0.2	-	3.1	7.2
Casa della Salute	-	-	7.8	8.0	0.5	0.5	8.3	8.5
Capitelli	-	-	0.2	0.5	0.0	0.1	0.2	0.6
Callmewine	4.5	-	0.0	-	0.2	-	4.7	-
Clessidra	-	-	0.3	0.5	1.7	2.4	2.0	2.9
Other companies	-	0.1	0.1	0.4	-	-	0.1	0.5
Inter-segment eliminations	-	-	-	(0.3)	-	-	-	(0.3)
Total capital expenditure	92.5	88.6	19.5	19.6	2.7	3.4	114.7	111.6
Change in receivables/payables for capital expenditure	-	(4.0)	0.1	1.1	-	-	0.1	(2.9)
Total capital expenditure	92.5	84.6	19.6	20.7	2.7	3.4	114.8	108.7

The capital expenditure made by the Group in the first half of the year totalled 114.8 million euro, 6.1 million euro up compared with the first half of 2021 (108.7 million euro).

The cash flows from investing in financial assets, equal to 92.5 million euro (84.6 million euro in the first half of 2021), mainly refer to the investments in Bene Assicurazioni for 41 million euro, Archimede (majority shareholder of Formula Impresoft) for 12 million euro, private equity funds for 25.5 million euro and Florence InvestCo for 6.0 million euro.

The cash flows from investing in property, plant & equipment amount to 19.6 million euro and mainly refer to Casa della Salute, Caffè Borbone and Italgen.

The Group's divestments during the first half of 2022 amounted to 26.2 million euro and mainly refer to the sale of a 5% stake in the share capital of Officina Profumo-Farmaceutica di Santa Maria Novella S.p.A. to third parties and to the partial refund of private equity funds.

Italmobiliare S.p.A.



BUSINESS AND FINANCIAL PERFORMANCE

(in millions of euro)	H1 2022	H1 2021	Change%
Revenue and income	140.9	63.9	>100
Gross operating profit (EBITDA)	103.5	45.9	>100
% of revenue	73.5	71.8	
Amortisation and depreciation	(0.4)	(0.4)	-
Operating profit (EBIT)	103.1	45.5	>100
% of revenue	73.2	71.2	
Net finance income (costs)	0.3	0.0	n.s.
Impairment losses on financial assets	(47.9)	0.0	n.s.
Profit/(loss) before tax	55.5	45.5	22.0
% of revenue	39.4	71.2	
Income tax	0.2	(3.8)	n.s.
Profit/(loss) for the period	55.7	41.7	33.6

n.s. not significant

(in millions of euro)	June 30, 2022	December 31, 2021
Total equity	1,301.5	1,320.8
Net financial position	220.7	337.5
Employees (headcount) at the end of the period	43	43

RESULTS IN ACCORDANCE WITH THE FINANCIAL MODEL

Given the specific nature of the Company, in order to allow a full understanding of its performance, the following table shows the results in a format normally used for finance companies. This format shows:

- "Net gains/(losses) on equity investments" which, in the case of equity investments classified as FVTOCI, include dividends received. In the case of equity investments in subsidiaries and associates, this item includes both dividends and gains/losses realized on sales, as well as any impairment losses;
- "Net gains/(losses) on investments of cash and cash equivalents", which include interest income on bank coupons and deposits, impairment gains or losses on bonds and trading equities measured at FVTPL, gains/losses realized on the sale of trading securities, gains or losses on trading derivatives and investment funds measured at FVTPL and "Net borrowing costs". "Net borrowing costs" consist essentially of interest expense on borrowings, bank commissions and costs;
- "Other income and expenses" include personnel expense and operating expenses for the financial structure, net of amounts recovered from other Group companies or third parties.

(in millions of euro)	H1 2022	H1 2021	Change %
Net gains (losses) on equity investments	66.9	30.1	>100
Net gains (losses) on investments of cash and cash equivalents	2.2	29.9	(92.6)
Total finance income/costs	69.1	60.0	15.2
Other income (expense)	(13.6)	(14.5)	(6.2)
Income tax	0.2	(3.8)	n.s.
Profit/(loss) for the period	55.7	41.7	33.6

n.s. not significant

Net income and charges from equity investments are positive for 66.9 million euro, up compared to the 30.1 million euro at June 30, 2021, mainly because of higher dividends approved. Note that this change is mainly attributable to the subsidiaries Sirap Gema and Caffè Borbone, which approved the distribution of dividends for 60 million euro and for 30 million euro respectively.

With regard to the subsidiary Sirap Gema, the distribution of dividends for 60 million euro (of which 32 million euro received by Italmobiliare at June 30, 2022) resulted in a reduction of value of the investment by 47.4 million euro (since the recoverable amount of the investment consists exclusively of the fair value of the financial assets held following the sale of the Sirap business, pending its liquidation). This reduction is included in the item "Impairment of financial assets" in the Company's income statement.

Net gains on investments of cash and cash equivalents show a positive balance of 2.2 million euro (positive for 29.9 million euro at June 30, 2021). The change is mainly due to the lower performance of private equity funds and the negative performance of investment funds.

Other income and expense are negative for 13.6 million euro (-14.5 million euro at June 30, 2021), substantially in line with the previous period.

After positive taxes for 0.2 million euro (negative for 3.8 million euro at June 30, 2021), the result for the half year was positive for 55.7 million euro (positive for 41.7 million euro at June 30, 2021).

EQUITY

Equity at June 30, 2022 amounts to 1,301.5 million euro, 19.3 million euro down compared to December 31, 2021 (1,320.8 million euro), mainly because of:

- a decrease in the fair value of the FVTOCI investments for 16.9 million euro (net of the tax effect);
- sales of FVTOCI investments during the period (+1.0 million euro);
- dividends paid for 59.2 million euro;
- a profit for the period of 55.7 million euro.

NET FINANCIAL POSITION

(in millions of euro)	June 30, 2022	December 31, 2021
Current financial assets	225.3	334.9
Current financial liabilities	(21.2)	(6.9)
Current net financial position	204.1	328.0
Non-current financial assets	16.7	9.6
Non-current financial liabilities	(0.1)	(0.1)
Non-current net financial position	16.6	9.5
Net financial position	220.7	337.5

At June 30, 2022 the net financial position of Italmobiliare S.p.A. is showing a decrease of 116.8 million euro, going from 337.5 million euro at December 31, 2021 to 220.7 million euro at the end of June 2022, allocated for 66% to the Vontobel Fund which has a conservative risk profile consistent with the company's investment policies. The main flows include the investment in private equity funds, net of reimbursements (-14.7 million euro), the investment as co-investor of the Clessidra Capital Partners 4 Fund in the capital of Archimede S.p.A. (Formula Impresoft) with an interest of 22.99% (-12 million euro), the investment in Bene Assicurazioni S.p.A. Società Benefit with an interest of 19.996% (-40 million euro), other investments (-20 million euro), and tax payments (-21 million euro). The payment of ordinary and extraordinary dividends was more than offset by dividends received from subsidiaries and associated companies.

LITIGATION AND DISPUTES PENDING

A description of the main legal and tax disputes involving Italmobiliare S.p.A. is provided in the relevant section on page 53.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

In July 2022, Italmobiliare continued its strategy of expanding its investment portfolio with the acquisition of SIDI Sport, an iconic brand that has been able to revolutionise the world of cycling and motorcycling footwear. In 2021, SIDI Sport recorded revenue of almost 38 million euro and EBITDA of around 7 million euro. 100% of the capital of SIDI Sport S.r.l. will be taken over by Italmobiliare for an investment of 66 million euro.

OUTLOOK

The business outlook for Italmobiliare S.p.A. is explained in the relevant section on page 55.

MAIN FINANCIAL ASSETS OF ITALMOBILIARE S.P.A.

HeidelbergCement

In the second quarter of the year, HeidelbergCement stock's performance showed a decline of 11.27%, (-7.18% including dividends) against the trend of the reference index (Stoxx Europe 600 Construction & Materials), which closed with a 13.9% decline. The first half closed with a 22.98% drop in the share price (vs. -26.3% by the Stoxx Europe 600 Construction & Materials index). Despite organic growth post-Covid fuelled by fiscal measures, cost inflation weighed on expectations and, above all, on margins. Energy costs represent approximately 9% of HeidelbergCement's revenue. Any gas rationing would obviously have a significant impact, though HeidelbergCement can benefit from greater flexibility between different energy sources than the industry average.

However, the fall in prices has compressed multiples to levels that are close to all-time lows, with an EV/EBITDA (forward) of less than 4.5x. Consolidating its position as a sector leader in sustainability, HeidelbergCement has finally raised its decarbonisation target to 400 kg CO₂/t of cement by 2030, from the previous <500kg CO₂/t, the equivalent of -29% vs. 2021, through increased production efficiency and investments in CCUS (carbon capture, use and storage). The objectives require an increase in capex (for CCUS, the estimate is 1.5 billion euro in the next few years), while the expected economic benefits are a function of the rise in prices of CO₂ (the spot price at June 30 was close to 90 euro and is expected to rise over the coming years) and cement (competitive advantages). After the significant reduction in exposure in 2021, the investment strategy is now to seize any market opportunities to take out hedges on the stock and/or make further sales.

Private Equity Funds

The Company has invested in a portfolio of selected Italian and international private equity funds with a view to diversifying its investments by sector and geographical area, including the CCP3 and CCP4 and Clessidra's Restructuring Fund, BDT Capital Partners Fund II and III, Isomer Capital I and II, Isomer Capital Opportunities, Connect Ventures 3 and 4, Iconiq IV and V, Lindsay Goldberg Fund V, Lauxera Growth I, 8-Bit Capital I, Expedition Growth Capital Fund I. During the first half of 2022 private equity funds recorded an overall growth of 28.3 million euro, of which 4.0 million euro of increase in fair value, 9.6 million euro of exchange rate difference, 25.5 million euro of new investments partially offset by 10.7 million euro of disposals.

Caffè Borbone

(60% INTEREST)



BUSINESS AND FINANCIAL PERFORMANCE

(in millions of euro)	H1 2022	H1 2021	Change %
Revenue and income	134.0	129.2	3.7
Gross operating profit (EBITDA)	33.9	46.2	(26.5)
% of revenue	25.3	35.7	
Amortisation and depreciation	(5.4)	(4.8)	13.2
Operating profit (EBIT)	28.5	41.4	(31.1)
% of revenue	21.2	32.0	
Net finance income (costs)	(0.1)	0.7	n.s.
Profit/(loss) before tax	28.4	42.1	(32.4)
% of revenue	21.2	32.5	
Income tax	(10.5)	(17.4)	(40.0)
Profit/(loss) for the period	17.9	24.7	(27.1)
Capital expenditure	8.0	5.9	
Free Cash Flow	8.0	29.5	

n.s. not significant

(in millions of euro)	June 30, 2022	December 31, 2021
Total equity	347.7	379.8
Net financial position	(14.3)	8.0
Employees (headcount) at the end of the period	261	261

The first half of the year for Caffè Borbone was a period of intense planning. The following matters are particularly worthy of note:

- Expansion of the product range, with the commercial launch of a new line of soluble products and new aluminium capsules that are compatible with the Nespresso system;
- Continuation of brand promotion activities, crowned by the victory as "Best Brand" in the cross product category of the Brands Award initiative, which evaluates branded products on the basis of both quantitative parameters (e.g. sales data) and the qualitative evaluation of consumers and professionals of the large-scale retail trade.
- Further strengthening of the company's organisational structure by purchasing Industrie Mediterranee S.r.l., the company that owns a plot of land near Caffè Borbone's production facilities with a view to building a warehouse there.

Looking at the results, Caffè Borbone closed the first half of 2022 with revenue of 134.0 million euro, up by 3.7% compared with the same period 2021, which benefited from the higher domestic consumption of coffee as a result of the lockdown. Looking only at the second quarter, growth of revenue amounted to 5.3%. At channel level, Large-Scale Retail is increasingly significant, closing the half year at +46% in a single-dose market that achieved +7% (source: Nielsen). Encouraging signs from abroad, which is increasingly strategic for the company's future prospects. In terms of products, as mentioned in the previous quarterly report, the sale of coffee beans is recovering compared with the previous period, impacted by the lockdown of the Ho.Re.Ca. channel because of the health emergency.

The gross operating profit for the first half comes to 33.9 million euro, with a margin of 25.3%. The decrease compared with the previous period is attributable to the increase in the cost of raw materials that the company only partially passed on to the end customer by increasing the list prices of its main products in the range.

Finance income and expenses for the period were negative for 0.1 million euro. The positive figure for the previous half year benefited from dividends for 0.8 million euro received from the associate company MFS Web S.r.l., which was subsequently spun-off in December 2021 spinning off the Online Branch to Caffè Borbone as part of the insourcing of the management of its website.

Taxes for the half year amount to 10.5 million euro, including a one-off positive impact of 0.8 million euro related to the realignment of the statutory and fiscal value of the customer list (art. 110 eighth paragraph of Legislative Decree 104/2020).

The profit for the first half of the year was 17.9 million euro, 27% down on the previous year. Capital expenditure during the period amounted to 8.0 million euro, of which 2.2 million euro relating to the acquisition of Industrie Mediterranee S.r.l., owner of a plot of land in the same industrial area where the company's plant is located.

The net financial position at June 30, 2022 is negative for 14.3 million euro, already net of the distribution of dividends for 30 million euro in the second quarter. Cash generation before dividends in the first half year was positive for 8.0 million euro despite the 6.5 million euro increase in working capital and taxes for 16.7 million euro (9.9 million euro in the previous half year).

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No significant events took place after the end of the period.

OUTLOOK

Despite the high level of uncertainty linked to the current situation, the company expects an increase in the second half of the year compared with the previous year, also thanks to the positive impact of new products as they come up to speed. In terms of margins, it is expected that the levels recorded in the first half of the year will be substantially maintained; the company carefully monitors the sensitivity of the coffee market (and raw materials in general) and the competitive pressure on the single-dose market.

Officina Profumo-Farmaceutica di Santa Maria Novella

(95% INTEREST)
THROUGH FT2 S.r.l.



BUSINESS AND FINANCIAL PERFORMANCE¹⁻²

(in millions of euro)	H1 2022	H1 2021	Change %
Revenue and income	19.5	12.1	61.2
Gross operating profit (EBITDA)	4.1	3.8	7.9
% of revenue	20.9	31.5	
Amortisation and depreciation	(2.1)	(1.6)	31.3
Operating profit (EBIT)	2.0	2.2	(9.1)
% of revenue	10.2	18.0	
Net finance income (costs)	(0.1)	(0.7)	(85.7)
Profit/(loss) before tax	1.9	1.5	26.7
% of revenue	9.6	11.9	
Income tax	(0.7)	(0.4)	75.0
Profit/(loss) for the period	1.2	1.1	9.1
Capital expenditure	2.0	0.6	
Free Cash Flow	(1.0)	4.2	

1. Figures refer to the consolidated financial statements of FT2 S.r.l., and Officina Profumo-Farmaceutica di Santa Maria Novella and have been prepared according to the international Financial Reporting Standards.

2. Figures for the first half of 2021 have not been audited.

(in millions of euro)	June 30, 2022	December 31, 2021
Total equity	209.3	197.6
Net financial position	21.2	12.8
Employees (headcount) at the end of the period	166	144

During the first half of 2022, Italmobiliare through its subsidiary FT2 S.r.l. finalised the sale of 5% interest of Officina Profumo-Farmaceutica di Santa Maria Novella S.p.A., for an amount of 10 million euro; the valuation is in line with the net book value of its equity.

Looking at the first half of 2022 the revenue of the Group amounted to 19.5 million euro, up 61% (+7.4 million euro) compared with the same period of 2021. In addition to better performances on the part of existing channels and products, opening new stores both in Italy and abroad and launching new products on the market are also contributing to the growth in revenue. For example, "L'Iris", the company's first eau de parfum, was launched in June and in just one month contributed more than 0.3 million euro to revenue.

As regards the performance of the individual channels, direct retail turned in excellent performances, more than tripling the previous year's first half result. In particular, the stores abroad - in the United States, the United Kingdom and France - reached and exceeded pre-pandemic levels; good results for the Italian shops as well, even if the flagship store in Via della Scala in Florence is still affected by the contraction in Asian tourist flows. Double-digit growth in the e-commerce channel is continuing, supported by investments in the digital sector. Good results also from the wholesale channel, which grew by 30% compared with 2021, mainly driven by the APAC market.

Gross operating profit (EBITDA) comes to 4.1 million euro, up 8% on the previous year. It represents 21% of sales, which marks a reduction in profit margin of 10.6 p.p. mainly due to a higher incidence of marketing costs on turnover, as well as the impact of one-off costs of 0.3 million euro. The increase in advertising and personnel costs is to support the company's ambitious multi-year growth plan.

Finance income and expenses for the period were negative for 0.1 million euro. Note that the first half of 2021 included a negative impact of 0.4 million euro linked to the sale of the subsidiary San Carlo.

At June 30, 2022 the net financial position was positive for 21.2 million euro, with an improvement of 8.4 million euro compared with the end of 2021. If we neutralise the effects of non-recurring transactions of approximately 10 million euro, which include the sale of 5% of the shares and deferred payment for the acquisition of the UK company, and the impact of applying IFRS 16 (0.2 million euro), cash flow for the half year shows a net absorption of funds of 1 million euro.

Lastly, during the first half of the year the company distributed 8 million euro in dividends to the parent company FT2 S.r.l. in line with the good results of 2021.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No significant events took place after the end of the period.

OUTLOOK

Despite the uncertain context, the company expects positive growth in the second half of 2022 thanks to the continuous recovery of direct retail and the results expected from ongoing activities. In particular, Officina Profumo-Farmaceutica di Santa Maria Novella is planning numerous initiatives to increase brand exposure on the market, including the launch of new products and the inauguration of new stores, both directly and through partners and distributors.

Italgen

(100% INTEREST)



BUSINESS AND FINANCIAL PERFORMANCE¹

(in millions of euro)	H1 2022	H1 2021	Change %
Revenue and income	22.3	18.3	21.8
Gross operating profit (EBITDA)	0.9	8.7	(89.9)
% of revenue	3.9	47.7	
Amortisation and depreciation	(3.0)	(2.0)	46.9
Operating profit (EBIT)	(2.1)	6.7	n.s.
% of revenue	(9.4)	36.7	
Net finance income (costs)	(0.3)	(0.1)	67.1
Share of profit (loss) of equity-accounted associates	1.2	0.1	>100
Profit/(loss) before tax	(1.2)	6.7	n.s.
% of revenue	(5.1)	36.9	
Income tax	0.5	(1.8)	n.s.
Profit/(loss) for the period	(0.7)	4.9	n.s.
Capital expenditure	3.1	7.2	
Free Cash Flow	(8.6)	3.4	

n.s. not significant

1. The figures in the table refer to the Italgen Group.

(in millions of euro)	June 30, 2022	December 31, 2021
Total equity	29.2	37.4
Net financial position	(35.2)	(18.7)
Employees (headcount) at the end of the period	68	67

As mentioned in the previous quarterly report, the first few months of 2022 were characterised by a period of extreme drought. In particular, the hydroelectric output in the first half of the year stands at 80 GWh, a decrease of 49% on the same period of 2021, which was the lowest level achieved in the last 70 years.

Italgen Group revenue in the half year amounted to 22.3 million euro. This growth on the previous period is explained by the increase in pass-through revenue of 8.4 million euro generated by the energy purchases needed to comply with commitments under existing fixed-price sales and transport contracts, despite the low level of production; moreover, when accounting for revenue, non-incentivised production is valued on the basis of the PUN (prezzo unico nazionale or single national price), whereas from February 2022 the so-called Sostegni ter Decree requires the difference between the PUN and the so-called "fair price" to be returned to the State, for a total amount during the period of 1.7 million euro. Neutralising both effects, revenue is down by 6.0 million euro compared with the same period last year and is attributable to the low level of production mentioned previously.

Gross operating profit for the half year comes to 0.9 million, showing a decrease of 7.8 million compared with the first half of 2021. In addition to the decline in "normalised" revenue, the contraction in EBITDA is mainly explained by the negative impact of the buy-backs that the company had to make during the half year (1.5 million euro) and the increase in fixed costs (0.3 million euro), due to the wider scope of consolidation caused by the acquisitions made in 2021. Neutralising non-recurring costs for 1.3 million euro, the Group's gross operating profit for the half year was 2.2 million euro. Taking into account amortisation and depreciation of approximately 3 million euro, slightly higher than in 2021 due to the investments made during the year, the operating result for the period was a loss of 2.1 million euro.

The item "Share of profit (loss) of equity-accounted associates" for 1.2 million euro relates to the positive performance achieved by Gardawind during the half year.

The half year ended with a negative result for the Italgen Group of 0.7 million euro.

The net financial position of the Italgen Group at June 30, 2022 was negative for 35.2 million euro. Neutralising the distribution of dividends for 8.0 million euro in the second quarter, cash generation in the half year was negative for 8.6 million euro, due to an unfavourable trend in working capital and the investments of the period.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

In July Italgen and Verdenergia S.r.l. (a company controlled by Quiris S.a.p.a., the majority shareholder of AGN Energia) completed their acquisition of 51% and 49% respectively of Rovale S.r.l., which controls a 0.5 MW hydroelectric power plant in Val Divedro, province of Verbania. With this acquisition, Italgen's total installed capacity rises to 66 MW and the hydroelectric derivation concessions that it manages come to 28.

LITIGATION AND DISPUTES PENDING

In addition to the disputes for which adequate allocations have been made, where necessary, to the provision for risks in the financial statements, it is possible that Italgen may in the future incur other liabilities in relation to changes in the regulatory framework and the final outcome of certain administrative disputes currently underway regarding the regulatory structure of large hydroelectric derivation concessions and the way that the fixed and variable components of the related state rents should be calculated.

OUTLOOK

The first few weeks of July have seen the drought that characterised the first half of the year continue, which, added to the fact that water stocks in the lakes are at all-time lows, suggests that hydroelectric production will be below the historical average also in the third quarter.

Casa della Salute

(84.63% INTEREST)



BUSINESS AND FINANCIAL PERFORMANCE¹

(in millions of euro)	H1 2022	H1 2021	Change %
Revenue and income	16.6	12.5	32.8
Gross operating profit (EBITDA)	2.5	1.6	56.3
% of revenue	14.9	12.8	
Amortisation and depreciation	(3.1)	(1.2)	>100
Operating profit (EBIT)	(0.6)	0.4	n.s.
% of revenue	(3.9)	3.4	
Net finance income (costs)	(0.4)	(0.2)	>100
Profit/(loss) before tax	(1.0)	0.2	n.s.
% of revenue	(6.1)	1.6	
Income tax	0.3	(0.2)	n.s.
Profit/(loss) for the period	(0.7)	0.0	n.s.
Capital expenditure	8.3	8.5	
Free Cash Flow	(4.0)	(8.3)	

1. The figures in the table refer to the Casa della Salute Group, which consists of Casa della Salute S.p.A., BEA Biella S.p.A., Casa della Salute Sardegna S.r.l. and CDS Medical S.r.l.

n.s. not significant

(in millions of euro)	June 30, 2022	December 31, 2021
Total equity	12.3	7.8
Net financial position	(32.9)	(34.3)
Employees (headcount) at the end of the period	262	205

Casa della Salute continued its growth path during the first half of the year. The following matters are particularly worthy of note:

- The opening of two new clinics in Savona (January 2022) and Genova Torri MSC (May 2022);
- The start of insourcing of dental services by renting a business unit of Gestdent (an external company that provided dental services at the Casa della Salute clinics), for which Casa della Salute has a definitive purchase option at the end of the rental period. This transaction did not have a significant impact on the income statement of Casa della Salute, while the impact on the Net Financial Position is commented on below;
- The revision of the Group's corporate structure through the creation in June of CDS Medical, a company wholly owned by Casa della Salute and dedicated to the management of the three clinics accredited with the National Health System (Busalla, Albenga and Genova Multedo); however, it is worth recalling that in 2022 the company did not receive any budget for activities affiliated with the NHS.

Looking at the numbers, Casa della Salute closed the half year with revenue of 16.6 million euro, an increase of 33% compared with the same period last year; excluding the clinics opened in 2021 and 2022, like-for-like growth comes to +7%. The numbers are even more brilliant if we exclude the revenue directly linked to Covid (vaccine hubs, swabs and serological tests), which in the first half of 2022 are down compared with the same period last year due to the different trend in the pandemic; neutralising them, overall growth is +38% and like-for-like growth is +9%. In terms of performance, diagnostics (+70% on the previous half year) and dentistry (+53% on the previous half year) grew more than the average; laboratory performance decreased slightly, also due to the reduction in swabs and serological tests.

Gross operating profit amounted to 2.5 million euro, 56% up on 2021. Neutralising non-recurring costs for 0.3 million euro, gross operating profit equal to 2.8 million euro, with a margin of 17% on revenue.

Depreciation and amortisation amounted to 3.1 million euro, up compared with the previous half year both for the investments made in 2021 to open new clinics and for the start of amortisation of the brand (0.6 million euro in the period).

The result for the first half of the year was negative for 0.7 million euro.

Investments in the period amounted to 8.3 million euro, largely attributable to the two new clinics opened in the first half (partly for the investments made, partly for the prospective value of the rental contracts).

The net financial position at June 30, 2022 was negative for 32.9 million euro; neutralising the increase in capital of 5 million euro in the second quarter and the one-off negative impact of 0.4 million euro of the rent of the Gestdent business unit, cash flow during the period was negative for 4.0 million euro, essentially due to the 5.0 million euro cash outlay for investments during the half year.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

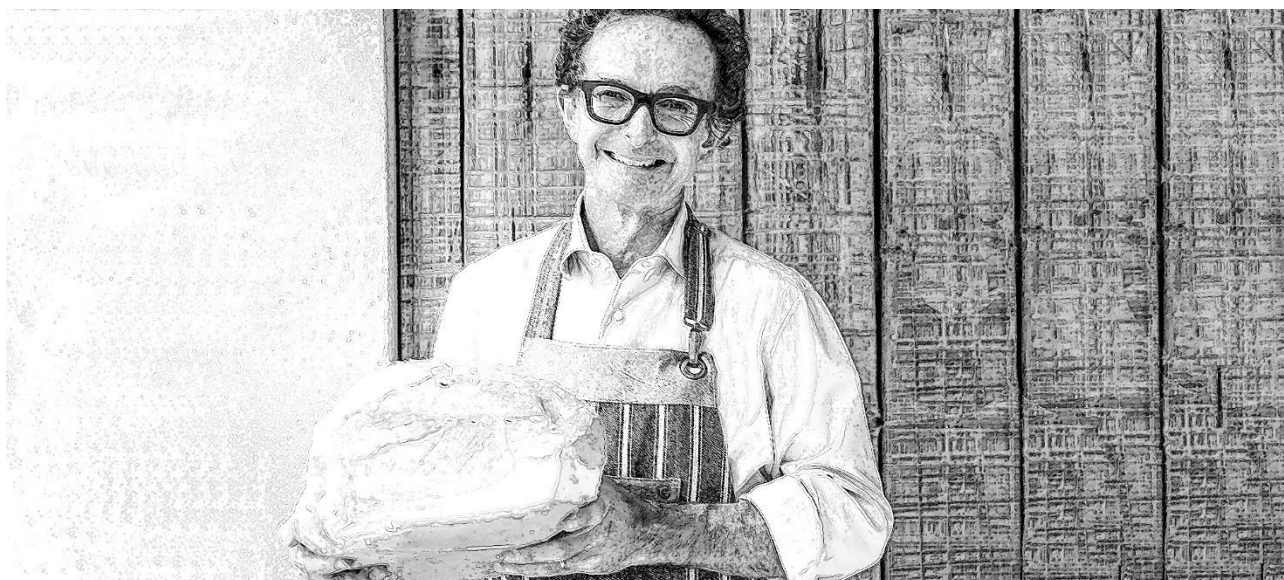
No significant events took place after the end of the period.

OUTLOOK

For the second half of the year, the company expects revenue to grow compared with the same period of 2021, thanks to the growth of the existing clinics and the opening of new clinics. Also for the gross operating profit, an improvement is expected compared with the second half of last year.

Capitelli

(80% INTEREST)



BUSINESS AND FINANCIAL PERFORMANCE

(in millions of euro)	H1 2022	H1 2021	Change %
Revenue and income	9.7	8.4	15.4
Gross operating profit (EBITDA)	1.6	2.0	(23.0)
<i>% of revenue</i>	16.1	24.2	
Amortisation and depreciation	(0.5)	(0.4)	23.4
Operating profit (EBIT)	1.1	1.6	(34.7)
<i>% of revenue</i>	10.9	19.3	
Net finance income (costs)	(0.1)	0.0	n.s.
Profit/(loss) before tax	1.0	1.6	(36.1)
<i>% of revenue</i>	10.8	19.4	
Income tax	(0.3)	0.5	n.s.
Profit/(loss) for the period	0.7	2.1	(65.7)
Capital expenditure	0.2	0.6	
Free Cash Flow	0.2	(0.2)	

n.s. not significant

(in millions of euro)	June 30, 2022	December 31, 2021
Total equity	16.6	20.9
Net financial position	(2.7)	2.1
Employees (headcount) at the end of the period	36	35

Capitelli's first half year posted revenue of 9.7 million euro, showing an increase of 15.4% on last year, mainly due to the increase in volumes and to the increase in list prices. The main channel remains Large-Scale Retail; the Ho.Re.Ca. channel is recovering, growing by 28% compared with the first half year 2021, which was impacted by the lockdown.

Gross operating profit in the half year was 1.6 million euro, with a sales margin of 16.1%. Compared with the same period last year, the decrease in the gross operating profit (8 p.p.) is entirely due to the reduction in the industrial margin, which is attributable to the company's choice not to pass on the entire increase in raw material costs to selling prices.

Net of amortisation and depreciation, which are substantially the same, the operating result for the half year is 1.1 million euro (-35% on 2021).

Taxes amounted to 0.3 million euro. Note that in the first half of 2021 taxes benefited of the positive impact for the period of 0.5 million euro (1.0 million euro for the whole year 2021) linked to the company's decision to realign the statutory and fiscal value of goodwill pursuant to art. 15, paragraph 10, of Legislative Decree 185/2008.

Profit for the half year is positive for 0.7 million euro, down by 0.4 million euro, neutralising the positive impact of taxes on the same period last year.

The net financial position at June 30, 2022 is negative for 2.7 million euro, net of the distribution of dividends for 5.0 million euro in the first quarter of 2022. Not considering dividends, cash generation in the half year was positive for 0.2 million euro, despite a growth in working capital, equal to 0.9 million euro, due to the rise in the cost of raw materials and contingent supply factors.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No significant events took place after the end of the period.

OUTLOOK

As anticipated in previous financial reports, during the first few months of 2022 some CSF-infected wild boars were reported in Italy, with the risk of contagion of the local pig population; to date, mitigating action by the Government and the European Community, including the creation of a red zone from which the export of pork products is prohibited, has not impacted the company's business, except for indirect repercussions in terms of further nervousness about the cost of raw material. Leaving aside the uncertainty about the possible course of the epidemic, the company expects to continue its revenue growth path in the second half, an expectation that is corroborated by the positive sales figures for the first part of July.

In terms of margins, the company carefully monitors the nervousness of the fresh meat market, which intensified in early July, and reserves the possibility of further price increases if necessary.

Callmewine

(80% INTEREST)
THROUGH FT3 S.r.l.



BUSINESS AND FINANCIAL PERFORMANCE¹

(in millions of euro)	H1 2022	H1 2021	Change %
Revenue and income	7.7	8.3	(7.2)
Gross operating profit (EBITDA)	(1.1)	0.0	n.s.
% of revenue	(14.3)	0.6	
Amortisation and depreciation	(0.1)	(0.1)	-
Operating profit (EBIT)	(1.2)	(0.1)	n.s.
% of revenue	(15.6)	(0.9)	
Net finance income (costs)	0.0	0.0	n.s.
Profit/(loss) before tax	(1.2)	(0.1)	n.s.
% of revenue	(15.9)	(1.0)	
Income tax	0.3	0.0	n.s.
Profit/(loss) for the period	(0.9)	(0.1)	n.s.
Capital expenditure	4.7	-	
Free Cash Flow	(3)	(1.4)	

1. The figures refer to the consolidated financial statements of FT3 S.r.l. and Callmewine S.r.l.

n.s. not significant

(in millions of euro)	June 30, 2022	December 31, 2021
Total equity	20.2	21.1
Net financial position	0.5	3.5
Employees (headcount) at the end of the period	18	13

During the first year, the company continued the intense planning linked to its growth path. Among the results that have been achieved it is worth mentioning:

- Completion of the management team, with a mix of professional skills designed to implement the company's ambitious strategic plan;
- The improvement of the service offered to end customers, culminating in winning the award for Best Customer Service in the sector assigned by Statista on the basis of customers' assessments;
- A further strengthening of the range of products on offer, with a strategic focus on craft wines, wines from around the world and spirits.

Looking at the numbers, the first half year recorded revenue of 7.7 million euro, with the decrease compared with the previous period due to the greater domestic consumption of wine induced by the lockdown that was a feature of the early part of 2021; encouraging figures for the second quarter, which closed up 5.4% compared with the same period of 2021, and for the month of June, which posted a +13% compared with June 2021, which is a more comparable period from the point of view of the impact of the current health emergency. Encouraging signs from abroad (France and Germany) that grow by 43% compared with the same period last year and represent 6% of total revenue in the first half of 2022.

Gross operating profit was negative for 1.1 million euro, down on the previous year, mainly due to the increase in fixed costs in support of the company's ambitious growth plan; in particular, it should be noted that in the first months of 2022 the company launched its second television advertising campaign. It is worth remembering that the gross operating profit for the first half of 2021 reflected non-recurring costs of 0.2 million euro due to the theft that took place in the company's warehouse; the company is insured for this type of event, and even if the insurance procedure for the reimbursement has not yet been completed, the full amount is expected to be recovered.

The net loss for the half year was 0.9 million euro, with depreciation and amortisation more than offset by the positive impact of joining the tax consolidation.

The net financial position at June 30, 2022 was positive for 0.5 million euro, with a negative cash generation for the period of 3 million euro attributable to the negative result for the period and the growth in working capital for 2.1 million euro, due to the seasonal nature of the business and the decision to increase the inventory, given the uncertainty in the supply of certain types of wine.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No significant events took place after the end of the period.

OUTLOOK

In the second half of the year, the company expects revenue to grow compared with the previous year, an expectation that is corroborated by the positive sales figures for the first few weeks of July. In terms of gross operating profit, a better result is expected in the second half of the year than in the second half of 2021, thanks to higher turnover and a lower proportion of marketing costs.

Tecnica Group

(40% INTEREST)



BUSINESS AND FINANCIAL PERFORMANCE¹

(in millions of euro)	H1 2022	H1 2021	Change %
Revenue and income	191.4	173.7	10.2
Gross operating profit (EBITDA)	9.6	17.1	(43.6)
% of revenue	5.0	9.8	
Operating profit (EBIT)	(0.3)	6.9	n.s.
% of revenue	(0.1)	4.0	
Profit/(loss) for the period	(5.6)	(2.5)	>100
Free Cash Flow	(21.0)	10.8	

1. The figures in the table refer to the Tecnica Group.

n.s. not significant

(in millions of euro)	June 30, 2022	December 31, 2021 ²
Total equity	89.6	96.2
Equity attributable to owners of the parent company	62.5	71.6
Net financial position	(156.8)	(128.7)
Employees (headcount) at the end of the period	3,775	3,429

2. Figures relating to 2021 were restated to ensure full comparability with 2022 first-half figures.

The first half period of the Tecnica Group closed with a turnover of 191.4 million euro, up by 10% compared with 2021. The winter sports brands (Nordica, Blizzard Tecnica and Moon Boot) performed very well, with revenues almost doubling overall. These positive results do not fully compensate for Rollerblade's and Tecnica Outdoor's production delay.

There was good growth in the gross profit (+8 million euro compared with the previous year), mainly due to the increase in turnover. Also a slight improvement in terms of percentage of sales due to a different channel mix (i.e. more growth in the e-commerce channel) and product mix, as well as new price lists for the winter sports brands.

The operating profit amounted to 9.6 million euro, down by 7.5 million euro compared with the same period of last year. The positive effects of the gross profit get absorbed by the increase in operating costs, mainly transport and personnel.

The bottom line for the period – strongly influenced by the seasonal nature of the winter sports business – was a loss of 5.6 million euro.

At June 30, 2022 the net financial position is negative for 156.8 million euro, with a negative cash generation of 21 million euro. Cash flow is net of the distribution of 8 million euro of dividends and the impact of IFRS 16 (1 million euro); the trend is also influenced by the seasonal nature of the business and by the investments made to carry forward the company's growth plan.

As anticipated in the previous financial report, the Tecnica Group has located part of its production for winter sports brands in Ukraine: it owns a ski factory in Chop and makes use of a number of subcontractors in the country. To date, the situation remains stable; despite this, Tecnica has already implemented a quantity recovery plan through a partial reallocation of volumes from the Chop plant to the Austrian factory in Mittersill.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

There are no significant events to report.

OUTLOOK

At the top line, a positive trend is expected for the second half: analysis of current trading (the sum of revenue and order backlog) for the whole of 2022 shows significant growth compared with last year's backlog.

Management monitors cost trends by periodically reviewing their plans in order to foresee any changes in margin on a timely basis. The net financial position is also expected to improve significantly compared with 31 December, 2021 also considering the seasonal nature of the business.

AGN Energia¹

(32.02% INTEREST)



BUSINESS AND FINANCIAL PERFORMANCE

(in millions of euro)	H1 2022	H1 2021	Change %
Revenue and income	342.3	259.5	31.9
Gross operating profit (EBITDA)	26.3	34.4	(23.5)
<i>% of revenue</i>	7.7	13.3	
Operating profit (EBIT)	12.9	20.8	(38.0)
<i>% of revenue</i>	3.8	8.0	
Profit/(loss) for the period	10.4	16.9	(38.5)
Free Cash Flow	13.3	34.0	

(in millions of euro)	June 30, 2022	December 31, 2021
Total equity	194.2	190.9
Equity attributable to owners of the parent company	193.6	190.4
Net financial position	(101.7)	(106.0)
Employees (headcount) at the end of the period	565	559

1. Note that as of June, the company name was changed from "Autogas Nord S.p.A." to "AGN Energia S.p.A."

In June 2022, Italmobiliare's stake in AGN Energia increased from 30.00% to 32.02%, following the completion of agreements signed at the time the interest was acquired, according to which 2.82% of AGN Energia's share capital was held in escrow. As a result, Italmobiliare collected back dividends of 0.3 million euro linked to the additional 2.02% stake.

In the first half of the year, the AGN Energia Group's turnover was equal to 342.3 million euro, an increase on the previous period exclusively linked to the significant rise in the cost of raw materials in almost all of the Group's businesses, which was reflected in terms of revenues but had no impact on the company's profitability. For a more genuine comparison, applying 2021 average prices to 2022 volumes, the revenue of the half year would be down 4% on the previous period.

Looking at the individual businesses, LPG volumes recorded a decrease of 5.7% compared with the first half of 2021, also because of the impact on consumption of the high temperatures in the second quarter; electricity and natural gas volumes also saw a decline (of 11% and 13% respectively), partly due to the company's decision to limit commercial development given the critical situation of the energy market, and partly to the impact of problems with one of the key suppliers of natural gas. There was a marked increase in both energy efficiency, which firmed up during the period the commercial pipeline of initiatives launched in 2021, and technical gases, which substantially tripled last year's result though they are still residual compared with the Group's total volumes.

The Group recorded value added² of 66.4 million euro during the half year, down by 8.7 million euro compared with the first half of 2021; overall, the non-LPG businesses recorded growth of 0.9 million euro, so the decrease was attributable entirely to LPG (-9.6 million euro) and, in particular, the positive impact on the 2021 result of hedging transactions on the purchase cost of LPG for the winter season 2020/21. Excluding these factors, there was a good defence of the unit margins of LPG in the half year, despite the extremely challenging context because of the increase in the price of the raw material.

The gross operating profit amounted to 26.3 million euro with the decrease in value added only partially offset by a decrease in fixed costs of 0.6 million euro.

The net result for the half year came to 10.4 million euro.

At June 30, 2022 the net financial position was negative for 101.7 million euro; net of the payment of dividends for 8.0 million euro and extraordinary transactions for 1.4 million euro, cash flow for the period was positive for 13.3 million euro.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

There are no significant events to report.

OUTLOOK

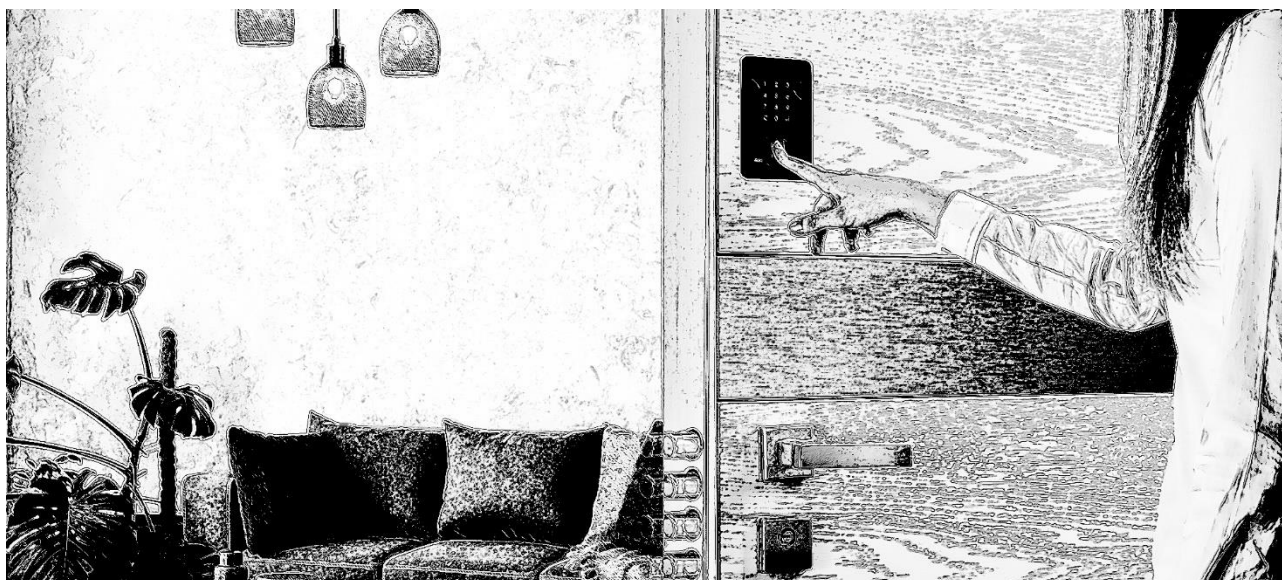
On the volume side, the company expects the second half of the year to substantially maintain the figures recorded in the same period of last year, gross of the uncertainty about LPG volumes due to the "natural" risk linked to the climate.

Gross operating profit for the second half year substantially in line with 2021 due to the absence of LPG hedging.

2. Classified as revenue and income, net of the cost of raw materials and primary transportation.

Iseo

(39.24% INTEREST)

BUSINESS AND FINANCIAL PERFORMANCE¹

(in millions of euro)	H1 2022	H1 2021	Change %
Revenue and income	84.6	78.6	7.6
Gross operating profit (EBITDA)	11.4	12.0	(5.0)
<i>% of revenue</i>	<i>13.5</i>	<i>15.3</i>	
Operating profit (EBIT)	8.0	8.6	(7.3)
<i>% of revenue</i>	<i>9.4</i>	<i>10.9</i>	
Profit/(loss) for the period	6.8	7.1	(4.4)
Free Cash Flow	(11.9)	(0.9)	

1. The figures in the table refer to the Iseo Group.

(in millions of euro)	June 30, 2022	December 31, 2021
Total equity	69.0	72.2
Equity attributable to owners of the parent company	66.7	70.1
Net financial position	(38.5)	(16.9)
Employees (headcount) at the end of the period	1,141	1,125

2022 continues according to the business plan drawn up by the company's management; in particular, the first half of 2022 posted turnover of 84.6 million euro, an increase of 8% compared with the previous half year.

In terms of products, the mechanical sector, which continues to be the core business, is up by 10% compared with the previous half year. The electronic segment is down by 3% compared with the previous period, which nevertheless benefited from the impact of a large infrastructure project; the pipeline of future projects is in good shape, confirming the future potential of this segment.

The gross operating profit for the period amounted to 11.4 million euro, in line with the previous half year thanks to management's ability to defend the industrial margin despite the extremely challenging context in terms of raw material costs. Note that the result for the first half of 2022 includes non-recurring costs of 0.8 million euro; without them, the profit margin would have been 15% of sales.

At June 30, 2022 the net financial position was negative for 38.5 million euro, net of dividends for 10 million euro paid in the second quarter. During the half year, cash generation was negative for 11.9 million euro, more than explained by the increase in net working capital (+19 million euro compared with December 31, 2021) attributable to the seasonal nature of the business and to the growth in raw material costs as well.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

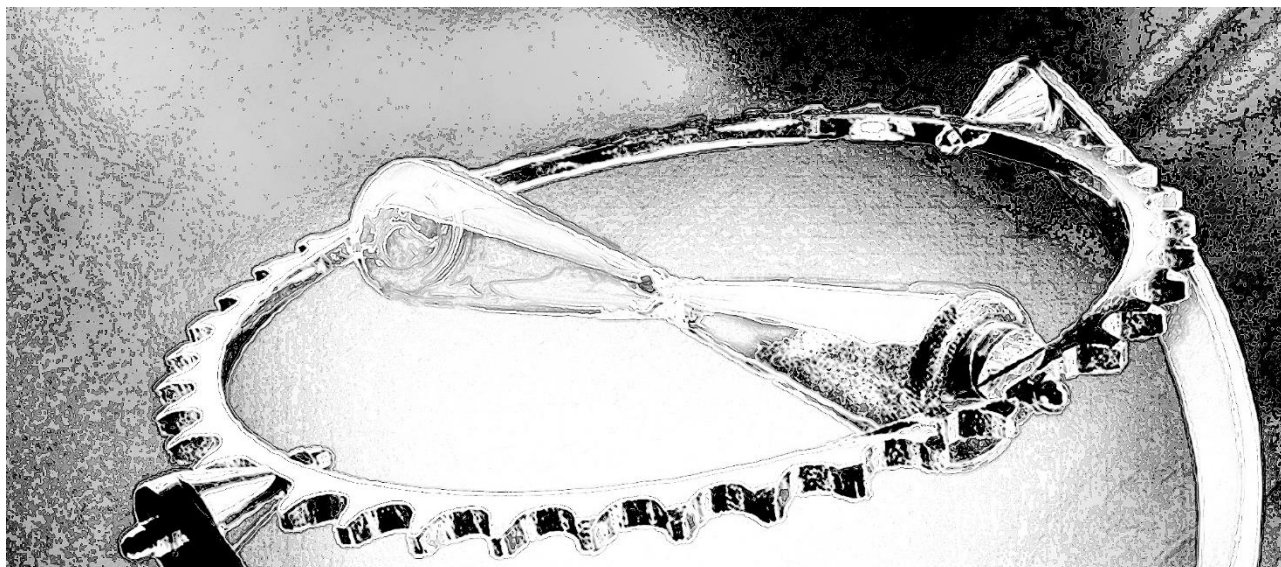
There are no significant events to report.

OUTLOOK

The company expects sales volumes for the second half of 2022 to be substantially in line with the previous year. In terms of margins, the trend in raw materials will be monitored with particular attention for any repercussions in terms of pricing, an area that has just been further strengthened.

Clessidra Group

(100% INTEREST)



BUSINESS AND FINANCIAL PERFORMANCE¹

(in millions of euro)	H1 2022	H1 2021	Change %
Interest margin	0.5	0.3	66.7
Commission income	14.3	6.4	
Income (expense) from financial assets	(0.2)	(0.1)	
Brokerage margin	14.5	6.6	>100
Administrative expense	(12.4)	(10.6)	
Other operating income and charges	1.1	2.8	
Operating profit	3.3	(1.2)	n.s.
Income tax	(1.3)	0.3	
Profit (loss) for the period	2.0	(0.9)	n.s.

1. The figures have been prepared according to the standards required by the Bank of Italy.

n.s. not significant

(in millions of euro)	June 30, 2022	December 31, 2021
Total equity	34.6	27.0

The scope of consolidation of the Clessidra Group at June 30, 2022 includes Clessidra Holding S.p.A., as the group holding company, Clessidra Private Equity SGR S.p.A. (100%), Clessidra Capital Credit SGR S.p.A. (100%), Clessidra Factoring S.p.A. (100%) and Clessidra CRF G.P. S.S. (held 49% by Clessidra Capital Credit).

For the Clessidra Group, the first half of 2022 closed with a positive brokerage margin of 14.5 million euro (6.6 million euro at June 30, 2021), mainly represented by management fees of the Clessidra Funds for 10 million euro (5.4 million euro at June 30, 2021) and interest and commissions deriving from the Factoring business for 4.7 million euro (1.2 million euro at June 30, 2021).

Administrative expenses for the period amounted to 12.4 million euro (10.6 million euro at June 30, 2021), mainly due to personnel expense of 7.2 million euro (4.8 million euro at June 30, 2021), as well as consulting and operating costs. After the positive balance of other operating income and charges for 1.1 million euro and taxes for 1.3 million euro, the consolidated situation at June 30 closed with a positive result of 2 million euro (0.9 million euro in 2021).

During the period, Clessidra Group companies continued their activities in various business segments. Specifically:

- Clessidra Holding continued its investment management activity as the group holding company and, as outsourcer, it continued to provide Fund Administration, Corporate Administration, Human Resources and Organisation, Budget and Planning, Legal and Corporate, Compliance and Anti-Money Laundering services to the two asset management companies, as well as services relating to the management of Human Resources, Compliance and Anti-Money Laundering to Clessidra Factoring.
- Clessidra Private Equity SGR continued its fund raising activity for the Clessidra Capital Partners 4 Fund (the "CCP4 Fund"), a closed-end reserved Italian AIF established on May 19, 2021. On June 20, 2022, the Fund completed its fourth closing, reaching a total amount subscribed at June 30, 2022 of 518 million euro. With regard to the management of the Clessidra Capital Partners 3 Fund, during the half-year period Clessidra continued to manage and enhance the value of the companies in its portfolio. Lastly, with regard to the Clessidra Capital Partners II Fund, note that its duration ends on September 19, 2022. During the half year, the SGR completed its divestment of the last company in the Fund's portfolio (Harmont & Blaine) and began the process of liquidating the vehicles still in portfolio.
- Clessidra Capital Credit SGR has continued to manage the Clessidra Restructuring Fund with the aim of maximising the recovery rate of the Loans and Instruments in portfolio. In particular, the equity investments in Italtel and Acque Minerali d'Italia were completed during the half year, while on the lending front, the residual financial exposures towards the CRF Fund were fully repaid by Rummo S.p.A. and Albertani S.p.A. As part of its strategic plan, in the first half of 2022 Clessidra Capital Credit also began fund raising for the Clessidra Private Debt Fund ("Clessidra PD"), reaching the minimum subscription level on March 30, 2022. From that date, as required by the Regulations, the Fund officially launched its investment activity which to date offers a fair amount of visibility with regard to possible transactions by the end of the year. As of June 30, 2022, the Fund had reached a total subscribed of 130 million euro.
- Clessidra Factoring is confirming its significant growth in terms of volumes (turnover, employment, loans outstanding) compared with the same period of the previous year, thanks to the rapid acceleration of commercial development, especially from the second half of 2021. At June 30, 2022, turnover for the year was equal to 194 million euro, total loans amounted to 99 million euro, while investments at the end of the half year amounted to 84 million euro. There were 166 active customers at June 30, 2022. In order to stabilise the current and future financial situation and take advantage of the still favourable trend in interest rates, the company finalised the issue of a minibond in May. Against a maximum approved amount of up to 50 million euro, at June 30, 2022 the total amount subscribed came to 33.6 million euro. The balance can be issued and subscribed by December 31, 2022.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

There are no significant events to report.

OUTLOOK

During the second half of the year, the Group will pursue its objectives in the various business segments, in particular: Clessidra Private Equity SGR will continue to raise subscriptions for the CCP4 Fund, and at the same time carry on its scouting and investment activities, taking advantage of the current pipeline which offers reasonably good visibility of possible new transactions. Furthermore, in September, the SGR will start the process that will lead to the Fund's liquidation by the end of the year. As part of its strategic plan, Clessidra Capital Credit SGR will continue to raise subscriptions for the Clessidra PD Fund, and at the same time will carry on its scouting and investment activities. Clessidra Factoring expects to achieve a significant increase in brokered volumes in consideration of both the greater size of the company and the commercial drive that it has been given. The target product remains that of factoring, alongside the traditional "Crossover" segment, aimed at SMEs with little access to bank credit, greater intervention and increasing volumes in "Distressed" factoring, aimed at companies with good industrial fundamentals, but affected by crisis settlement procedures in- or out-of-court.

Other Companies

The caption "Other companies" of the Italmobiliare Group includes a number of real estate companies, some service companies that operate essentially within the Group and a bank in the Principality of Monaco. The segment is of marginal importance to the Italmobiliare Group.

In addition, this item includes the new shareholding in Bene Assicurazioni.

At June 30, 2022, total revenue and income amounted to 2 million euro, in line with the same period of 2021, with a gross operating profit of -0.1 million euro (0.1 million euro at June 30, 2021).

After amortisation and depreciation of 0.2 million euro, financial items and positive taxes of 0.1 million euro, the result for the half year was a loss of 1.4 million euro (-0.5 million euro in the first half of 2021).

At June 30, 2022 there were 27 employees working in this sector.

BENE ASSICURAZIONI S.P.A. SOCIETÀ BENEFIT

As mentioned in the previous quarterly report, on April 29, 2022, Italmobiliare's investment in Bene Assicurazioni S.p.A. Società Benefit was finalised. The entry into this company's share capital involved a cash out of 40 million euro. Following the cancellation of 4,200,000 treasury shares with no share capital reduction, authorised by IVASS - Istituto per la Vigilanza sulle Assicurazioni (Institute for Insurance Supervision) and awaiting to be registered in the Companies Register, Italmobiliare's interest amounts to 19.996% of the share capital.

Bene Assicurazioni is an insurance technology company founded in 2016 and specialized in the non-life insurance retail market with a focus on the motor segment. The main distribution channel is agencies, followed by the online. The company is characterised by a high level of automation and digitisation of all business processes, and by the flexibility of the application architecture. These features make it possible to develop a lean, efficient and scalable business model, with an innovative approach compared with the way that incumbents operate.

The results for the first half of 2022 are summarised below:

(in millions of euro)	H1 2022	H1 2021
Premiums	75.1	60.8
Employees (headcount) at the end of the year	43.0	43.0

During the first half of 2022 Bene Assicurazioni recorded a 24% increase in gross premiums with consistent growth in all of the branches in which it operates. Looking at the various sales channels, excellent performances were turned in by the agency channel, which benefited from almost 50 new agents over the last year, and by e-commerce.

TRANSACTIONS WITH RELATED PARTIES

For the purposes of the Group's consolidated financial statements, transactions with related parties were with:

- associates and their subsidiaries;
- other related parties.

All transactions with related parties, related to the exchange of goods and services or with financial nature, are conducted at normal market conditions and in compliance with the Code of Conduct.

Summary figures at June 30, 2022 for transactions with related parties are provided in the Notes.

No atypical or unusual transactions as defined by Consob Communication no. DEM/6064293 of July 28, 2006 took place during the period.

Transactions with subsidiaries, associates and their subsidiaries

Transactions with subsidiaries, associates and their non-consolidated subsidiaries have commercial nature (exchange of goods and/or services) or financial nature.

The parent company Italmobiliare S.p.A. also provides administrative services to certain subsidiaries, which are billed at cost.

Transactions with other related parties

During the half year under review, transactions with other related parties concerned:

- a provision of 86 thousand euro for invoices to be received from the Gattai, Minoli, Agostinelli & Partners law firm, of which the Italmobiliare director Luca Minoli is a member, for legal advice and assistance in and out of court provided to the Italmobiliare Group;
- a donation of 300 thousand euro and charge back of costs for staff on secondment for 26 thousand euro to the "Fondazione Cav. Lav. Carlo Pesenti", whose Board of Directors is chaired by Carlo Pesenti;
- compensation for the work performed as an employee by Giampiero Pesenti, son of Carlo Pesenti, paid by Italmobiliare and Officina Profumo-Farmaceutica di Santa Maria Novella for a total of 85 thousand euro;
- compensation for the work performed as an employee and a director by Roberto Pesenti, son of Carlo Pesenti, paid by Callmewine for a total of 89 thousand euro.
- compensation for the work performed as an employee by Giulio Pesenti, son of Carlo Pesenti, paid by Clessidra for a total of 35 thousand euro.

LEGAL AND TAX DISPUTES

As explained in previous financial reports, following the completion of various M&A transactions in recent years, the Company - as the seller - is subject to compensation claims, notified by the respective purchasing parties, for alleged violations of the declarations and guarantees given by the seller and/or non-fulfilment of obligations placed on it by the related contractual documentation. In this regard, no events took place during the period that might entail substantial changes in the risk provisions made in the last annual financial report.

The CTR of Milan with sentence no. 1428/2022 of 11 April 2022 rejected the appeal filed by Italmobiliare against the assessment notice relating to CFC for the year 2013, which revolved around the question of whether Crédit Mobilier de Monaco is qualified as a "CFC black list" company. The overall value of the dispute, including the fine and interest, amounts to approximately 180 thousand euro; while the CTP of Milan with sentence no. 1336 of May 11, 2022 accepted the appeal filed by Italmobiliare against the assessment notice relating to CFC for the year 2015 which again revolved around the question of whether Crédit Mobilier de Monaco is qualified as a "CFC black list" company.

The Company submitted an application for revision against the judgment no. 31930 of November 5, 2021, in which the Court of Cassation challenged the deductibility of a cost of 11 million euro relating to a settlement reached in 2007 with Ansaldo Energia, deeming it not relevant to the business.

COMPLIANCE WITH THE CONDITIONS FOR LISTING LAID OUT IN THE CONSOB MARKET REGULATION

With reference to the *Conditions for the listing of certain companies*, laid down in art. 15 et seq. of the Market Regulation adopted by CONSOB with Resolution no. 20249 of December 28, 2017, on the basis of the Audit Plan, no subsidiary based in a non-European Union country is included in the scope of materiality.

COMPLIANCE WITH SIMPLIFIED RULES PURSUANT TO ARTS. 70 AND 71 OF THE ISSUERS REGULATION

Italmobiliare S.p.A. has adopted the opt-out regime envisaged by the Consob Issuers Regulation, exercising the right to waive the obligations to publish disclosure documents required in connection with significant merger and demerger transactions, acquisitions, sales or share capital increases by contributions in kind.

In compliance with this regime, Italmobiliare S.p.A. provided appropriate disclosures to the market.

* * *

Information on "Events after the reporting date" is provided in the Notes.

Outlook

Global growth was expected to slow down in 2022 due to the coming together of a series of factors and effects inherited from the post-Covid counter-shock, in particular: the withdrawal of economic policy support and the problems of value chains, while faced with a high rate of inflation and the erosion of excess accumulated savings. During the first months of the year, the impact of these factors was further exacerbated both by the war in Ukraine and the repercussions of the zero-Covid policy adopted in China, and by a deterioration in financial conditions, the effect of restrictive action on the part of central banks (especially the Fed) and the reactions of financial markets. The large decline in asset valuations (equities and bonds) was reflected in a significant rise in the cost of capital.

In the first half of the year, the global economic cycle entered a phase of significant slowdown in developed and emerging countries, even though growth is still positive. Expectations about the change in GDP in 2022 saw a downward revision, from 4.3% (average) at the beginning of the year to 2.9% and, in 2023, from 3.5% to 3%. The risk of a recession has also increased.

The economic slowdown, the easing of supply chain imbalances and the negative sequential effect of the recent decline in certain commodities (oil) could foreshadow a deceleration in the global inflation rate in the coming months, but price dynamics are likely to remain high also in 2023.

The erosion of real disposable income and cost pressure on profit margins are weighing on demand, already exposed to worsening credit conditions. The structural deficit of raw materials, impaired by the Russia/Ukraine conflict, persists, though there could be a rebalancing if a recession causes a contraction in demand. In particular, dependence on Russian gas further increases the uncertainties about the Eurozone economy.

The 2022 growth forecasts for the area have been revised downwards by leading macroeconomic experts to an average of 2.5%: but this overall figure is generated by a sequence of quarters in progressive decline with a period of stagnation at the end of the year, whereas in 2023 GDP is expected to grow by around 1%.

The current situation of high uncertainty requires more than ever careful and effective implementation of the best practices that Italmobiliare has been promoting and applying for a long time in its investment strategy and management of portfolio companies: broad portfolio diversification, proactive and organic risk management, implementation of the highest standards in corporate governance procedures, innovative formulas in human capital management, stringent financial discipline and broadening financial flexibility. The integration of ESG policies, objectives and plans as a characterising element of Italmobiliare's activity as a holding company is the precondition for pursuing ambitious development trajectories and portfolio companies growth, even in complex times like these.

The agreement signed shortly after the end of the half year for the acquisition of Sidi, an iconic brand that has revolutionised cycling and motorcycling footwear, confirms, even in this delicate phase, a desire consistent with its mission to support situations of Italian excellence, activating and accompanying that qualitative leap that is more than ever necessary in times of high uncertainty. The investment also strengthens Italmobiliare's exposure to a trend, like the outdoor activities, which we believe can be not only profitable, but also fundamental in the development of a company that is increasingly devoted to the idea of active well-being.

A similar conviction will guide the continuous support provided by Italmobiliare to the Clessidra group, both in the area of Private Equity, where the CCP4 fund has achieved funding of approximately 520 million euro with a portfolio that is being further enriched by excellent Italian companies such as Botter-Mondo del Vino, Viabizzuno and Impresoft, and in credit and factoring activities offered to meet the different financial sourcing needs of Italian SMEs in their development or relaunch path, increasing their resilience and financial flexibility in the face of external turbulence.

Milan, July 28 2022

For the Board of Directors
The Chief Executive Officer
(Carlo Pesenti)

ANNEX

Annex

The Net Asset Value (NAV) of Italmobiliare S.p.A., as a non-GAAP financial measure, is defined as the fair value of financial assets and property investments, net of financial liabilities and the tax effect.

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
Listed equity investments	A	30	39	(9)
Portfolio Companies*	B	1,274	1,261	13
Other equity investments	C	135	125	10
Private equity funds	D	217	189	28
Properties and related assets	E	49	50	(1)
Financial assets, trading, cash and cash equivalents*	F	270	419	(149)
Total Net Asset Value		1,975	2,082	(107)

The following is a reconciliation between the balances included in the NAV and the condensed interim statement of financial position of Italmobiliare S.p.A. included in the Italmobiliare Group's condensed consolidated interim financial statements as at June 30, 2022:

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
Listed equity investments as per NAV	A	30	39	(9)
Other equity investments				
HeidelbergCement		30	39	(9)
Total amounts as per statement of financial position	G	30	39	(9)
Difference	G-A	0	0	0

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
Portfolio Companies as per NAV	B	1,274	1,261	13
Equity investments in subsidiaries and associates				
Caffè Borbone S.r.l.		144	144	0
Italgen S.p.A.		20	20	0
Capitelli F.lli S.r.l.		14	14	0
FT2 Santa Maria Novella - Santa Maria Novella increase in capital		202	202	0
Clessidra Holding S.p.A.		31	27	4
FT3 S.r.l. Callmewine – Callmewine increase in capital		18	13	5
Casa della Salute S.r.l.		31	27	4
Tecnica S.p.A.		43	43	0
Iseo S.p.A.		43	43	0
AGN Energia S.p.A.		60	60	0
Total	H	606	593	13
Investments in other companies				
Bene Assicurazioni S.p.A. Società Benefit	I	41	0	41
Total amounts as per statement of financial position	H+I	647	593	54
Difference	(H+I)-B	627	668	(41)

The difference relates to the fact that in the statement of financial position of Italmobiliare S.p.A. the investments are measured at cost, whereas in the NAV they are valued at fair value.

(*) Figures relating to 2021 differ from what was published because the investment in Sirap Gema S.r.l. was reclassified from "Portfolio Companies" to "Financial assets, trading, cash and cash equivalents".

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
Other equity investments as per NAV	C	135	125	10
Other equity investments				
Vontobel		8	9	(1)
UBI		0	0	0
Unicredit		2	3	(1)
Cairo Communication		0	0	(0)
Coima Res		0	3	(3)
Piaggio		0	0	(0)
Sesaab		1	1	(0)
Fin.Priv. Mediobanca shares		17	21	(4)
035 Investimenti		1	1	0
KKR Teemo CO-INVEST L.P.		10	9	1
Ariston		8	10	(2)
Atmos Venture		0	0	0
New Flour S.p.A.		6	6	0
Compagnia Fiduciaria		1	1	(0)
Total	L	54	65	(11)
Equity investments in subsidiaries and associates				
Credit Mobilier de Monaco S.A.		5	5	(0)
SES		6	6	(0)
Franco Tosi Ventures S.r.l.		1	0	1
CCC Holdings Europe S.p.A.		5	5	(0)
Farmagorà		5	4	1
ITM Bacco S.r.l.		12	12	0
Archimede S.p.A.		12	0	12
Dokimè S.r.l.		2	2	0
Florence InvestCo S.r.l.		24	18	6
Total	M	72	52	20
Total amounts as per statement of financial position	L+M	126	117	9
Difference	(L+M)-C	(9)	(8)	(1)

The difference relates to the fact that in the statement of financial position of Italmobiliare S.p.A. the investments in ITM Bacco S.r.l. and Florence InvestCo are valued at cost, whereas in the NAV they are shown at fair value.

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
Private equity funds as per NAV	D	217	189	28
Bonds and mutual funds				
Clessidra (Funds)		78	63	15
BDT 2		65	64	0
BDT 3		7	7	0
Isomer		15	12	3
ICONIQ IV		31	26	5
ICONIQ V		15	12	3
LINDSAY		2	1	1
Lauxera		1	1	(0)
Expedition		1	1	0
8 - BIT		0	0	0
Connect Ventures		2	1	1
Total	N	217	189	28
Difference	N-D	0	0	(0)

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
Properties and related assets as per NAV	E	49	50	(1)
of which properties		12	12	(0)
of which subsidiaries		13	14	(1)
				0
Property, plant and equipment of Italmobiliare S.p.A.				
Property - Via Borgonuovo, Milan		5	5	0
Total	O	5	5	0
				0
Investment property of Italmobiliare S.p.A.				
Property - Via Sallustiana, Rome		7	7	(0)
Total	P	7	7	(0)
				0
Equity investments in subsidiaries and associates (which own properties)				
Punta Ala		2	2	0
Sepac		0	0	(0)
ITM Servizi		11	12	(1)
Total	Q	13	14	(1)
Investments in other companies				
Astra Immobiliare		0	0	0
Total	R	0	0	0
Total amounts as per statement of financial position	(O+P+Q+R)	25	26	(1)
Difference	(O+P+Q+R) -E	24	24	0

The difference relates for approximately Euro 24 million to the fact that in the statement of financial position of Italmobiliare S.p.A. properties are valued at cost, whereas in the NAV they are shown at fair value (i.e. the subsidiaries that own the buildings).

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
Financial assets, trading, cash and cash equivalents as per NAV	F	270	419	(149)
Cash and cash equivalents		13	55	(43)
FV of derivatives receivable		1	0	0
Other current assets (1)		212	279	(67)
Non-current financial assets (2)		17	10	7
Total cash and cash equivalents		242	344	(102)
				0
Current loans and borrowings		(0)	0	(0)
Current financial liabilities		(21)	(6)	(14)
Current options on securities		(0)	(0)	0
Non-current lease payables (3)		(0)	(0)	(0)
Total financial position		(21)	(7)	(14)
				0
Total net financial position	S	221	338	(117)
Sirap Gema S.r.l.*		49	82	(33)
Total financial assets, trading, cash and cash equivalents *	T	270	419	(149)
Difference	(S+T)-F	0	0	(0)

(1) this item also includes mutual investment funds, bonds, intercompany current accounts, accrued interest and commission income on loans and mutual funds.

(2) this item includes bonds, medium/long-term loans and cashes bonds.

(3) this item includes intercompany receivables/payables and short-term payables for lease contracts.

(*) it should be noted that the item "Financial assets, trading, cash and cash equivalents" includes the net financial position of the parent company Italmobiliare for 220.7 million euro (337.5 million euro at December 31, 2021) and the equity investment in the company Sirap Gema S.r.l. for 49 million euro (82 million euro at December 31, 2021).

Reconciliation of the captions included in the statement of financial position of Italmobiliare S.p.A.

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
Equity investments in subsidiaries and associates				
Amount as per statement of financial position of Italmobiliare S.p.A.		700	728	(28)
Amount from reconciliation	H+M+Q	690	659	31
Difference		9	68	(59)

The difference at June 30, 2022 and at December 31, 2021 is due to the fact that the caption in the statement of financial position of Italmobiliare S.p.A. includes the amount of the investment in Sirap Gema S.r.l. (equal to 8.5 million euro at June 30, 2022 and 68.4 million euro at December 31, 2021), restated as a financial asset for NAV calculation.

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
Other equity investments				
Amount as per statement of financial position of Italmobiliare		125	103	21
Amount from reconciliation	G+I+L+R	125	103	21
Difference		0	0	0

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
Other non-current assets				
Amount as per statement of financial position of Italmobiliare S.p.A.		238	208	29
Amount from reconciliation	N	217	189	28
Difference		21	20	1
Bond loans	Included in NFP	-	-	0
CASHES	Included in NFP	2	3	(1)
Difference		19	17	2
Receivables to subsidiaries	Included in NFP	15	7	8
Other current assets	Not included in NFP	3	2	1
Guarantee deposits	Not included in NFP	0	0	(0)
Tax consolidation receivables from subsidiaries	Not included in NFP	1	8	(6)
Difference		0	0	0

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
Property, plant and equipment				
Amount as per statement of financial position of Italmobiliare S.p.A.		7	7	0
Amount from reconciliation	O	5	5	0
Difference		2	2	0

The difference is due to the fact that the caption in the statement of financial situation of Italmobiliare S.p.A. also includes investments in plant and machinery for 1.74 million euro and the impact of the IFRS 16 for 0.26 million euro.

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
Investment property				
Amount as per statement of financial position of Italmobiliare S.p.A.		7	7	0
Amount from reconciliation	P	7	7	0
Difference			0	0

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
NFP				
Amount as per statement of financial position of Italmobiliare S.p.A.		221	338	(117)
Amount from reconciliation	S	221	338	(117)
Difference		0	0	0

RECONCILIATION OF THE CAPTIONS INCLUDED IN THE STATEMENT OF FINANCIAL POSITION OF ITALMOBILIARE S.P.A.

(in millions of euro)	Notes	30.06.2022	30.06.2021	Change
Gross operating profit (EBITDA)	A	37.8	80.1	(42.3)
Revenue and income		255.4	232.7	22.7
Other revenue and income		2.1	3.3	(1.2)
Change in inventories		2.1	2.6	(0.5)
Internally produced and capitalised assets		0.1	0.1	0.0
Raw materials and supplies		(101.9)	(72.8)	(29.1)
Services		(48.0)	(43.6)	(4.4)
Employee benefits expenses		(41.7)	(33.0)	(8.1)
Other operating income (expense)		(30.4)	(9.2)	(21.2)
Total amounts as per statement of financial position	B	37.8	80.1	(42.3)
Difference	A-B	0.0	0.0	0.0

(in millions of euro)	Notes	30.06.2022	30.06.2021	Change
Operating profit (EBIT) as per report	C	22.0	69.1	(47.1)
Revenue and income		255.4	232.7	22.7
Other revenue and income		2.1	3.3	(1.2)
Change in inventories		2.1	2.6	(0.5)
Internally produced and capitalised assets		0.1	0.1	0.0
Raw materials and supplies		(101.9)	(72.8)	(29.1)
Services		(48.0)	(43.6)	(4.4)
Employee benefits expenses		(41.7)	(33.0)	(8.7)
Other operating income (expense)		(30.4)	(9.2)	(21.2)
Amortisation and depreciation		(15.8)	(11.0)	(4.8)
Impairment losses on non-current assets		0.0	0.0	0.0
Total amounts as per statement of financial position	D	22.0	69.1	(47.1)
Difference	C-D	(0.0)	0.0	(0.0)

(in millions of euro)	Notes	30.06.2022	31.12.2021	Change
Net financial position	E	159.5	354.0	(194.5)
Caption	Financial statement class			
Cash and cash equivalents	Cash and cash equivalents	67.2	135.4	(68.2)
Short-term derivatives	Other current assets including derivatives	0.7	0.2	0.5
Equity investments measured at FVTPL	Investments, bonds and current financial receivables	17.2	16.6	0.6
Financial assets at amortised cost	Investments, bonds and current financial receivables	0.0	0.0	0.0
Funds and other financial instruments	Investments, bonds and current financial receivables	218.2	306.8	(88.6)
Other receivables	Investments, bonds and current financial receivables	23.0	27.4	(4.4)
Other loan assets and financial instruments	Other current assets including derivatives	9.5	9.9	(0.4)
Prepaid expenses	Other current assets including derivatives	0.0	0.0	0.0
Total current assets		335.8	496.2	(160.4)
Loans and borrowings	Loans and borrowings	(68.3)	(59.7)	(8.6)
Financial liabilities	Financial liabilities	(14.7)	(15.6)	0.9
Due to financial and private equity companies	Other liabilities	(9.3)	(9.0)	(0.3)
Derivatives	Other liabilities	(0.4)	(0.4)	0.0
Total current liabilities		(92.7)	(84.7)	(8.0)
Non-current receivables	Trade receivables and other non-current assets	13.6	7.0	6.6
Other	Trade receivables and other non-current assets	2.0	1.8	0.2
Financial assets measured at amortised cost	Trade receivables and other non-current assets	2.0	0.0	2.0
Financial assets at FVTPL in NFP	Trade receivables and other non-current assets	0.3	2.9	(2.6)
Total non-current assets		17.9	11.7	6.2
Financial liabilities	Financial liabilities	(101.5)	(69.3)	(32.2)
Derivatives payable on loans	Other non-current payables and liabilities	0.0	0.0	0.0
Total non-current financial liabilities		(101.5)	(69.3)	(32.2)
Financial assets held for sale	Financial assets held for sale			0.0
Liabilities directly associated with assets classified as held for sale	Liabilities directly associated with assets classified as held for sale	0.0	0.1	(0.1)
Net financial position relating to discontinued operations		0.0	0.1	(0.1)
Total net financial position	F	159.5	354.0	(194.5)
Difference	E-F	0.0	(0.0)	0.0

ITALMOBILIARE
INVESTMENT HOLDING

CONDENSED
CONSOLIDATED
INTERIM
FINANCIAL
STATEMENTS
at June 30, 2022

CONSOLIDATED FINANCIAL STATEMENTS

Statement of financial position

(in thousands of euro)	Notes	30.06.2022	31.12.2021	Change
Non-current assets				
Property, plant & equipment	1	192,883	183,286	9,597
Investment property		5,282	5,389	(107)
Goodwill	2	245,206	245,206	
Intangible assets		305,370	308,095	(2,725)
Investments in equity-accounted associates	3	217,623	208,646	8,977
Other equity investments	4	153,612	131,515	22,097
Trade receivables and other non-current assets	5	239,902	205,895	34,007
Deferred tax assets	6	11,263	12,104	(841)
Non-current receivables from employees				
Total non-current assets		1,371,141	1,300,136	71,005
Current assets				
Inventories		39,872	33,585	6,287
Trade receivables	7	150,479	129,875	20,604
Other current assets including derivative financial instruments		22,579	28,795	(6,216)
Tax assets		28,014	18,544	9,470
Equity investments, bonds and current financial receivables	8	258,429	350,770	(92,341)
Cash and cash equivalents	9	67,151	135,406	(68,255)
Total current assets		566,524	696,975	(130,451)
Assets classified as held for sale			56	(56)
Total assets		1,937,665	1,997,167	(59,502)
Equity				
Share capital	10	100,167	100,167	
Share premium		55,607	55,607	
Reserves	11	(4,147)	12,285	(16,432)
Treasury shares	12	(5,166)	(5,166)	
Retained earnings	11	1,240,912	1,296,709	(55,797)
Equity attributable to owners of the parent company		1,387,373	1,459,602	(72,229)
Non-controlling interests	13	168,518	178,256	(9,738)
Total equity		1,555,891	1,637,858	(81,967)
Non-current liabilities				
Financial liabilities	15	101,500	69,319	32,181
Employee benefits		8,683	8,176	507
Provisions	14	28,419	27,961	458
Non-current tax liabilities		16,032	15,858	174
Other non-current payables and liabilities		262	226	36
Deferred tax liabilities	6	6,581	7,285	(704)
Total non-current liabilities		161,477	128,825	32,652
Current liabilities				
Financial liabilities	15	82,972	75,261	7,711
Trade payables	16	52,240	53,119	(879)
Provisions	14	4,740	4,748	(8)
Tax liabilities		6,309	36,388	(30,079)
Other liabilities	17	74,036	60,968	13,068
Total current liabilities		220,297	230,484	(10,187)
Total liabilities		381,774	359,309	22,465
Liabilities directly associated with assets classified as held for sale	14			
Total equity and liabilities		1,937,665	1,997,167	(59,502)

Income statement

(in thousands of euro)	Notes	H1 2022	%	H1 2021	%	Change	%
Revenue and income	18	255,432	100.0	232,700	100.0	22,732	9.8
Other revenue and income		2,125		3,314		(1,189)	
Change in inventories		2,137		2,591		(454)	
Internally produced and capitalised assets		70		79		(9)	
Raw materials and supplies	19	(101,909)		(72,804)		(29,105)	
Services	20	(47,967)		(43,600)		(4,367)	
Personnel expenses	21	(41,656)		(32,955)		(8,701)	
Other operating income/(expenses)	22	(30,414)		(9,186)		(21,228)	
Gross operating profit (EBITDA)		37,818	14.8	80,139	34.4	(42,321)	-52.8
Amortisation and depreciation		(15,784)		(11,002)		(4,782)	
Impairment losses on non-current assets		(27)				(27)	
Operating profit (EBIT)		22,007	8.6	69,137	29.7	(47,130)	-68.2
Finance income	23	72		89		(17)	
Finance costs	23	(1,196)		(1,452)		256	
Exchange-rate difference and net gains (losses) on derivatives	23	570		156		414	
Impairment of financial assets						-	
Share of profit/(loss) of equity-accounted associates	3	2,925		8,558		(5,633)	
Profit/(loss) before tax		24,378	9.5	76,488	32.9	(52,110)	-68.1
Income tax	24	(11,817)		(24,951)		13,134	
Profit/(loss) from continuing operations		12,561	4.9	51,537	22.1	(38,976)	-75.6
Profit/(loss) from discontinued operations, net of tax		(2,246)		65,879		(68,125)	
Profit/(loss) for the period		10,315	4.0	117,416	50.5	(107,101)	-91.2
Attributable to:							
Owners of the parent company		3,293	1.3	107,092	46.0	(103,799)	-96.9
Non-controlling interests		7,022	2.7	10,324	4.5	(3,302)	-32.0
Earnings per share	26						
Basic ordinary shares		0.078 €		2.533 €			
Diluted ordinary shares		n.a.		n.a.			

n.a. not applicable

Statement of comprehensive income

(in thousands of euro)	Notes	H1 2022	%	H1 2021	%	Change	%
Profit/(loss) for the period		10,315	4.0	117,416	50.5	(107,101)	-91.2
Other comprehensive income/(expense) from continuing operations, net of tax	25						
Items that will not be reclassified subsequently to profit or loss, net of tax							
Remeasurement of net defined benefit liability/(asset)				106		(106)	
Remeasurement of net defined benefit liability/(asset) - investments in equity accounted associates		(6)				(6)	
Fair value gain/(loss) on investments in equity instruments designated as at FVTOCI		(14,488)		17,031		(31,519)	
Fair value gain/(loss) on investments in equity instruments designated as at FVTOCI - investments in equity accounted associates							
Income tax		(43)		(40)		(3)	
Total items that will not be reclassified to profit or loss, net of tax		(14,537)		17,097		(31,634)	
Items that may be reclassified subsequently to profit or loss, net of tax							
Foreign exchange differences on translation of foreign operations		252		(64)		316	
Foreign exchange differences on translation of foreign operations - investments in equity-accounted associates		1,967		452		1,515	
Fair value gain/(loss) on cash flow hedging derivatives		302		66		236	
Fair value gain/(loss) on cash flow hedging derivatives - investments in equity-accounted associates		(155)		(603)		448	
Income tax							
Total items that may be reclassified subsequently to profit or loss, net of tax		2,366		(149)		2,515	
Total other comprehensive income for the period from continuing operations, net of tax		(12,171)		16,948		(29,119)	
Total other comprehensive income for the period from discontinued operations, net of tax		(78)		4,233		(4,311)	
Total other comprehensive income for the period		(12,249)		21,181		(33,430)	
Total comprehensive income for the period		(1,934)	-0.8	138,597	59.6	(140,531)	>100
Attributable to:							
Owners of the parent company		(9,176)		128,275		(137,451)	
Non-controlling interests		7,242		10,322		(3,080)	

Consolidated statement of changes in equity

(in thousands of euro)	Attributable to owners of the parent company										Non-controlling interests	Total equity	
	Share capital	Share premium	Reserves					Treasury shares	Translation reserve	Retained earnings			Total share capital and reserves
			FVTOCI fair value reserve	Fair value hedging reserve	Actuarial gains/losses on defined benefit plans	Other reserves							
Balances at December 31, 2020	100,167	55,607	(8,102)	1,011	(1,138)	1,734	(6,620)	(5,598)	1,193,303	1,330,364	193,766	1,524,130	
Profit/(loss) for the period									41,213	41,213	10,324	51,537	
Total other comprehensive income from continuing operations			16,991	(537)	101			395			16,950	(2)	16,948
Total other comprehensive income from discontinued operations, net of tax								4,233	65,879	70,112			70,112
Total comprehensive income for the period			16,991	(537)	101			4,628	107,092	128,275	10,322	138,597	
Dividends									(27,484)	(27,484)	(12,400)	(39,884)	
Stock options exercised							1,454		(611)	843		843	
Other			1,778		147	7,496		209	(27,823)	(18,193)	(40,848)	(59,041)	
Balances at June 30, 2021	100,167	55,607	10,667	474	(890)	9,230	(5,166)	(761)	1,244,477	1,413,805	150,840	1,564,645	
Profit/(loss) for the period									98,484	98,484	14,500	112,984	
Total other comprehensive income from continuing operations			(2,940)	(82)	7			1,388		(1,627)	3,487	1,860	
Total other comprehensive income from discontinued operations, net of tax								470	(65,879)	(65,409)		(65,409)	
Total comprehensive income for the period			(2,940)	(82)	7			1,858	32,605	31,448	17,987	49,435	
Dividends													
Stock options exercised													
Other			2,253		(221)	(6,213)		(987)	19,517	14,349	9,429	23,778	
Balances at December 31, 2021	100,167	55,607	9,980	392	(1,104)	3,017	(5,166)	110	1,296,599	1,459,602	178,256	1,637,858	
Profit/(loss) for the period									3,293	3,293	7,022	10,315	
Total other comprehensive income from continuing operations			(14,744)	153	(6)			2,206		(12,391)	220	(12,171)	
Total other comprehensive income from discontinued operations, net of tax					(78)					(78)		(78)	
Total comprehensive income for the period			(14,744)	153	(84)			2,206	3,293	(9,176)	7,242	(1,934)	
Dividends									(59,196)	(59,196)	(21,000)	(80,196)	
Stock options exercised													
Other			(1,801)		4	40			(2,100)	(3,857)	4,020	163	
Balances at June 30, 2022	100,167	55,607	(6,565)	545	(1,184)	3,057	(5,166)	2,316	1,238,596	1,387,373	168,518	1,555,891	

Statement of cash flows

(in thousands of euro)	Notes	H1 2022	H1 2021
A) Cash flows from operating activities			
Profit/(loss) before tax		24,378	76,488
Adjustments for:			
Amortisation, depreciation and impairment		15,893	11,006
Reversal of share of profit/(loss) of equity-accounted associates		(2,925)	(8,558)
(Gain)/loss on non-current assets		(1,886)	(1,833)
Change in employee benefits and other provisions		956	(36,724)
Reversal of net finance costs and income		(4,598)	(4,131)
Inventories		(6,290)	(962)
Trade receivables		(23,245)	(18,937)
Trade payables		14,324	5,067
Other receivables/liabilities, accruals and deferrals		14,642	(11,561)
Net finance costs paid/received		(54)	610
Dividends received		2,594	3,040
Income tax paid		(59,195)	(11,233)
Other financial cash flows			
Cash flow from operating activities relating to discontinued operations		(2,613)	(722)
Total A)		(28,019)	1,550
B) Cash flows from investing activities			
Capital expenditure:			
Property, plant, equipment and investment property		(15,607)	(17,608)
Intangible assets		(2,655)	(3,410)
Financial assets (equity investments and funds) net of cash acquisitions	28	(92,555)	(84,657)
Proceeds from disposal of net non-current assets	28	26,508	176,483
Change in financial assets		78,590	(34,364)
Change in current equity investments		(575)	1,068
Cash flow from investing activities relating to discontinued operations			(3,060)
Total B)		(6,294)	34,452
C) Cash flows from financing activities			
Change in financial payables		35,641	(36,052)
Increases in capital shares		996	
Dividends paid		(72,196)	(39,884)
Other changes		1,315	180
Cash flow from financing activities relating to discontinued operations			
Total C)		(34,244)	(75,756)
D) Translation differences and other changes			
Translation differences and other changes		247	4,961
Translation differences and other changes relating to discontinued operations		55	22
Total D)		302	4,983
E) Cash flows for the period (A+B+C+D)		(68,255)	(34,771)
F) Cash and cash equivalents at the beginning of the period		135,406	123,066
Change in cash and cash equivalents relating to assets held for sale		(2,558)	(3,760)
Cash and cash equivalents at the end of the period (E+F)	13	67,151	88,295

The main changes of the cash flows from investing activities are discussed in the relevant section of the notes.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Italmobiliare S.p.A.'s condensed consolidated interim financial statements at June 30, 2022 were approved by the Board of Directors on July 28, 2022 which also authorised the publication of a press release dated July 28, 2022 containing the main elements of the abovementioned consolidated interim financial statements' key information.

Expression of compliance with IFRS

The condensed consolidated interim financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable from January 1, 2022 as adopted by the European Union and, in particular, they have been prepared in accordance with IAS 34 - Interim Financial Reporting.

The condensed consolidated interim financial statements do not contain all of the information and notes contained in annual financial statements, so they have to be read in conjunction with the consolidated financial statements of Italmobiliare S.p.A. at December 31, 2021.

In compliance with European Regulation no. 1606 of July 19, 2002, the policies adopted do not include the standards and interpretations published by the IASB and the IFRIC at June 30, 2022 but not yet endorsed by the European Union as of that date.

The following accounting standards, amendments and IFRS interpretations were applied for the first time by the Group starting from January 1, 2022:

- On May 14, 2020, the IASB published the following amendments:
 - Amendments to IFRS 3 Business Combinations: the purpose of the amendments is to update the reference in IFRS 3 to the Conceptual Framework in the revised version, without this entailing changes to the provisions of IFRS 3.
 - Amendments to IAS 16 Property, Plant and Equipment: the amendments are intended not to allow the amount received from the sale of goods produced during the test phase of a fixed asset to be deducted from its cost. Such revenues and the related costs are to be recorded in the income statement.
 - Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: the amendment clarifies that all costs directly attributable to the contract must be considered when estimating whether a contract could make a loss. This means that when assessing whether a contract could make a loss, one has to include not only the incremental costs (e.g. the cost of direct materials used in processing), but also any other costs that the company cannot avoid as it has stipulated the contract (e.g. a share of the labour cost and depreciation of the machinery used to fulfil the contract).
 - Annual Improvements 2018-2020: amendments have been made to IFRS 1 "First-time Adoption of International Financial Reporting Standards", IFRS 9 "Financial Instruments", IAS 41 "Agriculture" and the "Illustrative Examples of IFRS 16 Leases".

Application of these standards did not have significant impacts on the Group.

ACCOUNTING STANDARDS, AMENDMENTS AND IFRS INTERPRETATIONS ENDORSED BY THE EUROPEAN UNION, NOT YET COMPULSORILY APPLICABLE AND NOT ADOPTED IN ADVANCE BY THE COMPANY AT JUNE 30, 2022

At the date of these financial statements the competent bodies of the European Union have not yet completed the approval process necessary for the adoption of the amendments and principles described below. Nonetheless, they have not adopted in advance by the Group.

- On May 18, 2017, the IASB published IFRS 17 - Insurance Contracts which is intended to replace IFRS 4 - Insurance Contracts. The objective of the new standard is to ensure that an entity provides relevant information that faithfully represents the rights and obligations deriving from insurance contracts. The IASB developed the standard to eliminate inconsistencies and weaknesses in existing accounting policies by providing a single principle-based framework to account for all types of insurance contracts, including the reinsurance contracts that an insurer holds. The new standard also includes presentation and disclosure requirements to improve comparability between entities in this sector. The new standard measures an insurance contract based on a General Model, or a simplified version of it called the Premium Allocation Approach ("PAA"). The General Model's main features are:
 - estimates and assumptions of future cash flows are always current;
 - the measurement reflects the time value of money;
 - estimates include extensive use of observable market information;
 - there is a current and explicit measurement of risk;
 - the expected profit is deferred and aggregated into groups of insurance contracts at initial recognition; and
 - the expected profit is recognised over the contract coverage period taking into account adjustments resulting from changes in assumptions about cash flows for each group of contracts.

The PAA approach provides for the measurement of the liability for the residual coverage of a group of insurance contracts provided that, at the time of initial recognition, the entity expects the liability to be reasonably an approximation of the General Model. Contracts with a coverage period of one year or less are automatically eligible for the PAA approach. The simplifications arising from the application of the PAA approach do not apply to the measurement of liabilities for outstanding claims, which are measured using the General Model. However, it is not necessary to discount those cash flows if it is expected that the balance to be paid or collected will occur within one year from the date the claim arose.

The entity shall apply the new standard to insurance contracts issued, including reinsurance contracts issued, to reinsurance contracts held and to investment contracts with a discretionary participation feature (DPF). The standard will come into force from January 1, 2023 but earlier application is allowed, only for entities that apply IFRS 9 - Financial Instruments and IFRS 15 - Revenue from Contracts with Customers.

- On February 12, 2021, the IASB published an amendment called "Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: definition of accounting estimates". The amendments are aimed at improving disclosure on accounting policies in order to provide more useful information to investors and other primary users of financial statements, as well as to help companies distinguish changes in accounting estimates from changes in accounting policies. The amendments will apply from January 1, 2023, but early application is permitted.

STANDARDS AND INTERPRETATIONS PUBLISHED BY THE IASB AND THE IFRIC AT JUNE 30, 2022, BUT NOT ENDORSED BY THE EUROPEAN UNION AT THAT DATE

At the date of these financial statements the competent bodies of the European Union have not yet completed the approval process necessary for adoption of the amendments and principles described below.

- On January 23, 2020 the IASB published its "Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current". The document aims to clarify how to classify payables and other short or long term liabilities. The changes come into force from January 1, 2023; earlier application is permitted, however.
- On May 7, 2021, the IASB published an amendment called "Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The document clarifies how deferred taxes on certain transactions that can generate assets and liabilities of the same amount, such as leasing and dismantling obligations, must be accounted for. The changes will come into force from January 1, 2023.
- On December 9, 2021, the IASB published an amendment to IFRS 17 called "Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative Information". The amendment is a transition option relating to comparative information on financial assets presented at the date of first-time application of IFRS 17. The amendment aims to avoid temporary accounting mismatches between financial assets and liabilities of insurance contracts, i.e. to improve the usefulness of comparative information for readers of financial statements. The amendments will apply from January 1, 2023, together with the application of IFRS 17.
- On January 30, 2014, the IASB published the "IFRS 14 - Regulatory Deferral Accounts", which allows only those who adopt IFRS for the first time to continue to recognize the amounts relating to activities subject to regulated tariffs (so-called "Rate Regulation Activities") according to the previous accounting principles adopted. As the Company/Group is not a first-time adopter, this standard is not applicable.

The directors do not expect these standards and amendments to have a significant effect on the Group's financial statements.

Measurement criteria and basis of presentation

The consolidated financial statements adopt the cost method, with the exception of derivatives and financial assets, which are measured at fair value. The consolidated financial statements are presented in euro, the functional currency of the parent company Italmobiliare S.p.A. All amounts in the accounting schedules and in the notes are rounded to thousands of euro, unless otherwise specified.

The basis of presentation of the Group financial statements is as follows:

- current and non-current assets and current and non-current liabilities are presented as separate classifications on the statement of financial position. Current assets, which include cash and cash equivalents, are assets that the Group intends to realize, sell or consume during its normal business cycle; current liabilities are liabilities that the Group expects to settle during the normal business cycle or in the twelve months after the end of the reporting period;
- on the income statement, costs are analysed by nature;
- with regard to comprehensive income, the Group presents two statements: the first statement reflects traditional income statement components and the profit (loss) for the year, while the second statement, beginning with the profit (loss) for the year, presents other comprehensive income: fair value gain and losses on investments in equity instruments measured at FVTOCI and

derivatives designated as hedge accounting, translation differences and effects of the remeasurement of defined benefit plans;

- the indirect method is used for the statement of cash flows.

SIGNIFICANT JUDGEMENTS AND USE OF ESTIMATES

The financial statements have been prepared on a going-concern basis. Despite the general economic and financial situation characterised by volatility, the Group is of the opinion that there are no significant uncertainties about its going-concern status, by virtue of its financial solidity and the action already taken to respond to the changes in demand, as explained in the Directors' Report.

In preparing the consolidated financial statements, the following "significant judgements" were made when applying the Group's accounting standards.

- Presentation of the entity Sirap Gema S.r.l. as a discontinued operation, in line with 2021 financial statements.
- The investment in Bacco S.p.A. is measured at FVTOCI in line with 2021 financial statements;
- Investment in Bene Assicurazioni measured at FVTOCI. On 29 April 2022 Italmobiliare finalised its investment in Bene Assicurazioni S.p.A. The entry into this company's share capital involved an outlay of 40 million euro for a 19.99% stake, having received authorisation from IVASS, the Supervisory Authority for the Italian Insurance Sector. Notwithstanding the Company has the right to appoint a Director, the Group management excludes the presence of a significant influence over the investee, because the controlling shareholder owns a 55% stake in the company and the remaining stake is owned by a second investor (Nurberger at 25%). As a consequence, the director appointed by Italmobiliare does not have a significant influence over the decision to be taken by Bene Assicurazioni's Board of Directors (in the absence of shareholders agreements among the parties).

The main assumptions regarding the future and the main causes of uncertainty generated by the pandemic and the Ukraine war at June 30, 2022 that present a significant risk of giving rise to significant adjustments to the carrying amounts of assets and liabilities within next year are shown below:

- impairment of goodwill and investments in associates (for further details, see the paragraph on goodwill);
- fair value of financial assets: as regards investments in listed companies, the fair value is calculated on the basis of the stock market price at the reporting date and could undergo significant changes during the following period; while for financial assets valued with a level 2 and 3 fair value, there is a high degree of judgement due to the elements of complexity inherent in the valuation techniques and significant inputs. As regards the private equity funds, the assessments are made on the basis of the latest NAV communicated by the fund (updated on March 31, 2022).
- calculation of expected credit loss: at the moment, the subsidiaries have not encountered significant problems in recovering trade receivables and do not expect to have such problems in the future.

Furthermore, when preparing these condensed consolidated interim financial statements, the significant judgements in the application of the Group's accounting policies and the main sources of uncertainties in estimates were the same as those applied when preparing the consolidated financial statements for the year ended December 31, 2021.

The parent company has shared updates with the portfolio companies on the restrictive measures decided by the European Union (referring in particular to what was prepared by the Confindustria Delegation to the European Union and by Unionfood), highlighting their importance also in compliance with Consob's announcements. Their attention was drawn to the fact that the regulations were likely to be changed or updated, so it was very important to discuss matters with the competent authorities

to clarify any doubts (in this regard, contacts were provided of the dedicated task force of the Ministry of Foreign Affairs and the ICE Director in Moscow).

EXCHANGE RATES USED TO TRANSLATE THE FINANCIAL STATEMENTS OF FOREIGN OPERATIONS

Currencies	Average rate		Closing rate	
	2022	2021	June 30, 2022	December 31, 2021
Czech koruna	24.64846	25.85351	24.73900	24.85800
Serbian dinar	117.53318	117.54451	116.82550	117.61650
Moroccan dirham	10.60369	10.74632	10.54200	10.48300
US dollar	1.09339	1.20510	1.02870	1.13260
Hungarian florin	375.12945	357.87675	397.04000	369.19000
Swiss franc	1.03187	1.09457	0.99600	1.03310
Ukrainian hryvnia	31.70247	33.45075	30.40170	30.92190
Croatian kuna	7.54145	7.55033	7.53070	7.51560
Moldavian leu	20.16406	21.25860	19.84650	20.11950
Bulgarian lev	1.95583	1.95583	1.95583	1.95583
Egyptian pound	18.87627	18.90694	19.53320	17.80120
Bosnian mark	1.95580	1.95580	1.95580	1.95580
New Turkish lira	16.25789	9.52398	17.32200	15.23350
New Romanian leu	4.94572	4.90182	4.94640	4.94900
Pound sterling	0.84240	0.86798	0.85820	0.84028
Polish zloty	4.63540	4.53740	4.69040	4.59690

The exchange rates used to translate the financial statements of the foreign companies are those published by the Bank of Italy. Following the sale of the Sirap group's operations, the Group has consolidated foreign operations in the following currencies at 30 June 2022: British pounds and US dollars.

SIGNIFICANT EVENTS AND CHANGES IN THE CONSOLIDATION AREA

During the half year period, the main changes in the consolidation area were as follows:

- purchase of a further 20% of Callmewine S.r.l. through FT3 for 4.5 million euro;
- consolidation with the equity method of the 22.99% stake of the Archimede group (Italy) which operates in the business software sector;
- the line-by-line consolidation of Industrie Mediterranee S.r.l. (Italy), owner of a plot of land near the production site of Caffè Borbone S.r.l. and 100% acquired by it for the construction of a warehouse; the amount invested was 2.2 million euro;
- sale of a 5% stake of Officina Profumo-Farmaceutica di Santa Maria Novella S.p.A. for 10 million euro;
- establishment of Santa Maria Novella France sas (France), 100% owned by Officina Profumo-Farmaceutica di Santa Maria Novella S.p.A.

SEASONAL NATURE OF INTERMEDIATE RESULTS

The Group's industrial sectors are influenced by seasonal phenomena, and this circumstance must be considered in examining and evaluating interim results. In particular, the companies most affected are Italgem, Tecnica Group, Iseo and AGN Energia, which rather limits the representativeness of the first-half results as a trend for the whole year. For a description of the individual companies' activities, please refer to the explanations given in the 2021 annual report.

Operating segment disclosure

The activities in which the Group operates and which constitute the information by operating segment required by IFRS 8 are: Caffè Borbone, Officina Profumo-Farmaceutica di Santa Maria Novella, Sirap, Italgem, Casa della Salute, Capitelli, Callmewine, Clessidra Group, Tecnica Group, AGN Energia, Iseo and other companies that include Crédit Mobilier de Monaco and Italmobiliare Servizi (which constitute 0.6% of consolidated revenue).

The Group management and organisational structure reflects the disclosure by business segment described above. Identification of the operating segments is based on the elements used by senior management of the Group to take decisions regarding the allocation of resources and the evaluation of results.

The following table sets out revenue figures and results by segment at June 30, 2022:

(in thousands of euro)	Revenue and income	Intercompany sales	Contribution revenue	Gross operating profit (EBITDA)	Operating profit (EBIT)	Net finance income/(costs)	Impairment losses on financial assets	Share of profit (loss) of equity-accounted associates	Profit (loss) before tax	Income tax
Italmobiliare	140,943	(112,461)	28,482	103,538	103,187					
Caffè Borbone	134,038	(1)	134,037	33,887	28,448					
Officina Profumo-Farmaceutica di Santa Maria Novella	19,487	(21)	19,466	4,075	1,983					
Sirap										
Italgem	22,282		22,282	877	(2,072)			1,188		
Casa della Salute	16,601		16,601	2,474	(644)					
Capitelli	9,680	(1)	9,679	1,561	1,059					
Callmewine	7,691		7,691	(1,051)	(1,230)					
Clessidra Group	15,757		15,757	4,576	3,416					
Tecnica Group								(2,225)		
AGN Energia								2,693		
Iseo								2,430		
Other companies	2,000	(563)	1,437	(98)	(321)			(1,161)		
Unallocated items and adjustments	(113,047)	113,047		(112,021)	(111,819)	(554)			24,378	(11,817)
Total	255,432		255,432	37,818	22,007	(554)		2,925	24,378	(11,817)

It should be remembered that the Sirap group has been presented according to IFRS 5 and therefore does not appear in this table or in the following one for comparability.

The following table sets out the revenue figures and results by segment at June 30, 2021:

(in thousands of euro)	Revenue and income	Intercompany sales	Contribution revenue	Gross operating profit (EBITDA)	Operating profit (EBIT)	Net finance income/(costs)	Impairment losses on financial assets	Share of profit (loss) of equity-accounted associates	Profit (loss) before tax	Income tax
Italmobiliare	63,925	(27,574)	36,351	45,919	45,529					
Caffè Borbone	129,211	(1)	129,210	46,161	41,354					
Officina Profumo-Farmaceutica di Santa Maria Novella	12,082	(11)	12,071	3,802	2,179					
Sirap										
Italgen	18,289		18,289	8,722	6,715			186		
Casa della Salute	12,530		12,530	1,604	411					
Capitelli	8,388		8,388	2,028	1,621					
Callmewine	8,286		8,286	50	(76)					
Clessidra	6,877	(1)	6,876	(788)	(1,174)					
Tecnica Group								(985)		
AGN Energia								6,614		
Iseo								2,929		
Other companies	2,299	(1,600)	699	516	243			(186)		
Unallocated items and adjustments	(29,187)	29,187		(27,875)	(27,665)	(1,207)			76,488	(24,951)
Total	232,700		232,700	80,139	69,137	(1,207)		8,558	76,488	(24,951)

The following table sets out other segment figures at June 30, 2022:

(in thousands of euro)	June 30, 2022		June 30, 2022			
	Total assets	Total liabilities	Capital expenditure	Non-current financial investments	Amortisation and depreciations	Impairment losses of non-current assets
Italmobiliare	1,385,118	83,585	520	85,816	(351)	
Caffè Borbone	438,452	92,961	5,748	2,239	(5,439)	
Officina Profumo-Farmaceutica di Santa Maria Novella	236,306	27,048	2,043		(2,092)	
Sirap	49,897	41,098				
Italgen	92,911	63,736	3,070		(2,949)	
Casa della Salute	61,727	49,450	8,322		(3,091)	(27)
Capitelli	27,269	10,650	176		(502)	
Callmewine	23,038	2,857	161	4,500	(179)	
Clessidra Group	119,394	84,750	1,996		(1,161)	
Tecnica Group	55,791					
AGN Energia	69,650					
Iseo	46,321					
Other companies	100,969	10,774	140		(223)	
Intersegment eliminations	(769,178)	(85,135)			203	
Total	1,937,665	381,774	22,176	92,555	(15,784)	(27)
From assets classified as held for sale						
Total	1,937,665	381,774	22,176	92,555	(15,784)	(27)

Capital expenditure on tangible and intangible assets includes increases due to the application of IFRS 16 for 4,030 thousand euro.

The following table sets out other segment figures at December 31, 2021 and June 30, 2021:

(in thousands of euro)	December 31, 2021		June 30, 2021			
	Total assets	Total liabilities	Capital expenditure	Non-current financial investments	Amortisation and depreciations	Impairment losses of non-current assets
Italmobiliare	1,416,209	95,397	261	83,667	(390)	
Caffè Borbone	431,796	52,006	5,892		(4,807)	
Officina Profumo-Farmaceutica di Santa Maria Novella	225,452	27,812	561		(1,623)	
Sirap	86,251	2,689	1,734			
Italgen	91,530	54,189	2,449	4,774	(2,007)	
Casa della Salute	56,293	48,356	8,503		(1,193)	
Capitelli	27,386	6,503	540		(407)	
Callmewine	25,271	4,157	54	85	(125)	
Clessidra Group	107,678	79,705	2,909			
Tecnica Group	59,435					
AGN Energia	65,735					
Iseo	47,898					
Other companies	56,882	11,041	413	105	(659)	
Intersegment eliminations	(700,705)	(22,546)	(295)		209	
Total	1,997,111	359,309	23,021	88,631	(11,002)	
From assets classified as held for sale	56					
Total	1,997,167	359,309	23,021	88,631	(11,002)	

Capital expenditure on tangible and intangible assets includes increases due to the application of IFRS 16 for 3,107 thousand euro.

Market capitalisation

During the period, Italmobiliare S.p.A. market capitalisation recorded a decrease compared with December 31, 2021 (going from 1,374.2 million euro to 1,114.2 million euro, equal to 8.11%) connected with the decrease of the stock market of reference (ITSTAR -29.19%).

There has been a decrease in NAV, already commented on in the Directors' Report, of less than the change in market capitalisation, so for this reason the discount on NAV increased.

ASSETS

Non-current assets

1) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment amount to 192,883 thousand euro. The increases for new investments amounted to 19,521 thousand euro (of which 4,030 for the application of IFRS 16) and were mainly concentrated in Italy for 19,420 thousand euro.

Amortisation and depreciation in the caption "Property, plant and equipment" for the period amounted to 10,122 thousand euro (6,928 thousand euro in the first half of 2021), of which 3,134 thousand euro for the application of IFRS 16.

Fixed assets are not used to guarantee bank loans.

2) GOODWILL

The goodwill shown in the financial statements at June 30, 2022 amounts to 245,206 thousand euro (the same as at December 31, 2021) and relates to:

- Caffè Borbone for 158,837 thousand euro;
- Officina Profumo-Farmaceutica di Santa Maria Novella for 33,383 thousand euro;
- Casa della Salute for 22,021 thousand euro;
- Callmewine for 14,382 thousand euro;
- Capitelli for 8,011 thousand euro;
- Clessidra Group for 8,225 thousand euro;
- Italgem Group for 347 thousand euro.

Goodwill impairment testing

Goodwill acquired in a business combination is allocated to the cash-generating units (CGUs). The Group tests the recoverability of goodwill at least once a year, or more frequently if there are signs of impairment.

Since February 2020, the general context has been impacted by the health emergency caused by the Covid-19 pandemic and since February 2022 by the war in Ukraine, as explained in the Directors' Report. As regards the first point, Italmobiliare promptly implemented and maintained over time, both at the holding company level and at the portfolio companies, all safety and control measures, while favouring continuity of production and commercial activities. The measures taken to support the portfolio companies and their responsiveness in such a complex situation, made it possible to limit the impact of the pandemic.

The Group is not subject to direct effects coming from the conflict in Ukraine. The indirect effects of the conflict on the actual and future economic trends and on the business model of the portfolio companies are described in the Directors' Report.

In this context, even in the presence of external factors such as inflation, increase in raw material prices and rising interest rates, there are no signs of any trigger events that would require an impairment test. Please remember that Directors calculated NAV for all the portfolio companies (with the same valuation methods used at December 31, 2021 to determine their recoverable amounts under IAS 36)

and from that exercise no significant reduction in their values arose with respect to last year. Please note, finally, that for the performance of the above-described exercise, Caffè Borbone management revised its business plan, while Callmewine management revised its 2022 budget/forecast, in order to take carefully into consideration the changed macroeconomic and business outlook following the Russian-Ukraine conflict. On the contrary, the business plans of Italgen, Officina Profumo-Farmaceutica di Santa Maria Novella, Clessidra and Casa della Salute as well as the 2022 budget of Capitelli, can still be considered to provide a reasonable estimate of the future performance, despite the changed macroeconomic context.

3) INVESTMENTS IN EQUITY-ACCOUNTED ASSOCIATES

This caption reflects the portions of net equity held in equity-accounted investments in associates. The main equity-accounted investments in associates are listed below:

(in thousands of euro)	Carrying amount of investments		Share of profit (loss)	
	June 30, 2022	December 31, 2021	2022	2021
Associates				
Tecnica Group	55,791	59,435	(2,225)	(985)
Iseo	46,321	47,898	2,430	2,929
AGN Energia	69,651	65,735	2,693	6,614
S.E.S.	6,600	6,400		
Dokimè	1,934	1,935		
Florence InvestCo	16,906	17,859	(674)	
Other	20,420	9,384	701	
Total investments in associates	217,623	208,646	2,925	8,558

The negative result of Tecnica Group has been influenced by the seasonal nature of its business.

The increase in the item "Other" refers to the investment in the company Archimede for 12 million euro made in the first half of 2022.

Also for investments in associated companies, no trigger events of potential impairment losses have emerged; their NAV was calculated at June 30, 2022, which showed a value that tended to be higher than at December 31, 2021.

As anticipated in the Directors' Report and in the 2021 financial report, the Tecnica Group has located part of its production for winter sports brands in Ukraine. It owns a ski factory in Chop and even though the situation has been quiet up to now, Tecnica has already implemented a quantity recovery plan through a partial reallocation of quantities from the Ukrainian plant to an Austrian factory.

The indirect effects of the conflict on the current and future economic performance and on the business model of the portfolio companies are described in the Directors' Report.

In this context, despite the presence of external factors such as inflation, the increase in raw material costs and the rise in interest rates, no trigger events have emerged that would require an impairment test. It is worth remembering that management has calculated the NAV for all of the portfolio companies, including associates (in the value configuration used at December 31, 2021 to determine the recoverable amounts pursuant to IAS 36) and from that exercise no significant reduction in their values arose in respect to last year. Lastly, it should be noted that in carrying out this exercise, the managements of Tecnica and Iseo revised their budget/preliminary results for 2022 in order to take into account the effects of the new macroeconomic and sector context following the outbreak of the Russian-Ukrainian war. On the other hand, the 2022 budgets of AGN Energia, CCCHE and SESAAB can still be considered representative, despite the fact that the macroeconomic context has changed.

4) OTHER EQUITY INVESTMENTS

Other equity investments at June 30, 2022 were as follows:

(in thousands of euro)	Number of shares	June 30, 2022
Investments in listed companies		
HeidelbergCement	650,000	29,796
Vontobel	115,238	7,764
Ariston	975,000	7,620
Unicredit	204,331	1,852
Cairo Communication	189,198	326
Piaggio	169,699	379
Can Fite	204	
	Total	47,737
Investments in non-listed companies		
Bene Assicurazioni		41,051
Bacco		28,585
Fin. Priv.		17,324
New Flour		5,779
Sesaab		1,000
KKR Teemo		10,244
Other		1,892
	Total	105,875
At June 30, 2022		153,612

The fair value of listed companies is determined on the basis of the official share price on the last business day that prices are quoted.

For unlisted securities, their fair value was determined using different measurement techniques according to the characteristics and data available (DCF, market multiples or, if sufficient information is not available, shareholders' equity resulting from the latest approved financial statements).

The carrying amount of equity investments has increased by 22,097 thousand euro compared with December 31, 2021 (131,515 thousand euro).

The change is mainly due to the following events:

- acquisition of the equity investments in Bene Assicurazioni S.p.A. for 41,051 thousand euro;
- disposals of shares in Coima Res for 3,084 thousand euro (which include the recycle of the FVTOCI reserve to retained earnings for 408 thousand euro);
- fair value adjustment of HeidelbergCement for -8,892 thousand euro;
- fair value adjustment of Fin.Priv. for -3,748 thousand euro;
- fair value adjustment of Ariston for -2,267 thousand euro;
- fair value adjustment of Vontobel for -1,148 thousand euro;
- fair value adjustment of Unicredit for -915 thousand euro.

These fair value adjustments have been recognised in the specific FVTOCI reserve in shareholders' equity.

5) TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS

(in thousands of euro)	June 30, 2022	December 31, 2021	Change
Non-current receivables	17,287	10,678	6,609
Financial assets measured at amortised cost			
Financial assets at FVTPL NFP	1,961	2,897	(936)
Financial assets at FVTPL non-NFP	216,816	188,513	28,303
Guarantee deposits	1,585	1,929	(344)
Other	2,253	1,878	375
Total	239,902	205,895	34,007

"Financial assets at FVTPL non-NFP" include Private Equity funds and increased because of investments for 25,486 thousand euro, net revaluations for 13,579 thousand euro, offset by partial repayments for 10,763 thousand euro.

6) DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Deferred tax assets of 11,263 thousand euro (12,104 thousand euro at December 31, 2021) mainly consist of deferred tax assets calculated on the temporary differences of the various subsidiaries. The assets are recognised on the basis of a forecast made by the consolidated companies, which consider that sufficient taxable profit is likely to be made in the next years.

The deferred tax liabilities of 6,581 thousand euro (7,285 thousand euro at December 31, 2021) are mainly attributable to deferred taxes relating to intangible assets and "tax stepped-up" goodwill.

Current assets

7) TRADE RECEIVABLES

(in thousands of euro)	June 30, 2022	December 31, 2021	Change
Gross amount	154,563	133,893	20,670
Impairment losses	(4,084)	(4,018)	(66)
Total	150,479	129,875	20,604

The increase in this item is mainly attributable to the increase in Clessidra Factoring's business (receivables increased from 74,781 thousand euro as at December 31, 2021 to 84,558 thousand euro as at June 30, 2022), the increase in Italgas's revenue and the increase in Caffè Borbone's revenue and DSOs.

8) EQUITY INVESTMENTS, BONDS AND CURRENT FINANCIAL RECEIVABLES

This caption is broken down as follows:

(in thousands of euro)	June 30, 2022	December 31, 2021	Change
Equity investments measured at FVTPL	17,176	16,601	575
Funds and other financial instruments	218,218	306,757	(88,539)
Other receivables	23,035	27,412	(4,377)
Total	258,429	350,770	(92,341)

Note that "Funds and other financial instruments" include the movement on the Vontobel Fund: a partial disposal of the fund for 83,778 thousand euro and a revaluation for 10,477 thousand euro.

9) CASH AND CASH EQUIVALENTS

(in thousands of euro)	June 30, 2022	December 31, 2021	Change
Cash and checks in hand	2,585	3,421	(836)
Bank and postal deposits	64,566	131,985	(67,419)
Total	67,151	135,406	(68,255)

Short-term deposits have various maturities of up to three months and there are no limits on their availability (nor restrictions on their use). Main variations of the caption are explained in the analysis of the cash flow movements.

EQUITY AND LIABILITIES

Share capital, reserves and retained earnings

10) SHARE CAPITAL

At June 30, 2022, the Parent Company's fully paid-up share capital amounted to 100,166,937 euro represented by 42,500,000 ordinary shares with no par value, as follows:

Number of shares	June 30, 2022	December 31, 2021	Change
Ordinary shares	42,500,000	42,500,000	
Total	42,500,000	42,500,000	

11) RESERVES

Fair value reserve for financial assets measured at FVTOCI - Group share

The reserve changes are due to the reclassification to retained earnings of the share of the reserve linked to the disposal of equity investments for -408 thousand euro and for the fair value adjustment of the FVTOCI financial assets for -16,525 thousand euro.

Translation reserve - Group share

At June 30, 2022, this reserve is positive and amounts to 2,316 thousand euro, broken down into the following currencies:

(in thousands of euro)	June 30, 2022	December 31, 2021	Change
US Dollar	603	345	258
UK Pound Sterling	(13)	7	(20)
Other currencies (related to equity-accounted associates)	1,726	(242)	1,968
Total	2,316	110	2,206

Dividends paid

The Parent Company Italmobiliare S.p.A. has paid the following dividends:

	2022	2021	2022	2021
	(euro per share)	(euro per share)	(in thousands of euro)	(in thousands of euro)
Ordinary shares	1.400	0.650	59,196	27,484
Total dividends			59,196	27,484

12) TREASURY SHARES

At June 30, 2022 the carrying amount of treasury shares in portfolio stood at 5,166 thousand euro, the same as December 31, 2021.

The composition is as follows:

	No. ordinary shares	Carrying amount (in thousands of euro)
At the beginning of period	217,070	5,166
Changes		
At the end of period	217,070	5,166

13) NON-CONTROLLING INTERESTS

Equity attributable to non-controlling interests at June 30, 2022 amounted to 168,518 thousand euro (178,256 thousand euro at December 31, 2021), largely for the 40% non-controlling interest in Caffè Borbone S.r.l., the 20% interest in Capitelli, the 20% interest in Callmewine (a decrease of 4,416 thousand euro for the purchase of a further 20% stake) and for a small percentage in the Casa della Salute group and in the Officina Profumo-Farmaceutica di Santa Maria Novella group (an increase of 8,232 thousand euro for the sale of a 5% stake). The change is mainly attributable to the distribution of dividends for 21,000 thousand euro, offset for the share of profit for the period of 7,022 thousand euro.

Non-current and current liabilities

14) PROVISIONS

Total current and non-current provisions amounted to 33,159 thousand euro at June 30, 2022 (32,709 thousand euro at December 31, 2021). They mainly include provisions for legal disputes and provisions for contractual and commercial liabilities. Please refer to the Directors' Report for other updates about the half year.

15) BORROWINGS

The following table shows borrowings by category, included in the net financial position, split between the current and non-current parts:

(in thousands of euro)	June 30, 2022	December 31, 2021	Change
Bank loans and borrowings	30,117	31,255	(1,138)
Bonds	33,273		33,273
Other loans and borrowings	182	165	17
Lease payables	37,928	37,899	29
Non-current loans and borrowings	101,500	69,319	32,181
Fair value of hedging derivatives	36	35	1
Total non-current financial liabilities	101,536	69,354	32,182
Loans and borrowings	68,318	59,672	8,646
Current portion of borrowings	4,169	4,220	(51)
Other loans and borrowings	14,674	15,083	(409)
Lease payables	5,010	5,180	(170)
Accrued interest expense	68	76	(8)
Loans and borrowings and current financial liabilities	92,239	84,231	8,008
Fair value of derivatives	392	437	(45)
Total current financial liabilities	92,631	84,668	7,963
Total financial liabilities	194,167	154,022	40,145

Long-term borrowings can be analysed by currency as follows:

(in thousands of euro)	June 30, 2022	December 31, 2021	Change
Euro	96,223	63,846	32,377
US dollar	4,471	4,585	(114)
UK Pound sterling	806	888	(82)
Total	101,500	69,319	32,181

Long-term borrowings can be analysed by maturity as follows:

(in thousands of euro)	June 30, 2022	December 31, 2021	Change
2022		833	(833)
2023	5,973	10,397	(4,424)
2024	10,185	10,359	(174)
2025	42,908	9,800	33,108
2026	12,571	8,341	4,230
2027	6,834	6,939	(105)
2028	7,603	7,846	(243)
Beyond	15,426	14,804	622
Total	101,500	69,319	32,181

The change is mainly attributable to the issue of a bond reserved solely to banks and insurance companies by Clessidra Factoring for 33,273 thousand euro.

This difference does not match the change in financial payables resulting from the statement of cash flows, mainly due to the non-monetary impact of investments according to IFRS 16 on the Group's statement of cash flows.

Net financial position

The net financial position at June 30, 2022 is positive and is included in the following balance sheet items:

(in thousands of euro)	Caption	Non NFP	NFP	Current assets	Current liabilities	Non-current assets	Non-current liabilities
Trade receivables and other non-current assets	239,902	222,049	17,853			17,853	
Other current assets including derivative financial instruments	30,582	20,369	10,213	10,213			
Investments, bonds and current financial receivables	258,429		258,429	258,429			
Cash and cash equivalents	67,151		67,151	67,151			
Non-current financial liabilities	(101,500)		(101,500)				(101,500)
Other non-current payables and liabilities	(16,294)	(16,258)	(36)				(36)
Current financial liabilities	(82,972)		(82,972)		(82,972)		
Other liabilities	(74,036)	(64,377)	(9,659)		(9,659)		
Total	321,262	161,783	159,479	335,793	(92,631)	17,853	(101,536)

For more details on the items included or not included in the NFP, see the table of comparison between the fair value and carrying amount of financial assets and liabilities.

The net financial position at June 30, 2022, which is positive for 159,479 thousand euro, is made up as follows:

(in thousands of euro)	June 30, 2022	December 31, 2021	Change
Current financial assets	335,793	496,177	(160,384)
Cash and cash equivalents	67,151	135,406	(68,255)
Derivative financial instruments	719	151	568
Other current financial assets	267,923	360,620	(92,697)
Current financial liabilities	(92,631)	(84,668)	(7,963)
Bank loans and overdrafts	(68,318)	(59,672)	(8,646)
Borrowings	(23,921)	(24,559)	638
Derivative financial instruments	(392)	(437)	45
Non-current financial assets	17,853	11,773	6,080
Non-current financial assets	17,602	11,741	5,861
Derivative financial instruments	251	32	219
Non-current financial liabilities	(101,536)	(69,354)	(32,182)
Borrowings	(101,500)	(69,319)	(32,181)
Derivative financial instruments	(36)	(35)	(1)
Net financial position relating to continuing operations	159,479	353,928	(194,449)
Assets classified as held for sale		56	(56)
Net financial position relating to discontinued operations		56	(56)
Total net financial position	159,479	353,984	(194,505)

Net financial position as at June 30, 2022, calculated as envisaged in the Consob communication "Call for attention no. 5/21 of April 29, 2021", is negative (i.e. the net financial position is positive) for 141,626 thousand euro (negative for 342,211 thousand euro at December 31, 2021), net of "Non-current financial assets".

Current financial assets include all assets due within 12 months.

The Group has no reverse factoring/supply agreements.

COMPARISON BETWEEN FAIR VALUE AND CARRYING AMOUNT

The following table compares the fair value and the carrying amount of financial assets and liabilities at June 30, 2022:

(in thousands of euro)	Carrying amount					Fair value				
	FVTPL	FVTOCI	Amortised cost	FV hedges	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets										
Other equity investments		153,612				153,612	47,737	17,324	88,551	153,612
Trade receivables and other non-current assets	218,777		20,874	251		239,902	237	1,975	216,816	219,028
Financial assets at amortised cost										
Financial assets at FVTPL in NFP	1,961					1,961	237	1,724		1,961
Financial assets at FVTPL not in NFP	216,816					216,816			216,816	216,816
Non-current receivables			17,287			17,287				
Trade receivables			2,002			2,002				
Derivatives				251		251		251		251
Guarantee deposits			1,585			1,585				
Trade receivables			150,479			150,479				
Current assets including derivative financial instruments	719		29,863			30,582		719		719
Derivatives	719					719		719		719
Trade receivables			9,494			9,494				
Other receivables			20,369			20,369				
Equity investments, bonds and current financial receivables	235,394		23,035			258,429	45,974	189,176	244	235,394
NFP Equity investments FVTPL	17,176					17,176	17,176			17,176
Financial assets at FVTPL in NFP	218,218					218,218	28,798	189,176	244	218,218
Financial receivables and accruals			23,035			23,035				
Cash and cash equivalents			67,151			67,151				
Total	454,890	153,612	291,402			900,155	93,948	209,194	305,611	608,753
Financial liabilities										
Non-current financial liabilities			33,273		68,227	101,500		101,500		101,500
Bank loans and borrowings			33,273			33,273		33,273		33,273
Finance lease payables					30,117	30,117		30,117		30,117
Other loans and borrowings					37,928	37,928		37,928		37,928
Other non-current liabilities					182	182		182		182
Derivatives			226	36		262		36		36
Other non-current payables				36		36		36		36
Loans and borrowings			226			226				
Current financial liabilities					82,972	82,972		82,972		82,972
Bank loans and borrowings					72,487	72,487		72,487		72,487
Finance lease payables					5,010	5,010		5,010		5,010
Other loans and borrowings					3	3		3		3
Other financial payables					5,472	5,472		5,472		5,472
Trade liabilities			52,240			52,240				
Other liabilities	392		73,644			74,036		392		392
Derivatives	392					392		392		392
Trade receivables			9,267			9,267				
Other payables, accruals and deferrals			64,377			64,377				
Total	392		159,383	36	151,199	311,010		184,900		184,900

The following table compares the fair value and the carrying amount of financial assets and liabilities at December 31, 2021:

(in thousands of euro)	Carrying amount					Fair value				
	FVTPL	FVTOCI	Amortised cost	FV hedges	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets										
Other equity investments		131,515				131,515	64,212	21,072	46,231	131,515
Trade receivables and other non-current assets	191,410		14,453	32		205,895	256	2,673	188,513	191,442
Financial assets at amortised cost										
Financial assets at FVTPL in NFP	2,897					2,897	256	2,641		2,897
Financial assets at FVTPL not in NFP	188,513					188,513			188,513	188,513
Non-current receivables			10,678			10,678				
Trade receivables			1,846			1,846				
Derivatives				32		32		32		32
Guarantee deposits			1,929			1,929				
Trade receivables			129,875			129,875				
Current assets including derivative financial instruments	151		28,644			28,795		151		151
Derivatives	151					151		151		151
Trade receivables			9,850			9,850				
Other receivables			18,794			18,794				
Equity investments, bonds and current financial receivables	323,358		27,412			350,770	48,209	275,032	117	323,358
NFP Equity investments FVTPL	16,601					16,601	16,601			16,601
Financial assets at FVTPL in NFP	306,757					306,757	31,608	275,032	117	306,757
Financial receivables and accruals			27,412			27,412				
Cash and cash equivalents			135,406			135,406				
Total	514,919	131,515	335,790	32		982,256	112,677	298,928	234,861	646,466
Financial liabilities										
Non-current financial liabilities					69,319	69,319		69,319		69,319
Bank loans and borrowings					31,255	31,255		31,255		31,255
Finance lease payables					37,899	37,899		37,899		37,899
Other loans and borrowings					165	165		165		165
Other non-current liabilities	35		191			226		35		35
Derivatives	35					35		35		35
Other non-current payables			191			191				
Current financial liabilities					75,261	75,261		75,261		75,261
Bank loans and borrowings					63,892	63,892		63,892		63,892
Finance lease payables					5,180	5,180		5,180		5,180
Other loans and borrowings					110	110		110		110
Other financial payables					6,079	6,079		6,079		6,079
Trade liabilities			53,119			53,119				
Other liabilities	437		60,531			60,968		437		437
Derivatives	437					437		437		437
Trade receivables			8,970			8,970				
Other payables, accruals and deferrals			51,561			51,561				
Total	472		113,841		144,580	258,893		145,052		145,052

The Group uses the following hierarchy based on different measurement methods to determine and document the fair value of financial instruments:

- level 1: financial instruments with prices quoted on active markets;
- level 2: prices quoted on active markets for similar financial instruments, or fair value determined with other measurement methods where all significant inputs are based on observable market data;
- level 3: fair value determined with measurement methods where no significant input is based on observable market data.

At June 30, 2022 the changes in level 3 are detailed as follows:

(in thousands of euro)	Level 3 31/12/2021	Increases					Decreases					Level 3 30/06/2022			
		Purchases	Gains on disposals in income statement	Other gains in income statement	Gains in equity	Other changes	Transfers from other levels	Sales	Repayments	Losses on disposals in income statement	Other losses in income statement		Losses in equity	Other changes	Transfers to other levels
Non-current equity investments	46,231	41,062			1,258	18									88,551
Receivables and other non-current assets	188,513	25,486		3,992		9,588		(10,763)							216,816
Equity investments, bonds and current financial receivables	117	318					(70)		(121)						244

"Receivables and other non-current assets" are composed of the Private Equity funds. Movements refer to repayments and payments made in the six-month period and fair value revaluations and write-downs.

Covenants

In addition to the usual clauses, certain loan agreements granted to Group companies include special clauses known as "covenants", which require compliance with certain financial indices, mainly determined at the year-end.

Borrowings subject to such covenants at June 30, 2022 include 23.7 million euro.

The contractual conditions of these loans provide that the covenants are only to be calculated once a year, on 31 December, so at 30 June 2022 the loans were not tested for compliance with the financial index of reference, namely leverage (the ratio between gross financial debt net of cash and cash equivalents and EBITDA).

Derivatives

The table below shows the fair value of the financial instruments recognized in the statement of financial position, divided by type of hedge:

(in thousands of euro)	June 30, 2022		December 31, 2021	
	Assets	Liabilities	Assets	Liabilities
Interest-rate derivatives hedging cash flows	85			(35)
Interest-rate derivatives	85			(35)
Exchange-rate derivatives for trading				
Exchange-rate derivatives				
Derivatives on shares and securities	634	(392)	151	(402)
Total current instruments	719	(392)	151	(437)
Interest-rate derivatives hedging cash flows	251		32	
Interest-rate derivatives to hedge fair value		(36)		(35)
Interest-rate derivatives	251	(36)	32	(35)
Total long-term instruments	251	(36)	32	(35)
Total	970	(428)	183	(472)

Liquidity risk

The Group also has unconfirmed credit lines for 103.0 million euro at June 30, 2022 (103.0 million euro at December 31, 2021).

The existence of cash and bank balances (67.2 million euro) and readily marketable investment funds (Vontobel Fund of 187.9 million euro) reduce liquidity risk practically to zero, also considering the maturities of the medium-long term liabilities shown above.

16) TRADE PAYABLES

This caption included:

(in thousands of euro)	June 30, 2022	December 31, 2021	Change
Trade payables due to suppliers	52,240	53,119	(879)
Total	52,240	53,119	(879)

17) OTHER LIABILITIES

(in thousands of euro)	June 30, 2022	December 31, 2021	Change
Due to employees	20,712	21,874	(1,162)
Due to social security bodies	3,870	4,394	(524)
Due to tax authorities	8,195	5,830	2,365
Accrued expenses and deferred income	8,104	5,141	2,963
Derivatives	392	437	(45)
Due to financial and private equity companies	9,267	8,970	297
Advances from customers	813	813	
Due to suppliers for non-current assets	1,477	1,593	(116)
Other liabilities	21,206	11,916	9,290
Total	74,036	60,968	13,068

"Other liabilities" include 8,000 thousand euro for dividends approved and yet to be paid to minority shareholders.

Commitments

At June 30, 2022 there are commitments for future payments into private equity funds for a total of € 110,633 thousand, USD 27,673 thousand and GBP 1,110 thousand.

At June 30, 2022 there are commitments for future payments into associates for 2,500 thousand euro.

INCOME STATEMENT

Note that the income statement figures have been stated on the basis of IFRS 5, according to which all of the income statement items of the Sirap group are to be shown on the line "Profit/(loss) from discontinued operations, net of tax".

18) REVENUE AND INCOME

Revenue and income totalled 255,432 thousand euro, broken down as follows:

(in thousands of euro)	H1 2022	H1 2021	Change	Change %
Industrial revenue				
Product sales	170,863	157,963	12,900	8.2%
Services provided	39,274	30,937	8,337	26.9%
Total	210,137	188,900	21,237	11.2%
Financial revenue				
Interest	1,538	1,040	498	47.9%
Dividends	2,986	3,040	(54)	-1.8%
Gains realised and other revenues	24,846	32,588	(7,742)	-23.8%
Commissions	14,797	6,505	8,292	n.s.
Total	44,167	43,173	994	2.3%
Revenues from other activities				
Interest	565	603	(38)	-6.3%
Other revenue	563	24	539	n.s.
Total	1,128	627	501	79.9%
Grand total	255,432	232,700	22,732	9.8%

n.s. not significant

The industrial revenue relates to Caffè Borbone, Italgen, Officina Profumo-Farmaceutica di Santa Maria Novella, Casa della Salute, Callmewine and Capitelli, while the financial revenue is attributable to Italmobiliare and Clessidra.

The increase in industrial revenue is reported in all sectors with the exception of Callmewine. Please refer to the Directors' Report for comments on the changes in revenues and purchase costs. In "Commissions" the increase is attributable to the Clessidra Group and particularly to Clessidra Private Equity and Clessidra Factoring.

19) RAW MATERIALS AND SUPPLIES

Raw materials and supplies amounted to 101,909 thousand euro, broken down as follows:

(in thousands of euro)	H1 2022	H1 2021	Change	Change %
Raw materials and semifinished goods	44,612	26,315	18,297	69.5%
Fuel	2,113	696	1,417	n.s.
Materials and machinery	30,584	26,272	4,312	16.4%
Finished goods	13,775	11,837	1,938	16.4%
Electricity and water	14,827	3,679	11,148	n.s.
Change in inventories of raw materials, consumables and other	(4,002)	4,005	(8,007)	n.s.
Total	101,909	72,804	29,105	40.0%

n.s. not significant

Raw material costs increased along with revenue, also being affected by the rise in purchase prices resulting from the new macroeconomic context.

20) SERVICES

Services amounted to 47,967 thousand euro and referred to:

(in thousands of euro)	H1 2022	H1 2021	Change	Change %
External services	3,385	4,015	(630)	-15.7%
Maintenance	1,669	1,479	190	12.8%
Transport	7,923	5,798	2,125	36.7%
Legal fees and consultancy	6,576	8,225	(1,649)	-20.0%
Rents	3,269	2,540	729	28.7%
Insurance	987	803	184	22.9%
Membership fees	101	118	(17)	-14.4%
Other miscellaneous expense	24,057	20,622	3,435	16.7%
Total	47,967	43,600	4,367	10.0%

“Rents” refer mainly to fees on concessions that do not fall within the scope of IFRS 16.

In “Other miscellaneous expense” marketing and advertising costs also increased by 1,479 thousand euro.

21) PERSONNEL EXPENSES

Personnel expenses amount to 41,656 thousand euro, broken down as follows:

(in thousands of euro)	H1 2022	H1 2021	Change	Change %
Wages and salaries	27,827	22,129	5,698	25.7%
Social contributions	7,219	5,976	1,243	20.8%
Social security contributions	1,484	1,424	60	4.2%
Other expenses	5,126	3,426	1,700	49.6%
Total	41,656	32,955	8,701	26.4%

The increase in personnel expenses is due to the increase in the number of employees in continuing operations.

The number of employees is shown below:

(headcount)	H1 2022	H1 2021	Change
Number of employees at the end of period - continuing operations	944	770	174
Number of employees at the end of period - assets classified as held for sale	1	321	(320)
Number of employees at the end of period	945	1,091	(146)
Average number of employees - continuing operations	912	724	188
Average number of employees - assets classified as held for sale	2	331	(329)
Average number of employees	914	1,055	(141)

The decrease in the number of employees related to assets held for sale is attributable to the sale of all the foreign investments of the Sirap group in 2021.

22) OTHER OPERATING INCOME (EXPENSES)

Other operating expenses, net of other operating income, amounted to 30,414 thousand euro, broken down as follows:

(in thousands of euro)	H1 2022	H1 2021	Change	Change %
Other taxes	3,876	2,223	1,653	74.4%
Provision for bad debt reserve	808	242	566	n.s.
Interest expense and other finance costs	24,555	3,675	20,880	n.s.
Amounts set aside to provisions and other expense	3,613	3,669	(56)	-1.5%
Other income	(2,644)	(1,409)	(1,235)	87.7%
Net gains from the sale of non-current assets	(84)	29	(113)	n.s.
Other (income) expense	290	757	(467)	-61.7%
Total	30,414	9,186	21,228	n.s.

n.s. not significant

The increase in "Interest expense and other finance costs" is mainly attributable to Italmobiliare for higher write-downs of financial assets measured at fair value through profit or loss for 20,644 thousand euro.

The allowance for doubtful accounts is not significant to require a separate line item in the financial statements.

23) FINANCE INCOME AND COSTS, NET GAINS (LOSSES) ON EXCHANGE-RATE DIFFERENCES AND DERIVATIVES

Net finance costs amounted to 554 thousand euro. This amount is composed as follows:

(in thousands of euro)	H1 2022		H1 2021	
	Income	Costs	Income	Costs
Interest income	35		63	
Interest expense		(481)		(254)
Dividends and income (costs) from equity investments			7	
Gains/losses on sale of equity investments		(148)	10	(838)
Other finance income	37		9	
Capitalised interest expense				
Other finance costs		(567)		(360)
Total finance income (costs)	72	(1,196)	89	(1,452)
Gains/losses on interest-rate derivatives				
Gains/losses on exchange-rate derivatives				
Net exchange-rate differences	570		156	
Net gain/(loss) on exchange-rate differences and derivatives		570		156
Total finance income (costs), exchange-rate differences and net gains (losses) on derivatives		(554)		(1,207)

Interest expenses for lease contracts amount to 90 thousand euro (68 thousand euro in the first half of 2021).

24) INCOME TAX

Income tax for the period was negative for 11,817 thousand euro, analysed as follows:

(in thousands of euro)	H1 2022	H1 2021	Change	Change %
Current tax	9,330	15,846	(6,516)	-41.1%
Prior-year tax and other prior-year tax items	999	367	632	n.s.
Deferred tax	1,488	8,738	(7,250)	-83.0%
Total	11,817	24,951	(13,134)	-52.6%

n.s. not significant

The change in current taxes is mainly attributable to lower profit margins.

The change in deferred taxes is mainly attributable to Caffè Borbone for the partial release of the revaluation reserve set up in the first half of 2021 (6 million euro).

25) STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euro)	Gross amount	Income tax	Net amount
Other comprehensive income at June 30, 2022			
Fair value gains (losses) on:			
Financial assets measured at FVTOCI	(14,488)	(43)	(14,531)
Derivatives	147		147
Translation differences	2,219		2,219
Actuarial gains (losses) on defined benefit plans	(119)	35	(84)
Other comprehensive income (expense)	(12,241)	(8)	(12,249)

26) EARNINGS (LOSSES) PER SHARE

Earnings (losses) per share at June 30 are calculated on the basis of the result attributable to the Parent Company and is recognised for ordinary shares.

Basic earnings per share

The weighted average number of shares and attributable profit (loss) are shown below:

	H1 2022	H1 2021
(no. shares in thousands)	Ordinary shares	Ordinary shares
No. shares at January 1	42,500	42,500
Treasury shares at January 1	(217)	(278)
Weighted average number of treasury shares sold in the period		51
Total	42,283	42,273
Attributable profit in thousands of euro	3,293	107,092
Basic earnings per share in euro	0.078	2.533

Profit attributable by share category was determined as follows:

	H1 2022	H1 2021
(in thousands of euro)	Ordinary shares	Ordinary shares
Residual profit apportioned to all shares	3,293	107,092
Total	3,293	107,092

Diluted earnings per share

Diluted earnings per share are computed in the same way as basic earnings (losses) per share, taking account of the dilutive effect of stock options that expired during the first half of 2021.

The weighted average number of shares and attributable profit (loss) are shown below:

	H1 2022	H1 2021
(no. shares in thousands)	Ordinary shares	Ordinary shares
Weighted average number of shares at June 30	42,283	42,273
Dilutive effect of stock options		
Total	42,283	42,273
Attributable profit for diluted earnings per share in thousands of euro	3,293	107,092
Diluted earnings per share in euro	n.a.	n.a.

n.a. not applicable

Profit attributable by share category was determined as follows:

	H1 2022	H1 2021
(in thousands of euro)	Ordinary shares	Ordinary shares
Residual profit apportioned to all shares	3,293	107,092
Total	3,293	107,092

Earnings (losses) per share at June 30 are calculated on the basis of the result attributable to the Parent Company and is recognised for ordinary shares.

Basic earnings per share relating to continuing operations

The weighted average number of shares and attributable profit (loss) relating to continuing operations are shown below:

	H1 2022	H1 2021
(no. shares in thousands)	Ordinary shares	Ordinary shares
No. shares at January 1	42,500	42,500
Treasury shares at January 1	(217)	(278)
Weighted average number of treasury shares sold in the period		51
Total	42,283	42,273
Attributable profit in thousands of euro relating to continuing operations	5,539	41,213
Basic earnings per share in euro	0.131	0.975

Profit relating to continuing operations attributable by share category was determined as follows:

	H1 2022	H1 2021
(in thousands of euro)	Ordinary shares	Ordinary shares
Residual profit relating to continuing operations apportioned to all shares	5,539	41,213
Total	5,539	41,213

Diluted earnings per share relating to continuing operations

Diluted earnings per share are computed in the same way as basic earnings (losses) per share, taking account of the dilutive effect of stock options.

The weighted average number of shares and attributable profit (loss) are shown below:

	H1 2022	H1 2021
(no. shares in thousands)	Ordinary shares	Ordinary shares
Weighted average number of shares at June 30	42,283	42,273
Dilutive effect of stock options		
Total	42,283	42,273
Attributable profit in thousands of euro relating to continuing operations	5,539	41,213
Diluted earnings per share in euro	n.a.	n.a.

n.a. not applicable

Profit attributable by share category was determined as follows:

	H1 2022	H1 2021
(in thousands of euro)	Ordinary shares	Ordinary shares
Residual profit relating to continuing operations apportioned to all shares	5,539	41,213
Total	5,539	41,213

Basic earnings per share relating to assets classified as held for sale

The weighted average number of shares and attributable profit (loss) are shown below:

	H1 2022	H1 2021
(no. shares in thousands)	Ordinary shares	Ordinary shares
No. shares at January 1	42,500	42,500
Treasury shares at January 1	(217)	(278)
Weighted average number of treasury shares sold in the period		51
Total	42,283	42,273
Attributable profit in thousands of euro relating to discontinuing operations	(2,246)	65,879
Basic earnings per share in euro	(0.053)	1.558

Profit attributable by share category was determined as follows:

	H1 2022	H1 2021
(in thousands of euro)	Ordinary shares	Ordinary shares
Residual profit relating to discontinuing operations apportioned to all shares	(2,246)	65,879
Total	(2,246)	65,879

Diluted earnings per share relating to assets classified as held for sale

Diluted earnings per share are computed in the same way as basic earnings (losses) per share, taking account of the dilutive effect of stock options.

The weighted average number of shares and attributable profit (loss) are shown below:

	H1 2022	H1 2021
(no. shares in thousands)	Ordinary shares	Ordinary shares
Weighted average number of shares at June 30	42,283	42,273
Dilutive effect of stock options		
Total	42,283	42,273
Attributable profit relating to discontinuing operations for diluted earnings per share in thousands of euro	(2,246)	65,879
Diluted earnings per share in euro	n.a.	n.a.

n.a. not applicable

Profit attributable by share category was determined as follows:

	H1 2022	H1 2021
(in thousands of euro)	Ordinary shares	Ordinary shares
Residual profit relating to discontinuing operations apportioned to all shares	(2,246)	65,879
Total	(2,246)	65,879

27) TRANSACTIONS WITH RELATED PARTIES

The figures for transactions with related parties at June 30, 2022 are summarised in the following table:

(in thousands of euro)	Revenue and income (expense)	Trade receivables (payables)	Financial assets (liabilities)	Net finance income/(costs)	Other operating income (expense)
Associates not consolidated line-by-line	562	68	23,340	22	
Other related parties	25				
	(434)	(270)			(300)
Total	587	68	23,340	22	
	(434)	(270)			(300)
% impact on financial statement items	0.2%	0.0%	6.6%	30.6%	
	0.2%	0.5%			1.0%

The corresponding figures at June 30, 2021 are as follows:

(in thousands of euro)	Revenue and income (expense)	Trade receivables (payables)	Financial assets (liabilities)	Net finance income (costs)	Other operating income (expense)
Associates not consolidated line-by-line	3,575	771	15,093	49	
Other related parties	27				
	(213)	(14)			(250)
Total	3,602	771	15,093	49	
	(213)	(14)			(250)
% impact on financial statement items	1.5%	0.8%	3.1%	55.1%	
	0.1%	0.0%			2.7%

At June 30, 2022, the item "Other charges of other related parties" includes 300 thousand euro of contributions set aside (a debt of 200 thousand euro remains) by Italmobiliare S.p.A. to the Fondazione Cav. Lav. Carlo Pesenti (250 thousand euro in the first half of 2021).

28) STATEMENT OF CASH FLOWS

Equity investments mainly relate to Bene Assicurazioni for 41.1 million euro, Archimede for 12 million euro and private equity drawdowns for 25.5 million euro. Disposals include the sale of a 5% stake in Officina Profumo-Farmaceutica di Santa Maria Novella for 10 million euro and private equity funds reimbursements for 10.8 million euro.

Events after the reporting date

In July 2022, Italmobiliare continued its strategy of expanding its investment portfolio with the acquisition of SIDI Sport, an iconic brand that has been able to revolutionise the world of cycling and motorcycling footwear. In 2021, SIDI Sport recorded revenue of almost 38 million euro and EBITDA of around 7 million euro. 100% of the capital of SIDI Sport S.r.l. will be taken over by Italmobiliare for an investment of 66 million euro.

Outlook

Global growth was expected to slow down in 2022 due to the coming together of a series of factors and effects inherited from the post-Covid counter-shock, in particular: the withdrawal of economic policy support and the problems of value chains, while faced with a high rate of inflation and the erosion of excess accumulated savings. During the first months of the year, the impact of these factors was further exacerbated both by the war in Ukraine and the repercussions of the zero-Covid policy adopted in China, and by a deterioration in financial conditions, the effect of restrictive action on the part of central banks (especially the Fed) and the reactions of financial markets. The large decline in asset valuations (equities and bonds) was reflected in a significant rise in the cost of capital.

In the first half of the year, the global economic cycle entered a phase of significant slowdown in developed and emerging countries, even though growth is still positive. Expectations about the change in GDP in 2022 saw a downward revision, from 4.3% (average) at the beginning of the year to 2.9% and, in 2023, from 3.5% to 3%. The risk of a recession has also increased.

The economic slowdown, the easing of supply chain imbalances and the negative sequential effect of the recent decline in certain commodities (oil) could foreshadow a deceleration in the global inflation rate in the coming months, but price dynamics are likely to remain high also in 2023.

The erosion of real disposable income and cost pressure on profit margins are weighing on demand, already exposed to worsening credit conditions. The structural deficit of raw materials, impaired by the Russia/Ukraine conflict, persists, though there could be a rebalancing if a recession causes a contraction in demand. In particular, dependence on Russian gas further increases the uncertainties about the Eurozone economy.

The 2022 growth forecasts for the area have been revised downwards by leading macroeconomic experts to an average of 2.5%: but this overall figure is generated by a sequence of quarters in progressive decline with a period of stagnation at the end of the year, whereas in 2023 GDP is expected to grow by around 1%.

The current situation of high uncertainty requires more than ever careful and effective implementation of the best practices that Italmobiliare has been promoting and applying for a long time in its investment strategy and management of portfolio companies: broad portfolio diversification, proactive and organic risk management, implementation of the highest standards in corporate governance procedures, innovative formulas in human capital management, stringent financial discipline and broadening financial flexibility. The integration of ESG policies, objectives and plans as a characterising element of Italmobiliare's activity as a holding company is the precondition for pursuing ambitious development trajectories and portfolio companies growth, even in complex times like these.

The agreement signed shortly after the end of the half year for the acquisition of Sidi, an iconic brand that has revolutionised cycling and motorcycling footwear, confirms, even in this delicate phase, a desire consistent with its mission to support situations of Italian excellence, activating and accompanying that qualitative leap that is more than ever necessary in times of high uncertainty. The investment also strengthens Italmobiliare's exposure to a trend, like the outdoor activities, which we believe can be not only profitable, but also fundamental in the development of a company that is increasingly devoted to the idea of active well-being.

A similar conviction will guide the continuous support provided by Italmobiliare to the Clessidra group, both in the area of Private Equity, where the CCP4 fund has achieved funding of approximately 520 million euro with a portfolio that is being further enriched by excellent Italian companies such as Botter-Mondo del Vino, Viabizzuno and Impresoft, and in credit and factoring activities offered to meet the different financial sourcing needs of Italian SMEs in their development or relaunch path, increasing their resilience and financial flexibility in the face of external turbulence.

ANNEX

The table below sets out equity investments held also indirectly when such investments exceed 10% of voting share capital. It also indicates the consolidation method and non-controlling interests.

Company	Head Office		Share Capital		Interest held by Group Companies			Method	Non-controlling interest %
					Direct	Indirect	%		
Parent Company									
Italmobiliare S.p.A.	Milano	I	EUR	100,166,937.00					
035 Investimenti S.p.A.	Bergamo	I	EUR	4,157,928.00	10.59	-	10.59	Italmobiliare S.p.A.	Fair Value
4Ward S.r.l.	Bolzano	I	EUR	80,000.00	-	100.00	100.00	Formula Impresoft S.p.A.	Equity
Antica Valserschio S.r.l.	Castelnuovo di Garfagnana (LU)	I	EUR	1,249,180.00	-	100.00	100.00	Gruppo Florence S.p.A.	Equity
Archimede S.p.A.	Milano	I	EUR	1,000,000.00	22.99	-	22.99	Italmobiliare S.p.A.	Equity
AGN Energia S.p.A.	Volpiano (TO)	I	EUR	11,287,783.00	32.02	-	32.02	Italmobiliare S.p.A.	Equity
Autogas Riviera S.r.l.	Taggia (IM)	I	EUR	102,000.00	-	50.00	50.00	AGN Energia S.p.A.	Equity
Bea Arquata S.r.l.	Busalla (GE)	I	EUR	60,000.00	-	80.00	80.00	Casa della Salute S.p.A.	Cost
BEA Biella S.r.l.	Busalla (GE)	I	EUR	130,000.00	-	51.00	51.00	Casa della Salute S.p.A.	Line-by-line 49.00
Beijing Tecnica Sport Equipment Co., Ltd	Beijing	RC	CNY	25,727,280.00	-	50.00	50.00	Tecnica Group S.p.A.	Equity
Bene Assicurazioni S.p.A. Società Benefit *	Milano	I	EUR	25,199,000.00	16.660	-	16.660	Italmobiliare S.p.A.	Fair Value
Blizzard Sport Liegenschaftsverwaltungs GmbH	Mittersill	A	EUR	36,336.00	-	99.00	99.00	Blizzard Sport GmbH	Equity
Blizzard Produktion GmbH	Chop	UA	EUR	6,001,701.00	-	100.00	100.00	Blizzard Sport GmbH	Equity
Blizzard Sport GmbH	Mittersill	A	EUR	36,336.00	-	100.00	100.00	IQ-Sports Verwaltungs GmbH	Equity
Caffè Borbone S.r.l.	Caivano (NA)	I	EUR	1,000,000.00	60.00	-	60.00	Italmobiliare S.p.A.	Line-by-line 40.00
Callmewine S.r.l.	Milano	I	EUR	12,245.92	-	80.00	80.00	FT 3 S.r.l.	Line-by-line 20.00
CAM S.r.l.	Antegnate (BG)	I	EUR	10,000.00	-	100.00	100.00	Giuntini S.p.A.	Equity
Capitelli F.lli S.r.l.	Borgonovo Val Tidone (PC)	I	EUR	51,480.00	80.00	-	80.00	Italmobiliare S.p.A.	Line-by-line 20.00
Casa della Salute S.p.A.	Genova	I	EUR	2,904,770.00	84.67	-	84.67	Italmobiliare S.p.A.	Line-by-line 15.33
Casa della Salute Sardegna S.r.l.	Genova	I	EUR	250,000.00	-	90.00	90.00	Casa della Salute S.p.A.	Line-by-line 10.00
CDS Medical S.r.l.	Genova	I	EUR	1,000,000.00	-	100.00	100.00	Casa della Salute S.p.A.	Line-by-line
Cerraduras Iseo Iberica S.L.	Ajalvir - Madrid	E	EUR	300,500.00	-	90.00	90.00	Iseo Serrature S.p.A.	Equity
Ciemmecci Fashion S.r.l.	Empoli (FI)	I	EUR	110,000.00	-	100.00	100.00	Gruppo Florence S.p.A.	Equity
Clessidra Capital Credit SGR S.p.A.	Milano	I	EUR	2,500,000.00	-	100.00	100.00	Clessidra Holding S.p.A.	Line-by-line
Clessidra CRF G.P. società semplice	Milano	I	EUR	10,000.00	-	49.00	49.00	Clessidra Capital Credit SGR S.p.A.	Line-by-line 51.00
Clessidra Factoring S.p.A.	Milano	I	EUR	13,650,000.00	-	100.00	100.00	Clessidra Holding S.p.A.	Line-by-line
Clessidra Holding S.p.A.	Milano	I	EUR	10,000,000.00	100.00	-	100.00	Italmobiliare S.p.A.	Line-by-line
Clessidra Private Equity SGR S.p.A. (former Clessidra SGR S.p.A.)	Milano	I	EUR	3,600,000.00	-	100.00	100.00	Clessidra Holding S.p.A.	Line-by-line
Compagnia Fiduciaria Nazionale S.p.A.	Milano	I	EUR	90,000.00	16.67	-	16.67	Italmobiliare S.p.A.	Fair Value
Confezioni Elledue S.r.l.	Arezzo	I	EUR	60,000.00	-	100.00	100.00	Giuntini S.p.A.	Equity
Crédit Mobilier de Monaco S.A.	Montecarlo	MC	EUR	5,355,000.00	99.91	-	99.91	Italmobiliare S.p.A.	Line-by-line 0.09
Dokimè S.r.l.	Milano	I	EUR	100,000.00	20.63	-	20.63	Italmobiliare S.p.A.	Equity
Eco Park Wind Power	Sofia	BG	BGN	5,000.00	-	100.00	100.00	Gardawind S.r.l.	Equity
Ecoclina S.r.l.	Ariano nel Polesine (RO)	I	EUR	90,000.00	-	55.00	55.00	AGN Energia S.p.A.	Equity
Emmegi S.r.l.	Bulciago (LC)	I	EUR	10,000.00	-	100.00	100.00	Giuntini S.p.A.	Equity
Eurotex PPH SP. Z O.O.	Varsavia (Poland)	PL	PLN	116,000.00	-	100.00	100.00	Giuntini S.p.A.	Equity
F Service S.r.l.	Chiesina Uzzanese (PT)	I	EUR	50,000.00	-	100.00	100.00	Facopel Produzione S.r.l.	Equity
Facopel Produzione S.r.l.	Chiesina Uzzanese (PT)	I	EUR	30,000.00	-	100.00	100.00	Gruppo Facopel S.r.l.	Equity
Fara Real Estate S.r.l.	Bergamo	I	EUR	10,000.00	-	100.00	100.00	Famagorà Holding S.p.A.	Equity
Farmacia Baboni S.r.l.	Cernusco sul Naviglio (MI)	I	EUR	10,000.00	-	100.00	100.00	Farmagorà 5 S.r.l.	Equity
Farmacia Centrale S.r.l.	Genova	I	EUR	20,000.00	-	100.00	100.00	Farmagorà 7 S.r.l.	Equity
Farmacia Chivasso Est S.r.l.	Chivasso (TO)	I	EUR	30,000.00	-	100.00	100.00	Farmagorà 8 S.r.l.	Equity
Farmacia dell'Isola S.r.l.	Presezzo (BG)	I	EUR	50,000.00	-	100.00	100.00	Farmagorà 6 S.r.l.	Equity
Farmacia Tarditi S.r.l.	Ponte Nizza (PV)	I	EUR	102,000.00	-	100.00	100.00	Farmagorà 2 S.r.l.	Equity
Farmacia Vanoncini S.r.l.	Sant'Omobono Terme (BG)	I	EUR	10,000.00	-	100.00	100.00	Farmagorà 9 S.r.l.	Equity
Farmagorà 2 S.r.l.	Bergamo	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity
Farmagorà 5 S.r.l.	Bergamo	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity
Farmagorà 6 S.r.l.	Bergamo	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity
Farmagorà 7 S.r.l.	Bergamo	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity
Farmagorà 8 S.r.l.	Bergamo	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity

Company	Head Office			Share Capital		Interest held by Group Companies			Method	Non-controlling interest %
				Direct	Indirect	%				
Farmagorà 9 S.r.l.	Bergamo	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity	
Farmagorà 11 S.r.l.	Bergamo	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity	
Farmagorà 12 S.r.l.	Bergamo	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity	
Farmagorà 13 S.r.l.	Bergamo	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity	
Farmagorà 15 S.r.l.	Bergamo	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity	
Farmagorà Barlassina S.r.l.	Barlassina (MB)	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity	
Farmagorà Carmagnola S.r.l.	Bergamo	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity	
Farmagorà Holding S.p.A.	Bergamo	I	EUR	18,425,000.00	27.14	-	27.14	Italmobiliare S.p.A.	Equity	
Farmagorà Mantello S.r.l. (former Farmagorà 10 S.r.l.)	Mantello (SO)	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity	
Farmagorà Montjovet S.r.l. (former Farmagorà 4 S.r.l.)	Montjovet (AO)	I	EUR	10,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity	
Farmagorà Solza S.r.l.	Solza (BG)	I	EUR	30,000.00	-	100.00	100.00	Farmagorà Holding S.p.A.	Equity	
Feroneria Prod. S.A.	Arad	RO	RON	20,628,636.40	-	100.00	99.9999	Iseo Serrature S.p.A.	Equity	
							0.0001	Microhard S.r.l.	Equity	
Fin.Priv. S.r.l.	Milano	I	EUR	20,000.00	14.28	-	14.28	Italmobiliare S.p.A.	Fair Value	
FIT S.r.l. B.F.	Seregno (MB)	I	EUR	120,000.00	-	100.00	100.00	Bene Assicurazioni S.p.A.	Fair Value	
Florence InvestCo S.r.l.	Milano	I	EUR	1,500,835.00	15.28	-	15.28	Italmobiliare S.p.A.	Equity	
Formula S.p.A.	Milano	I	EUR	50,000.00	-	100.00	100.00	Formula Impresoft S.p.A.	Equity	
Formula Impresoft S.p.A.	Milano	I	EUR	4,686,359.00	-	71.07	71.07	Pitagora 2 S.p.A.	Equity	
Franco Tosi Ventures S.r.l.	Milano	I	EUR	100,000.00	100.00	-	100.00	Italmobiliare S.p.A.	Line-by-line	
Frediani S.r.l.	Torino	I	EUR	10,000.00	-	100.00	100.00	Giuntini S.p.A.	Equity	
FT2 S.r.l.	Milano	I	EUR	10,000.00	100.00	-	100.00	Italmobiliare S.p.A.	Line-by-line	
FT3 S.r.l.	Milano	I	EUR	10,000.00	100.00	-	100.00	Italmobiliare S.p.A.	Line-by-line	
Gardawind S.r.l.	Vipiteno (BZ)	I	EUR	100,000.00	-	49.00	49.00	Italgen S.p.A.	Equity	
GN Technomy S.r.l.	Milano	I	EUR	25,500.00	-	100.00	100.00	Formula Impresoft S.p.A.	Equity	
Giuntini S.p.A.	Peccioli (PI)	I	EUR	500,000.00	-	100.00	100.00	Gruppo Florence S.p.A.	Equity	
GRES Hub S.r.l.	Milano	I	EUR	10,000.00	-	100.00	100.00	Italmobiliare Servizi S.r.l.	Line-by-line	
Gruppo Energia Italia S.r.l.	Volpiano (TO)	I	EUR	108,000.00	-	50.00	50.00	AGN Energia S.p.A.	Equity	
Gruppo Facopel S.r.l.	Milano	I	EUR	10,000.00	-	100.00	100.00	Gruppo Florence S.p.A.	Equity	
Gruppo Florence S.p.A.	Milano	I	EUR	1,938,067.00	-	67.22	67.22	Florence InvestCo S.r.l.	Equity	
Haekon Eood	Sofia	BG	BGN	5,000.00	-	100.00	100.00	Gardawind S.r.l.	Equity	
Idrozezzo S.r.l.	Villa di Serio (BG)	I	EUR	10,000.00	-	100.00	100.00	Italgen S.p.A.	Line-by-line	
Idroenergy S.r.l.	Villa di Serio (BG)	I	EUR	99,000.00	-	100.00	100.00	Italgen S.p.A.	Line-by-line	
Immobiliare Lido di Classe S.r.l. in liquidation	Roma	I	EUR	255,000.00	18.04	-	18.04	Italmobiliare S.p.A.	Cost	
Industrie Mediterranee S.r.l.	Napoli	I	EUR	10,000.00	-	100.00	100.00	Caffè Borbone S.r.l.	Line-by-line	
IQ-Sports Verwaltungs GmbH	Mittersill	A	EUR	35,000.00	-	100.00	100.00	Tecnica Group S.p.A.	Equity	
Iseo (Beijing) Security Technology Co., Ltd	Beijing	RC	CNY	500,000.00	-	100.00	100.00	Iseo Asia Limited	Equity	
Iseo Asia Limited	Hong Kong	HK	HKD	1,000,000.00	-	100.00	100.00	Iseo Serrature S.p.A.	Equity	
Iseo Asia Pacific Sdn Bhd	Puchong, Selangor D.E.	MAL	MYR	715,560.00	-	100.00	100.00	Iseo Asia Limited	Equity	
Iseo Colombia S.A.S.	Bogotá	CO	COP	1,000,000,000.00	-	100.00	100.00	Iseo Serrature S.p.A.	Equity	
Iseo Denmark A.P.S.	Copenhagen	DK	EUR	18,000.00	-	55.00	55.00	Iseo Serrature S.p.A.	Equity	
Iseo Deutschland GmbH	Gera	D	EUR	1,000,000.00	-	100.00	100.00	Iseo Serrature S.p.A.	Equity	
Iseo France S.A.S.	Vaux Le Pénil	F	EUR	1,075,440.00	-	100.00	100.00	Iseo Serrature S.p.A.	Equity	
Iseo Galvanica S.r.l.	Arad	RO	RON	2,800,000.00	-	99.50	99.50	Iseo Serrature S.p.A.	Equity	
							0.50	Microhard S.r.l.	Equity	
Iseo Gulf LCC	Dubai	UAE	AED	300,000.00	-	100.00	100.00	Iseo Middle East FZE	Equity	
Iseo Middle East FZE	Dubai	UAE	AED	1,000,000.00	-	100.00	100.00	Iseo Denmark A.P.S.	Equity	
Iseo Peru S.A.C.	Lima	PE	PEN	1,250,000.00	-	90.00	90.00	Iseo Serrature S.p.A.	Equity	
Iseo Projects And Access Control DMCC (in liquidation)	Dubai	UAE	AED	75,000.00	-	80.00	80.00	Iseo Serrature S.p.A.	Equity	
Iseo Serrature S.p.A.	Pisogne (BS)	I	EUR	24,429,800.00	39.24	-	39.24	Italmobiliare S.p.A.	Equity	
Iseo South Africa Proprietary Limited	Cape Town	ZA	ZAR	2,163.00	-	100.00	100.00	Iseo Serrature S.p.A.	Equity	
Italgen S.p.A.	Villa di Serio (BG)	I	EUR	20,000,000.00	100.00	-	100.00	Italmobiliare S.p.A.	Line-by-line	
Italmobiliare Servizi S.r.l.	Milano	I	EUR	3,520,000.00	100.00	-	100.00	Italmobiliare S.p.A.	Line-by-line	
ITM Bacco S.r.l.	Milano	I	EUR	100,000.00	60.00	-	60.00	Italmobiliare S.p.A.	Line-by-line	40.00
Kipcast S.r.l.	Sant' Ambrogio di Valpolicella (VR)	I	EUR	25,000.00	-	70.00	70.00	GN Technomy S.r.l.	Equity	
Liras S.A.S.	Courbevoie	F	EUR	16,151,640.00	-	100.00	100.00	Iseo Serrature S.p.A.	Equity	
Locken Iberica S.L.	Madrid	ES	EUR	5,000.00	-	100.00	100.00	Liras S.A.S.	Equity	
Locken Services S.A.	Courbevoie	F	EUR	116,590.00	-	100.00	100.00	Liras S.A.S.	Equity	
Locken UK Limited	London	GB	GBP	1,000.00	-	99.20	99.20	Liras S.A.S.	Equity	
Lowa Boots LLC	Stanford	USA	USD	35,000.00	-	100.00	99.90	Lowa Sportschuhe GmbH	Equity	
							0.10	Tecnica Group S.p.A.	Equity	
Lowa Production Sro (former Rialto Sro)	Bošany	SK	EUR	1,068,115.00	-	100.00	100.00	Lowa R&D S.r.l. (già Riko Sport S.r.l.)	Equity	
Lowa R&D S.r.l. (former Riko Sport S.r.l.)	Caselle di Altivole (TV)	I	EUR	780,000.00	-	100.00	100.00	Lowa Sportschuhe GmbH	Equity	

Company	Head Office			Share Capital		Interest held by Group Companies			Method	Non-controlling interest %
						Direct	Indirect	%		
Lowa Schuhe AG	Interlaken	CH	CHF	1,100,000.00	-	100.00	100.00	MM Holding AG	Equity	
Lowa Sportschuhe GmbH	Jetzendorf	D	EUR	5,000,000.00	-	80.00	80.00	Teclor S.r.l.	Equity	
Manifatture Cesari S.r.l. Unipersonale	Città di Castello (PG)	I	EUR	500,000.00	-	100.00	100.00	Gruppo Florence S.p.A.	Equity	
MelyS Maglieria S.r.l.	Arezzo	I	EUR	1,500,000.00	-	100.00	100.00	Gruppo Florence S.p.A.	Equity	
Mesomarket Eood	Sofia	BG	BGN	5,000.00	-	100.00	100.00	Gardawind S.r.l.	Equity	
Metaphor S.r.l.	Milano	I	EUR	10,000.00	-	100.00	100.00	Gruppo Florence S.p.A.	Equity	
Microhard S.r.l.	Rovellasca (CO)	I	EUR	100,000.00	-	100.00	100.00	Iseo Serrature S.p.A.	Equity	
MM Holding AG	Stans	CH	CHF	100,000.00	-	100.00	100.00	Lowa Sportschuhe GmbH	Equity	
NextCRM S.r.l.	Vicenza	I	EUR	59,035.00	-	100.00	100.00	Formula Impresoft S.p.A.	Equity	
NextTech S.r.l.	Mira (VE)	I	EUR	10,000.00	-	100.00	100.00	Formula Impresoft S.p.A.	Equity	
New Flour S.p.A.	Milano	I	EUR	163,000.00	16.97	-	16.97	Italmobiliare S.p.A.	Fair Value	
Norfin S.r.l.	Giavera del Montello (TV)	I	EUR	95,000.00	-	100.00	100.00	Tecnica Group S.p.A.	Equity	
Officina Profumo Farmaceutica di Santa Maria Novella S.p.A.	Firenze	I	EUR	2,100,000.00	-	95.00	95.00	FT2 S.r.l.	Line-by-line	
Officina Profumo-Farmaceutica di Santa Maria Novella of America Corporation	New York	USA	USD	2,000,000.00	-	100.00	100.00	Officina Profumo-Farmaceutica di Santa Maria Novella S.p.A.	Line-by-line	5.00
Opensymbol S.r.l.	Vicenza	I	EUR	10,000.00	-	100.00	100.00	Formula Impresoft S.p.A.	Equity	
Parmamoda S.r.l.	Parma	I	EUR	50,000.00	-	100.00	100.00	Giuntini S.p.A.	Equity	
Piemme Officine S.r.l.	Stienta (RO)	I	EUR	10,000.00	-	100.00	100.00	Parmamoda S.r.l.	Equity	
Pigolotti S.r.l.	Perugia	I	EUR	25,000.00	-	100.00	100.00	Manifatture Cesari S.r.l. Unipersonale	Equity	
Pitagora 1 S.p.A.	Milano	I	EUR	70,000.00	-	100.00	100.00	Archimede S.p.A.	Equity	
Pitagora 2 S.p.A.	Milano	I	EUR	50,000.00	-	100.00	100.00	Pitagora 1 S.p.A.	Equity	
Punta Ala Promozione e Sviluppo Immobiliare S.r.l.	Milano	I	EUR	1,300,000.00	100.00	-	100.00	Italmobiliare S.p.A.	Line-by-line	
Qualitas Informatica S.p.A.	Santorso (VI)	I	EUR	640,000.00	-	100.00	100.00	Formula Impresoft S.p.A.	Equity	
Santa Maria Novella France S.A.S.	Levallois-Perret	FR	EUR	20,000.00	-	100.00	100.00	Officina Profumo Farmaceutica di Santa Maria Novella S.p.A.	Line-by-line	
Santa Maria Novella UK Limited (former Farmacia Limited)	London	UK	£	1,000.00	-	100.00	100.00	Officina Profumo Farmaceutica di Santa Maria Novella S.p.A.	Line-by-line	
S.E.S. Società Editrice Sud S.p.A.	Messina	I	EUR	10,695,505.08	31.10	-	31.10	Italmobiliare S.p.A.	Equity	
Sc QRMES S.R.L.	Sibiu	RO	RON	1,000.00	-	99.00	99.00	Qualitas Informatica S.p.A.	Equity	
Schöffel-Lowa-Sportartikel GmbH & Co. KG	Schwabmünchen	D	EUR	100,523.00	-	50.00	50.00	Lowa Sportschuhe GmbH	Equity	
Sirap Gema S.r.l.	Bergamo	I	EUR	2,500,000.00	100.00	-	100.00	Italmobiliare S.p.A.	Line-by-line	
Société d'Etudes de Participations et de Courtages S.A.	Monte Carlo	MC	EUR	1,290,000.00	99.98	-	99.98	Italmobiliare S.p.A.	Line-by-line	0.02
Sofia S.r.l.	Pisogne (BS)	I	EUR	18,918.00	-	55.00	55.00	Iseo Serrature S.p.A.	Equity	
Solar Rooftop S.r.l.	Villa di Serio (BG)	I	EUR	50,000.00	-	100.00	100.00	Italgen S.p.A.	Line-by-line	
Splendorgas S.r.l.	Santi Cosma e Damiano (LT)	I	EUR	10,000.00	-	60.00	60.00	AGN Energia S.p.A.	Equity	
Stoccaggi Riuniti Cotignola Scarl	Cotignola (RA)	I	EUR	12,000.00	-	50.00	50.00	AGN Energia S.p.A.	Equity	
Teclor S.r.l.	Giavera del Montello (TV)	I	EUR	10,000,000.00	-	100.00	100.00	Tecnica Group S.p.A.	Equity	
Tecnica Group Canada Inc	Saint-Laurent	CA	CAD	4,000,000.00	-	100.00	100.00	Tecnica Group S.p.A.	Equity	
Tecnica Group France S.a.r.l.	Annecy-Le-Vieux	FR	EUR	1,000,000.00	-	100.00	100.00	Tecnica Group S.p.A.	Equity	
Tecnica Group Germany GmbH	Jetzendorf	D	EUR	715,808.00	-	100.00	100.00	Blizzard Sport GmbH	Equity	
Tecnica Group Japan Ltd	Tokyo	JP	YEN	100,000,000.00	-	99.90	99.90	Tecnica Group S.p.A.	Equity	
Tecnica Group S.p.A.	Giavera del Montello (TV)	I	EUR	38,533,835.00	40.00	-	40.00	Italmobiliare S.p.A.	Equity	
Tecnica Group Schweiz AG	Stans	CH	CHF	500,000.00	-	100.00	100.00	Tecnica Group S.p.A.	Equity	
Tecnica Group USA Corp.	West Lebanon	USA	USD	5,800,000.00	-	100.00	100.00	Tecnica Group S.p.A.	Equity	
Tecnica Ungheria Kft.	Nagykálló	H	EUR	98,352.00	-	100.00	99.00	Tecnica Group S.p.A. Norfin S.r.l.	Equity	
Tecnigas S.r.l.	Prevalle (BS)	I	EUR	49,920.00	-	50.00	50.00	AGN Energia S.p.A.	Equity	
Tianjing Tecnica International Trading Co., Ltd	Tianjin Port	RC	CNY	2,417,770.00	-	50.00	50.00	Tecnica Group S.p.A.	Equity	
Versilgas S.r.l.	S. Stefano di Magra (SP)	I	EUR	36,400.00	-	50.00	50.00	AGN Energia S.p.A.	Equity	

* Following the cancellation of 4,200,000 treasury shares with no share capital reduction, authorised by IVASS - Istituto per la Vigilanza sulle Assicurazioni (Institute for Insurance Supervision) and awaiting to be registered in the Companies Register, Italmobiliare's interest amounts to 19.996% of the share capital.

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Statement pursuant to art. 154-bis.5 of the Italian Consolidated Finance Act (TUF) regarding the condensed interim consolidated financial statements pursuant to art. 81-ter of the Consob Regulation no. 11971 of May 14, 1999 and subsequent modifications and integrations

1. The undersigned Carlo Pesenti, Chief Executive Officer and Mauro Torri, Manager in charge of financial reporting of Italmobiliare S.p.A, also taking into consideration art. 154-bis, paragraphs 3 and 4, of the Legislative Decree no. 58 of February 24, 1998, hereby state:
 - the adequacy in relation to the company characteristics and
 - the actual application of the administrative and accounting procedures adopted for the preparation of the **condensed interim consolidated financial statements**, as at and for the period from January 1, 2022 to June 30, 2022.
2. The assessment of the adequacy of the administrative and accounting procedures adopted for the preparation of condensed interim consolidated financial statements at June 30, 2022 is based on a model identified by Italmobiliare according to the CoSO framework (illustrated in the *CoSO Report*) and also takes into account the document "*Internal Control over Financial Reporting – Guidance for Smaller Public Companies*", both issued by the Committee of Sponsoring Organizations of the Treadway Commission representing a generally accepted international framework.
2. It is also stated that:
 - 3.1 the condensed interim consolidated financial statements at June 30, 2022:
 - a) were prepared in compliance with applicable international financial reporting standards recognised by the European Community pursuant to European Parliament and Council Regulation no. 1606/2002 of July 19, 2002;
 - b) correspond to the accounting books and entries;
 - c) are suitable to provide a true and fair view of the financial position, results of operations and cash flows of Italmobiliare S.p.A. and the companies included in the consolidation area.
 - 3.2 The directors' report includes a reliable analysis of the significant events occurred in the first six months of the year and their impact on the condensed interim consolidated financial statements, together with a description of the main risks and uncertainties for the remaining six months of the year. The directors' report also includes a reliable analysis of the information on significant transactions with related parties.

July 28, 2022

Signed on the original

Carlo Pesenti, Chief Executive Officer
Mauro Torri, Manager in charge of financial reporting

Deloitte.

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REPORT ON REVIEW OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the Shareholders of
Italmobiliare S.p.A.

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Italmobiliare S.p.A. and subsidiaries (the "Italmobiliare Group"), which comprise the statement of financial position as of June 30, 2022 and the income statement, statement of comprehensive income, consolidated statement of changes in equity and statement of cash flows for the six month period then ended, and the explanatory notes. The Directors are responsible for the preparation of the condensed consolidated interim financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on the condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements of the Italmobiliare Group as at June 30, 2022 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Massimiliano Semprini
Partner

Milan, Italy
August 4, 2022

This report has been translated into the English language solely for the convenience of international readers.

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