GRUPPO ORSERO

CONSOLIDATED HALF-YEARLY FINANCIAL REPORT AS AT JUNE 30, 2022

E-MARKET SDIR CERTIFIED

Contents


La sostenibilità non cresce sugli alberi.
È il risultato di impegni concreti per raggiungere i nostri obiettivi rispettando le persone e l'ambiente.
Rilanciamo il nostro impegno con una nuova strategia di sostenibilità. Creando valore nel medio-lungo periodo in maniera etica, sviluppiamo filiere più responsabili, riduciamo il nostro impatto sul pianeta, favoriamo un'alimentazione più sana e riconosciamo il valore delle persone.
Abbracciamo queste sfide con orgoglio, perché creando valore per tutti avviciniamo il mondo, ogni giorno.
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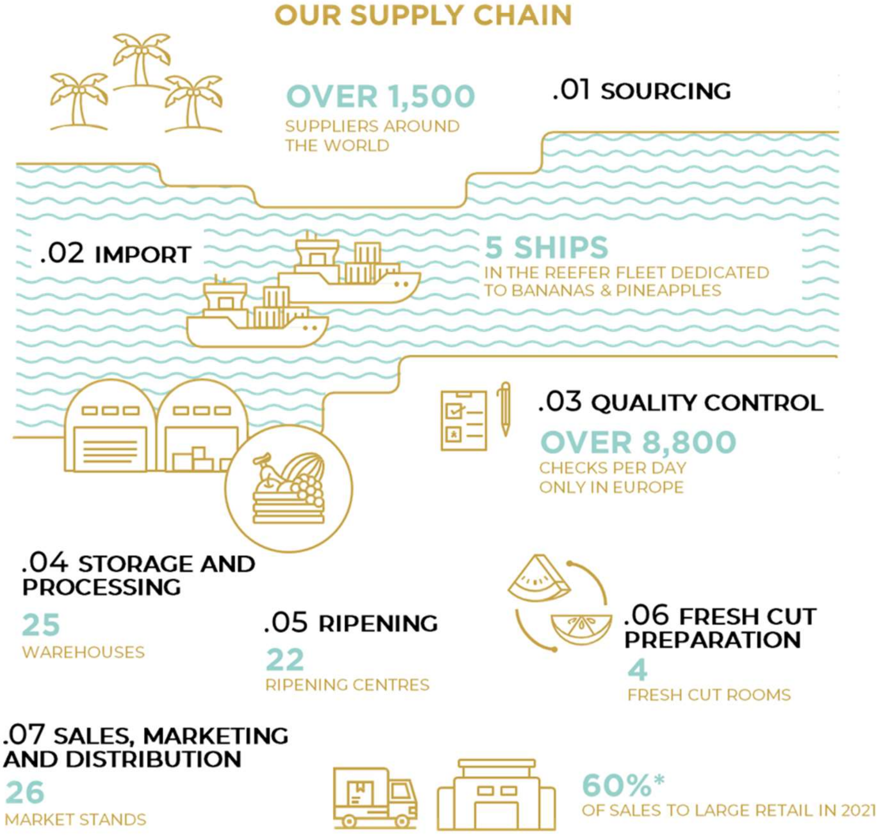
BUSINESS MODEL

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

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

OUR SUPPLY CHAIN



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

Key economic, equity and financial data

Economic data:

Thousands of euro	Ist Semester 2022	Ist Semester 2021
Net sales	576,196	513,110
Adjusted EBITDA	40,251	26,589
% Adjusted EBITDA	6.99%	5.18%
Adjusted EBIT	25,986	12,595
EBIT	23,986	12,054
Profit/loss for the period	19,794	8,209
Profit/loss attributable to non controlling interests	428	205
Profit/loss attributable to Owners of Parent	19,366	8,004
Adjusted profit/loss for the period	21,302	8,593

Equity data:

Thousands of euro	30.06.2022	31.12.2021
Net Invested Capital	275,024	260,199
Capital and reserves attributable to Parent Company	193,578	175,186
Non-Controlling Interest	1,092	668
Total Shareholders' Equity	194,670	175,854
Net Financial Position	80,354	84,346

Main indicators:

	Ist Semester 2022	Year 2021	Ist Semester 2021
Net Financial Position/Total Shareholders' Equity	0.41	0.48	0.55
Net Financial Position/Adjusted EBITDA*	1.21	1.59	1.78
Main indicators without IFRS 16 effect			
Net Financial Position/Total Shareholders' Equity	0.19	0.26	0.38
Net Financial Position/Adjusted EBITDA*	0.66	1.00	1.44

* Please note that the l'Adjusted EBITDA of the first Semester is determined "rolling", that is to say, considering for the Adjusted EBITDA at 30.06.2022 the result achieved from 1° July 2021 to 30 June 2022, while for the Adjusted EBITDA at 30.06.2021, the result achieved from 1° July 2020 to 30 June 2021.

Cash flow data:

Thousands of euro	Ist Semester 2022	Ist Semester 2021
Profit/loss for the period	**19,794**	**8,209**
Cash flow from operating activities	25,053	21,765
Cash flow from investing activities	(20,084)	(7,869)
Cash flow from financing activities	(5,835)	(8,900)
Increase/decrease in cash and cash equivalent	(866)	4,996
Net cash and cash equivalents,at beginning of the period	**55,043**	**40,489**
Net cash and cash equivalents,at end of the period	**54,178**	**45,485**

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

Thousands of euro	Ist Semester 2022	Year 2021	Ist Semester 2021
Adjusted EBITDA	33,163	45,266	22,786
% Adjusted EBITDA	5.8%	4.2%	4.4%
Financial income and expense (Without exchange rate differences)	(1,218)	(2,437)	(1,260)
Total Shareholders' Equity	195,038	176,596	166,982
Net Financial Position	36,802	45,285	62,956
Main indicators			
Net Financial Position/Total Shareholders' Equity	0.19	0.26	0.38
Net Financial Position/Adjusted EBITDA*	0.66	1.00	1.44

* Please note that the Adjusted EBITDA of the first Semester is determined "rolling", that is to say, considering for the Adjusted EBITDA at 30.06.2022 the result achieved from 1° July 2021 to 30 June 2022, while for the Adjusted EBITDA at 30.06.2021, the result achieved from 1° July 2020 to 30 June 2021.

The tables above provide initial preliminary details of the Group business trend in the first half of 2022, fully described later on in the dedicated sections of this report.

Orsero S.p.A. corporate information.

Registered Office:

Orsero S.p.A.
Via Vezza D'Oglio 7, 20139 Milan

Legal data:

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

Composition of Orsero S.p.A. corporate bodies

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

Board of Directors[1]:

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

Board of Statutory Auditors[5]:

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

Control and Risks Committee[6]:

Vera Tagliaferri	Chair
Armando Rodolfo de Sanna	Member
Riccardo Manfrini	Member

Remuneration and Appointments Committee[6]:

Armando Rodolfo de Sanna	Chair
Vera Tagliaferri	Member
Paolo Prudenziati	Member

Related Parties Committee[6]:

Laura Soifer	Chair
Vera Tagliaferri	Member
Elia Kuhnreich	Member

Independent Auditors:

KPMG S.p.A.

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

Group Structure

SHIPPING	DISTRIBUTION		HOLDING & SERVICES
COSIARMA -ITALY-	FRUTTITAL -ITALY-	H.NOS FERNÁNDEZ LÓPEZ -SPAIN-	ORSERO SPA -ITALY-
ORSERO CR -COSTA RICA-	FRUTTITAL FIRENZE -ITALY-	AZ FRANCE -FRANCE-	FRESCO FORW. AGENCY -ITALY-
	GALANDI -ITALY-	FRUTTICA -FRANCE-	ORSERO SERVIZI -ITALY-
	AGRICOLA AZZURRA -ITALY 50%-	EUROFRUTAS -PORTUGAL-	FRUPORT -SPAIN 49%-
	SIMBA -ITALY-	BELLA FRUTTA -GREECE-	
	SIMBACOL -COLOMBIA-	COMM. DE FRUTA ACAPULCO -MEXICO-	
		BONAORO -SPAIN 50%-	

Summary representation of the Group. Effective July 1, 2022, Fruttital Firenze was merged with Fruttital S.r.l.

Alternative performance indicators

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

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

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

EBIT: the operating result.

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

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

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

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

Commercial Net Working Capital: calculated as the algebraic sum of inventories, trade receivables and trade payables.

Other receivables and payables: the sum of the following items: tax assets, other receivables and other current assets, assets held for sale, other non-current liabilities, deferred tax liabilities, provisions, employee benefits, tax liabilities, other current liabilities and liabilities directly related to assets held for sale. Any fair value of hedging derivatives and current financial assets included in the item "other receivables and other current assets" should be excluded from these items.

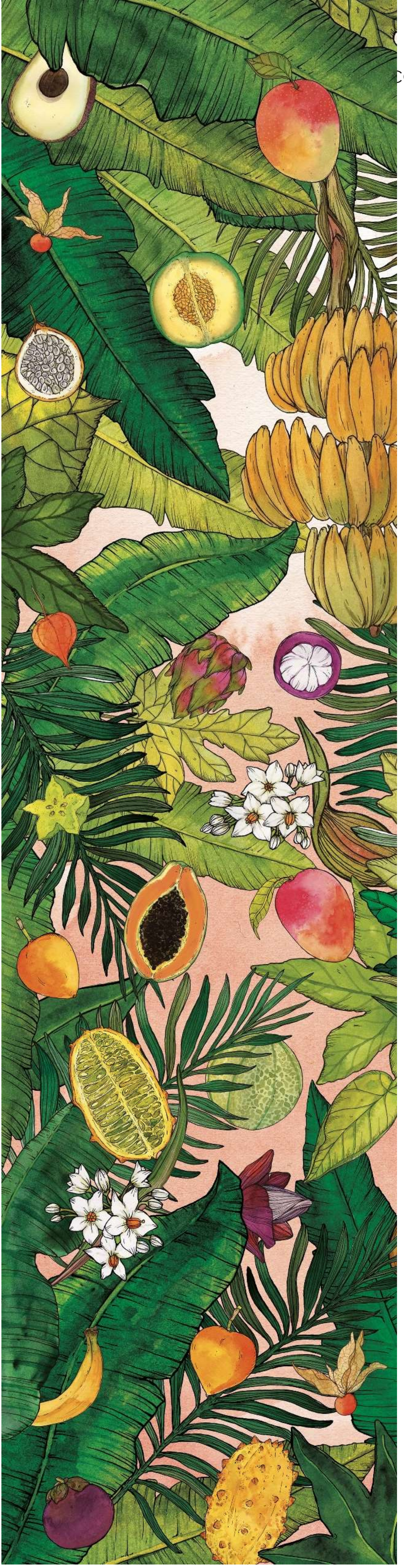
Net Working Capital: calculated as the algebraic sum of Commercial Net Working Capital and other receivables and payables.

Net Invested Capital (NIC): calculated as the algebraic sum of trade net working capital, fixed assets, and other receivables and other payables, as defined above. This indicator represents the capital "Requirements" necessary for the company's operation at the reporting date, financed through the two components, Capital (Shareholders' equity) and Third-party Funds (Net financial position).

Net Financial Position (NFP), or also "Total Financial Indebtedness" in the ESMA definition: calculated as the algebraic sum of the following items: cash and cash equivalents, non-current/current financial liabilities, which also include payables associated with acquisition prices still to be paid and the positive/negative fair value of hedging derivatives and current financial assets recorded under the item "other receivables and other current assets".

ROI: calculated as the ratio between Adjusted EBIT and Net Invested Capital; Adjusted EBIT for the period is calculated on a 12-month rolling basis so as to provide a consistent comparison with the figure calculated for the entire year.

Group ROE: calculated as the ratio between the profit/loss attributable to the shareholders of the parent company and the shareholders' equity attributable to the shareholders of the parent company; also in this case, the profit for the period attributable to the Group is calculated on a 12-month rolling basis so as to provide a consistent comparison with the figure calculated for the entire year.



Interim directors' report on operations

Introduction

The Condensed consolidated half-yearly financial statements of Orsero relating to the Group of the same name ("Orsero Group") as at June 30, 2022 were prepared in accordance with international accounting standards (IAS/IFRS) pursuant to Regulation (EC) no. 1606/2002, issued by the International Accounting Standard Board (IASB) and endorsed by the European Union, including all International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretation Committee (IFRIC) and of the previous Standing Interpretations Committee (SIC). Additionally, these financial statements were drafted to comply with what is defined in Art. 154-ter of Italian Legislative Decree no. 58/1998 and in compliance with the provisions issued in implementation of Art. 9 of Italian Legislative Decree no. 38/2005, the indications have been considered as given in Consob Resolution no. 15519 of July 27, 2006, setting out "Provisions on financial statements", Consob Resolution no. 15520 of July 27, 2006, setting out "Amendments and supplements of the Issuers' Regulation adopted by Resolution no. 11971/99", Consob Communication no. 6064293 of July 28, 2006, setting out "Corporate disclosures required in compliance with Art. 114, paragraph 5 of Italian Legislative Decree no. 58/98", communication DEM/7042270 of May 10, 2007 and Bank of Italy/Consob/Isvap document no. 2 of February 6, 2009. This consolidated financial report was drafted according to IAS 34 "Interim financial reporting", applying the same consolidation principles and measurement criteria as adopted in drafting the financial statements as at December 31, 2021. This report was prepared in accordance with Art. 2428 of the Italian Civil Code; it provides the most significant information on the economic, equity, and financial situation as well as the performance of Orsero Group, as a whole and in the various sectors in which it operates.
The disclosure contained in this document also responds to the requests set forth in the CONSOB warning notice of May 19, referring to the ESMA communication of May 13, which urges issuing companies to provide adequate and timely disclosures on the current and foreseeable effects that the conflict in Ukraine has and/or is expected to have on the 2022 half-year financial statements.
Orsero S.p.A. (the "Parent company" or the "Company" and, together with its subsidiaries, the "Group" or the "Orsero Group") is a company with its shares listed on the EURONEXT STAR Milan Market since December 23, 2019.
The scope of consolidation for the first half of 2022 changed marginally compared to the same period of 2021, mainly relating to the acquisition of 50% of the share capital of Agricola Azzurra S.r.l., consolidated using the equity method effective as of the fourth quarter of 2021, while the merger as of January 1, 2022 of Moncada Frutta S.r.l. into Fruttital S.r.l. as part of the rationalization and simplification of the Group's operating structure in Italy is irrelevant as concerns the scope of consolidation.
The Group's operations are, by their nature, subject to significant seasonal phenomena and therefore the results of the first half of the year can be considered only partially representative of performance for the entire year.

Significant events during the first half of the year

The most significant events during the first half of 2022 are described below, consisting mainly of the continuous monitoring of the economic situation in the face of the development of the conflict in Ukraine and the Covid-19 pandemic, as well as the resolutions of the April 28 Shareholders' Meeting regarding the distribution of the dividend on the 2021 result and the authorization to purchase and dispose of treasury shares.

Effects of the conflict in Ukraine and the Covid-19 pandemic

The year 2022 began amid widespread uncertainty about possible cost-related inflationary risks in the global post-Covid recovery as well as the impacts such effects could have on end consumer

demand trends and thus on the actual strength of the recovery. Since February 24, the outbreak of the conflict in Ukraine has radically aggravated the situation, generating even more pronounced impacts on the growth of commodity prices due to the explosion of energy and raw material costs, and on the growth outlooks of world economies, particularly those in Europe due to their heavy dependence on Russian gas supplies.
In this context, the Group's activities have not - at least so far - been affected to any significant extent that would cause a business disruption, both because of the absence of direct relations with the countries in conflict and because of the nature of its business related to the marketing of staple food products. Certainly, there was a marked increase in energy and transportation costs during the period, but to a large extent it was possible to pass this on to the selling prices of our goods and services, thus it did not significantly affect the Group's profitability or call into question the going concern assumption or the successful outcome of operations with respect to the estimates made by management.
On the other hand, as concerns Covid, the Group companies continued their commitment in to applying the necessary safeguards and precautions to employees and third parties both in warehouses and markets as well as in offices, in order to reduce the health risk of contagion. The companies continued to implement the safety protocols outlined by the Authorities to regulate interpersonal contact within their operating platforms and offices, carry out the necessary sanitization activities and provide personal protection equipment. All personnel, both internal and external, have continued to fully collaborate, to ensure the effective handling of our products within the warehouses. In economic terms, until June 30, 2022, costs associated with the purchase of personal protective equipment and sanitization services totaled Euro 58 thousand.
The Group's management continuously monitors operations from the financial and commercial as well as the organizational standpoint, including the treasury situations relating to collections from customers and any aid measures in favor of businesses under discussion by the governmental authorities of each country.

FY 2022 Guidance

In the pursuit of smooth and effective communication with the Group's stakeholders, at its meeting on May 12, 2022, the Board of Directors confirmed, when approving the final results for the first quarter, the Guidance previously released in early February based on the projections of the budget approved for the year 2022.

Distribution of the ordinary dividend

The Shareholders' Meeting of April 28, 2022 approved the allocation of profit for the year 2021 of Euro 7,011 thousand as proposed by the Board of Directors and in particular the distribution of an ordinary monetary dividend of Euro 0.30 per share, gross of withholding tax, for each existing share entitled to receive a dividend, thus excluding from the calculation 327,514 treasury shares held by the company, for a total dividend of Euro 5,206 thousand. The ex-dividend date was May 9, 2022, the record date was May 10 and payments began on May 11, 2022.

Resolution on the Remuneration Policy

The Shareholders' Meeting of April 28, 2022 approved with an advisory vote pursuant to the law, with 94.31% votes in favor and none against, the Remuneration Policy (Section II) on the compensation paid in 2021.

Authorization to purchase and dispose of treasury shares

The Shareholders' Meeting of April 29, 2021 authorized the Board of Directors to purchase and dispose of Orsero ordinary treasury shares, subject to revocation of the previous authorization for the portion not executed, pursuant to the combined provisions of Articles 2357 and 2357-ter of the Italian Civil Code, and Article 132 of Italian Legislative Decree 58/1998 as amended (the

"Consolidated Law on Finance") and the relative implementing provisions. The renewal of this authorization is intended to confirm the possibility for the Company to have a useful strategic investment opportunity available for all purposes permitted by the applicable provisions, including therein the purposes set out in Art. 5 of Regulation (EU) no. 596/2014 (Market Abuse Regulation or "MAR"), and in the practices permitted by law under Art. 13 of the MAR, when applicable. In line with the prior authorization, the new authorization is for a period of 18 months for the purchase, including in several tranches, of a maximum number of shares which, taking account of the shares of the Company held in the portfolio from time to time, does not, on the whole, exceed a maximum of Euro 2 million. The authorization to dispose of treasury shares has no time limitation. Purchases can be made at a unit consideration of no more than 20% lower and no more than 10% higher than the arithmetic mean of the official prices recorded by Orsero shares on the MTA market in the 10 open stock market days prior to the individual transaction. Under the program launched on January 11, 2022, 25,000 shares were purchased for a total value of Euro 273 thousand and an average price of Euro 10.914.
The Shareholders' Meeting of April 28, 2022 renewed the authorization to purchase treasury shares, for a period of 18 months and for a maximum value of Euro 4 million. On June 10, 2022, a new share buyback program was initiated for a maximum of 150,000 shares and a maximum value of Euro 2,000,000 in relation to which, at June 30, an additional 55,537 shares were purchased for a value of Euro 667 thousand and an average price of Euro 12.010.
At June 30, 2022 Orsero therefore holds 383,051 treasury shares, equal to 2.17% of the total share capital.

Appointment of new top management of Hermanos Fernández López S.A. and Eurofrutas

As part of the strategic project for the reorganization of its activities in the Iberian Peninsula, new members of the top management in Spain and Portugal were appointed, with Feliciano Freiria elected CEO of Hermanos Fernández López and Joao Antunes CEO of Eurofrutas, both of which are wholly owned subsidiaries of the Orsero Group. The appointments were made by leveraging the Group's internal talent and resources, with a view to the continuity of the Orsero project and with the aim of developing new synergies between the businesses in Spain and Portugal. The new CEOs will aim to continue to develop the business in a sustainable, efficient and profitable manner, working together to make the two countries increasingly integrated from the commercial as well as distribution perspective. To this end, Cristophe Laffon (Fernandez's Commercial Director) and Josep Segarra (Fernandez's Key Product Manager) have joined the Eurofrutas Board of Directors, to assist the new CEO in defining commercial and sourcing strategies aimed at the progressive integration and synergy of operations within the Iberian Peninsula.

Purchase of shares in Tirrenofruit S.r.l.

In May an 8% stake was acquired in the share capital of the distribution company Tirrenofruit S.r.l., with an outlay of Euro 1,160 thousand, in addition to the 8% already acquired in the previous year. This transaction, alongside the investment in the company Agricola Azzurra in the second half of 2021 and commented on in the last financial statements, was carried out in order to strengthen the Group's strategic presence with regard to the marketing of domestic fruit and vegetables to the large-scale retail channel.

Analysis of the economic and financial situation of Orsero Group

The condensed consolidated half-yearly financial statements show a profit of Euro 19,794 thousand (at June 30, 2021: Euro 8,209 thousand), of which Euro 19,366 thousand pertains to the shareholders of the parent company (at June 30, 2021: Euro 8,004 thousand), after amortization, depreciation and provisions of Euro 14,265 thousand (at June 30, 2021: Euro 13,993 thousand), net non-recurring expenses of Euro 2,000 thousand (mainly related to costs for the Covid-19 protocols, costs for litigation and estimated profit sharing, as required by law, for employees of the French and Mexican companies, as well as the amount accrued for the period of the 2020-2021 LTI bonus) and the pro-rata result of companies consolidated at equity of Euro 1,292 thousand.
Below is a breakdown of the main income statement items, almost all identifiable in the financial statements with the exception of the "Adjusted EBITDA", which is the main performance indicator used by the Group, "Adjusted EBIT" and "Adjusted profit/loss for the period", defined in the "Alternative performance indicators" section. It should be noted that all the figures shown include the effects of the application of IFRS 16.

Thousands of euro	1st Semester 2022	1st Semester 2021
Net Sales	576,196	513,110
Adjusted EBITDA	40,251	26,589
Adjusted EBIT	25,986	12,595
Operating result (EBIT)	23,986	12,054
Financial income	114	169
Financial expense and exchange rate differences	(3,212)	(1,882)
Other investment income/expense	5	4
Share of profit/loss of associates and joint ventures accounted for using equity method	1,292	317
Profit/loss before tax	22,185	10,664
Profit/loss for the period	19,794	8,209
Profit/loss attributable to non controlling interests	428	205
Profit/loss attributable to Owners of Parent	19,366	8,004
Adjusted profit/loss for the period	21,302	8,593

Overall, the Group's performance in the first half of 2022 was significantly better than in the previous year, due to the excellent result achieved by the Shipping sector. Moreover, to properly interpret the data, it should be noted that for the Shipping sector a very favorable situation is underway in this year 2022, which combines the growth of maritime freight rates with the revaluation of the dollar against the euro (as the dollar is the reference currency for maritime activity), while for the Distribution sector the performance achieved, slightly lower in terms of Adjusted EBITDA (3.4% of sales vs. 3.9%) than that of the first half of 2021, actually represents an excellent result in light of the current economic situation and the fact that the first half of 2021 benefited from a very positive market situation for a number of important product campaigns so much so that it was possible to obtain a result higher than the historical average performance for the first half of the year.
For the Distribution segment, the impact of operating energy costs amounted to Euro 6,169 thousand, compared to Euro 3,177 thousand in the first half of 2021 (+94%), and the revaluation of the dollar - euro exchange rate which went from 1.205 usd/euro in the first half of 2021 to the current 1.093 - also had its impact in determining banana margins, by significantly increasing the relative supply cost. In contrast, the same currency effect was favorable in the determination in euro of the margins of the shipping business, where, as mentioned, the dollar is the reference currency with regard to all revenues and only a portion of operating costs.
Adjusted EBITDA, totaling Euro 40,251 thousand, marked an increase of Euro 13,663 thousand compared to last June 30, and the profit for the period of Euro 19,794 thousand increased by Euro

11,585 thousand, essentially linked to the better operating performance expressed by Adjusted EBITDA[7] and the reduction of tax expense.
As anticipated in the previous report to the financial statements for the year 2021, it should be pointed out that the improvement in Adjusted EBITDA is significantly affected by the reversal - in accordance with IFRS 16 - of the chartering cost of the fifth ship employed by the shipbuilder company, amounting to Euro 2,700 thousand, with, moreover, a negative effect on the result for the period limited to Euro 26 thousand as it is more than offset by higher expense in terms of depreciation and financial expenses.
The table also shows the lower incidence between the two periods of tax expenses due to the shipbuilder company's adoption of the "tonnage tax" as of the September 30, 2021 reporting.
In terms of turnover, there was an increase in revenues compared to June 30, 2021 of EUR 63 million (+12.3%), driven by the growth recorded in unit sales prices for the Distribution sector, an increase essentially driven by inflation and thus by the repercussion on market sale prices of the higher costs incurred on the supply chain, logistics and processing, and the increase in freight rates - including the higher value of the cost of fuel transferred to customers as a result of the BAF "Bunker Adjustment Factor" clause - and the USD/Euro exchange rate for the Shipping sector.

Thousands of euro	**1st Semester 2022**	**1st Semester 2021**
"Distribution" Sector	526,222	481,789
"Shipping" Sector	69,308	49,715
"Holding & Services" Sector	5,674	4,931
Net Sales Inter-sector	(25,008)	(23,325)
Net Sales	**576,196**	**513,110**

Geographical information

The analysis of the information by geographical area shows details of the Group's revenues, divided up into the main geographical areas (thereby meaning those in which the company that generated the revenue is based) for the first half of 2022 and 2021, showing the Group's eurocentric nature.

Thousands of euro	**1st Semester 2022**	**1st Semester 2021**	**Change**
Europe	**549,211**	**488,224**	**60,986**
of which Italy	*267,204*	*230,530*	*36,675*
of which France	*81,026*	*91,964*	*(10,938)*
o which Peninsula Iberica	*188,327*	*154,997*	*33,330*
Latin America and Central America	**26,985**	**24,886**	**2,099**
Total Net sales	**576,196**	**513,110**	**63,086**

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

[7] The improvement of Euro 11,585 thousand results from the better operating performance by Euro 13,663 thousand, higher amortization, depreciation and provisions by Euro 272 thousand, lower net financial expenses by Euro 15 thousand, higher foreign exchange losses by Euro 1,400 thousand, lower taxes by Euro 63 thousand, a higher result from investments accounted for at equity by Euro 974 thousand and higher non-recurring costs by Euro 1,459 thousand.

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

Thousands of euro	Ist Semester 2022	Ist Semester 2021
Profit/loss for the period	**19,794**	**8,209**
Income tax expense	2,391	2,454
Financial income	(114)	(169)
Financial expense and exchange rate differences	3,212	1,882
Other investment income/expense	(5)	(4)
Share of profit/loss of associates and joint ventures accounted for using equity method	(1,292)	(317)
Operating result	**23,986**	**12,054**
Amortization and depreciation	13,434	12,358
Accruals of provision	831	1,635
Non-recurring income	-	(156)
Non-recurring expense	2,000	697
Adjusted EBITDA*	**40,251**	**26,589**

* Please note that the Adjusted EBITDA at June 30, 2022 equal to Euro 40.251 thousand (Euro 26.589 thousand at June 30, 2021) increases by Euro 7.088 thousand (Euro 3.803 thousand at June 30, 2021) due to the adoption of IFRS 16 "leases". This improving effect is almost completely offset by the higher depreciation Euro 6.222 thousand (Euro 3.461 thousand at June 30, 2021) and interest expense Euro 491 thousand (Euro 463 thousand at June 30, 2021).

The following table shows the sector results in terms of Adjusted EBITDA, highlighting the above-mentioned improvement in the Shipping sector by Euro 14,356 thousand compared to the Adjusted EBITDA in the first half of 2021 and the decline in the Distribution sector by Euro 596 thousand. Please note that the Adjusted EBITDA of Euro 40,251 thousand was impacted by the IFRS 16 reclassification of Euro 7,088 thousand, while in the first half of 2021, that impact amounted to Euro 3,803 thousand. The difference is, as mentioned, mainly due to the recovery of the charter cost of the fifth ship as until December 31, 2021 IFRS 16 was not applied since the charter was entered into on an annual basis and not, as currently, every two years. It is also necessary to note how the overall extent of depreciation is affected, in the amount of Euro 1,813 thousand, by the lower depreciation rate on owned ships resulting from the extension of their useful life to the end of 2029 decided at the beginning of this year.
The Holding & Services sector is mainly represented by the Parent Company Orsero, flanked on a lesser scale by the companies operating in customs services, most of which are provided to third parties, and IT services, mainly inter-company. The result measured by adjusted EBITDA is typically negative, as the Parent Company determines its result according to the dividends collected from the Group companies.

Thousands of euro	Ist Semester 2022	Ist Semester 2021
"Distribution" Sector	18,030	18,626
"Shipping" Sector	26,073	11,718
"Holding & Services" Sector	(3,852)	(3,755)
Adjusted EBITDA	**40,251**	**26,589**

In contrast, the table below shows the comparison between the current results for the two periods under review, mainly highlighting the higher incidence of the costs of the LTI bonus accrued by top management for the years 2020 and 2021, while the calculation for the one relating to the current year is carried out only on an actual basis in the annual financial statements.
All items are shown net of related tax effects.

Thousands of euro	Ist Semester 2022	Ist Semester 2021
Profit/loss for the period	**19,794**	**8,209**
Covid-19 costs	46	65
Profit sharing established by law for employees	165	208
Top management incentives	421	99
Litigations	216	84
Other non-recurring profit/loss	660	(72)
Adjusted profit/loss for the period	**21,302**	**8,593**

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

Thousands of euro	30.06.2022	31.12.2021
Fixed Assets	257,811	251,161
Commercial Net Working Capital	40,252	30,156
Other receivables and payables	(23,039)	(21,118)
Net Invested Capital	275,024	260,199
Total Shareholders' Equity	194,670	175,854
Net Financial Position	80,354	84,346

The main changes in the financial structure at June 30, 2022 compared to December 31, 2021 are primarily linked to:

- increase in fixed assets amounting to Euro 6,650 thousand, the main component of which is attributable to Euro 18,239 thousand in investments made in intangible assets and property, plant and equipment (of which the IFRS 16 component for new and renewed lease contracts is Euro 11,162 thousand) and Euro 1,160 thousand in investments valued with the equity method, in addition to their positive result for Euro 1,292 thousand, offset by Euro 13,434 thousand in depreciation and amortization and Euro 334 thousand in disposals;
- increase in Commercial Net Working Capital of Euro 10,096 thousand, with June 30 typically being the reporting date with the maximum working capital requirement for the distribution companies, the extent of which is also impacted by the significant growth in revenues observed in the first half of 2022;
- improvement, or decrease in the Net Financial Position (also referred to as Total Financial Indebtedness) of Euro 3,992 thousand, due to cash flow from operations that more than offset the above effects as well as the payment of the Orsero dividend and the purchase of treasury shares.

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

	Ist Semester 2022	Year 2021	Ist Semester 2021
Group ROE**	18.09%	11.66%	9.38%
ROI**	14.15%	9.81%	9.35%
Earnings per share "base" ***	1.116	1.045	0.457
Earning per share "Fully Diluted" ***	1.116	1.045	0.457
Net Financial Position/Total Shareholders' Equity	0.41	0.48	0.55
Net Financial Position/Adjusted EBITDA*	1.21	1.59	1.78
Main indicators without IFRS 16 effect			
Net Financial Position/Total Shareholders' Equity	0.19	0.26	0.38
Net Financial Position/Adjusted EBITDA*	0.66	1.00	1.44

* Please note that the Adjusted EBITDA of the first Semester is determined "rolling", that is to say, considering for the Adjusted EBITDA at 30.06.2022 the result achieved from 1° July 2021 to 30 June 2022, while for the Adjusted EBITDA at 30.06.2021 the result achieved from 1° July 2020 to 30 June 2021.
** Please note that the ratios at June 30, 2022 and at June 30, 2021 are determined considering the economic data "rolling", that is to say, considering for the economic data at 30.06.2022 the result achieved from 1° July 2021 to 30 June 2022, while for the economic data at 30.06.2021 the result achieved from 1° July 2020 to 30 June 2021.
*** Please note that the ratios at June 30, 2022 and at June 30, 2021 are determined considering the profit for the first semester, while for the ratio at December 31, 2021 is used the annual data (12 months).

The Group's financial exposure is presented in the table below, in accordance with the model established by the ESMA regulations and adopted by CONSOB:

	Thousands of euro	30.06.2022	31.12.2021
A	Cash	54,178	55,043
B	Cash equivalents	10	21
C	Other current financial assets	6,022	1,356
D	**Liquidity (A + B + C)**	**60,210**	**56,420**
E	Current financial debt *	(17,810)	(15,499)
F	Current portion of non-current financial debt **	(29,156)	(27,019)
G	**Current financial indebtedness (E + F)**	**(46,966)**	**(42,518)**
H	**Net current financial indebtedness (G - D)**	**13,244**	**13,903**
I	Non-current financial debt ***	(63,598)	(68,248)
J	Debt instruments	(30,000)	(30,000)
K	Non-current trade and other payables	-	-
L	**Non-current financial indebtedness (I + J + K)**	**(93,598)**	**(98,248)**
M	**Total financial indebtedness (H + L)**	**(80,354)**	**(84,346)**

* Included debt instruments, but excluding current portion of non-current financial debt
** Including respectively Euro 11.617 thousand and Euro 10.669 thousand fromlease contracts ex IFRS 16 as of 30.06.2022 and 31.12.2021
*** Excluding current portion and debt instruments (including respectively Euro 31.935 and Euro 28.392 thousand from lease contracts ex IFRS 16 as of 30.06.2022 and 31.12.2021)

The separate, specific indication of the debt component linked to the application of IFRS 16 serves to represent the measurement of the Net Financial Position "prior to IFRS 16" at the reporting date, which amounted to Euro 36,802 thousand (equal to Euro 80,354 thousand minus Euro 11,617 thousand short-term minus Euro 31,935 thousand medium/long-term) and 45,285 thousand (equal to Euro 84,346 thousand minus Euro 10,669 thousand short-term minus Euro 28,392 thousand medium/long-term), respectively, used in calculating the covenants on long-term bank and bond loan agreements.
For the sake of clarity, it should be noted that the "other current financial assets" component only shows the positive mark-to-market value of hedging derivatives, while the negative value is shown under item "E" and/or "I" according to the relevant maturities. Medium/long-term payables for bank loans and leases are shown in categories "F" and "I" according to their maturity dates, while payables for residual amounts to be paid on acquisitions are shown in categories "E" and "K". There

are no trade payables and/or other overdue payables that fall into the financial classification set forth by ESMA.

Shareholders' equity and Treasury shares

The share capital at June 30, 2022, fully paid in, consists of 17,682,500 shares without par value for a value of Euro 69,163,340; there are no preference shares. Holders of ordinary shares have the right to receive the dividends as they are resolved and, for each share held, have a vote to be cast in the Company's shareholders' meeting. Shareholders' equity at June 30, 2022 increased compared to December 31, 2021 mainly due to the profit for the period and the recognition of the mark-to-market of derivatives outstanding at June 30, 2022, which more than offset the reduction related to the dividend payment. The statement of changes in shareholders' equity provides all information explaining the changes taking place in the first half of 2022 and 2021.
At June 30, Orsero S.p.A. held 383,051 treasury shares, equal to 2.17% of the share capital, for a value of Euro 3,512 thousand, shown as a direct decrease in shareholders' equity. As at June 30, 2022, the Group does not hold, directly or indirectly, shares in parent companies and it did not acquire or sell shares in parent companies during the year.
It should be noted that as of today's date Orsero S.p.A. holds 477,514 treasury shares equal to 2.70% of the share capital, having completed the purchase tranche of 150,000 treasury shares announced at the beginning of June.

Commentary on performance of the business sectors

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

- Distribution Sector
- Shipping Sector
- Holding & Services Sector

The table below provides a general overview of the performance of the different sectors in the reference period 2022-2021. Please note that the data and comments on the sectors given below show the results of only companies that are consolidated on a line-by-line basis; information is given on the performance of associates further on in the notes.

Thousands of euro	Distribution	Shipping	Holding & Services	Eliminations	Total
Net sales 30.06.2022 [A]	526,222	69,308	5,674	(25,008)	576,196
Net sales 30.06.2021 [B]	481,789	49,715	4,931	(23,325)	513,110
Net sales change [A] - [B]	44,433	19,593	743	(1,683)	63,086
Adjusted EBITDA 30.06.2022 [A]	18,030	26,073	(3,852)	-	40,251
Adjusted EBITDA 30.06.2021 [B]	18,626	11,718	(3,755)	-	26,589
Adjusted EBITDA change [A] - [B]	(596)	14,356	(97)	-	13,663
NFP 30.06.2022 [A]	n.d.	n.d.	n.d.	n.d.	80,354
NFP 31.12.2021 [B]	n.d.	n.d.	n.d.	n.d.	84,346
NFP change [A]-[B]					(3,992)

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

Distribution Sector

Thousands of euro	1st Semester 2022	1st Semester 2021
Net Sales	526,222	481,789
Gross commercial margin *	61,661	58,556
% Gross commercial margin	11.72%	12.15%
Adjusted EBITDA	18,030	18,626
% Adjusted EBITDA	3.43%	3.87%
Profit/loss for the period	3,936	6,507

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

In this sector of activity, companies are involved in the import and distribution of fresh fruits and vegetables from many countries around the world, at any time of the year, in the relevant regions, in addition to the companies located in Mexico dedicated to the production and export of avocados. The sector companies are located and operate on the markets of Mediterranean Europe (Italy, France, Iberian Peninsula and Greece) and Mexico.

The widespread presence in the regions, with specialized platforms in the processing and storage of fresh products, allows the Company to serve both traditional wholesalers/markets and large retail (GDO), with different mixes in different Countries depending on the higher (e.g. France) or lower (e.g. Spain) incidence of GDO on these markets. Overall, large retail sales in the first half of 2022 account for around 60% of the aggregate sales of European distribution companies, in line with the previous year. With GDO, there are framework agreements that govern the main specifications and features of the product being delivered while, as a rule, the volumes and prices of the products are defined on a weekly basis, following the dynamics of the market, without prejudice to several annual GDO agreements that are concentrated primarily on bananas. Suppliers, selected in some of the world's most important production areas, guarantee the offer of a full range of products available 365 days a year.

The table above differs from the summary tables of the other sectors shown below in that it includes a specific indicator for the distribution sector, the "gross commercial margin", also referred to as the contribution margin, which in distribution companies constitutes the main indicator used to monitor business activity. The "gross commercial margin" represents the difference between net sales and the direct costs of the products sold (meaning the purchase costs of the goods, plus incoming and outgoing transport, customs duties and packaging costs) where it is considered that these costs represent most of the costs incurred by the company and therefore the positive or negative changes in the gross commercial margin tend to be reflected significantly in the profit/loss for the period.

The import and sale of bananas and pineapples is one of the Group's main activities as a whole because of the importance and weight of these items within the range of fruit and vegetables and the fact, not inconsiderable in terms of stability of the operational cycle, of their availability throughout the year. The Group procures bananas and pineapples through long-term relationships established with major producers based in Central American countries and uses its own fleet (see further commentary regarding the Shipping sector below) to regularly transport bananas and pineapples from Central America to the Mediterranean, with a clear advantage in terms of supply chain efficiency. Bananas and pineapples are sold under the brands "F.lli Orsero" and "Simba", in addition to numerous private labels.

The conflict in Ukraine and the tail end of the Covid pandemic with their impacts on generalized price increases, particularly energy, have had an upward impact on the industry's cost structure, which at least in part it has been possible to transfer to sales prices.

As far as energy costs are concerned, they increased from Euro 3,177 thousand in the first half of 2021 to the current Euro 6,169 thousand, while the gradual revaluation of the dollar exchange rate had an effect on purchase costs (in Euro) of bananas, which represent a substantial share of the range marketed by the Group. Of these sales, a large portion is to GDO, which uses bananas for

promotional purposes to encourage customers to make purchases in that department, also on the basis of prices set in advance.
Overall, however, profitability as measured by Adjusted EBITDA, at 3.4% of sales (or 3.0% excluding the IFRS 16 effect) appears to be in line with normal industry trends, although as mentioned above it was lower than last year.
In addition to the above, what made the difference compared to the first half of last year was the performance of certain product campaigns, significantly that of the avocado in France, which by contrast was exceptionally positive in 2021, which were penalized by the presence of a greater supply of Northern Hemisphere products that drove the market to less profitable price levels.
In terms of geography, lower profitability affected operations in France, while performance in Greece was in line with the previous year and better performance was recorded in Italy, the Iberian Peninsula and Mexico, with the latter supported by the current good avocado price levels in the U.S. market, which resulted in a higher valuation of stocks.
In light of what is described above, the net profit of the sector for the first half of 2022 showed a decline of Euro 2,572 thousand[8].

Shipping Sector

Thousands of euro	1st Semester 2022	1st Semester 2021
Net Sales	69,308	49,715
Adjusted EBITDA	26,073	11,718
% Adjusted EBITDA	37.62%	23.57%
Profit/loss for the period	19,137	5,457

The Shipping sector reflects only the activities linked to the maritime transport of bananas and pineapples of Central American production, carried out mainly with owned ships, the four reefer units "Cala Rosse", and with a fifth ship operated under a freight contract, which connect, on the basis of a 35-day travel schedule, Central America with the Mediterranean, thereby allowing punctual arrival of fresh fruit in European markets on a weekly basis.
The sector achieved excellent performance in the first half of 2022, linked on the one hand to the volumes transported of both fruit and dry containers on the west-bound route from the Mediterranean to Central American countries, but above all the increase in freight rates and the favorable evolution of the dollar exchange rate, the currency in which maritime freight rates are typically denominated. Due to the presence in transport contracts of the BAF ("Bunker Adjustment Factor") clause, the income statement did not suffer from the increase in fuel costs.
As previously reported, the improvement in Adjusted EBITDA compared to the first half of 2021 was significantly helped by the reversal - in accordance with IFRS 16 - of the chartering cost of the fifth ship, amounting to Euro 2,700 thousand, which, on the other hand, did not have a significant effect on the result (negative for Euro 26 thousand), as it was fully offset by higher costs for depreciation and financial expenses.
Exceptional operating profitability, combined with a reduction of Euro 1,813 thousand in depreciation charges on the four owned vessels due to the extension of their useful lives to the end of 2029 and the adoption of the "tonnage tax" tax regime, starting - after the option for this regime was exercised – with the report of the nine-month period at September 30, 2021, are behind the improvement in the result for the period, amounting to Euro 13,680 thousand[9].

[8] The negative change of Euro 2,572 thousand results from the lower operating performance by Euro 596 thousand, lower amortization, depreciation and provisions by Euro 706 thousand, higher net financial expenses by Euro 76 thousand, higher exchange losses by Euro 1,584 thousand, higher net non-recurring expenses of Euro 1,007 thousand and higher taxes by Euro 15 thousand.
[9] The change of Euro 13,680 thousand results from the better operating performance by Euro 14,356 thousand, higher amortization, depreciation and provisions by Euro 1,059 thousand, lower taxes by Euro 232 thousand, higher exchange gains by Euro 173 thousand and higher financial expense and extraordinary items for a total of Euro 21 thousand.

Holding & Services Sector

Thousands of euro	1st Semester 2022	1st Semester 2021
Net Sales	5,674	4,931
Adjusted EBITDA	(3,852)	(3,755)
Profit/loss for the period	12,268	(1,916)

This sector includes the activities related to the Parent Company as well as the activities of providing services in customs and in the IT sector, carried out by some smaller companies.
The Adjusted EBITDA of the sector typically has a negative sign, because, in view of the Parent Company's nature as a holding company, the income and ultimately the profit or loss for the year are tied to the dividends received from Group companies which, in 2022, differently of the previous year, were already resolved before June 30th.

Other information

Management of financial risk

In the first half of 2022, no market risks emerged aside from those described in the financial statements closed as at December 31, 2021 and therefore the financial risk management strategy has remained basically unchanged. An even greater focus has continued to be dedicated to credit risk, without however any significant negative situations emerging. Given the nature of the Group's business, which is related to the marketing of staple food products in Mediterranean European countries, the continuation of the Covid-19 health emergency and the conflict in Ukraine did not have a material impact on the Group's operations.

Main uncertainties and going concern assumption

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

The main aspect of risk and uncertainty regarding the coming quarters is certainly related to the evolution of the price of energy components regarding which it is difficult to make an estimate since although the Group does not operate in an extremely energy-intensive sector and although in consideration of the fact that the dynamics of Distribution BU sales prices has to date made it possible to absorb most of the price increases, the current scenario could result in a depletion of the flexibility and elasticity of demand with respect to prices, resulting in a drop in consumption and/or the inability to recover further energy price increases through the product pricing policy.
We do not believe that the European energy situation is likely to have a significant impact on the Group's ability to continue to operate as a going concern, however, any additional deterioration of the scenarios could lead to a perhaps significant impact on the profitability of the Group's core businesses.

Share performance

As of June 30, 2022, the Orsero share recorded a list price of Euro 12.70 per share, up by 8.5 percentage points compared to the beginning of the year (Euro 11.70 per share at January 3, 2022). The stock market capitalization at June 30, 2022 was Euro 224.6 million (Euro 209.5 million at December 30, 2021).

The following table summarizes the main data relating to the shares and stock market at June 30, 2022.

Share and Stock Exchange Data	1st Half 2022
First price (01/03/2022)	11.70
Maximum annual price	14.40
Minimum annual price	10.05
Closing price (06/30/2022)	12.70
Average daily volume (no. of shares)	29,778
No. of shares in circulation	17,682,500
Stock-Exchange Capitalization	224,567,750

Significant shareholders

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

Shareholder's name (1)	Number of shares	% on the total share capital
FIF Holding S.p.A.	5,895,460	33.34%
Grupo Fernandez S.A.	1,180,000	6.67%
Praude Asset Management Ltd. (3)	1,687,379	9.54%
Global Portfolio Investments S.L.(2)	1,014,440	5.74%
First Capital S.p.A.	980,010	5.54%

(1) Updated on September 9, 2022

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

(3) Including the shareholdings managed by Praude Asset Management Ltd. and held by the following subjects: Hermes Linder Fund SICAV Plc. ; PRAUDE FUNDS ICAV; Altinum Funds Sicav Plc.; Plavis Gas SRL.

Financial disclosure and relations with Shareholders

In order to maintain a constant dialog with its shareholders, potential investors, and financial analysts, and in adherence with the Consob recommendation, Orsero S.p.A. has established the Investor Relator function. This role ensures continuous information between the Group and financial markets. Economic and financial data, institutional presentations, official press releases, and real-time updates on the share price are available on the Group's website in the Investors section.
Finally, with the approval of the 2021 consolidated financial statements Orsero S.p.A. adopted and implemented its Stakeholders Dialog and Engagement Policy in line with international best practices.

Tax consolidation

Almost all Italian subsidiaries participate in the "tax consolidation" system headed by Orsero, in accordance with Articles 117 et seq. of the TUIR, and a similar system has been implemented in France by AZ France and its French subsidiaries.

Workforce

The notes provide an indication of the staff employed by the Group in the first half of 2022 and in 2021. During the year, there were no accidents and serious injuries at work for personnel registered as employees of Group Companies.

Safety and protection of the health of workers

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

Research & Development

Considering the nature of the Orsero Group business, there was no basic or applied research carried out; however, as already indicated in the previous Reports, the Group is continuing its implementation and engineering of a new integrated information and management system to meet the specific needs of the distribution sector, with innovative economic/financial planning instruments.
It should be noted that it is Fruttital's intention to participate within legal terms in the procedure for the spontaneous repayment of tax credits for research and development activities provided for in Article 5, paragraphs 7 to 12, of Decree-Law no. 146 of October 21, 2021, converted, with amendments, by Law no. 215 of December 17, 2021 ("Penalty protection"). In this regard, the tax credits in question amounting to a total of Euro 652 thousand were accrued in previous years (2016-2018 three-year period) against a detailed project for the development of a new, innovative corporate ERP for the sector in which Fruttital operates, and therefore in full compliance with the reference regulations. However, acknowledging the emergence of a highly restrictive interpretative framework by the Italian Revenue Agency that is fueling a high degree of litigation

with the tax authorities, warning signs underlying the legislation referred to in Decree Law 146/2021, from a prudential perspective Fruttital has positively evaluated participation in Penalty protection, which provides for the repayment of tax credits without interest and penalties in three annual installments, the first one due in December 2022.

Transactions with related parties

In accordance with the provisions of the Regulation adopted by Consob with resolution no. 17221 of March 12, 2010 and subsequent amendments, Orsero S.p.A. has adopted a Procedure for Transactions with Related Parties, approved by the Board of Directors on February 13, 2017 and most recently amended on May 12, 2021, which is available on the Group's website https://www.orserogroup.it/governance/procedure-societarie/.
The main Group activities, carried out at market prices with related companies, regard commercial relationships for the supply of fruits and vegetables and port services, as well as office leasing. On the other hand, as concerns related parties that are individuals, these are essentially employment and/or collaboration relationships.
It should be noted that during the first half of 2022, no related party transactions were implemented other than those that are part of the Group's ordinary course of business. With reference to dealings with related parties, please refer to the details provided in the notes.

Investments made in the period

Period Group investments made in intangible assets other than goodwill and in property, plant and equipment amounted to a total of Euro 7,076 thousand, including Euro 1,366 thousand for intangible assets mainly related to completions and upgrades of information systems and Euro 5,711 thousand for property, plant and equipment related to specific improvements to buildings and plants at the Rungis (France) and Alverca (Portugal) warehouses along with normal renovation investments at other sites. In addition to the amounts just described, it is also necessary to consider Euro 11,162 thousand in investments for "rights of use" as per IFRS 16, connected with the extension of container rental contracts, renewals and the stipulation of new contracts for stands and sales points in markets, as well as adjustments to rents due to inflation.

Description	**Country**	**Thousands of euro**
New ERP	Italy, France	1,161
New operating and headquarter offices in Milan	Italy	628
Enlargement and refitting of the Alverca site	Portgal	973
Renovation of the Rungis wharehouse	France	1,121
Renovation of the Verona wharehouse (including fresh-cut)	Italy	363
Upgrade of cooling and ripering rooms	Spain, France	519
Others		2,313
Total investments		**7,076**

Transactions deriving from atypical and/or unusual transactions

In compliance with the provisions of the Consob Communication of July 28, 2006, in the first half of 2022 the Company did not implement any atypical and/or unusual transactions as defined in that Communication.

Transactions deriving from non-recurring transactions

In accordance with the Consob Communication of July 28, 2006, it is specified that in the first half of 2022, the Group incurred costs relating to non-recurring transactions. In accordance with Consob Communication no. 15519 of July 27, 2006, please note that "Other operating income/expense" includes Euro 2,000 thousand of non-recurring costs, essentially referring to extraordinary costs incurred during the Covid-19 pandemic, expenses linked to profit-sharing (element required by French and Mexican laws) and the amount accrued for the period of the 2020-2021 LTI bonus. For more details, refer to the Note 26 "Other operating income/expense" and Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".

Significant events after the first half of 2022

Capexo and Blampin acquisitions

In a press release dated July 27, the Group announced the signing of two exclusive agreements for the purchase of 100% of Capexo and 80% of Blampin Group, French companies active in the import and distribution of fruit and vegetable products. The former, with a turnover of approx. Euro 66 million, very active in the exotic fruits segment, and the latter, with a turnover of approx. Euro 195 million, the top domestic player in wholesale markets with 12 sales platforms.
With these acquisitions, which are perfectly aligned with the strategies announced by the Group, Orsero will significantly accelerate its revenue and profitability growth in the Distribution Business Unit as a whole, achieving a strong strategic market positioning in France in terms of size, product range and sales channel coverage.
Medium-term continuity of the current management is expected in both companies.
The total investment for the two acquisitions amounts to about Euro 85 million between the direct outlay on share transfer and earn-out payments linked to the achievement of a certain level of results in the coming years.
The closing of the acquisitions is expected by the end of this year, linked to the fulfillment of respective conditions, including the completion of national antitrust and Hamon Law procedures.

New medium-term loan taken out

To meet the financial commitments relating to the new acquisitions, Orsero took out a 2022-2028 medium/long-term ESG-linked loan from a pool of leading European banks (see press release of August 4) for a total of Euro 90 million. Part of the funding, in the amount of approx. Euro 33 million, was allocated to repayment of the previous pool loan (outstanding debt of approx. 22 million) as well as to finance operating investments made by the Group, while the remainder will be allocated to support the financial outlay linked to the two acquisitions described above. The loan bears interest at a variable rate, pegged to the 6-month Euribor with no floor in addition to the margin also based on the evolution of several ESG indicators subject to the Strategic Sustainability Plan. With this transaction, the Group was able to lengthen the overall maturity of the remaining medium-term debt relating to the 2018 pool loan to 2028, provide new financial resources for the continuation of the path of growth and further concentrate financing relationships on a limited group of domestic and international banks with which strategic and long-term relationships can be maintained.

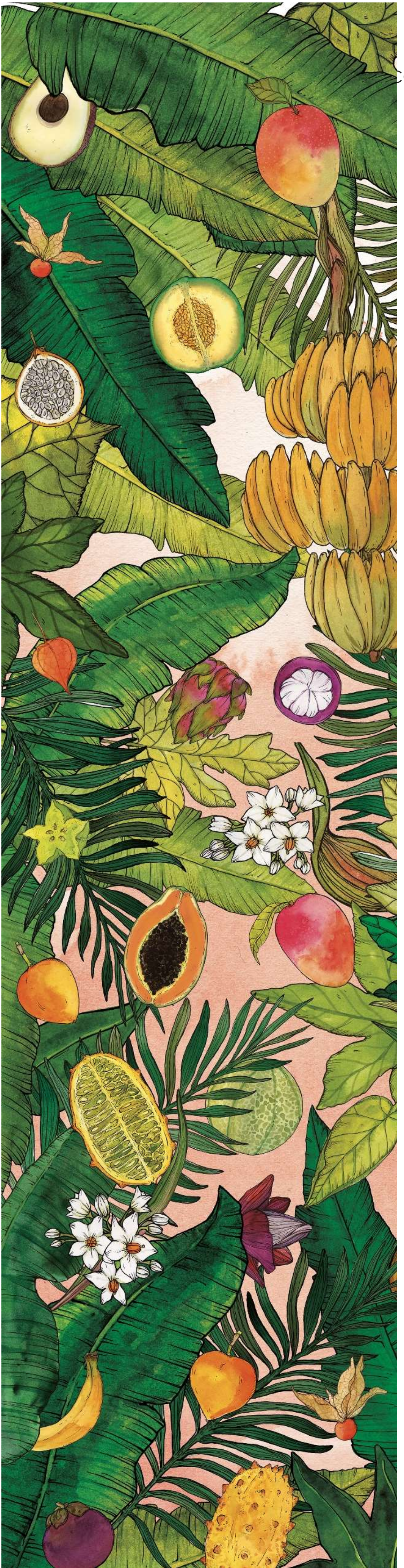
Purchase of treasury shares

In July, Orsero completed the acquisition of 150,000 treasury shares announced in early June, adding 94,463 shares to the 383,051 shares held at June 30. As a result of this transaction, at the date of this report the company therefore holds 477,514 treasury shares, or 2.70% of the share capital.

Aside from the foregoing, there are no other events of particular relevance as of the date of this Report. With reference to the latest developments in the international geopolitical situation and the Covid-19 pandemic, the Group's Management continues to monitor its developments with the aim of maintaining the efficiency of its import and distribution supply chain while preserving its cost-effectiveness.

Outlook for the Orsero Group

The Group's priority continues to be the sustainable growth of its business, both through external channels (such as the important acquisitions in France described above) and internally; with regard to the latter, we believe it is important to emphasize that despite the current difficult economic situation, regular procurement from suppliers, as well as logistics and goods transport activities which ensure business continuity, have to date been confirmed. The Group is well aware of the uncertainty of the general economic situation still linked in part to the continuing effects of the Covid-19 pandemic and specifically to the macroeconomic situation arising from the conflict in Ukraine and the ensuing effects that may be generated in the immediate future.
In any event, albeit within the current European context of an energy crisis and the resulting, possible impact on the consumption of foods which to date is difficult to quantify, the Group continues to have confidence in the potential for growth and resilience of its business in the medium to long term thanks to its strong competitive positioning on staple goods, solid financial structure and the management's ongoing commitment to controlling costs and improving the efficiency of the production organization. Thus, the Group's commitments to the timely reporting of business performance to its stakeholders are confirmed, in addition to those relating to ESG issues to create and develop a sustainable business and operating environment in the medium to long term as outlined in the strategic sustainability plan.



Condensed consolidated half-yearly financial statements as at June 30,2022

Consolidated Financial Statements

Consolidated statement of financial position[10] [11]

Thousands of euro	NOTES	30.06.2022	31.12.2021
ASSETS			
Goodwill	1	48,245	48,245
Intangible assets other than Goodwill	2	9,921	9,022
Property, plant and equipment	3	168,251	164,407
Investments accounted for using the equity method	4	17,942	14,753
Non-current financial assets	5	5,772	6,243
Deferred tax assets	6	8,532	8,492
NON-CURRENT ASSETS		**258,663**	**251,161**
Inventories	7	56,059	43,333
Trade receivables	8	132,053	113,677
Current tax assets	9	13,665	11,254
Other receivables and other current assets	10	17,140	14,182
Cash and cash equivalents	11	54,178	55,043
CURRENT ASSETS		**273,094**	**237,489**
Non-current assets held for sale		**-**	**-**
TOTAL ASSETS		**531,757**	**488,650**
EQUITY			
Share Capital		69,163	69,163
Other Reserves and Retained Earnings		105,048	87,733
Profit/loss attributable to Owners of Parent		19,366	18,290
Equity attributable to Owners of Parent	**12**	**193,578**	**175,186**
Non-controlling interests	**13**	**1,092**	**668**
TOTAL EQUITY		**194,670**	**175,854**
LIABILITIES			
Financial liabilities	14	93,598	98,248
Other non-current liabilities	15	774	1,057
Deferred tax liabilities	16	4,822	4,081
Provisions	17	5,169	5,326
Employees benefits liabilities	18	9,743	9,761
NON-CURRENT LIABILITIES		**114,107**	**118,473**
Financial liabilities	14	46,966	42,518
Trade payables	19	147,860	126,854
Current tax liabilities	20	5,647	4,142
Other current liabilities	21	22,509	20,811
CURRENT LIABILITIES		**222,981**	**194,324**
Liabilities directly associated with non-current assets held for sale		**-**	**-**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**531,757**	**488,650**

[10] The notes commenting on the individual items are an integral part of these Condensed Consolidated Half-Yearly Financial Statements.
[11] In accordance with Consob resolution no. 15519 of July 27, 2006, the effects of related party transactions are given in the explanatory notes to the condensed consolidated half-yearly financial statements and in Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".

Consolidated income statement[12][13]

Thousands of euro	NOTES	1st Semester 2022	1st Semester 2021
Net sales	23	576,196	513,110
Cost of sales	24	(515,253)	(465,384)
Gross profit		**60,942**	**47,726**
General and administrative expense	25	(36,905)	(35,507)
Other operating income/expense	26	(51)	(165)
Operating result		**23,986**	**12,054**
Financial income	27	114	169
Financial expense and exchange rate differences	27	(3,212)	(1,882)
Other investment income/expense	28	5	4
Share of profit/loss of associates and joint ventures accounted for using equity method	28	1,292	317
Profit/loss before tax		**22,185**	**10,664**
Income tax expense	29	(2,391)	(2,454)
Profit/loss from continuing operations		**19,794**	**8,209**
Profit/loss from discontinued operations		-	-
Profit/loss for the period		**19,794**	**8,209**
Profit/loss attributable to non controlling interests		**428**	**205**
Profit/loss attributable to Owners of Parent		**19,366**	**8,004**
Earnings per share "base" in euro	31	**1.116**	**0.457**
Earnings per share "Fully Diluted" in euro	31	**1.116**	**0.457**

Consolidated Statement of Comprehensive Income [12.13]

Thousands of euro	NOTES	1st Semester 2022	1st Semester 2021
Profit/loss for the period		**19,794**	**8,209**
Other comprehensive income that will not be reclassified to profit/loss, before tax		-	-
Income tax relating to components of other comprehensive income that will not be reclassified to profit/loss		-	-
Other comprehensive income that will be reclassified to profit/loss, before tax	14	5,378	1,820
Income tax relating to components of other comprehensive income that will be reclassified to profit/loss	29	(529)	(333)
Comprehensive income		**24,644**	**9,696**
Comprehensive income attributable to non controlling interests		**428**	**205**
Comprehensive income attributable to Owners of Parent		**24,216**	**9,490**

[12] The notes commenting on the individual items are an integral part of these Condensed Consolidated Half-Yearly Financial Statements.
[13] In accordance with Consob resolution no. 15519 of July 27, 2006, the effects of related party transactions are given in the explanatory notes to the condensed consolidated half-yearly financial statements and in Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".

Consolidated cash flow statement [14][15][16]

Thousands of euro	Notes	1st Semester 2022	1st Semester 2021
A. Cash flows from operating activities (indirect method)			
Profit/loss for the period		**19,794**	**8,209**
Adjustments for income tax expense	29	2,391	2,454
Adjustments for interest income/expense	27	1,708	1,724
Adjustments for provisions	8-17	831	1,635
Adjustments for depreciation and amortisation expense and impairment loss	2-3	13,434	12,358
Change in inventories	7	(12,726)	(11,265)
Change in trade receivables	8	(18,590)	2,558
Change in trade payables	19	21,006	11,749
Change in other receivables/assets and in other liabilities		327	(4,768)
Interest received/(paid)	29	(1,777)	(1,518)
(Income taxes paid)	27	(1,346)	(1,371)
Cash flow from operating activities (A)		**25,053**	**21,765**
B. Cash flows from investing activities			
Purchase of property, plant and equipment	3	(17,130)	(9,528)
Proceeds from sales of property, plant and equipment	3	334	3,450
Purchase of intangible assets	1-2	(1,382)	(1,009)
Proceeds from sales of intangible assets	1-2	-	181
Purchase of interests in investments accounted for using equity method	4	(3,612)	(917)
Proceeds from sales of investments accounted for using equity method	4	424	611
Purchase of other non-current assets	5-6	-	(1,160)
Proceeds from sales of other non-current assets	5-6	1,282	503
(Acquisitions)/disposal of investments in controlled companies, net of cash		-	-
Cash Flow from investing activities (B)		**(20,084)**	**(7,869)**
C. Cash Flow from financing activities			
Increase/decrease of financial liabilities	14	(2,585)	(14,836)
Drawdown of new long-term loans	14	12,649	(4,305)
Pay back of long-term loans	14	(14,921)	12,259
Capital increase and other changes in increase/decrease	12-13	5,169	1,576
Disposal/purchase of treasury shares	12-13	(940)	-
Dividends paid	12-13	(5,206)	(3,594)
Cash Flow from financing activities (C)		**(5,835)**	**(8,900)**
Increase/decrease in cash and cash equivalents (A ± B ± C)		**(866)**	**4,996**
Cash and cash equivalents at 1° January 22-21	**11**	**55,043**	**40,489**
Cash and Cash equivalents at 30 June 22-21	**11**	**54,178**	**45,485**

[14] The notes commenting on the individual items are an integral part of these Condensed Consolidated Half-Yearly Financial Statements.
[15] In accordance with Consob resolution no. 15519 of July 27, 2006, the effects of related party transactions are given in the explanatory notes to the condensed consolidated half-yearly financial statements and in Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".
[16] Refer to Notes 9-10-15-16-17-18-20-21 for the item "Changes in other receivables/assets and other payables/liabilities".

Consolidated statement of changes in shareholders' equity [17][18]

Thousand of euro - NOTES 12-13	Share Capital*	Treasury shares*	Reserve of shareholding acquisition costs*	Legal reserve	Share premium reserve	Reserve of exchange diff.es on translation	Reserve of remeasurements of defined benefit plans	Reserve of cash flow hedges	Other reserves	Retained earnings	Profit/loss, attributable to Owners of parent	Equity attributable to Owners of parent	Non-controlling interests	Total equity
December 31, 2020	**69,163**	**(942)**	**(153)**	**396**	**77,438**	**(2,879)**	**(1,297)**	**(931)**	**(5,081)**	**11,685**	**12,217**	**159,617**	**494**	**160,111**
Allocation of the profit/loss	-	-	-	250	-	-	-	-	1,256	10,711	(12,217)	**-**	-	**-**
Issued of equity	-	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**
Increase/decrease thhrough transfers equity	-	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**
Dividends paid	-	-	-	-	-	-	-	-	-	(3,506)	-	**(3,506)**	(88)	**(3,594)**
Other comprehensive income net of tax, gains/losses on remeasurements of defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**
Other comprehensive income net of tax, cash flow hedges bunker	-	-	-	-	-	-	-	431	-	-	-	**431**	-	**431**
Other comprehensive income net of tax, cash flow hedges interest rates	-	-	-	-	-	-	-	187	-	-	-	**187**	-	**187**
Other comprehensive income net of tax, cash flow hedges exchange rates	-	-	-	-	-	-	-	798	-	-	-	**798**	-	**798**
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**
Increse/decrease through share based payment transactions	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-
Change of consolidation scope	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	71	-	-	-	57	-	**128**	33	**161**
Profit/loss for the period	-	-	-	-	-	-	-	-	-	-	8,004	**8,004**	205	**8,209**
June 30, 2021	**69,163**	**(942)**	**(153)**	**646**	**77,438**	**(2,808)**	**(1,297)**	**485**	**(3,825)**	**18,947**	**8,004**	**165,658**	**645**	**166,303**

Thousand of euro - NOTES 12-13	Share Capital**	Treasury shares**	Reserve of shareholding acquisition costs**	Legal reserve	Share premium reserve	Reserve of exchange diff.es on translation	Reserve of remeasurements of defined benefit plans	Reserve of cash flow hedges	Other reserves	Retained earnings	Profit/loss, attributable to Owners of parent	Equity attributable to Owners of parent	Non-controlling interests	Total equity
December 31, 2021	**69,163**	**(2,572)**	**(153)**	**647**	**77,438**	**(2,719)**	**(1,272)**	**969**	**(3,829)**	**19,225**	**18,290**	**175,186**	**668**	**175,854**
Allocation of the profit/loss	-	-	-	351	-	-	-	-	1,454	16,485	(18,290)	**-**	-	**-**
Issued of equity	-	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**
Increase/decrease thhrough transfers equity	-	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**
Dividends paid	-	-	-	-	-	-	-	-	-	(5,206)	-	**(5,206)**	-	**(5,206)**
Other comprehensive income net of tax, gains/losses on remeasurements of defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**
Other comprehensive income net of tax, cash flow hedges bunker	-	-	-	-	-	-	-	2,702	-	-	-	**2,702**	-	**2,702**
Other comprehensive income net of tax, cash flow hedges interest rates	-	-	-	-	-	-	-	830	-	-	-	**830**	-	**830**
Other comprehensive income net of tax, cash flow hedges exchange rates	-	-	-	-	-	-	-	845	-	-	-	**845**	-	**845**
Purchase of treasury shares	-	(940)	-	-	-	-	-	-	-	-	-	**(940)**	-	**(940)**
Increse/decrease through share based payment transactions	-	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**
Change of consolidation scope	-	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**
Other changes	-	-	-	-	-	472	(1)	-	-	324	-	**794**	(3)	**791**
Profit/loss for the period	-	-	-	-	-	-	-	-	-	-	19,366	**19,366**	428	**19,794**
June 30, 2022	**69,163**	**(3,512)**	**(153)**	**997**	**77,438**	**(2,247)**	**(1,274)**	**5,346**	**(2,375)**	**30,827**	**19,366**	**193,578**	**1,092**	**194,670**

[17] The notes commenting on the individual items are an integral part of these Condensed Consolidated Half-Yearly Financial Statements.
[18] In accordance with Consob resolution no. 15519 of July 27, 2006, the effects of related party transactions are given in the explanatory notes to the condensed consolidated half-yearly financial statements and in Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".*

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

(**) Expression of the share capital in compliance with the provisions of IAS 32 net of treasury shares for Euro 3,512 thousand and costs for the acquisition of equity investments of Euro 153 thousand

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

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

   - the adequacy, considering the Company's characteristics, and
   - the effective application of administrative and accounting procedures for the preparation of the condensed consolidated half-yearly financial statements during the first half of 2022.

2. The verification of the adequacy and effective application of administrative and accounting procedures for the preparation of the condensed consolidated half-yearly financial statements as at June 30, 2022 was performed taking as a reference the criteria laid out in the "Internal Controls – Integrated Framework" model generally accepted at international level.

3. It is further certified that:

3.1 The condensed consolidated half-yearly financial statements:

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

   b) coincide with the underlying books and accounting records;

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

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

Milan, September 12, 2022

Giacomo Ricca
Corporate Accounting Reporting Officer

Notes to the condensed consolidated half-yearly financial statements

General information

Orsero S.p.A. (the "Parent company" or the "Company"), together with its subsidiaries (the "Group" or the "Orsero Group") is a company with its shares listed on the Euronext Star Milan segment of the Euronext Milan market since December 23, 2019, with registered office at Via Vezza d'Oglio 7, Milan. The Orsero Group boasts a consolidated presence both directly and indirectly through its subsidiaries and/or associates in Europe, Mexico and Latin America, although it mainly operates in Europe. As at June 30, 2022, the Company's share capital totals Euro 69,163,340.00, divided up into 17,682,500 ordinary shares with no nominal value. The Group's business is focused on the import and distribution of fruit and vegetables, identifying three business units: Distribution, Shipping and Holding & Services.

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

Statement of compliance with the IFRS and preparation criteria

These Group condensed consolidated half-yearly financial statements as at June 30, 2022, prepared on the basis that the Parent company and its subsidiaries continue to operate as a going concern, were prepared in accordance with Art. 2, 3 and 9 of Italian Legislative Decree no. 38 of 02/28/2005 and in compliance with the International Financial Reporting Standards (IFRS), the interpretations provided by the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), endorsed by the European Commission as per the procedure envisaged by Regulation (EC) 1606/2002, issued by the European Parliament and Council in July 2002 and in force as at the reporting date, as well as with the previous International Accounting Standards (IAS). Hereinafter in the Consolidated financial statements, to simplify matters, all these standards and interpretations will together be defined as "IFRS". In preparing this document, consideration was given to the provisions of the Italian Civil Code, Consob Resolutions no. 15519 ("Provisions on the financial statements tables to be issued in implementation of Art. 9, paragraph 3 of Italian Legislative Decree no. 38 of February 28, 2005") and no. 15520 ("Amendments and supplements to the regulation setting out provisions implementing Italian Legislative Decree no. 58/1998"), both dated July 27, 2006, and those of Consob communication no. DEM/6064293 of July 28, 2006 ("Corporate disclosure of listed issuers and issuers with financial instruments disseminated amongst the public pursuant to Art. 116 of the TUF") and Art. 78 of the Issuers' Regulation and Art. 154-ter of Italian Legislative Decree no. 58/1998 as amended, including, in particular, that pursuant to CONSOB warning notice 5/21 of April 29, 2021 for the purposes of the disclosure concerning the Group's financial debt exposure. It is specified that with reference to Consob Resolution no. 15519 of July 27, 2006 on the financial statements tables, specific additional tables have been added representing the statement of financial position, the income statement, the statement of comprehensive income and the statement of cash flows, highlighting significant related party transactions and the effects of non-recurring income and expense in order to avoid compromising the overall legibility of the financial statements tables. This information requested has been included in Notes 26 and 34 and in Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".
The Group condensed consolidated half-yearly financial statements at June 30, 2022 were prepared in summary form in accordance with IAS 34 "Interim financial reporting". In accordance with IAS 34, the condensed consolidated half-yearly financial statements do not include all the supplementary information required for the annual financial statements for which, therefore, reference is made to the Group financial statements as at December 31, 2021. Although the condensed consolidated half-yearly financial statements do not include all information required

for a complete financial statement disclosure pursuant to IFRS, they include all the specific notes to explain the relevant events and transactions in order to understand the changes in the Group's financial position and performance since the last annual financial statements. The condensed consolidated half-yearly financial statements consist of the statement of financial position, income statement (in which costs are presented by "destination"), comprehensive income statement, cash flow statement (presented with the indirect method) and the statement of changes in equity. The statements chosen allow the Group's equity, economic and financial situation to be represented in a truthful, correct, reliable and more relevant manner, in line with internal reporting and operating procedures. The amounts indicated on the consolidated accounting schedules and the notes are stated in thousands of euros. These condensed consolidated half-yearly financial statements are compared with last year's consolidated financial statements, which were prepared applying the same criteria except for that described in the paragraph entitled "Accounting standards, amendments and IFRS interpretations applied starting January 1, 2022". It should be noted, in fact, that the accounting standards applied are in line with those adopted in preparing the consolidated statement of financial position at December 31, 2021, as well as the income statement for the first half of 2021, in accordance with IFRS. With regard to data comparability, it should be noted that as of October 1, 2021 the company Agricola Azzurra S.r.l. has been consolidated with the equity method and, on a smaller scale, the associated company Tirrenofruit S.r.l. has also been consolidated with the equity method as of this half-yearly report, while the merger as of January 1, 2022, of Moncada Frutta S.r.l. into Fruttital S.r.l. as part of the streamlining and simplification of the Group's operating structure in Italy is, on the other hand, irrelevant in terms of the scope of consolidation.
The condensed consolidated half-yearly financial statements have been drawn up in accordance with the general historical cost principle, with the exception of financial assets, derivative instruments and inventories of fruit (avocado) stock ripening, measured at fair value. Please also note that the directors have prepared the consolidated financial statements in accordance with paragraphs 25 and 26 of IAS 1 due to the strong competitive position, high profitability, and soundness of the equity and financial structure achieved.
The condensed consolidated half-yearly financial statements at June 30, 2022 were subjected to a limited audit by KPMG S.p.A. and approved by the Board of Directors on September 12, 2022.

Consolidation principles

These condensed consolidated half-yearly financial statements include not only the financial statements of the Parent Company but also the line-by-line consolidation of the financial statements of the companies over which it has direct or indirect control. Within the Group, there are also investments in associated companies which, if significant, are recorded by applying the equity method, while other non-significant investments in associated companies, together with minor investments in other companies, are instead recorded under non-current assets based on their purchase/subscription cost, including any accessory costs.
Subsidiaries are consolidated from the date on which the Group effectively acquires control and cease to be consolidated from the date on which control is transferred outside the Group. The consolidated accounting positions are prepared as at June 30, and they are specifically prepared and approved by the Boards of Directors of the individual companies, duly rectified, where necessary, to standardize them with the Parent Company's accounting standards and make them consistent with the international accounting standards IAS/IFRS. The consolidation method used is line-by-line and as regards the consolidation criteria, the same ones are used as those applied to prepare the financial statements as at December 31, 2021, which should be referred to for further details.
Equity investments in subsidiaries are detailed in the paragraph on "List of companies consolidated on a line-by-line basis" and "List of other companies", whilst any changes in investment shares are explained in the paragraph on "*Changes to the consolidation area made during the first half of the year and thereafter*".

The condensed consolidated half-yearly financial statements of Orsero are prepared in Euro as it represents the functional currency of the Parent Company Orsero and of all the companies included in the scope of consolidation, with the exception of:

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

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

	30.06.2022	1st Semester 2022	31.12.2021	1st Semester 2021
Argentine Peso	129.898	129.898	116.362	113.644
Costa Rican Colon	714.148	718.941	727.107	740.225
Colombian Peso	4,279.07	4,282.19	4,598.68	4,370.33
Mexican Peso	20.9640	22.1650	23.1440	24.3270
Chilean Peso	962.060	902.666	964.350	868.017

Associates are those over which the Group exerts significant influence, which is assumed to exist when the equity investment ranges between 20% and 50%. Associates over which Orsero exercises significant influence have been valued using the equity method and are initially measured at cost. Profit or losses relating to the Group are recognized in the consolidated financial statements from the date on which the significant influence commences until the date on which it ends. For a description of the application of the equity method, please refer to the information already provided in the financial statements as at December 31, 2021. Equity investments in associates are detailed in the paragraph on "List of companies consolidated using the equity method" and "List of other companies", whilst any changes in investment shares are explained in the paragraph on "Changes to the consolidation area made during the first half of the year and thereafter".
There are no significant restrictions to the capacity of the associates to transfer funds to the investee, to pay dividends and repay loans or advances.
Finally, there is a residual category called "equity investments in other companies" that comprises companies in which the Group holds insignificant investments or, in the case of minor associates, over which no significant influence is exercised. Equity investments are entered at purchase or subscription cost, which is considered representative of the related fair value that is reduced for any impairment losses. The original value is reinstated in subsequent years if the reasons for the write-down no longer apply.

Scope of consolidation

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

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

Name	Head office	Investment percentage			Share Capital	Currency
		Direct	Indirect	Interest held by		
AZ France S.A.S.	Cavaillon (France) - 56, Avenue JP Boitelet	100.00%			3,360,000	€
Bella Frutta S.A.	Atene (Greece) - 4 Tavrou Str., Ag. Ioannis Rentis	100.00%			1,756,800	€
Comercializadora de Frutas S.A.C.V.	Tinguindin (Mexico) - Carretera Zamora-Los Reyes km. 37,5		100.00%	AZ France S.A.S.	3,299,376	pesos
Cosiarma S.p.A.	Genova (Italy) - via Operai 20	100.00%			2,600,000	€
Eurofrutas S.A.**	Alverca (Portugal) - Estrada principal Casal das Areias 205	100.00%			1,100,753	€
Eurorticolas LDA**	Enxara dos Cavaleiros (Portugal)2665-054 Enxra do Bispo Estrada das Azenhas		100.00%	Eurofrutas S.A.	150,000	€
Fresco Ships' A&F S.r.l.	Vado Ligure (Italy) - Via Trieste, 25	100.00%			258,000	€
Fruttica S.A.S.***	Cavaillon (France) - 89, Chemin du Vieux Taillades		100.00%	Postifruits S.A.S.	100,000	€
Fruttital S.r.l.	Milano (Italy) - Via Vezza D'Oglio 7	100.00%			5,000,000	€
Fruttital Firenze S.r.l.	Firenze (Italy) - Via S. Allende 19 G1	100.00%			300,000	€
Galandi S.r.l.	Firenze (Italy) - Via S. Allende 19 G1	100.00%			500,000	€
Thor S.r.l.	Milano (Italy) - Via Vezza D'Oglio 7	100.00%			10,000	€
GF Produzione S.r.l.	Milano (Italy) - Via Vezza D'Oglio 7	100.00%			100,000	€
GF Solventa S.L.	Barcelona (Spain) - MERCABARNA, Calle Longitudinal 7, 83		99.96%	Hermanos Fernández López S.A.	50,000	€
GP Frutta S.r.l.***	Canicattì (Italy) - Via S. Sammartino 37		100.00%	Postifruits S.A.S.	10,000	€
Hermanos Fernández López S.A.	Cox (Alicante) - Avenida de la Industria, s/n P.I. San Fernando	100.00%			258,911	€
Hermanos Fernández Chile S.p.A.	Las Condes (Chile) - Avenida Vitacura 2909		100.00%	Hermanos Fernández López S.A.	10,000,000	pesos
Isa Platanos S.A.	La Laguna - Tenerife (Spain) - Los Rodeos Edificio Star		100.00%	Hermanos Fernández López S.A.	641,430	€
Kiwisol LDA**	Folgosa (Portugal) - Rua de Santo Ovidio 21		99.75%	Eurofrutas S.A.	523,738	€
Orsero Costa Rica S.r.l.	San Jose de Costa Rica - Oficientro Ejecutico La Sabana Edificio torre 1		100.00%	Cosiarma S.p.A.	215,001,000	colones
Orsero Progetto Italia Società Agricola A.r.l.	Molfetta (Italy) - Via degli Industriali 6 -Zona ASI	100.00%			100,000	€
Orsero Servizi S.r.l.	Milano (Italy) - Via Vezza D'Oglio 7	100.00%			100,000	€
Postifruits S.A.S.***	Cavaillon (France) - 89, Chemin du Vieux Taillades		100.00%	AZ France S.A.S.	7,775	€
Productores Aguacate Jalisco S.A.C.V.	Ciudad Guzman (Mexico) - Constitucion 501 Centro C.P. 49000		70.00%	Comercializadora de Frutas S.A.C.V.	12,646,666	pesos
R.O.S.T. Fruit S.A.	Buenos Aires (Argentine) - Corrientes 330 - 6° 612	80.00%	20.00%	GF Produzione S.r.l.	24,096,320	pesos
Simba S.p.A.	Milano (Italy) - Via Vezza D'Oglio 7	100.00%			200,000	€
Simbacol S.A.S.	Medellin (Colombia) - Carr. 25 1 A SUR 155 OF 1840		100.00%	Simba S.p.A.	50,172,500	pesos
Simbarica S.r.l.	San Jose de Costa Rica - Oficientro Ejecutico La Sabana Edificio torre 1		100.00%	Simba S.p.A.	100,001,000	colones

* Please note that the net profits of the consolidated companies are in accordance to IFRS principles

** Companies include in the Eurofrutas's consolidated reporting; pleae note that the net profits are in accordance to IFRS principles

*** Companies include in the Fruttica's consolidated reporting; pleae note that the net profits are in accordance to IFRS principles

List of companies valued using the equity method:

Name	Head office	Investment percentage Direct	Indirect	Interest held by	Share Capital	Currency
Agricola Azzurra S.r.l.	Via Salvador Allende 19, Firenze	50%			200,000	€
Tirrenofruit S.r.l.	Via Salvador Allende 19/G1, Firenze		16.00%	GF Produzione S.r.l.	500,000	€
Fruport Tarragona S.L.	Moll de Reus Port de Tarragona (Spain)	49%			82,473	€
Bonaoro S.L.	Santa Cruz de Tenerife (Spain)Carretera General del Norte, 23, La Vera Orotava (LA)		50%	Hermanos Fernández López S.A.	2,000,000	€
Moño Azul S.A.	Moño Azul s.a.c.i y A., Buenos Aires, Tucumàn 117, Piso 8°, Argentine.		19%	Fruttital S.r.l.	367,921,764	pesos

List of other companies:

Name	Head office	Investment percentage Direct	Indirect	Interest held by	Share Capital	Currency
Citrumed S.A.	Bouargoub (Tunisian) Borj Hfaïedh - 8040		50.00%	AZ France S.A.S.	1,081,000	dinari
Decofrut Bcn S.L.	Barcellona (Spain) - Calle Sicilia 410		40.00%	Hermanos Fernández López S.A.	20,000	€

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

Business combinations

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

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

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

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

Compared to December 31, 2021, please note the merger as of January 1, 2022 of Moncada Frutta S.r.l. into Fruttital S.r.l., which is irrelevant as concerns the scope of consolidation, as part of the streamlining and simplification of the Group's operating structure in Italy. Again, last July from the same perspective, Fruttital Firenze S.r.l. was merged into Fruttital S.r.l., an operation like the previous one with no effect on the consolidated financial statements.

Below is the company map (in a condensed, but more representative version) of the Group keeping in mind that Fruttital Florence was merged into Fruttital S.r.l. as of July 1, 2022:

Valuation criteria

In the preparation of the condensed consolidated half-yearly financial statements as at June 30, 2022 the same consolidation principles and the same measurement criteria were applied as were used for the preparation of the consolidated financial statements as at December 31, 2021, to which reference is made for the sake of completeness.

Use of estimates, risks and uncertainties

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

The main estimates for which the use of subjective valuations by the management is most required were used, inter alia, for:

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

Impairment test

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

For the financial statements at June 30, 2022, the Group verified that there were no situations/indicators representative of potential impairment of its assets, and in the case of the French and Portuguese companies (the latter within the Iberian Peninsula CGU), which recorded a negative performance in the first half of the year compared to historical trends, it has taken steps to investigate the temporary causes underlying these results, also performing appropriate impairment tests that had positive results.

Other information

Segment reporting

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

- Distribution Sector: this sector is a group of companies engaged in the import and distribution of fruit and vegetables in the territories for which they are responsible. The

Group's distributors are based and operate mainly in the Italian, French, Spanish, Portuguese and Greek markets;
- Shipping Sector: this sector is a group of companies mainly engaged in the maritime transport of bananas and pineapples;
- Holding & Services Sector: this sector represents a residual sector that includes companies engaged in the provision of services related to customs, information technology, and holding coordination activities.

In compliance with the provisions of IFRS 8, segment information is given in the dedicated paragraph under "Segment reporting" (Note 22).

Management of financial risk

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

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

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

Liquidity risk
The Group manages liquidity risk with a view to ensuring the presence, on a consolidated level, of a liability structure that matches the composition of financial statement assets, in order to maintain a solid level of capital. Credit facilities, even if negotiated on a Group level, are granted for individual companies. The Group has also financed its investments with medium/long-term credit facilities that guarantee a liquidity position that is adequate for its core business. There is plenty of opportunity to use short-term trade credit facilities if commercial working capital is needed in connection with organic growth and development.
Please also note that the Group operates in a sector that is relatively protected in terms of liquidity, insofar as there is a specific European regulation (Art. 4 of Decree Law 198/2021), which requires payments of perishable assets to be made within 30 days of the end of the delivery period. This means that collection and payment terms are relatively short, precisely due to the type of assets marketed. If we then also add the fact that inventories have very rapid stock rotation times and, in any case, an average of 1 or 2 weeks, we can see that the working capital cycle is virtuous and does not entail any liquidity risk in normal market operations. In addition, in June 2021 the Group activated a policy with a leading bank for an even better and more flexible management of its working capital.

The table below offers an analysis of deadlines, based on contractual obligations for reimbursement, relative to financial, trade, tax and other payables in place as at June 30, 2022.

Thousands of euro	Balance at June 30, 2022	Within 1 year	1-5 years	Over 5 years
Bond payables	**30,000**	-	20,000	10,000
Medium- to long- term bank loans (Non-current/Current)	**46,416**	16,571	25,918	3,927
Other lenders (Non-current/Current)	**2,786**	967	1,819	-
Other lenders (Non-current/Current) ex IFRS 16	**43,552**	11,617	14,892	17,043
Non current liabilities for derivative (Non-current/Current)	**-**	-	-	-
Bank overdrafts	**15,475**	15,475	-	-
Other current lenders short term	**2,135**	2,135	-	-
Payables for price balance on acquisitions (Non-current/Current)	**200**	200	-	-
Other non current liabilities	**774**	-	774	-
Trade payables	**147,860**	147,860	-	-
Current tax liabilities	**5,647**	5,647	-	-
Other current liabilities	**22,509**	22,509	-	-
Non-current/current liabilities at 30.06.2022	**317,354**	**222,981**	**63,403**	**30,970**

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

Foreign exchange risk

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

Interest rate risk

The Group helps finance its medium/long-term investments and working capital through use of credit instruments. The Group mainly uses medium-term credit facilities in euros, part of which at fixed rate and part at variable rate; a suitable partial IRS plain vanilla hedge has been activated on the main ones (2018-2024 pool loan for an original figure of Euro 60 million and 2020-2029 pool loan originally for Euro 15 million, in addition to the 2021-2027 Credit-Agricole loan for Euro 5.5 million), with a view to mitigating the risk of fluctuation of the reference rates (Euribor) over time; instead, in the case of the only debenture loan issued, the option was chosen for an entirely fixed rate structure. As at June 30, 2022, the hedges adopted by the Group for the risk in changes to interest rates hedge approximately 67% of medium and long-term variable rate bank loans, thereby meaning that approximately 82% of the Group's entire medium/long-term bond and bank debt is at fixed rate. It is stressed that, in the Group's opinion, such choices are today very prudent, also in view of the expected medium-term evolution of reference rates in Europe.
Please note that at June 30, 2022, two hedging contracts are in place, stipulated by the Parent Company with two banks in accordance with the Pool Loan Agreement originally for Euro 60 million, which contain a cross default clause that entitles the related bank to terminate and/or withdraw from (as applicable) the related hedging contract, in the event of significant default by subsidiaries, parents and/or joint ventures, with the concept of control regulated by the possession of the majority of votes.

Sensitivity analysis on interest rates

In the first half of 2022, the Group's net financial position decreased from Euro 84,346 to Euro 80,354 thousand, of which the component recognized according to IFRS 16 is Euro 43,552 thousand. Below is the ratio of debt to equity as at June 30, 2022 and December 31, 2021. Please note that the financial covenants existing on the bond and pool loans must be counted, as envisaged by the related contracts, on a net financial position that excludes the application of the standard IFRS 16 for the entire term of said loans.

Thousands of euro	30.06.2022	31.12.2021
Net financial debt	80,354	84,346
Total shareholders'equity	194,670	175,854
Ratio	**0.41**	**0.48**
Main indicators without IFRS 16 effect		
Net financial debt	36,802	45,285
Total shareholders'equity	195,038	176,596
Ratio	**0.19**	**0.26**

The table below shows the incidence during the period of fixed-rate debt or variable-rate debt hedged by IRSs. The incidence of said debt on total "onerous" debt is also indicated, thereby meaning not only bank debt and the debenture loan but also: (i) short-term bank debt; (ii) finance lease payables; and (iii) factoring, all essentially variable rate. As compared with gross financial debt, as shown in the financial statements, "non interest-bearing" payables are excluded, like the mark-to-market positions on derivatives, the price shares to be paid on acquisitions made and payables linked to the application of IFRS 16.

Thousands of euro	30.06.2022	31.12.2021
Total medium- to long- term bank/bond loans (A)	**76,416**	**83,058**
of which fixed rate	63,045	67,964
Percentage - fixed rate	82.5%	81.8%
of which floating rate	13,371	15,094
Percentage - floating rate	17.5%	18.2%
Total other onerous debt (B)	**20,396**	**18,207**
Total onerous debt (A+B)	**96,812**	**101,265**
Percentage - fixed rate	65.1%	67.1%
Percentage - floating rate	34.9%	32.9%

As at June 30, 2022, 82.5% of the value of medium/long-term debt was fixed rate. Please note that this situation is effective against interest rate rises but clearly does not cancel out the effect of any spread variations, envisaged contractually if the ratio between Net Financial Position and Adjusted EBITDA should take a turn for the worse. At the same time, variable-rate debt as a proportion of total medium-term bank debt and bonds fell to 17.5%, while variable-rate debt as a proportion of total interest-bearing debt, which in this context does not take into account available liquid funds, was around 35%. If there should be an increase on the market in reference rates, the Group should not suffer any particularly serious impacts as compared with the present situation.

Thousands of euro	30.06.2022	31.12.2021	30.06.2021
Evolution of financial charges			
- on fixed rate bond/bank loans	(583)	(1,179)	(595)
- on fixed rate bank loans through derivative	(267)	(645)	(362)
- on floating rate bank loans	(71)	(235)	(124)
- on bank overdrafts and other financial liabilities	(353)	(547)	(229)
- amortizing interests	(59)	(184)	(120)
Total	**(1,332)**	**(2,789)**	**(1,430)**

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

Thousands of euro	30.06.2022	31.12.2021
Actual expense on floating rate bank loans	(71)	(235)
+ 25 bp	(18)	(43)
+ 50 bp	(36)	(86)
+ 75 bp	(55)	(130)
+ 100 bp	(73)	(173)

Price volatility risk of fruit and vegetable products

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

Energy risks

Regarding this type of risk, it should be noted that in the past the Group has never had to deal with issues related to energy consumption given the substantial stability of prices in that market. In the current context of severe disruptions, the Group is carefully monitoring energy prices and adopting all tools to optimize its energy purchases and consumption, also evaluating opportunities for investment in alternative energy sources (photovoltaics) in order to reduce costs. The Group is aware that this risk is largely beyond its ability to control, yet it nonetheless is doing everything possible in order to stem its impact.

Price volatility risk of fuels for ships

The bunker (fuel) used for the ships is the main commodity subject to pricing volatility, to which the Group - and more specifically the Shipping Sector - is exposed, with consequent potential fallout (negative or positive) on the Group's economic results. In order to counter these effects, the Group typically uses two hedging instruments: the first is contractual, applying the "BAF" ("Bunker

Adjustment Factor") clause to contracts with customers, which modifies the value of the transport tariff upwards/downwards depending on the evolution of the price of fuel, and the second is financial, hedging through appropriate derivatives over a six-month or annual period a percentage between 20% and 30% of estimated consumption (corresponding in principle to the transport service provided to Group companies). In so doing, the fuel price evolution has a less significant impact on the Group's results and such as to be able to be kept under control.
The market context has historically seen the application of BAF clauses in refrigerated shipping and there are no suggestions that the possibility of stipulating such contracts with third party customers should cease to apply nor that it may become difficult to find suitable financial hedges on the oil market. Below is an analysis that shows how the ship fuel price impacts the results of the Shipping Sector in the reference period.

Thousands of euro	**1st Semester 2022**	**%**	**1st Semester 2021**	**%**
Total bunker's cost	19,161	27.65%	11,562	23.26%
Net sales Shipping sector	**69,308**		**49,715**	

Credit risk

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

The table below provides a breakdown of trade receivables as at June 30, 2022, grouped by past-due, net of the provision for bad debts:

Thousands of euro	**30.06.2022**	**Not due**	**Overdue within 30 days**	**Overdue between 31 and 90 days**	**Overdue between 91 and 120 days**	**Overdue over 120 days**
Gross Trade receivables	143,619	98,428	16,292	13,447	1,283	14,170
Provision for bad debts	(11,566)	-	-	-	-	(11,566)
Trade receivables	132,053	98,428	16,292	13,447	1,283	2,604

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

Transactions deriving from non-recurring transactions

In accordance with the Consob Communication of July 28, 2006, it is specified that in the first half of 2022, the Group incurred costs relating to non-recurring transactions. In accordance with Consob Resolution 15519 of July 27, 2006, please note that the item "Other operating income/expense" includes Euro 2,000 thousand of non-recurring costs; for details, please refer to Note 26 "Other operating income/expense" and Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".

Transactions deriving from atypical and/or unusual transactions

In compliance with the provisions of the Consob Communication of July 28, 2006, in the first half of 2022, the Group did not implement any atypical and/or unusual transactions.

Accounting standards, amendments and IFRS interpretations applied from January 1, 2022

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

On May 14, 2020, the IASB published the document "Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements 2018-2020" with a view to making some specific improvements to those standards.

Accounting standards, IFRS and IFRIC amendments and interpretations not yet entered into force at June 30, 2022

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

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

On February 12, 2021, the IASB published several amendments to IAS 8. In the document "Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates" the amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The amendments are applicable to financial statements relating to years starting on January 1, 2023.

On May 7, 2021, the IASB published several amendments to IAS 12 (Income Taxes) to clarify how to account for deferred taxes on transactions such as leases and decommissioning obligations. The amendments are applicable to financial statements relating to years starting on January 1, 2023.

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

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

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

NOTE 1. Goodwill

Goodwill was recorded for Euro 48,245 thousand (Euro 48,245 thousand at December 31, 2021).

Thousands of euro	Goodwill
Carrying amount at December 31, 2021	**48,245**
Change of year:	
Investments	-
Disposal	-
Reclassification and impairment losses	-
Change of consolidation scope	-
Translation differences	-
Carrying amount at June 30, 2022	**48,245**

This item is unchanged since December 31, 2021.
In accordance with IAS 36, this item is not subject to amortization, but to an impairment test on annual basis, or more frequently, if specific events and circumstances occur which may indicate impairment (Impairment Testing).
For the financial statements at June 30, 2022, the Group verified that there were no situations/indicators representative of potential impairment of its assets, and in the case of the French and Portuguese companies (the latter within the Iberian Peninsula CGU), which recorded a negative performance in the first half of the year compared to historical trends, it has taken steps to investigate the temporary causes underlying these results, also performing appropriate impairment tests that had positive results.

NOTE 2. Intangible assets other than goodwill

Thousands of euro	Intellectual property rights	Concessions, licenses and trademarks	Assets in progress and advances	Other intangible assets	Total
Carrying amount	**3,914**	**11,530**	**5,615**	**898**	**21,958**
Accumulated amortization	**(3,288)**	**(8,792)**	-	**(856)**	**(12,936)**
Carrying amount at December 31, 2021	**626**	**2,739**	**5,615**	**42**	**9,022**
Change of year:					
Investments	4	147	1,195	20	1,366
Disposal - Carrying amount	-	-	-	-	-
Disposal - accumulated amortization	-	-	-	-	-
Reclassification - carrying amount	2	70	(57)	-	16
Reclassification - accumulated amortization	-	-	-	-	-
Changes of consolidated companies - Carrying amount	-	-	-	-	-
Changes of consolidated companies - accumulated amortization	-	-	-	-	-
Amortization	(248)	(226)	-	(10)	(483)
Carrying amount	**3,921**	**11,748**	**6,753**	**918**	**23,340**
Accumulated amortization	**(3,536)**	**(9,017)**	-	**(866)**	**(13,419)**
Carrying amount at June 30, 2022	**385**	**2,731**	**6,753**	**52**	**9,921**

In the first half of 2022, intangible assets other than goodwill increased by Euro 899 thousand as a result of investments of Euro 1,366 thousand and amortization of Euro 483 thousand.
It should be noted that in the period in question, no changes in estimates were made in assessing the useful life of intangible assets other than goodwill or in the choice of the amortization method and no internal or external indicators of impairment of intangible assets were identified.
No intangible assets other than goodwill were reclassified as "Assets held for sale".

The item Intellectual property rights shows costs incurred in connection with the software programs and the licenses the Group has obtained; the negative net change of Euro 241 thousand refers to amortization of Euro 248 thousand against investments of Euro 4 thousand and reclassifications of Euro 2 thousand.
The item Concessions, licenses and trademarks essentially reflects the amount paid as concession for the exercise of commercial activities (warehouses and points of sale) located within general markets, amortized based on the duration of the concession; costs of using licensed software programs, amortized on average over a three-year period; and commercial trademarks, amortized over 10 years. The decrease by Euro 8 thousand reflects amortization of Euro 226 thousand, partially offset by investments of Euro 147 thousand and reclassifications of Euro 70 thousand.
The item Assets in progress and advances reflects the investments made during the year and not yet operational at the reporting date, essentially referring to the implementation and engineering of the new integrated ERP system meant to replace the current system in order to better meet the Group's ever-growing needs.
Other intangible assets is a residual category that includes expenses incurred for the development of internal programs, amortized according to the respective periods of use.

NOTE 3. Property, plant and equipment

Thousands of euro	Lands and buildings	Plantations	Plant and machinery	Industrial and comm. equipment	Other tangible assets	Assets in progress and advances	Total
Carrying amount	**121,529**	**3,155**	**282,931**	**13,069**	**23,425**	**2,867**	**446,977**
Accumulated depreciation	**(44,871)**	**(1,157)**	**(212,845)**	**(7,219)**	**(16,478)**	**-**	**(282,570)**
Balance at December 31, 2021	**76,659**	**1,998**	**70,086**	**5,850**	**6,947**	**2,867**	**164,407**
Change of year:							
Investments	8,127	-	2,076	2,623	1,681	2,366	16,873
Disposal - Carrying amount	(1,917)	-	(379)	(2,548)	(1,094)	-	(5,938)
Disposal - accumulated depreciation	1,782	-	316	2,548	956	-	5,603
Reclassification - carrying amount	481	-	648	(10)	26	(1,168)	(24)
Reclassification - accumulated depreciation	-	-	-	4	13	-	17
Changes of consolidated companies - Carrying amount	-	-	-	-	-	-	-
Changes of consolidated companies - accumulated depreciation	-	-	-	-	-	-	-
Translation differences - carrying amount	146	114	257	5	34	-	555
Translation differences - accumulated depreciation	(72)	(47)	(142)	(5)	(26)	-	(292)
Depreciation	(3,104)	(105)	(7,137)	(1,437)	(1,169)	-	(12,951)
Carrying amount	**128,366**	**3,269**	**285,532**	**13,138**	**24,073**	**4,065**	**458,443**
Accumulated depreciation	**(46,265)**	**(1,308)**	**(219,808)**	**(6,108)**	**(16,703)**	**-**	**(290,193)**
Balance at June 30, 2022	**82,102**	**1,961**	**65,724**	**7,030**	**7,369**	**4,065**	**168,251**

At June 30, 2022, property, plant and equipment totaled Euro 168,251 thousand, up by Euro 3,844 thousand compared to the balance as at December 31, 2021 as a result of:

- investments of Euro 16,873 thousand, broken down as follows: "Distribution" for Euro 12,189 thousand (of which Euro 7,559 thousand for rights of use), "Shipping" for Euro 3,689 thousand (of which Euro 3,455 thousand for rights of use), "Holding & Services" for Euro 995 thousand (of which Euro 149 thousand for rights of use);
- depreciation for the period, Euro 12,951 thousand;
- disposals of assets for a net amount of Euro 334 thousand;

- increase due to the net exchange rate effect of Euro 264 thousand, for the most part referring to the assets of the Mexico-based companies following the revaluation the Mexican Peso which went from 23.144 Pesos/Euro at December 31, 2021 to 20.964 Pesos/Euro as at June 30, 2022.

Land and buildings

The change in the period showed a total net increase of Euro 5,443 thousand, primarily generated by investments for Euro 8,127 thousand and reclassifications of Euro 481 thousand, partially offset by depreciation of Euro 3,104 thousand and disposals of Euro 134 thousand. "Basic" investments for the period amounted to Euro 8,127 thousand and essentially regarded the refurbishment and expansion of the Alverca warehouse and restructuring works on the new office in Milan, plus Euro 7,578 thousand for new contracts, rather than renewals and/or extensions, for the rental of warehouses and offices subject to IFRS 16. It should be noted that the main investment in the first half of the year linked to accounting according to IFRS 16 relates to the renewal of the Spanish concession relating to Almacén 4 at the Mercabarna site.
Within this category, the value of land amounted to Euro 13,337 thousand, stated on the basis of the original sale and purchase deeds where existing or separated from the general purchase price of the building on the basis of percentages close to 20%.

Plantations

The item in question saw a decrease of Euro 37 thousand, linked to period depreciation of Euro 105 thousand, partially offset by the revaluation of the Mexican peso for a net amount of Euro 68 thousand.

Plant and machinery

This line item includes cold rooms, banana ripening rooms, plants for product calibration and packaging, fruit storage and packaging facilities (Distribution sector) and ships (Shipping sector).
In the first half of the year, this category of assets showed a decrease of Euro 4,362 thousand due to a volume of depreciation that was much greater than the investments made, investments that mainly regarded renewals and improvements at the Rungis, Alverca and Verona warehouses, in addition to the normal investments made to renew the equipment in the various Group warehouses.
There was an increase of Euro 648 thousand for reclassifications of plant and machinery that began operating during the six-month period.
Because of their significance, also in this half-year report the management tested the values of the four "Cale Rosse" vessels for impairment, without identifying any need to write down the value of such vessels due to the good business performance mentioned above.

Industrial and commercial equipment

In this segment, mainly represented by the container fleet of the Shipping Company operated under long-term leases, and therefore subject to IFRS 16, the increase of Euro 1,180 thousand originates from investments of Euro 2,623 thousand, partially offset by depreciation of Euro 1,437 thousand.

Other tangible assets

The item includes the assets owned by the Group such as furniture and furnishings, computer and electronic equipment, car fleet, etc.
The increase of Euro 422 thousand for the period reflects investments of Euro 1,681 thousand (of which Euro 242 thousand for IFRS 16 contracts), depreciation of Euro 1,169 thousand and disposals of Euro 137 thousand.

Assets in progress and advances

This account includes investments "in progress", largely represented by works and plants being completed at the warehouses in Alverca, Alicante, Seville and Rungis.

At June 30, 2022, the Group verified that there were no internal or external indicators of possible impairment for its property, plant and equipment. Consequently, the value of Property, plant and equipment has not been subject to impairment testing.

Leasing – IFRS 16

To complement the information provided in the table above, details are provided below of changes in the amount of rights of use recognized by the Group for the first half of 2022.

Thousands of euro	Lands and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible assets	Total
Carrying amount	**29,659**	**10,216**	**10,979**	**3,135**	**53,988**
Accumulated depreciation	**(8,511)**	**(245)**	**(5,723)**	**(1,191)**	**(15,670)**
Balance at December 31, 2021	**21,148**	**9,971**	**5,255**	**1,944**	**38,318**
Change:					
Perimeter of consolidation	-	-	-	-	-
Investments	7,578	748	2,595	242	11,162
Disposal - Carrying amount	(1,846)	(133)	(2,548)	(435)	(4,963)
Disposal - accumulated depreciation	1,772	133	2,548	435	4,889
Reclassification - Carrying amount	-	-	-	-	-
Reclassification - accumulated depreciation	-	-	-	-	-
Depreciations	(1,811)	(2,695)	(1,374)	(342)	(6,222)
Carrying amount	**35,390**	**10,831**	**11,025**	**2,941**	**60,187**
Accumulated depreciation	**(8,549)**	**(2,807)**	**(4,550)**	**(1,097)**	**(17,003)**
Balance at June 30, 2022	**26,841**	**8,024**	**6,476**	**1,844**	**43,184**

At June 30, 2022, the financial liability associated with the application of IFRS 16 amounted to Euro 43,552 thousand (compared to Euro 39,061 thousand at December 31, 2021), against increases of Euro 11,162 thousand for new contracts entered into in the first half of 2022, and decreases of Euro 6,596 thousand for payments for the period and Euro 75 thousand for reductions due to the suspension of lease/rental contracts.
At June 30, the current weighted average rate on contracts subject to IFRS 16 was 3.11%.
For the Group, the application of IFRS 16 has a significant impact in terms of net financial position and Adjusted EBITDA, given the existence of numerous warehouse and fruit and vegetable market point of sale concession and/or rental agreements, as well as operating leases on the fifth ship and on the reefer container fleet used by the shipping company, with an impact on Adjusted EBITDA at June 30, 2022 of Euro 7,088 thousand compared to Euro 3,803 in the first half of 2021, with the difference essentially resulting, as noted previously, from the charter of the fifth ship on a biannual basis, which is worth roughly Euro 5.4 million on an annual basis.

NOTE 4. Investments accounted for with the equity method

Thousands of euro	Agricola Azzurra S.r.l.	Tirrenofruit S.r.l.	Moño Azul S.A.	Bonaoro S.L.U.	Fruport Tarragona S.L.	Total
Balance at 31.12.2021	**7,544**	**-**	**3,346**	**1,566**	**2,297**	**14,753**
Profit/loss	853	107	89	49	194	1,292
Investments	-	1,160	-	-	-	1,160
Disposals	-	-	-	-	-	-
Dividends	-	-	-	-	(707)	(707)
Other Changes	-	1,160	299	(15)	-	1,444
Balance at 30.06.2022	**8,397**	**2,427**	**3,734**	**1,600**	**1,785**	**17,942**

Investments in associates accounted for by the equity method amounted to a total of Euro 17,942 thousand at June 30, 2022, with a net increase of Euro 3,189 thousand mainly deriving from the equity accounting of the company TirrenoFruit S.r.l., previously recorded under other investments in the "Non-current financial assets" category. Indeed, please note that on May 31, 2022 an

additional 8% stake was acquired in the distribution company Tirrenofruit S.r.l. for a value of Euro 1,160 thousand with a view to strengthening the Group's strategic positioning with respect to the marketing of Italian national fruit and vegetable products to the GDO channel. This investment was recognized using the equity method due to the significance assumed by this financial investment, coupled with the commonality of purpose with the other shareholder - the same one that also holds a shareholding in Agricola Azzurra.
Also contributing to the overall change in this balance sheet item are the distribution of dividends and the positive pro-rata results achieved by the companies during the six-month period.
No indication of impairment has been seen for these equity investments.
Regarding the stake in Agricola Azzurra S.r.l., it should be noted that on the basis of the data at June 30, the valuation of the purchase price for the 50% stake is aligned with the estimates made at the time of acquisition and for the closing of the 2021 financial statements. Therefore, it is not considered necessary to make any adjustments, so the valuation has been postponed to when the definitive final values are available.

NOTE 5. Non-current financial assets

Thousands of euro	30.06.2022	31.12.2021	Change
Investments in other companies	723	1,894	(1,171)
Other non-current financial assets	5,049	4,348	700
Non-current financial assets	**5,772**	**6,243**	**(471)**

At June 30, 2022, this item includes other minor investments measured at cost approximating fair value, security deposits as well as other medium-term receivables from third parties and associates. The decrease in the item "Investments in other companies" is, as mentioned, the effect of the reclassification of the Tirrenofruit shareholding to equity investments valued at equity, while "Other non-current financial assets" shows an increase of Euro 700 thousand relating mainly to the recognition of the positive value, in the amount of Euro 852 thousand, of the mark-to-market of interest rate hedging derivatives against a negative value of such derivatives at December 31, 2021.
Please refer to Note 34 for details of the changes in transactions with associates included in "Other non-current financial assets."

NOTE 6. Deferred tax assets

Thousands of euro	30.06.2022	31.12.2021	Change
Deferred tax assets	**8,532**	**8,492**	**40**

Deferred tax assets at June 30, 2022, equal to Euro 8,532 thousand, consist of the items shown in the table below, while as concerns the breakdown and the changes in that item, please refer to the table below and Note 29 "Income Taxes".

Thousands of Euro	30.06.2022	31.12.2021
Previous tax losses	5,504	5,020
Effect IAS 19	802	829
Depreciation/Goodwill/trademarks	603	598
Reductions in value and provisions	976	993
Financial derivatives	-	58
Others	647	994
Deferred tax assets	**8,532**	**8,492**

NOTE 7. Inventories

Thousands of euro	30.06.2022	31.12.2021	Change
Raw materials, supplies and consumables	15,045	11,116	3,929
Biological Assets	2,375	130	2,245
Finished products and goods for resale	38,639	32,087	6,552
Inventories	**56,059**	**43,333**	**12,726**

At June 30, 2022, the value of inventories increased by Euro 12,726 thousand compared to December 31, typically due to seasonality. The increase was also caused by the measurement of the biological asset, represented by the Mexican company's production of avocados, still on the plant but now mature and ready for the sales campaign which typically takes place in the second half of the year.

NOTE 8. Trade receivables

Thousands of euro	30.06.2022	31.12.2021	Change
Trade receivables from third parties	143,131	123,969	19,162
Receivables from subsidiaries and associates of the Group not fully consolidated	195	1,098	(903)
Receivables from related parties	293	413	(120)
Provision for bad debts	(11,566)	(11,803)	237
Trade receivables	**132,053**	**113,677**	**18,376**

All trade receivables are due within one year and derive from normal sales conditions. It should be noted that receivables are shown net of the provision for write-downs allocated over the years to cover bad or doubtful debts that are still in the financial statements pending the conclusion of the related bankruptcy proceedings or out-of-court settlement attempts. There are no receivables due beyond five years. It is believed that the provision for bad debts is appropriate to cope with the risk of potential non-collection of past due receivables.
At June 30, 2022, the item "Trade receivables" increased by Euro 18,376 thousand linked especially to the increase in the receivables of the distributor companies connected with the normal dynamics of the business which sees June 30 as the time of greatest increase in operating working capital along with the increase in unit sale prices as a result of inflation.
The balance of receivables due from related and associated Group companies mainly refers to normal trade receivables; an analysis of the positions is given in Note 34 on related parties.
The change in the provision for bad debts is reported below, which the Group prepares based on a realistic view of the actual recoverability of the individual receivables, as governed by IFRS 9 "Expected losses" and which is also inclusive of an amount of Euro 50 thousand relating to the more generic risk of non-collection of all financial assets posted to the financial statements.

Thousands of euro	Provision for bad debts
Balance at December 31, 2021	**(11,803)**
Change of year	
Accruals	(202)
Utilizations	442
Change of consolidation scope	-
Others	(3)
Balance at June 30, 2022	**(11,566)**

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

Thousands of euro	30.06.2022	31.12.2021	Change
Italy	68,527	56,635	11,892
EU countries	61,564	50,524	11,040
Non-Eu countries	1,962	6,517	(4,555)
Trade receivables	**132,053**	**113,677**	**18,376**

NOTE 9. Tax assets

Thousands of euro	30.06.2022	31.12.2021	Change
For value added tax	9,857	8,286	1,570
For income tax	3,808	2,968	840
Current tax assets	**13,665**	**11,254**	**2,410**

At June 30, 2022, tax assets showed an overall increase of Euro 2,410 thousand, due to the higher value of the VAT credit and tax advances paid.

NOTE 10. Other receivables and other current assets

Thousands of euro	30.06.2022	31.12.2021	Change
Advances to suppliers	3,127	4,391	(1,264)
Other receivables	5,556	5,527	29
Accruals and pre-payments	3,277	2,888	390
Current financial assets	5,180	1,377	3,803
Other receivables and other current assets	**17,140**	**14,182**	**2,958**

At June 30, 2022, the item overall shows an increase of Euro 2,958 thousand mainly due to the increase in current financial assets resulting from the higher positive value of the mark-to-market values on the hedges activated by the Group on purchases of U.S. dollars and bunker (fuel) for ships for Euro 3,803 thousand and the item accruals and pre-payments for Euro 390 thousand, which offset the decrease in the item advances to suppliers for Euro 1,264 thousand.
As already noted in previous reports starting from the 2017 financial statements, the balance of "Other receivables" was not affected by the receivable from the related party, Argentina S.r.l., for Euro 8,000 thousand, as it has been entirely written off (Note 34).
The item "Accruals and pre-payments" refers to the normal allocations for the recognition and proper allocation of costs related to the following year, typically insurance expenses, leases, and interest.

NOTE 11. Cash and cash equivalents

Thousands of euro	30.06.2022	31.12.2021	Change
Cash and cash equivalents	**54,178**	**55,043**	**(865)**

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

NOTE 12. Shareholders' equity attributable to shareholders of the parent company

The share capital at June 30, 2022, fully paid in, consisted of 17,682,500 shares without par value for a value of Euro 69,163,340; there are no preference shares. Holders of ordinary shares have the right

to receive the dividends as they are resolved and, for each share held, have a vote to be cast in the Company's shareholders' meeting.
Shareholders' equity at June 30, 2022 increased compared to December 31, 2021, mainly as a result of the profit attributable to the shareholders of the parent company in the first half of 2022, which more than offset the payment of the dividend of Euro 0.30 per share approved by the Shareholders' Meeting on April 28.
At June 30, 2022, Orsero held 383,051 treasury shares, equal to 2.17% of the share capital, for a value of Euro 3,512 thousand, shown as a direct decrease in shareholders' equity. As at June 30, 2022, the Group does not hold, directly or indirectly, shares in parent companies and it did not acquire or sell shares in parent companies during the year.
The share premium reserve comes to Euro 77,438 thousand at June 30, 2022, whilst the legal reserve is Euro 997 thousand, after the allocation of Euro 351 thousand from the result for the year 2021 approved by the Shareholders' Meeting.
The exchange rate difference conversion reserve incorporates all the foreign exchange differences deriving from the conversion over time of the financial statements of foreign companies.
It should be noted that the cash flow hedging reserve of Euro 5,346 thousand (positive) shows the value at June 30, 2022 of the mark-to-market of derivatives, net of the tax effect as indicated in the statement of comprehensive income, on bunker for Euro 3,207 thousand (positive fair value), on USD exchange rates for Euro 1,493 thousand (positive) and on interest rates for Euro 647 thousand (positive), all accounted for using the cash flow hedging method.
The reserve from the revaluation of defined-benefit plans, established in compliance with the application of IAS 19, has not changed compared to December 31, 2021.
The Shareholders' Meeting of April 28, 2022 resolved to allocate the profit for the year of Euro 7,010,854 as proposed by the Board of Directors and in particular to distribute an ordinary monetary dividend of Euro 0.30 per share, gross of withholding taxes, for each existing share entitled to receive a dividend, thus excluding from the calculation 327,514 treasury shares held by the company, for a total dividend of Euro 5,206 thousand. The ex-dividend date was May 09, 2022, the record date was May 10 and payments began on May 11, 2022.
The consolidated statement of changes in shareholders' equity, included in the consolidated financial statements to which reference is made, illustrates the changes between December 31, 2020 and June 30, 2021 and between December 31, 2021 and June 30, 2022, of the individual reserve items.
The following is a reconciliation as at June 30, 2022 between the Parent Company's equity and consolidated equity and between the Parent Company's profit for the period and consolidated profit for the period.

Thousands of euro	**Share capital and reserves 30.06.2022**	**Profit/loss at 30.06.2022**	**Shareholders' equity at 30.06.2022**
Orsero S.p.A. (Parent company)	**143,813**	**11,944**	**155,756**
The difference between the carrying amount and the corresponding equity	(40,202)	-	(40,202)
Pro-quota gains/losses achieved by subsidiaries	-	23,892	23,892
Pro-quota recognition of associated companies consolidated using the equity method	46	1,292	1,337
Dividends distributed by consolidated companies to the Parent company	17,839	(17,839)	-
Consolidation differences	47,355	-	47,355
Elimination of capital gain and/or other transactions carried out by subsidiaries	5,361	78	5,438
Total Group equity and net profit attributable to Parent company	**174,211**	**19,366**	**193,578**
Minority interests and net profit attributable to non controlling interests	664	428	1,092
Total shareholders' equity and profit/loss	**174,876**	**19,794**	**194,670**

NOTE 13. Minority interests

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

Companies consolidated (figures in thousands of euro)	% non-controlling interests	Capital and reserves	Profit/(Loss)	Non-controlling interests
Productores Aguacate Jalisco S.A.C.V.	30.00%	661	428	1,089
Kiwisol LDA	0.25%	3	-	3

NOTE 14. Financial liabilities

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

Thousands of euro	30.06.2022	31.12.2021	Change
Bond payables (over 12 months)	30,000	30,000	-
Non-current medium term bank loans (over 12 months)	29,845	37,728	(7,884)
Non-current other lenders (over 12 months)	1,819	1,888	(69)
Non-current other lenders (over 12 months) ex IFRS 16	31,935	28,392	3,543
Non-current liabilities for derivative (over 12 months)	-	240	(240)
Non-current payables for price balance on acquisitions (over 12 months)	-	-	-
Non - current financial liabilities	**93,598**	**98,248**	**(4,650)**
Current medium term bank loans	16,571	15,329	1,242
Bank overdrafts	15,475	13,844	1,631
Current other lenders	967	1,020	(53)
Current other lenders ex IFRS 16	11,617	10,669	948
Other current lenders short term	2,135	1,455	680
Current liabilities for the derivatives	-	-	-
Current payables for price balance on acquisitions	200	200	-
Current financial liabilities	**46,966**	**42,518**	**4,448**

The change in the first half of 2022 by a total of Euro 202 thousand (between non-current and current) reflects the main components mostly related to medium-term loans as detailed below:

- the payment by the Parent Company of the June 30 installment of Euro 5,455 thousand on the pool loan, along with Euro 47 thousand accounted for as implicit interest deriving from the recognition of the item with the amortized cost method. Please recall that at June 30, a hedge is in place on 67% of that loan against interest rate fluctuations, for which the mark to market value is a positive Euro 129 thousand. This loan is subject to respect for financial covenants, verified on an annual basis;
- the payment of Euro 558 thousand in interest on the debenture loan of Euro 30,000 thousand (recall that the first principal installment will be due in October 2023). Please also note that the debenture loan calls for compliance with the financial covenants, such as the ratio between the net financial position and Adjusted EBITDA and the net financial position and shareholders' equity at the reporting date; as at this date, full compliance was noted;
- an IRS hedge was activated on the Credit Agricole loan to the parent company Orsero for 100% of the loan value. As of June 30, 2022 the mark-to-market value is positive Euro 242 thousand;
- the regular repayment by the company Fruttital of maturing loan installments of Euro 1,222 thousand. Please note that at June 30, a hedge is in place on 85% of the pool loan originally for Euro 15,000 thousand against interest rate fluctuations, for which the mark to market

value is a positive Euro 481 thousand. This loan is subject to respect for financial covenants, verified on an annual basis;

- for AZ France S.A.S., a Euro 1,061 thousand loan taken out (disbursed based on work in progress in this amount against an approved amount of Euro 1,400 thousand) and the regular repayment of loan installments falling due for a total of Euro 390 thousand;
- the payment by Thor S.r.l. of the amounts due for maturing loan installments of Euro 21 thousand;
- the regular repayment at maturity of outstanding loans by Hermanos Fernández López S.A. for Euro 296 thousand;
- the repayments at maturity by Cosiarma S.p.A. of loan installments for Euro 248 thousand;
- the regular repayment of the installments due for the Mexican company Comercializadora de Frutas for Euro 117 thousand;
- new finance leases taken out by Hermanos Fernández López S.A. amounting to Euro 426 thousand against payments on finance leases outstanding totaling Euro 404 thousand;
- the repayment of the redemption set forth in the lease agreement of the former Fruttital Cagliari for Euro 97 thousand;
- the payment of finance leases for the company Eurofrutas for Euro 43 thousand;
- the regular repayment of the lease installments of the Mexican company Productores Aguacate Jalisco for Euro 3 thousand;
- within the item other financial payables, the IFRS 16 component is equal to Euro 43,552 thousand, against increases totaling Euro 11,162 thousand linked to new contracts, renewals and rent adjustments agreed to in the first half of 2022, payments for Euro 6,596 thousand and write-offs following the early termination of contracts for Euro 75 thousand;
- between December 31, 2021 and June 30, 2022, with reference to mark-to-market on hedging derivatives, there was an improvement by a total of Euro 4,906 thousand (from Euro 1,116 thousand to Euro 6,022 thousand) due to the different market situation. The positive mark-to-market value at June 30, 2022 is Euro 852 thousand in the case of interest rate hedging, Euro 1,964 thousand for foreign exchange hedging and Euro 3,207 thousand for bunker hedging.

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

- Orsero debenture loan for an original Euro 30 million, falling due in 2028;
- Orsero pool loan for an original Euro 60 million, falling due in 2024;
- Fruttital pool mortgage loan for an original Euro 15 million, falling due in 2029;
- La Caixa loan in Fruttital for an original Euro 2.6 million, falling due in 2023;
- Banque Populaire loans in AZ France for an original total of Euro 1.3 million, falling due in 2023 and 2024;
- Credit Lyonnais loan in AZ France for an original total of Euro 1.8 million, falling due in 2023 and 2025;
- Credit Lyonnais mortgage loan in AZ France for an original Euro 1.65 million, falling due in 2029;
- La Caixa loan in Hermanos Fernández López originally for Euro 0.5 million, falling due in 2024;
- Comercializadora de Frutas mortgage loans for an original total of USD 1.5 million, falling due in April and August 2022.

The schedule of medium-term debt to banks and other lenders at December 31, 2021 and June 30, 2022 is detailed in the following table, organized in two columns (due by June 30, 2023 and due beyond June 30, 2023, the latter in turn broken down by amounts due by June 30, 2027 and amount due after said date) to provide a better comparison with the previous table.

Thousands of euro	Total	30.06.23	> 30.06.23		30.06.23-30.06.27	> 30.06.27
Bond payables (Non-current/current)	30,000	-	30,000	as follows:	20,000	10,000
Medium term bank loans (Non - current/ current)	46,416	16,571	29,845		25,918	3,927
Other lenders (Non - current/ current)	2,786	967	1,819		1,819	-
Other lenders (Non - current/ current) ex IFRS 16	43,552	11,617	31,935		14,892	17,043
Liabilities for the derivatives (Non-current/current)	-	-	-		-	-
Bank overdrafts	15,475	15,475	-		-	-
Other current lenders short term	2,135	2,135	-		-	-
Payables for price balance on acquisitions (Non-current/current)	200	200	-		-	-
Non-current/current financial liabilities at 30.06.2022	**140,564**	**46,966**	**93,599**		**62,629**	**30,970**

Thousands of euro	Totale	2022	> 31.12.22		2023-2026	> 31.12.26
Bond payables (Non-current/current)	30,000	-	30,000	as follows:	20,000	10,000
Medium term bank loans (Non - current/ current)	53,058	15,329	37,728		32,420	5,308
Other lenders (Non - current/ current)	2,908	1,020	1,888		1,888	-
Other lenders (Non - current/ current) ex IFRS 16	39,061	10,669	28,392		18,130	10,261
Liabilities for the derivatives (Non-current/current)	240	-	240		240	-
Bank overdrafts	13,844	13,844	-		-	-
Other current lenders short term	1,455	1,455	-		-	-
Payables for price balance on acquisitions (Non-current/current)	200	200	-		-	-
Non-current/current financial liabilities at 31.12.2021	**140,766**	**42,518**	**98,248**		**72,679**	**25,569**

At June 30, 2022, the following are in place: (i) a hedge on part of bunker consumption of the ship-owning company, the mark-to-market of which at the reporting date is positive and equal to Euro 3,207 thousand; (ii) a hedge on interest rates on the pool loan originally for Euro 60 million, the mark-to-market of which is positive and equal to Euro 129 thousand at the reporting date, one on the loan originally for Euro 5.5 million, the mark-to-market of which was positive and equal to Euro 242 thousand at the reporting date and another hedge on interest rates on the pool loan originally for Euro 15,000 thousand, taken out by Fruttital S.r.l., the mark-to-market of which at the reporting date is positive and equal to Euro 481 thousand; (iii) a hedge on purchases in USD, the mark-to-market of which is positive and equal to Euro 1,964 thousand.

Please note that in view of the loans granted, as at June 30, 2022, mortgages were posted on corporate assets, as follows:

- Fruttital S.r.l.: mortgage on three former NBI warehouses acquired in January 2020 for an amount equal to the residual value of the loan;
- AZ France S.A.S.: mortgage on the property in the favor of Credit Lyonnais for an amount equal to the residual loan value;
- Thor S.r.l.: mortgage on the property in the favor of the bank Carige S.p.A.;
- Comercializadora de Frutas Acapulco: mortgage on the land and building and pledge on specific plants acquired in connection with the loan, for a total original amount of USD 1,500 thousand in the favor of Banamex, and mortgage on land and building relative to the credit facilities on a Banamex revolving mortgage current account, for USD 1,600 thousand.

Please note that some loan contracts and the debenture loan envisage compliance with financial and equity covenants, summarized in the table below. In the majority of cases, a verification of respect for the covenants is required at the annual reporting date. Please note that the financial covenants existing on the bond and pool loans must be counted, as envisaged by the related contracts, on a net financial position that excludes the application of the standard IFRS 16 for the entire term of said loans. The debenture loan also calls for respect for the financial parameters at June 30; the latter, at June 30, 2022, were respected in full.

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

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

**Comercializadora de Frutas

In accordance with the new guidelines prepared by ESMA, published in the note dated March 4, 2021, and adopted by CONSOB in warning notice no. 5/21 dated April 29, 2021, the table below shows the Net Financial Position, also "Total Financial Indebtedness", of the Group as at June 30, 2022, compared with December 31, 2021.

	Thousands of Euro	30.06.2022	31.12.2021
A	Cash	54,178	55,043
B	Cash equivalents	10	21
C	Other current financial assets	6,022	1,356
D	**Liquidity (A + B + C)**	**60,210**	**56,420**
E	Current financial debt*	(17,810)	(15,499)
F	Current portion of non-current financial debt **	(29,156)	(27,019)
G	**Current financial indebtedness (E + F)**	**(46,966)**	**(42,518)**
H	**Net current financial indebtedness (G - D)**	**13,244**	**13,903**
I	Non-current financial debt ***	(63,598)	(68,248)
J	debt instruments	(30,000)	(30,000)
K	Non-current trade and other payables	-	-
L	**Non-current financial indebtedness (I + J + K)**	**(93,598)**	**(98,248)**
M	**Total financial indebtedness (H + L)**	**(80,354)**	**(84,346)**

*Included debt instruments, but excluding current portion of non-current financial debt

** Including respectively Euro 11.617 and Euro 10.669 thousand from lease contracts ex IFRS 16 as of 30.06.2022 and 31.12.2021

*** Excluding current portion and debt instruments (including respectively Euro 31.935 thousand and Euro 28.392

The separate, specific indication of the debt component linked to the application of IFRS 16 serves to represent the measurement of the Net Financial Position "prior to IFRS 16" at the reporting date, which amounted to Euro 36,802 (equal to Euro 80,354 thousand minus Euro 11,617 thousand short-term minus Euro 31,935 thousand medium/long-term) and 45,285 thousand (equal to Euro 84,346 thousand minus Euro 10,669 thousand short-term minus Euro 28,392 thousand medium/long-term), respectively, used in calculating the covenants on long-term bank and bond loan agreements.

For the sake of clarity, it should be noted that the "other current financial assets" component only shows the positive mark-to-market value of hedging derivatives, while the negative value is shown under item “E" and/or "I" according to the relevant maturities. Medium/long-term payables for bank loans and leases are shown in categories "F" and "I" according to their maturity dates, while payables for residual amounts to be paid on acquisitions are included in categories "E" and “K". There are no trade payables and/or other overdue payables that fall into the financial classification set forth by ESMA.

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

Thousands of euro	30.06.2022	31.12.2021
Cash flow from operating activities	25,053	55,083
Cash flow from investing activities	(20,084)	(33,351)
Cash flow from financing activities	(5,835)	(7,177)
Increase/decrease in cash and cash equivalent	(866)	14,555
Net cash and cash equivalents, at beginning of the period	**55,043**	**40,489**
Net cash and cash equivalents, at end of the period	**54,178**	**55,043**

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

Liabilities from financing activities thousands of euro	31.12.2021	New loans	Repayments	Cash Flow	Derivatives	Changes of consolidation scope	Ex-rate changes/ others	30.06.2022
Bond payables (over 12 months)	30,000	-	-	-	-	-	-	30,000
Non-current medium term bank loans	53,058	1,061	(7,702)	-	-	-		46,416
Non-current other lenders (over 12 months)	2,908	425	(548)	-	-	-	-	2,786
IFRS 16 Effect	39,061	11,162	(6,671)	-	-	-	-	43,552
Factor	1,455	2,135	(1,455)	-	-	-	-	2,135
Current liabilities for the derivatives	240	-	-	-	(240)	-	-	-
Bank overdrafts	13,844	-	-	1,631	-	-	-	15,475
Payables for price balance on acquisitions (Non current-current)	200	-	-	-	-	-	-	200
Current financial assets	(1,377)		-	11	(3,814)	-	-	(5,180)
Total	**139,389**	**14,784**	**(16,376)**	**1,642**	**(4,054)**	**-**	**-**	**135,384**

NOTE 15. Other non-current liabilities

Thousands of euro	30.06.2022	31.12.2021	Change
Other non-current liabilities	**774**	**1,057**	**(282)**

The item “Other non-current liabilities” amounted to Euro 774 thousand as at June 30, 2022, with a decrease of Euro 282 thousand compared to December 31, 2021, due mainly to the decrease of deferred income relating to investment contributions received that will be recognized in the income statement in future years in correlation with the amortization and depreciation calculated on such investments.

NOTE 16. Deferred tax liabilities

Thousands of euro	30.06.2022	31.12.2021	Change
Deferred tax liabilities	**4,822**	**4,081**	**741**

At June 30, 2022, the item increased by Euro 741 thousand, mostly related to the recognition of deferred taxes on the improved positive mark-to-market values of hedging derivatives. For further details, reference is made to Note 29 “Income taxes”.

NOTE 17. Provisions

Thousands of euro	30.06.2022	31.12.2021	Change
Provision for the return of containers	2,986	2,686	300
Provisions for risks and charges	2,183	2,640	(457)
Provisions	**5,169**	**5,326**	**(157)**

The item "Provisions for risks and charges" includes provisions made on the basis of the disputes existing as at June 30, 2022 in the various Group companies, which are the result of accurate estimates made by the Directors, while the "Provision for container returns" includes the provision set up for the expected maintenance costs to be incurred when the containers used in shipping activities are returned at the end of the contract.
The change in the first half of the year in the provision for the return of containers reflects the periodic accrual, while the other provisions for risks were used for a total of Euro 557 thousand, for the most part linked to the settlement of labor disputes, and accruals totaling Euro 100 thousand.
With regard to other risks as highlighted in the December 2021 financial statements, there were no significant changes.

NOTE 18. Employee benefits

A statement of changes in the liabilities for employee benefits at June 30, 2022 is attached.

Thousands of euro	Employees benefits liabilities
Balance at December 31, 2021	**9,761**
Change of year:	
Accruals	475
Benefits paid and transferred	(479)
Interest cost	(21)
Gain/losses resulting from changes in actuarial assumptions	-
Change of consolidation scope	-
Other changes	7
Balance at June 30, 2022	**9,743**

The liability relative to the provision for employee benefits refers to the Italian and foreign companies of the Group, in accordance with the various national regulations, and essentially includes employee severance indemnity accrued by employees in service at June 30, net of advances paid to employees. In accordance with IAS 19, the Provision for employee benefits is measured using the actuarial valuation methodology.
The main financial and demographic assumptions utilized in determining the present value of the liability relating to the Provision for employee benefits are described below; for the preparation of the condensed consolidated half-yearly financial statements, the financial and demographic assumptions used for the financial statements as at December 31, 2021 were deemed adequate and therefore utilized.

Discount rate	
Italy	Cosiarma, Fresco e Orsero Servizi 0,688%, Frutital e Galandi 0,349%, Fruttital Firenze 0,254%, Moncada 0,933%, Orsero e Simba 0,458%
France	0.254%
Portugal	0.576%
Spain	Barcellona 0,688%, Alicante 0,160%, Madrid 0,761%, Siviglia e Tarragona 0,835%,
Greece	0,349%
Mexico	Acapulco 7,671%, Jalisco 9,960%
Inflation rate	
Italy	1.5%
France, Greece, Spain, Portugal	Includes in the salary increases except Mexico
Mexico	n.a.
Mean withdrawal rate	
Italy	Cosiarma 2,2%, Fruttital, Orsero e Fresco 3,0%, Fruttital Firenze 4,6%, Galandi 4,3%, Simba 2,9% e Orsero Servizi e Moncada 2%
Mean withdrawal amount rate	
Italy	Cosiarma, Fruttital, Orsero, Orsero Servizi, Galandi, Fresco e Moncada 70,0%, Fruttital Firenze 54,6%, Simba 48,4%
Salary increases (included inflation)	
Italy	1,5% (included inflation except for Fruttital)
Portugal, Spain, Mexico, Greece, France	1% (included inflation)
Mexico	n.a.
Mortality rate	
Italy	SIMF 2020
Mexico	Mexico Life Table 2019
Spain	Spanish Life Table 2018
Portugal	Portugal Life Table 2020
Greece	Greek Life table 2019
France	France Life Table 2019
Access to retirement	
Italy	Minimum access requirements required by Monti-Forner Law
Portugal, Spain, Mexico, Greece, France	Minimum access requirements required by current legislation
Probability of termination	
Italy	Cosiarma e Galandi 5,2%, Fruttital, Orsero Servizi e Fresco 5%, Fruttital Firenze 8,5%, Orsero 6,3%, Simba 8% e Moncada 4%
France	Cas général 9,00%, Cadres 10,00%, Agent de maîtrise 8,00%
Greece	White Collar 7,00%, Blue Collar 6,00%
Spain	Barcellona 3,5%, Alicante 4,2%, Tarragona 2%, Siviglia e Madrid 8%
Portugal	6.00%
Mexico	Acapulco 5,5%, Jalisco 6,5%

NOTE 19. Trade payables

Thousands of euro	30.06.2022	31.12.2021	Change
Payables to suppliers	143,363	123,028	20,335
Payables to subsidiaries and associates of the Group not fully consolidated	3,847	3,521	326
Payables to related parties	651	305	346
Trade payables	**147,860**	**126,854**	**21,006**

There are no trade payables with a residual maturity of more than 5 years recognized in the financial statements. As at June 30, 2022, there are no past-due payables of significant value.

At June 30, 2022, the net increase of the item amounted to Euro 21,006 thousand as a result of the increase of Euro 20,335 thousand in payables to suppliers, Euro 326 thousand in payables to associated companies and Euro 346 thousand in payables to related companies of the Group. In order to make the data easier to understand, payables to natural person related parties for salaries and/or remuneration of company officers are shown in the respective categories.
As in the case of trade receivables, the sharp increase in payables compared to December 31, 2021 reflects the seasonality of the Group's business as well as the increase in the prices of goods and services due to inflation.

The geographic breakdown of the payables is as follows:

Thousands of euro	30.06.2022	31.12.2021	Change
Italy	84,564	70,093	14,471
EU countries	58,823	52,535	6,288
Non-Eu countries	4,473	4,226	247
Trade payables	**147,860**	**126,854**	**21,006**

NOTE 20. Tax liabilities

Thousands of euro	30.06.2022	31.12.2021	Change
For value added tax (VAT)	737	468	270
For income tax of the year	3,541	1,842	1,698
For withholding tax	990	1,432	(442)
For indirect taxes and others	379	401	(22)
Current tax liabilities	**5,647**	**4,142**	**1,504**

At June 30, 2022, this item showed a balance of Euro 5,647 thousand, up by a total of Euro 1,504 thousand compared to the balance at December 31, 2021, as a result of the increase in payables for VAT (Euro 270 thousand) and taxes (Euro 1,698 thousand) and the decrease in payables for withholding and indirect taxes and other sundry payables (Euro 464 thousand).
There are currently no past due amounts related to the item in question.

NOTE 21. Other current liabilities

Thousands of euro	30.06.2022	31.12.2021	Change
Social security contributions	3,226	3,392	(167)
Payables to personnel	9,480	10,190	(710)
Payables relating to operations on behalf of third parties	1,276	1,295	(19)
Other current payables	6,929	4,772	2,157
Accrued expenses and deferred income	1,598	1,162	436
Other current liabilities	**22,509**	**20,811**	**1,698**

At June 30, 2022, "Other current liabilities" showed an increase of Euro 1,698 thousand, originating from the increase in the items other payables and accrued expenses and deferred income, partially offset by a lower payable to personnel after the payment of the 2021 MBO bonus to Top Managers. It should also be noted that the reason for the increase within the category "Other payables" is mainly the higher value compared to December 31 of revenues recorded by the shipbuilder which have been suspended as they are attributable to the following period.

Payables to personnel relate to current items for June, as well as accrued and unused holidays, 13th month accruals and the estimated profit-sharing institutionally due to the workforce of the French and Mexican companies on the basis of local regulations.
Within other current liabilities, payables to natural person related parties at June 30, 2022 amounted to Euro 853 thousand, of which Euro 816 thousand related to employment relationships and Euro 37 thousand to compensation to corporate bodies.

NOTE 22. Segment reporting

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

Thousands of euro	1st Semester 2022				
	Distribution	**Shipping**	**Holding & Services**	**Eliminations/ Consolidated adjustments**	**Total**
Net sales to third parties	526,193	47,698	2,304	-	576,196
Inter-segment net sales	28	21,610	3,369	(25,008)	-
Net sales of the sector	**526,222**	**69,308**	**5,674**	**(25,008)**	**576,196**
Adjusted EBITDA	**18,030**	**26,073**	**(3,852)**	**-**	**40,251**
Adjusted EBIT	**10,892**	**19,479**	**(4,384)**	**-**	**25,986**
Amortization and depreciation	(6,681)	(6,246)	(508)	-	(13,434)
Accruals of provision	(457)	(349)	(24)	-	(831)
Non recurring income	-	-	-	-	-
Non recurring expense	(1,499)	(13)	(487)	-	(2,000)
Financial income	55	23	117	(81)	114
Financial expesense	(785)	(188)	(930)	81	(1,823)
Exchange rate differences	(1,631)	226	16	-	(1,389)
Share of profit from companies consolidated at equity	-	-	-	1,292	1,292
Revaluations of securities and investments	-	-	-	-	-
Devaluations of securities and investments	(1)	-	-	-	(1)
Intra-group dividends	-	-	16,839	(16,839)	-
Result of securities and investments negotiation	6	-	-	-	6
Profit/loss before tax	**7,036**	**19,526**	**11,171**	**(15,547)**	**22,185**
Income tax expense	(3,100)	(389)	1,098	-	(2,391)
Profit/loss for the period	**3,936**	**19,137**	**12,268**	**(15,547)**	**19,794**

Thousands of euro	30.06.2022			
	Distribution	**Shipping**	**Holding & Services**	**Total**
Total assets without investments in associates	355,080	99,635	248,065	702,781
Investments in associates	5,119	-	11,801	16,921
Total aggregate assets	**360,200**	**99,635**	**259,866**	**719,701**
Total aggregate liabilities	**259,641**	**42,874**	**100,507**	**403,022**
Total aggregate shareholders'equity	**100,559**	**56,761**	**159,360**	**316,679**

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

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

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

Main customer

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

NOTE 23. Revenues

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Revenues from sales	526,114	481,921	44,192
Revenues from services	50,082	31,189	18,893
Net Sales	**576,196**	**513,110**	**63,086**

At June 30, 2022, turnover was Euro 576,196 thousand, an increase of Euro 63,086 thousand, or 12.3%, compared to June 30, 2021. For a detailed analysis of sales, please refer to the interim report on operations, in the section "Commentary on performance of the business sectors". Please note that Group revenues mainly derive from the sale of fresh fruit and vegetables from many of the world's countries, on the territories under its purview.
Revenues from the sale of goods included sales of Euro 518 thousand to associated companies, while services to associated and related companies amounted to Euro 97 and 58 thousand, respectively, as detailed in Note 34 below, all carried out under normal market conditions.

Geographical information

The analysis of the information by geographical area shows details of the Group's revenues, divided up into the main geographical areas (thereby meaning those in which the company that generated the revenue is based) for the first half of 2022 and 2021, showing the Group's basically eurocentric nature.

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Europe	**549,211**	**488,224**	**60,986**
of which Italy	*267,204*	*230,530*	*36,675*
of which France	*81,026*	*91,964*	*(10,938)*
of which Penisula Iberica	*188,327*	*154,997*	*33,330*
Latin America and Central America	**26,985**	**24,886**	**2,099**
Total net sales	**576,196**	**513,110**	**63,086**

As shown in the table above, the Eurozone constitutes the real heart of the Orsero Group business, whilst the revenues achieved in Latin and Central America derive from the activities carried out mainly in Mexico and Costa Rica. Revenues in Europe showed both positive and negative changes depending on the country, based on both volume and sales mix and price trends.

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

NOTE 24. Cost of goods sold

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

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Raw materials and finished goods costs	370,853	343,751	27,101
Cost of commissions on purchases and sales	905	1,042	(138)
Transport and handlig costs	77,509	67,882	9,627
Personnel costs	14,720	14,579	142
Depreciation and amortization	10,955	10,265	689
Accruals of provision	300	300	-
External production and maintenance costs	15,288	12,424	2,864
Energy costs	6,169	3,177	2,992
Bunker'cost	19,161	11,562	7,599
Rental costs for ships and containers	1,663	2,852	(1,190)
Leases and rentals	368	576	(208)
Other costs	529	591	(62)
Other operating revenues and cost recoveries	(3,166)	(3,619)	453
Cost of goods sold	**515,253**	**465,384**	**49,869**

The increase in cost of sales consists mainly of the higher purchase cost of fruits and vegetables, which is closely related to the increase in revenue. As set out in the Interim Directors' Report, please

note the significant increase in energy and transportation costs, which to a large extent we were able to pass on to the selling prices of our goods and services without significantly affecting the Group's profitability.
The marked reduction in the cost for ship charters and container rental takes into account the recovery under IFRS 16 of the cost of the fifth vessel used by the shipbuilder company (until the end of 2021 the standard was not applied as the charter was entered into on an annual basis), a cost that, moreover, returns in the form of an increase in the depreciation rates for the period.
With regard to this item, it should be noted that the increase of Euro 689 thousand was mainly due to the above-mentioned accounting of depreciation pursuant to IFRS 16 on the fifth ship (Euro 2,664 thousand), partially offset by the reduction (Euro 1,813 thousand) of depreciation on the four owned ships due to the extension of their useful life to the end of 2029 decided at the beginning of this year.
Again, for the Shipping sector, it is necessary to note the increase in the bunker cost relating to the increase in the cost of fuel: as mentioned, this increase does not have a very significant impact on the accounts of the shipbuilder company, which, thanks to the application of the BAF (Bunker Adjustment Factor) clause, transfers to the customer any changes in the cost of fuel.
Note that the item "Raw material and finished goods costs" comprises Euro 8,042 thousand of costs due to associates, valued at market value and included in the balances indicated in Note 34, to which reference is made.
Similarly, "transportation and handling costs" includes costs of Euro 2,684 thousand from associated companies and Euro 508 thousand from related companies, while "other operating revenues and cost recoveries" includes Euro 101 thousand in revenues from associated companies.
For further details, reference is made to Note 34.

NOTE 25. Overheads and administrative costs

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

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Personnel costs and external collaborations	21,063	20,577	486
Corporate bodies fees	595	755	(160)
Professional, legal, tax and notary services	1,968	2,038	(70)
Maintenance costs and various	3,583	2,881	703
Commercial, advertising, promotional expenses	1,146	624	523
Insurance expenses	1,057	950	107
Utilities	833	855	(22)
Service costs with associated and related companies	223	176	46
Other costs	2,984	2,750	234
Commission and guarantee expenses	442	473	(31)
Depreciation and amortization	2,480	2,092	387
Provisions	531	1,335	(805)
General and administrative expense	**36,905**	**35,507**	**1,398**

The table shows an increase in overheads and administrative costs compared to the previous year essentially in the components costs for maintenance and miscellaneous services and commercial, advertising and promotional expenses, the latter linked to a decision by the Group to invest more in initiatives that give greater visibility. Regarding costs for maintenance and miscellaneous services, the increase is mainly due to higher costs incurred by the company dealing with shipping and customs services, which resumed full operations after the pandemic period. Regarding the item provisions, please refer to what was described previously in Note 17.
The item "costs to associated and related companies" includes Euro 11 thousand to associated companies and Euro 211 thousand to related companies, while it should be noted that the figures relating to labor costs and compensation to corporate bodies for the first half of 2022 include costs of Euro 1,015 and 244 thousand relating to related parties who are individuals.

NOTE 26. Other operating revenues/costs

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Other operating income	3,174	1,610	1,564
Other operating expenses	(3,225)	(1,774)	(1,450)
Total other operating income/expense	**(51)**	**(165)**	**113**

Annexed are details of the items “Other operating revenues” and “Other operating costs” for the first half of 2022 and 2021 with a separate indication of ordinary items with respect to “non-recurring” ones.

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Revenues from recovery of costs and insurance reimbursements	236	96	140
Plusvalues and contingent revenues in ordinary course of business	1,527	651	875
Others	1,411	707	704
Other ordinary operating income	**3,174**	**1,454**	**1,720**
Covid-19 income	-	61	(61)
Others	-	95	(95)
Other non-recurring operating income	**-**	**156**	**(156)**

Other ordinary revenue, like the item "Other ordinary costs" below, includes cost and revenue elements not already classified in the above sections of the income statement and elements such as contingent assets and liabilities of costs and revenues linked to previous years due to differences in estimates, which as such recur every year (for example, reversals of premiums received from and/or given to customers and suppliers, differences on insurance reimbursements collected compared to forecasts, etc.). They also include any contributions for operating expenses, capital gains and capital losses on current disposals of assets and the capitalization of costs linked to investment initiatives.
In the first half of 2022, in particular, capitalization was recorded with reference to the progress status of the new ERP system implementation for Euro 435 thousand.
During the first half of 2022, there were no non-recurring revenues.
Please note that the item “Other operating revenue” comprises Euro 4 thousand from associated companies and Euro 16 thousand from related companies.

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Penalties, sanctions and costs for damage to third parties	(32)	(187)	156
Minusvalues and contingent losses in ondinary course of business	(1,193)	(890)	(303)
Other ordinary operating expenses	**(1,225)**	**(1,077)**	**(147)**
Covid-19 costs	(58)	(164)	106
Profit sharing established by law for employees	(236)	(293)	58
Top management incentives	(554)	(130)	(424)
Litigations	(284)	(110)	(174)
Others	(868)	-	(868)
Other non-recurring operating expenses	**(2,000)**	**(697)**	**(1,303)**

Given what is noted above with respect to the nature of the ordinary costs shown in this table, there was a significant reduction in Covid-19-related costs in the first half of 2022 compared to the same period of the previous year.
Within "other," the most significant component pertains, as already noted, to the reversal for Euro 489 thousand of tax credits on Research & Development activities.

It should be noted that no allocations have been made for Top Management bonuses for the current financial year, as these are only assessed and quantified in the annual financial statements. The amount of Euro 554 thousand therefore represents the cost of the portion of the bonus accrued in 2020 and 2021, which is recognized, in compliance with IFRS 2, during the 2020-2024 vesting period.

NOTE 27. Financial income, financial expense and exchange differences

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

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Financial income	114	169	(55)
Financial expense	(1,823)	(1,893)	70
Exchange rate differences	(1,389)	11	(1,400)
Financial income, financial expense, exchange differences	**(3,097)**	**(1,712)**	**(1,385)**

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

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Interest income to third parties	92	139	(47)
Interest income to associates/related parties	1	18	(17)
Interest for IAS 19	21	12	9
Financial income	**114**	**169**	**(55)**

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Interest expenses from bank/bond	(1,314)	(1,409)	95
Interest expenses to third parties	(19)	(21)	2
Interest expenses IFRS 16	(491)	(463)	(27)
Financial expense	**(1,823)**	**(1,893)**	**70**

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Realized exchange rate differences	(1,364)	(243)	(1,121)
Unrealized exchange rate differences	(25)	254	(279)
Exchange rate differences	**(1,389)**	**11**	**(1,400)**

Note the impact of exchange rate differences due mainly to the fluctuation of the Mexican peso and the dollar.

NOTE 28. Other income/expenses from investments and share of profit/loss of investments accounted for using the equity method

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Dividends	5	3	2
Share of profit from companies consolidated at equity	1,292	317	974
Revaluations of securities and investments	-	1	(1)
Devaluations of securities and investments	(1)	-	(1)
Other investment income/expense and Share of profit/loss of associates accounted for using equity method	**1,296**	**321**	**975**

The change in the amount of "Other income/expenses from investments" and in the share of profits/losses of investments accounted for using the equity method essentially refers to the pro-rata recognition of the results of associated companies consolidated using the equity method, as described in Note 4.

NOTE 29. Income taxes

Almost all Italian subsidiaries participate in the "tax consolidation" system headed by Orsero, in accordance with Articles 117 et seq. of the TUIR, and a similar system has been implemented in France by AZ France and its French subsidiaries.
The changes in taxes are summarized in the following table.

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Current taxes for the year	(4,139)	(3,843)	(296)
income tax from statutory tax consolidation	1,594	1,588	6
Deferred taxes incomes and liabilities	154	(199)	353
Income tax expense	**(2,391)**	**(2,454)**	**63**

The table below shows the decrease in the effective tax rate compared to the first half of 2021, which was made possible mainly due to the shipbuilder company's adoption of the "tonnage tax" starting from the September 30, 2021 reporting.

Thousands of euro	1st Semester 2022		1st Semester 2021	
	Taxable	Tax rate 24%	Taxable	Tax rate 24%
Profit/loss before tax	**22,185**		**10,664**	
Theoretical tax		**(5,324)**		**(2,559)**
Tonnage Tax (2022), International register Cosiarma (2021)		4,427		902
Share of profit from companies consolidated at equity	(1,292)	310	(317)	76
Foreign companies for different tax rate		(105)		(229)
Taxed dividends from Group companies	17,839	(214)	2,158	(26)
Non imposable items/recoveries		(880)		(197)
Effective tax		**(1,786)**		**(2,033)**
Irap/Cvae taxes		(605)		(421)
Income tax expense in the consolidated financial statement		**(2,391)**		**(2,454)**
Effective rate		10.8%		23.0%

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

Thousands of euro	Statement of financial position		Income statement	Comprehensive income statement
	30.06.2022	31.12.2021	1st Semester 2022	1st Semester 2022
Previous tax losses	5,504	5,020	485	-
Effect IAS 19	802	829	(28)	-
Depreciation/Goodwill/trademarks	603	598	4	-
Reductions in value and provisions	976	993	(18)	-
Financial derivatives	-	58	-	(58)
Others	647	995	(347)	-
Deferred tax assets	**8,532**	**8,492**	**95**	**(58)**

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

Thousands of euro	Statement of financial position		Income statement	Comprehensive income statement
	30.06.2022	31.12.2021	1st Semester 2022	1st Semester 2022
Leasing	(1,704)	(1,728)	25	-
On J-entries FV Magazzini Fernández	(1,787)	(1,820)	33	-
Ships depreciation	(298)	(298)	-	-
Financial derivatives	(676)	(204)	-	(471)
Others	(358)	(31)	2	-
Deferred tax liabilities	**(4,822)**	**(4,081)**	**59**	**(471)**

As of June 30, 2022, there were no significant tax disputes other than those reported in the 2021 financial statements. There are no significant amendments to the tax legislation between the first half of 2022 and the same period of 2021, with the exception of the reduction of the tax rate in France, which declined from 26.5% to 25% starting on January 1, 2022.

NOTE 30. Reconciliation of the Adjusted EBITDA with the period profit

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

Thousands of euro	1st Semester 2022	1st Semester 2021	Change
Profit/loss for the period	**19,794**	**8,209**	**11,585**
Income tax expense	2,391	2,454	(63)
Financial income	(114)	(169)	55
Financial expense and exchange rate differences	3,212	1,882	1,330
Other investment income/expense	(5)	(4)	(1)
Share of profit/loss of associates and joint ventures accounted for using equity method	(1,292)	(317)	(974)
Operating result (Ebit)	**23,986**	**12,054**	**11,932**
Amortization and depreciation	13,434	12,358	1,076
Accruals of provision	831	1,635	(805)
Non recurring income	-	(156)	156
Non recurring expense	2,000	697	1,303
Adjusted Ebitda*	**40,251**	**26,589**	**13,663**

* Please note that the Adjusted EBITDA at June 30,2022 equal to Euro 40.251 thousand (Euro 26.589 thousand at June 30,2021) includes Euro 7.088 thousand (Euro 3.803 thousand at June 30, 2021) from the positive effect related to IFRS 16 "leases". Such improving effect is offset by higher depreciation of Euro 6.222 thousand (Euro 3.461 thousand at June 30, 2021) and interest expense of Euro 491 thousand (Euro 463 thousand at June 30, 2021).

NOTE 31. Earnings per share

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

Euro	1st Semester 2021	1st Semester 2021
Profit/loss attributable to Owners of Parent	**19,366,290**	**8,003,685**
Average number of outstanding shares during the period	**17,354,365**	**17,529,986**
Earnings per share "base" in euro	**1.116**	**0.457**
Average number of outstanding shares during the period	17,354,365	17,529,986
Average number of special shares and warrant	-	-
Diluted average number of outstanding shares during the period	**17,354,365**	**17,529,986**
Earning per share "Fully Diluted" in euro	**1.116**	**0.457**

NOTE 32. Disclosures on financial instruments - additional disclosures

The table below shows a detailed analysis of the assets and liabilities envisaged by IFRS 7, in accordance with the categories envisaged by IFRS 9 for the first half of 2022 and for the year 2021.

Thousands of euro	Balance at 30.06.2022	Assets at amortized cost	Assets at FV, with changes recognized in PL*	Assets at FV, with changes recognized in CI*	Liabilities measured at amortized cost	Liabilities at FV with changes recognized in the CI *
Financial assets						
Investments in other companies	723	723	-	-	-	-
Other non-current financial assets	5,049	5,049	-	-	-	-
Trade receivables	132,053	132,053	-	-	-	-
Current tax assets	13,665	13,665	-	-	-	-
Other receivables and other current assets	17,140	11,960	10	5,170	-	-
Cash and cash equivalent	54,178	54,178	-	-	-	-
Financial assets	**222,807**	**217,627**	**10**	**5,170**	**-**	**-**
Financial liabilities						
Financiali liabilities of which:						
Bond payables	*(30,000)*	-	-	-	*(30,000)*	-
Non-current medium term bank loans (over 12 months)	*(29,845)*	-	-	-	*(29,845)*	-
Non-current other lenders (over 12 months)	*(1,819)*	-	-	-	*(1,819)*	-
Non-current other lenders (over 12 months) ex IFRS 16	*(31,935)*	-	-	-	*(31,935)*	-
Non-current liabilities for derivative (over 12 months)	-	-	-	-	-	-
Non-current payables for price balance on acquisition (over 12 months)	-	-	-	-	-	-
Current medium term bank loans	*(16,571)*	-	-	-	*(16,571)*	-
Bank overdraft	*(15,475)*	-	-	-	*(15,475)*	-
Current other lenders	*(967)*	-	-	-	*(967)*	-
Current other lenders ex IFRS 16	*(11,617)*	-	-	-	*(11,617)*	-
Other current lenders short term	*(2,135)*	-	-	-	*(2,135)*	-
Current liabilities for derivative	-	-	-	-	-	-
Current payables for price balance on acquisition	*(200)*	-	-	-	*(200)*	-
Other non-current liabilities	*(774)*	-	-	-	*(774)*	-
Trade payables	*(147,860)*	-	-	-	*(147,860)*	-
Current tax liabilities	*(5,647)*	-	-	-	*(5,647)*	-
Other current liabilities	*(22,509)*	-	-	-	*(22,509)*	-
Financial liabilities	**(317,354)**	**-**	**-**	**-**	**(317,354)**	**-**

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

Thousands of euro	Balance at 31.12.21	Assets measured at amortized cost	Assets at FV with changes recognized in the PL*	Liabilities measured at amortized cost	Liabilities at FV with changes recognized in the CI *
Financial assets					
Investments in other companies	1,894	1,894	-	-	-
Other non-current financial assets	4,348	4,348	-	-	-
Trade receivables	113,677	113,677	-	-	-
Current tax assets	11,254	11,254	-	-	-
Other receivables and other current assets	14,182	12,805	21	1,356	-
Cash and cash equivalent	55,043	55,043	-	-	-
Financial assets	**200,399**	**199,022**	**21**	**1,356**	**-**
Financial liabilities					
Financiali liabilities of which:					
Bond payables	*(30,000)*	-	-	*(30,000)*	-
Non-current medium term bank loans (over 12 months)	*(37,728)*	-	-	*(37,728)*	-
Non-current other lenders (over 12 months)	*(1,888)*	-	-	*(1,888)*	-
Non-current other lenders (over 12 months) ex IFRS 16	*(28,392)*	-	-	*(28,392)*	-
Non-current liabilities for derivative (over 12 months)	*(240)*	-	-	-	*(240)*
Non-current payables for price balance on acquisition (over 12 months)	-	-	-	-	-
Current medium term bank loans	*(15,329)*	-	-	*(15,329)*	-
Bank overdraft	*(13,844)*	-	-	*(13,844)*	-
Current other lenders	*(1,020)*	-	-	*(1,020)*	-
Current other lenders ex IFRS 16	*(10,669)*	-	-	*(10,669)*	-
Other current lenders short term	*(1,455)*	-	-	*(1,455)*	-
Current liabilities for derivative	-	-	-	-	-
Current payables for price balance on acquisition	*(200)*	-	-	*(200)*	-
Other non-current liabilities	(1,057)	-	-	(1,057)	-
Trade payables	(126,854)	-	-	(126,854)	-
Current tax liabilities	(4,142)	-	-	(4,142)	-
Other current liabilities	(20,811)	-	-	(20,811)	-
Financial liabilities	**(293,630)**	**-**	**-**	**(293,389)**	**(240)**

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

It should be noted that among financial assets only "Other receivables and other current assets" include securities, i.e. financial instruments measured at fair value through profit or loss, and they also include the positive fair value of hedging derivatives through other comprehensive income. Trade and other receivables are measured at the nominal value that, considering the speed of collection, coincides with the value determined by the application of amortized cost, in compliance with IFRS 9. Among financial liabilities, trading derivatives fall within the category "Liabilities measured at fair value", while hedging derivatives are recorded at fair value, with the relative change accounted for in a shareholders' equity reserve, as shown in the comprehensive income statement. In this regard, it is noted that the Group has derivative contracts outstanding as at June 30, 2022 related to interest rate and exchange rate hedges and the bunker hedge as already reported in Notes 5, 10 and 14.

NOTE 33. Disclosures on assets and liabilities measured at fair value

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

Fair value of financial instruments:

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

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

Fair value of non-financial instruments:

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

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

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

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

Financial instruments

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

Thousands of euro		**30.06.2022**			**31.12.2021**	
Financial assets	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Current financial assets	10	-	-	21	-	-
Hedging derivatives	-	5,170	-	-	1,356	-
Financial liabilities						
Speculative derivatives	-	-	-	-	-	-
Hedging derivatives	-	-	-	-	(240)	-

Level 1 valuation was used for non-significant securities.
Level 2 valuation, used for financial instruments measured at fair value, is based on parameters such as bunker, exchange rates and interest rates that are quoted in active or observable markets on official rate curves. The financial asset measured with Level 2 at June 30, 2022 relates to the positive fair value of the bunker, euro/dollar exchange rate and medium/long-term loan interest rate derivatives.

Non-financial instruments
It is noted that there are non-financial instruments measured at fair value as at June 30, 2022, represented by biological assets of the Mexican production company.

NOTE 34. Transactions with related parties

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

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

In addition, there is a fiscal relationship with the Parent Company Orsero, following the option exercised for the national tax consolidation regime, governed by Articles 117 et seq. of the TUIR Tax Code, for nearly all of the Italian companies, and a similar system has been activated in France by AZ France together with its French subsidiaries. Receivables and payables arising from such fiscal relationships are not interest-bearing. Transactions between the companies included in the scope of consolidation have been eliminated from the consolidated financial statements and have not been highlighted. It should be noted that during the first half of 2022, no related party transactions were carried out other than those that are part of the Group's ordinary course of business. Below is a summary of the items in the statement of financial position and income statement for transactions between the Group and related parties (other than those with respect to the consolidated subsidiaries) in the first half of 2022. Transactions with the companies shown in the table are essentially of a commercial nature and relate to specific sectors of activity, while those with natural person related parties relate to existing employment relationships and remuneration due in their capacity as Directors and Statutory Auditors of the Board of Directors of the Parent Company.

Thousands of euro	Related parties as at June 30, 2022			
	Non-current receivables *	Trade receivables	Trade payables	Othe current liabilities
Associates				
Moño Azul S.A.	84	(5)	326	-
Citrumed S.A.	707	28	1,093	-
Bonaoro S.L.	-	107	123	-
Decofruit S.L.	-	-	49	-
Fruport S.A.	-	12	520	-
Agricola Azzurra S.r.l.		41	1,735	-
Total vs Associates	**791**	**183**	**3,847**	**-**
Related companies				
Nuova Beni Imm.ri	-	78	399	-
Business Aviation[1]	-	107	22	-
Immobiliare Ranzi	-	52	-	-
Argentina S.r.l.	-	10	-	-
Fif Holding S.p.A.	-	37	-	-
Fersotrans	-	-	229	-
Related parties physical persons	-	3	-	853
Total vs related parties	**-**	**287**	**651**	**853**
Total associates and related parties	**791**	**470**	**4,497**	**853**
Financial Statement	**5,772**	**132,053**	**147,860**	**22,509**
% of Financial Statement	**13.7%**	**0.4%**	**3.0%**	**3.8%**

[*] Within the "Non current financial assets"
[1] Referred to the companies GF Aviation S.r.l., K-Air S.p.A..

Thousands of euro	Related parties as at June 30, 2022					
	Net sales	Other revenues/cost recoveries *	Other operating income /expense	Financial income	Trade expense *	General & admin.ve expense
Associates						
Moño Azul S.A.	92	-	-	1	(1,623)	-
Citrumed S.A.	-	45	-	-	(919)	-
Bonaoro S.L.	517	-	-	-	(742)	(9)
Decofruit S.L.	1	-	4	-	(206)	-
Fruport S.A.	4	-	-	-	(1,750)	(2)
Agricola Azzurra S.r.l.	1	62	-	-	(5,486)	-
Total vs Associates	**615**	**107**	**4**	**1**	**(10,726)**	**(11)**
Related companies						
Nuova Beni Imm.ri	47	-	-	-	-	(49)
Business Aviation[1]	3	-	-	-	-	-
Immobiliare Ranzi	2	-	-	-	-	-
Argentina S.r.l.	1	-	-	-	-	-
Fif Holding S.p.A.	6	-	-	-	-	-
Grupo Fernández	-	-	16	-	-	(140)
Immobiliaria Pacuare	-	-	-	-	-	(22)
Fersotrans	-	-	-	-	(508)	-
Related parties physical persons	-	-	(389)	-	-	(1,259)
Total vs related parties	**58**	**-**	**(373)**	**-**	**(508)**	**(1,470)**
Total associates and related parties	**674**	**107**	**(369)**	**1**	**(11,234)**	**(1,481)**
Financial Statement	**576,196**	**(515,253)**	**(51)**	**114**	**(515,253)**	**(36,905)**
% of Financial Statement	**0.1%**	**0.0%**	**723.3%**	**1.1%**	**2%**	**4.0%**

[*] Within the "Cost of goods sold"
[1] Referred to the companies GF Aviation S.r.l., K-Air S.p.A..

Note that the item "Other receivables and other current assets" includes receivables from Argentina S.r.l. for Euro 8,000 thousand, fully written off.
Transactions with related parties are governed by specific contracts, the conditions of which are in line with those of the market.
"Non-current receivables" due from associated companies come to Euro 791 thousand, down by Euro 300 thousand compared to last December 31, and refer to the loan to the Tunisian investee Citrumed, aimed at developing business (orange production for the French market), whilst as concerns Moño Azul, it represents the discounted value of the residual receivable payable in accordance with the agreements entered into as part of the contract for the disposal of assets in Argentina, signed in 2018.
The items of trade payables and receivables refer to normal transactions for the supply of goods and the provision of services in the context of commercial relations with these companies.
As mentioned above, costs to natural person related parties relate to the remuneration of employees and directors or statutory auditors of the Board of Directors of the Parent Company. For more details, refer to Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".

NOTE 35. Share-based payments

As already noted above, the Company, in line with best market practices enacted by listed companies at domestic and international level, has adopted the "2020-2022 Long-Term Monetary Incentive Plan" which aims to stimulate the maximum alignment of Beneficiaries' interests with the pursuit of the priority objective of sustainable creation of value for shareholders in the medium-long term. In particular, it makes it possible to pursue the following objectives: 1) to reward the short- and long-term performance of the Orsero Group as well as strengthen the alignment between the interests of management and those of shareholders, directing behavior towards the sustainability of performance and the achievement of defined objectives; 2) to develop retention policies aimed at retaining key corporate resources and encouraging them to remain with the Group; 3) to develop policies to attract talented managerial and professional figures. The Plan recognizes within the remuneration structure of the beneficiaries a monetary economic incentive related to the achievement of certain performance and value creation objectives for shareholders, subject to the fulfillment of the access conditions ("Gate") and the continuation of employment with the Orsero Group. Although the Plan does not provide for the assignment of financial instruments, but rather only the attribution of monetary incentives, it does establish that a part of these incentives shall be indexed to the yield of the Company's securities, which is why the Plan itself is subject to the rules set out in Article 114-bis of the Consolidated Law on Finance for plans that provide for the assignment of financial instruments, as applicable. For details about the Plan, please refer to the governance section of the website https://www.orserogroup.it/governance/remunerazione/
It should be noted that the profit for the first half of both years was not affected by the bonus component for Top Management, which the Group typically recognizes only in its annual financial statements on an actual basis.

NOTE 36. Employees

The following table shows the number of employees as at June 30, 2022 and as at December 31, 2021.

	30.06.2022	31.12.2021	Change
Distribution Sector			
Number of employees	1,443	1,437	6
Shipping Sector			
Number of employees	150	149	1
Holding & Services Sector			
Number of employees	91	88	3
Number of employees	**1,684**	**1,674**	**10**

NOTE 37. Guarantees provided, commitments and other contingent liabilities.

The guarantees provided by the Company are as follows:

Thousands of euro	30.06.2022	31.12.2021	Change
Guarantees issued in the interest of the Group	3,835	3,935	(100)
Guarantees issued to third parties	3,234	3,073	161
Total guarantees	**7,069**	**7,008**	**61**

Compared to the end of the previous year, there was an increase of Euro 61 thousand due to the higher guarantees given in favor of third parties in the interest of Group companies.

NOTE 38. Significant events after June 30, 2022

Capexo and Blampin acquisitions

In a press release dated July 27, the Group announced the signing of two exclusive agreements for the purchase of 100% of Capexo and 80% of Blampin Group, French companies active in the import and distribution of fruit and vegetable products. The former, with a turnover of approx. Euro 66 million, very active in the exotic fruits segment, and the latter, with a turnover of approx. Euro 195 million, the top domestic player in wholesale markets with 12 sales platforms.
With these acquisitions, which are perfectly aligned with the strategies announced by the Group, Orsero will significantly accelerate its revenue and profitability growth in the Distribution Business Unit as a whole, achieving a strong strategic market positioning in France in terms of size, product range and sales channel coverage.
Medium-term continuity of the current management is expected in both companies.
The total investment for the two acquisitions amounts to about Euro 85 million between the direct outlay on share transfer and earn-out payments linked to the achievement of a certain level of results in the coming years.
The closing of the acquisitions is expected by the end of this year, linked to the fulfillment of respective conditions, including the completion of national antitrust and Hamon Law procedures.

New medium-term loan taken out

To meet the financial commitments relating to the new acquisitions, Orsero took out a 2022-2028 medium/long-term ESG-linked loan from a pool of leading European banks (see press release of August 4) for a total of Euro 90 million. Part of the funding, in the amount of Euro 32.8 million, disbursed on August 11, was allocated to repayment of the previous pool loan (outstanding debt of approx. 22 million) as well as to finance operating investments made by the Group, while the remainder will be allocated to support the financial outlay linked to the two acquisitions described above. The loan bears interest at a variable rate, pegged to the 6-month Euribor with no floor in addition to the margin also based on the evolution of several ESG indicators subject to the Strategic Sustainability Plan. With this transaction, the Group was able to lengthen the overall maturity of the remaining medium-term debt relating to the 2018 pool loan to 2028, provide new financial resources for the continuation of the path of growth and further concentrate financing relationships on a limited group of domestic and international banks with which strategic and long-term relationships can be maintained.

Purchase of treasury shares

In July, Orsero completed the acquisition of 150,000 treasury shares announced in early June, adding 94,463 shares to the 383,051 shares held at June 30. As a result of this transaction, at the date of this report the company therefore holds 477,514 treasury shares, or 2.70% of the share capital.

Aside from the foregoing, there are no other events of particular relevance as of the date of this Report. With reference to the latest developments in the international geopolitical situation and the Covid-19 pandemic, the Group's Management continues to monitor its developments with the aim of maintaining the efficiency of its import and distribution supply chain while preserving its cost-effectiveness.

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

Consolidated statement of financial position as at June 30, 2022 and as at December 31, 2021

Thousands of euro	30.06.2022	of which related parties			
		Associates	Related	Total	%
ASSETS					
Goodwill	48,245	-	-	-	-
Intangible assets other than Goodwill	9,921	-	-	-	-
Property, plant and equipment	168,251	-	-	-	-
Investment accounted for using the equity method	17,942	17,942	-	17,942	100%
Non-current financial assets	5,772	1,107	-	1,107	19%
Deferred tax assets	8,532	-	-	-	-
NON-CURRENT ASSETS	**258,663**	**19,049**	**-**	**19,049**	**7%**
Inventories	56,059	-	-	-	-
Trade receivables	132,053	183	287	470	0%
Current tax assets	13,665	-	-	-	-
Other receivables and other current assets	17,140	-	-	-	-
Cash and cash equivalents	54,178	-	-	-	-
CURRENT ASSETS	**273,094**	**183**	**287**	**470**	**0%**
Non-current assets held for sale	**-**	-	-	-	-
TOTAL ASSETS	**531,757**	**19,231**	**287**	**19,519**	**4%**
Share Capital	69,163	-	-	-	-
Other Reserves and Retained Earnings	105,048	-	-	-	-
Profit/loss attributable to Owners of Parent	19,366	-	-	-	-
Equity attributable to Owners of Parent	**193,578**	**-**	**-**	**-**	**-**
Non-controlling interests	**1,092**	**-**	**-**	**-**	**-**
EQUITY	**194,670**	**-**	**-**	**-**	**-**
LIABILITIES					
Financial liabilities	93,598	-	-	-	-
Other non-current liabilities	774	-	-	-	-
Deferred tax liabilities	4,822	-	-	-	-
Provisions	5,169	-	-	-	-
Employees benefits liabilities	9,743	-	-	-	-
NON-CURRENT LIABILITIES	**114,107**	**-**	**-**	**-**	**-**
Financial liabilities	46,966	-	-	-	-
Trade payables	147,860	3,847	651	4,497	**3%**
Current tax liabilities	5,647	-	-	-	-
Other current liabilities	22,509	-	853	853	4%
CURRENT LIABILITIES	**222,981**	**3,847**	**1,504**	**5,351**	**2%**
Liabilities directly associated with assets held for sale	**-**	**-**	**-**	**-**	**-**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**531,757**	**3,847**	**1,504**	**5,351**	**1%**

Thousands of euro	31.12.2021	of which related parties			
		Associates	Related	Total	%
ASSETS					
Goodwill	48,245	-	-	-	-
Intangible assets other than Goodwill	9,022	-	-	-	-
Property, plant and equipment	164,407	-	-	-	-
Investment accounted for using the equity method	14,753	14,753	-	14,753	100%
Non-current financial assets	6,243	1,407	-	1,407	23%
Deferred tax assets	8,492	-	-	-	-
NON-CURRENT ASSETS	**251,161**	**16,160**	**-**	**16,160**	**6%**
Inventories	43,333	-	-	-	-
Trade receivables	113,677	1,086	407	1,493	1%
Current tax assets	11,254	-	-	-	-
Other receivables and other current assets	14,182	-	-	-	-
Cash and cash equivalents	55,043	-	-	-	-
CURRENT ASSETS	**237,489**	**1,086**	**407**	**1,493**	**1%**
Non-current assets held for sale	**-**	**-**	**-**	**-**	**-**
TOTAL ASSETS	**488,650**	**17,246**	**407**	**17,653**	**4%**
Share Capital	69,163	-	-	-	-
Other Reserves and Retained Earnings	87,733	-	-	-	-
Profit/loss attributable to Owners of Parent	18,290	-	-	-	-
Equity attributable to Owners of Parent	**175,186**	**-**	**-**	**-**	**-**
Non-controlling interests	**668**	**-**	**-**	**-**	**-**
EQUITY	**175,854**	**-**	**-**	**-**	**-**
LIABILITIES					
Financial liabilities	98,248	-	-	-	-
Other non-current liabilities	1,057	-	-	-	-
Deferred tax liabilities	4,081	-	-	-	-
Provisions	5,326	-	-	-	-
Employees benefits liabilities	9,761	-	-	-	-
NON-CURRENT LIABILITIES	**118,473**	**-**	**-**	**-**	**-**
Financial liabilities	42,518	-	-	-	-
Trade payables	126,854	3,521	305	3,826	3%
Current tax liabilities	4,142	-	-	-	-
Other current liabilities	20,811	-	1,534	1,534	7%
CURRENT LIABILITIES	**194,324**	**3,521**	**1,839**	**5,360**	**3%**
Liabilities directly associated with non-current assets held for sale	**-**	**-**	**-**	**-**	**-**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**488,650**	**3,521**	**1,839**	**5,360**	**1%**

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Consolidated income statement and consolidated statement of comprehensive income as at June 30, 2022 and June 30, 2021

Thousands of euro	I st Semester 2022	of which related parties			
		Associates	Related	Total	%
Net sales	576,196	615	58	**674**	0%
Cost of sales	(515,253)	(10,619)	(508)	**(11,127)**	2%
Gross profit	**60,942**	**-**	**-**	**-**	**-**
General and administrative expense	(36,905)	(11)	(1,470)	**(1,481)**	4%
Other operating income/expense	(51)	4	(373)	**(369)**	723%
- of which non-recurring operating income	-	-	-	-	-
- of which non-recurring operating expense	*(2,000)*	-	*(389)*	-	-
Operating result	**23,986**	**-**	**-**	**-**	**-**
Financial income	114	1	-	**1**	1%
Financial expense and exchange rate differences	(3,212)	-	-	-	-
Other investment income/expense	5	-	-	-	-
Share of profit/loss of associates accounted for using the equity method	1,292	-	-	-	-
Profit/loss before tax	**22,185**	**-**	**-**	**-**	**-**
Income tax expense	(2,391)	-	-	-	-
Profit/loss from continuing operations	**19,794**	**-**	**-**	**-**	**-**
Profit/loss from discontinued operations	-	-	-	-	-
Profit/loss for the period	**19,794**	**-**	**-**	**-**	**-**
Profit/loss attributable to non controlling interests	**428**	-	-	-	-
Profit/loss attributable to Owners of Parent	**19,366**	**-**	**-**	**-**	**-**

Thousands of euro	I st Semester 2022	of which related parties			
		Associates	Related	Total	%
Profit/loss for the period	**19,794**	**-**	**-**	**-**	**-**
Other comprehensive income that will not be reclassified to profit/loss, before tax	-	-	-	-	-
Income tax relating to components of other comprehensive income that will not be reclassified to profit/loss	-	-	-	-	-
Other comprehensive income that will be reclassified to profit/loss, before tax	5,378	-	-	-	-
Income tax relating to components of other comprehensive income that will be reclassified to profit/loss	(529)	-	-	-	-
Comprehensive income	**24,644**	**-**	**-**	**-**	**-**
Comprehensive income attributable to non controlling interests	**428**	-	-	-	-
Comprehensive income attributable to Owners of Parent	**24,216**	-	-	-	-

Thousands of euro	I st Semester 2021	of which related parties Associates	Related	Total	%
Net sales	513,110	276	78	**355**	0%
Cost of sales	(465,384)	(5,624)	(526)	**(6,150)**	1%
Gross profit	**47,726**	**-**	**-**	**-**	**-**
General and administrative expense	(35,507)	(9)	(1,540)	**(1,549)**	4%
Other operating income/expense	(165)	18	17	**35**	-22%
- of which non-recurring operating income	*156*	-	-	-	-
- of which non-recurring operating expense	*(697)*	-	-	-	-
Operating result	**12,054**	**-**	**-**	**-**	**-**
Financial income	169	18	-	**18**	11%
Financial expense and exchange rate differences	(1,882)	-	-	-	-
Other investment income/expense	4	-	-	-	-
Share of profit/loss of associates accounted for using the equity method	317	-	-	-	-
Profit/loss before tax	**10,664**	**-**	**-**	**-**	**-**
Income tax expense	(2,454)	-	-	-	-
Profit/loss from continuing operations	**8,209**	**-**	**-**	**-**	**-**
Profit/loss from discontinued operations	-	-	-	-	-
Profit/loss for the period	**8,209**	**-**	**-**	**-**	**-**
Profit/loss attributable to non controlling interests	**205**	-	-	-	-
Profit/loss attributable to Owners of Parent	**8,004**	**-**	**-**	**-**	**-**

Thousands of euro	I st Semester 2021	of which related parties Associates	Related	Total	%
Profit/loss for the period	**8,209**	**-**	**-**	**-**	**-**
Other comprehensive income that will not be reclassified to profit/loss, before tax	-	-	-	-	-
Income tax relating to components of other comprehensive income that will not be reclassified to profit/loss	-	-	-	-	-
Other comprehensive income that will be reclassified to profit/loss, before tax	1,820	-	-	-	-
Income tax relating to components of other comprehensive income that will be reclassified to profit/loss	(333)	-	-	-	-
Comprehensive income	**9,696**	**-**	**-**	**-**	**-**
Comprehensive income attributable to non controlling interests	**205**	-	-	-	-
Comprehensive income attributable to Owners of Parent	**9,490**	-	-	-	-

Consolidated statement of cash flows as at June 30, 2022 and June 30, 2021

Thousands of euro	I st Semester 2022	of which related parties		
		Associates	Related	Total
A. Cash flows from operating activities (indirect method)				
Profit/loss for the period	**19,794**			
Adjustments for income tax expense	2,391	-	-	**-**
Adjustments for interest income/expense	1,708	1	-	**1**
Adjustments for provisions	831	-	-	**-**
Adjustments for depreciation/amortisation and impairment	13,434	-	-	**-**
Change in inventories	(12,726)	-	-	**-**
Change in trade receivables	(18,590)	903	120	**1,023**
Change in trade payables	21,006	326	346	**672**
Change in other receivables/assets and in other liabilities	327	-	-	**-**
Interest received/(paid)	(1,777)	-	-	**-**
(Income taxes paid)	(1,346)	-	-	**-**
Cash flow from operating activities (A)	**25,053**			
B. Cash flows from investing activities				
Purchase of property, plant and equipment	(17,130)	-	(292)	**(292)**
Proceeds from sales of property, plant and equipment	334	-	-	**-**
Purchase of intangible assets	(1,382)	-	-	**-**
Proceeds from sales of intangible assets	-	-	-	**-**
Purchase of interests in investments accounted for using equity method	(3,612)	(3,612)	-	**(3,612)**
Proceeds from sales of investments accounted for using equity method	424	424	-	**424**
Purchase of other non-current assets	-	-	-	**-**
Proceeds from sales of other non-current assets	1,282	1,460	-	**1,460**
(Acquisitions)/disposal of investments in controlled companies, net of cash	-	-	-	**-**
Cash Flow from investing activities (B)	**(20,084)**			
C. Cash Flow from financing activities				
Increase/decrease of financial liabilities	(2,585)	-	-	**-**
Drawdown of new long-term loans	12,649	-	-	**-**
Pay back of long-term loans	(14,921)	-	-	**-**
Capital increase and other changes in increase/decrease	5,169	-	-	**-**
Disposal/purchase of treasury shares	(940)	-	-	**-**
Dividends paid	(5,206)	-	-	**-**
Cash Flow from financing activities (C)	**(5,835)**			
Increase/decrease in cash and cash equivalents (A ± B ± C)	**(866)**			
Cash and cash equivalents at 1° January 22-21	**55,043**			
Cash and Cash equivalents at 30 June 22-21	**54,178**			

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

Independent Auditor’s Report

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(This report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Report on review of condensed interim consolidated financial statements

To the shareholders of
Orsero S.p.A.

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of the Orsero Group comprising the consolidated statement of financial position, the consolidated income statement and the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity and notes thereto as at and for the six months ended 30 June 2022. The directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the Orsero Group as at and for the six months ended 30 June 2022 have not been prepared, in all material respects, in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union.

Genoa, 12 September 2022

KPMG S.p.A.

(signed on the original)

Matteo Pastore
Director of Audit


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