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Diffusione presunta

Oggetto : FY 2022 Record revenues exceeding 2 billion Euros and EBITDA above 500 million Euros

*Testo del comunicato*

Vedi allegato.

**FY 2022: RECORD REVENUES EXCEEDING 2 BILLION EUROS  
(2,119 MILLION EUROS, +8.8%) AND EBITDA ABOVE 500 MILLION EUROS  
(525 MILLION EUROS, +8.8%)**

**NET PROFIT SHOWS DOUBLE DIGIT GROWTH (+13.1%, 179 MILLION EUROS),  
PROPOSED DIVIDEND OF 29 EURO CENTS PER SHARE (+11.5%).  
2023 OFF TO A SOLID START**

INCREASE IN REVENUES DRIVEN BY SOLID, ABOVE-MARKET, ORGANIC GROWTH, AND M&A, DESPITE THE DIFFICULT MACROECONOMIC ENVIRONMENT AND EXTREMELY CHALLENGING COMPARISON BASE

RECURRING EBITDA APPROXIMATELY 9% HIGHER THAN IN 2021, WITH MARGIN AT THE 2021 RECORD LEVEL (24.8%) ALSO AFTER SIGNIFICANT INVESTMENTS IN THE BUSINESS AND DESPITE THE INFLATIONARY ENVIRONMENT, THANKS TO TIMELY AND EFFECTIVE COST MANAGEMENT MEASURES

STRONG CASH GENERATION WITH FREE CASH FLOW OF 247 MILLION EUROS, LEADING TO A SIGNIFICANTLY LOWER FINANCIAL LEVERAGE OF 1.52x AFTER INVESTMENTS OF OVER 300 MILLION EUROS IN CAPEX, M&A, SHARE BUYBACKS AND DIVIDENDS

THANKS TO THE SIGNIFICANT INCREASE IN NET PROFIT, PROPOSED DIVIDEND PER SHARE OF 29 EURO CENTS, 11.5% HIGHER THAN PREVIOUS YEAR

2023 OFF TO A GOOD START: SOLID REVENUE GROWTH AND ACCELERATION OF BOLT-ON M&A WITH 150 POINTS OF SALES ACQUIRED IN FRANCE, GERMANY, THE UNITED STATES, CANADA, AND CHINA FROM OCTOBER TO DATE

FOR 2023 THE COMPANY EXPECTS TO GROW MORE THAN THE REFERENCE MARKET, ACCELERATE BOLT-ON ACQUISITIONS AND IMPROVE PROFITABILITY, EVEN AFTER SIGNIFICANT INVESTMENTS IN THE BUSINESS

## MAIN RESULTS FOR 2022<sup>1</sup>

- Consolidated **revenues** of 2,119 million euros, an increase of 8.8% at current exchange and of 6.8% at constant exchange rates compared to 2021
- Recurring **EBITDA** was 525 million euros, an increase of 8.8% compared to 2021. The margin reached 24.8%, in line with the record profitability reported in 2021, even after significant investments in the business, thanks to timely and effective cost management measures in the current inflationary environment
- Recurring **net profit** was 183 million euros, 4.6% higher than in 2021. Record net profit as reported of 179 million euros, an increase of 13.1% compared to 2021
- **Free cash flow** of 247 million euros, slightly lower than the exceptional 255 million euros recorded in 2021
- **Net financial debt** was 830 million euros, improving compared to the 871 million euros posted at December 31<sup>st</sup>, 2021, after Capex of 106 million euros, net cash-out for M&A of 85 million euros, dividends of 58 million euros and share buybacks of 53 million euros, with financial leverage down to 1.52x at December 31<sup>st</sup>, 2022
- Proposed **dividend** of 29 euro cents per share, an increase of 11.5% compared to the 26 euro cents per share paid in 2021, with a payout of over 36% on the consolidated net earnings per share<sup>2</sup>

<sup>1</sup> Unless stated otherwise, the comments in this press release refer to recurring income statement figures.

<sup>2</sup> Calculated on the net profit as reported

## MAIN RESULTS FOR THE FOURTH QUARTER OF 2022<sup>1</sup>

- Consolidated **revenues** of 579 million euros, an increase of 2.0% at current exchange and of 1.5% at constant exchange rates compared to the fourth quarter of 2021
- Recurring **EBITDA** was 156 million euros, in line with the record result posted in the fourth quarter of 2021, with the margin contracting 70 basis points to 26.9% due to the reduced operating leverage deriving from the lower organic growth and the exceptionally challenging comparison with the same period of 2021
- Recurring **net profit** was 64 million euros, a decrease of 9.1% compared to the fourth quarter of 2021, which benefitted of an income of 4.6 million euros related to the change in the fair value of the GAES acquisition financing

Milan, March 1<sup>st</sup>, 2023 – Today the Board of Directors of Amplifon S.p.A. (EXM; Bloomberg ticker: AMP:IM), global leader in hearing solutions and services, approved the draft Annual Financial Statements and the Consolidated Financial Statements as at December 31<sup>st</sup>, 2022 during a meeting chaired by Susan Carol Holland.

## ENRICO VITA, CEO

“In 2022 we continued along our growth path, recording an increase in all the main economic indicators and reaching record levels of revenues, EBITDA and net profit. For the first time in 72 years, revenues exceeded 2 billion euros and EBITDA was above 500 million euros, with double digit growth in net profit which led to an increase in the dividend proposal. During the year we increased our market share even further, strengthening our global leadership.

These results are even more relevant because they have been achieved in a more complex market than expected due to the uncertain macroeconomic and high inflationary environment, as well as the extremely challenging 2021 comparison base. Lastly, we are satisfied with the good start to 2023, as well as the ongoing acceleration in bolt-on acquisitions begun in October, and we continue to be very positive about our prospects for sustainable growth in revenues and profitability over the medium-term.”

## ECONOMIC RESULTS FOR FY 2022

(Euro millions)	FY 2022				FY 2021				Change % on recurring
	Recurring	Non recurring	Total	% on recurring	Recurring	Non recurring	Total	% on recurring	
Net revenues	2,119.1	-	2,119.1	100.0%	1,948.1	-	1,948.1	100.0%	8.8%
EBITDA	525.3	(6.6)	518.7	24.8%	482.8	(14.5)	468.3	24.8%	8.8%
EBIT	285.3	(6.6)	278.7	13.5%	262.1	(16.1)	246.0	13.5%	8.8%
Net income	183.3	(4.8)	178.5	8.7%	175.2	(17.5)	157.8	9.0%	4.6%
EPS adjusted (* , in Euro)		0.977				0.926			5.6%
Free cash flow		246.7				254.9			-3.2%
		<b>12/31/2022</b>				<b>12/31/2021</b>			<b>Change %</b>
Net Financial Indebtedness		830.0				871.2			-4.7%

(\* ) EPS adjusted (adjusted net earnings per share) for non-recurring expenses and for the amortization linked to acquisitions as per the Purchase Price Allocation accounting treatment.

**Consolidated revenues** amounted to 2,119.1 million euros in 2022, an increase of 8.8% at current exchange rates and of 6.8% at constant exchange rates compared to 2021. This performance is attributable for 3.0% to above market organic growth and for 3.8% to acquisitions, mainly related to Bay Audio. The foreign exchange effect was positive for 2.0% mainly driven by the strengthening of the US dollar against the Euro.

The organic growth was achieved despite an extremely challenging comparison base, as exceptional revenue growth (more than 17%) was posted in 2021 compared to 2019. Also, this result has been achieved despite the global

macroeconomic environment (characterized by increasing volatility and uncertainty in the second half of the year), the persistent effects of the pandemic in APAC markets, the extreme weather conditions in the United States (at the end of the year) and in Europe (in the second quarter), as well as the anticipated contraction of the French market due to the strong growth in 2021 due to the hearing healthcare reform.

The revenue performance, slightly lower than expected, was affected by the softer than anticipated market demand in the fourth quarter primarily due to macroeconomic headwinds and for the foreign exchange deterioration (US dollar, Australian dollar and Argentine peso) compared to the estimated FX assumptions (with negative impact of around 10 million euros).

Recurring **EBITDA** was 525.3 million euros, an increase of 8.8% compared to 2021. The recurring EBITDA margin came in at 24.8%, in line with the record level reported in 2021. This profitability was achieved in a highly inflationary environment thanks to timely and effective cost management measures and even after significant investments in the business. EBITDA as reported came to 518.7 million euros after non-recurring expenses of 6.6 million euros.

Recurring **EBIT** reached 285.3 million euros, an increase of 8.8% compared to the 262.1 million euros recorded in 2021, with a margin of 13.5%. EBIT as reported came to 278.7 million euros.

Recurring **net profit** reached 183.3 million euros, 4.6% higher than the 175.2 million euros recorded in 2021, despite higher financial expenses, even though most of the long-term debt is at fixed rate. In fact, 2021 benefitted from an income of 4.6 million euros, recognized in accordance with IFRS9, due to the change in the fair value of the Gaes acquisition financing which was refinanced with a new 5-year facility, together with a gain of 1.6 million euros following the disposal of the Irish and Luxembourg subsidiaries. 2022 was instead primarily affected by the reverse effect of the change in the fair value of the Gaes acquisition financing, which, in accordance with IFRS 9, is a financial change split over the life of the loan, as well as by the negative impact of inflation accounting on the Argentinian subsidiary.

Net profit as reported reached the record level of 178.5 million euros, an increase of 13.1% compared to the 157.8 million euros reported in 2021, with a tax rate slightly lower than in the prior year, coming in at 26.7%. The adjusted earnings per share (EPS adjusted) reached 97.7 euro cents, an increase of 5.6% compared to the 92.6 euro cents reported in 2021.

## ECONOMIC RESULTS FOR THE FOURTH QUARTER OF 2022

(Euro millions)	Q4 2022				Q4 2021				Change % on recurring
	Recurring	Non recurring	Total	% on recurring	Recurring	Non recurring	Total	% on recurring	
Net revenues	579.4	-	579.4	100.0%	568.2	-	568.2	100.0%	2.0%
EBITDA	155.8	(0.9)	154.9	26.9%	156.6	(9.0)	147.6	27.6%	-0.5%
EBIT	94.0	(0.9)	93.1	16.2%	95.3	(9.0)	86.3	16.8%	-1.4%
Net income	63.7	(0.7)	63.0	11.0%	70.1	(13.1)	57.0	12.3%	-9.1%
EPS adjusted (* in Euro)	0.327				0.355				-7.9%

(\* ) EPS adjusted (adjusted net earnings per share) for non-recurring expenses and for the amortization linked to acquisitions as per the Purchase Price Allocation accounting treatment.

**Consolidated revenues** amounted to 579.4 million euros in the fourth quarter of 2022, an increase of 2.0% at current exchange rates and of 1.5% at constant exchange rates compared to the fourth quarter of 2021. This above market performance is attributable for 0.4% to organic growth and for 1.1% to acquisitions, while the foreign exchange effect was positive for 0.5%. The organic performance was affected by softer than expected market demand due to macroeconomic headwinds and some temporary adverse factors such as the arctic storm in the United States at the end of the year, the localized lockdowns in China and the contraction of the French market (second largest worldwide) following its strong growth in 2021 due to the hearing healthcare reform.

These results were achieved even though in the fourth quarter of 2022 there was also one and a half working day less than in the same period of the prior year which was, moreover, characterized by an exceptional revenue growth of more than 16% compared to the same period of 2019. Lastly, the positive exchange effect of 0.5% was significantly lower than in the first nine months of the year due to both a slowdown in the strengthening of the USD and the AUD against the Euro and the hyper-inflationary environment in Argentina.

In the fourth quarter **EMEA** reported a slight decrease in revenues compared to the same period of 2021 due to softer market demand across different countries, with profitability still high despite the organic performance, the exceptional fourth quarter 2021 comparison base and the strong investments in the business; an excellent, well

above market, organic growth was recorded in **AMERICAS** thanks to the strong performance of the United States and the excellent growth in Latin America, despite the challenging comparison base of the fourth quarter of 2021; a positive performance was reported in **APAC**, despite the persistent effects of the pandemic, mainly in China and New Zealand.

Recurring **EBITDA** was 155.8 million euros, in line with the excellent level, the highest ever, achieved in the fourth quarter of 2021. The EBITDA margin was 70 basis points lower than in the same period of 2021, coming in at 26.9%, due to reduced operating leverage for the lower organic growth and notwithstanding the extremely challenging comparison base, as in the fourth quarter of 2021 the margin rose 180 basis points compared to the same, pre-pandemic, period of 2019. This result was also achieved after significant investments in the business. EBITDA as reported amounted to 154.9 million euros after non-recurring expenses of 0.9 million euros.

Recurring **EBIT** came to 94.0 million euros, a slight decrease compared to the 95.3 million euros recorded in the fourth quarter of 2021, with a margin of 16.2%. EBIT as reported amounted to 93.1 million euros.

Recurring **net profit** was 63.7 million euros, a 9.1% decrease compared to the 70.1 million euros reported in the fourth quarter of 2021. This result reflects a 7.6 million euro increase in net financial expenses explained by the income of 4.6 million euros recognized in the fourth quarter of 2021 due the change in the fair value of the GAES acquisition financing mentioned above, as well as the gain of around 800 thousand euros following the disposal of the Luxembourg subsidiary. The opposite effect affected the fourth quarter of 2022, namely the recognition of a financial charge split over the life of the loan, in accordance with IFRS 9, together with the negative impact of inflation accounting on the Argentinian subsidiary.

Net profit as reported was 63.0 million and reflects non-recurring expenses of 0.7 million euros, while the tax rate of 24.7% was slightly lower than in the same period of 2021. The adjusted net earnings per share (EPS adjusted) came in at 32.7 euro cents, a decrease of 7.9% compared to the 35.5 euro cents reported in the fourth quarter of 2021.

## PERFORMANCE BY GEOGRAPHIC AREA

### EMEA: Profitability at record levels despite the extremely challenging 2021 comparison base and the softer than expected market demand at year-end

(Euro millions)	FY 2022	FY 2021	Δ% 22/21
<b>Revenues</b>	<b>1,417.2</b>	1,389.6	+2.1%
Organic growth			+1.0%
Acquisitions			+0.7%
FX			+0.4%
<b>EBITDA recurring</b>	<b>415.5</b>	408.2	+1.8%
<i>Margin %</i>	<b>29.3%</b>	29.4%	-10 bps

(Euro millions)	Q4 2022	Q4 2021	Δ% 22/21
<b>Revenues</b>	<b>397.9</b>	405.5	-1.9%
Organic growth			-2.5%
Acquisitions			+0.5%
FX			+0.1%
<b>EBITDA recurring</b>	<b>123.6</b>	133.8	-7.6%
<i>Margin %</i>	<b>31.1%</b>	33.0%	-190 bps

In 2022 **EMEA** posted positive revenue growth, driven by organic growth and bolt-on acquisitions mainly in France and Germany, despite the challenging comparison base and, moreover, a softer-than-expected market demand at year-end. In the fourth quarter EMEA reported a slight decrease in revenues compared to the same period of 2021 due to the above mentioned softer-than-expected market demand in most of the region's markets, the contraction of the French market (though improving compared to previous 2022 quarters) and one and a half working day less

than in the same period of 2021. On a same working day basis, the organic performance in the fourth quarter would have been flat compared to the same period of 2021. More in detail, the Group reported a negative organic performance in the Iberian Peninsula and in Germany.

In 2022 EMEA's profitability was again at Group's highest levels with the EBITDA margin reaching 29.3%, basically in line with the record level reported in 2021. In the fourth quarter of 2022, the EBITDA margin came to 31.1%, even after significant investments in the business, due to the reduced operating leverage for the lower organic performance. This result should also be looked at in light of the comparison with an exceptional fourth quarter of 2021, when the margin was 190 basis points higher than in the same period of 2019.

### AMERICAS: Excellent year-end, with another outstanding and well-above market performance, confirming the success of the US strategy and the growth potential of Canada and Latam

(Euro millions)	FY 2022	FY 2021	Δ% 22/21
<b>Revenues</b>	<b>381.3</b>	306.7	<b>+24.3%</b>
Organic growth			<b>+13.0%</b>
Acquisitions			<b>+2.9%</b>
FX			<b>+8.4%</b>
<b>EBITDA recurring</b>	<b>100.4</b>	80.4	<b>+24.9%</b>
<i>Margin %</i>	<b>26.3%</b>	26.2%	<b>+10 bps</b>

(Euro millions)	Q4 2022	Q4 2021	Δ% 22/21
<b>Revenues</b>	<b>99.3</b>	82.5	<b>+20.4%</b>
Organic growth			<b>+14.1%</b>
Acquisitions			<b>+3.7%</b>
FX			<b>+2.6%</b>
<b>EBITDA recurring</b>	<b>26.9</b>	22.4	<b>+20.3%</b>
<i>Margin %</i>	<b>27.1%</b>	27.1%	<b>+0 bps</b>

**AMERICAS** reported an excellent, full-year performance, primarily driven by a well-above market organic growth. This performance continued also in the fourth quarter, despite an extremely challenging comparison base as in the fourth quarter of 2021 revenues increased over 30% compared to the same, pre-pandemic, period of 2019. The fourth quarter results were supported by a double-digit organic growth and bolt-on acquisitions in the United States and Canada. An outstanding, well-above market, performance was recorded in the United States, driven by both Miracle-Ear Franchise and Direct Retail (which counts on a network of around 300 points of sale at year-end), as well as Amplifon Hearing Health Care. An excellent organic performance was also reported in Latin America. The foreign exchange effect was positive for 2.6% in the fourth quarter, lower than in prior quarters due mainly to the impact of inflation accounting in Argentina.

EBITDA was 100.4 million euros, an increase of 24.9% compared to 2021, with the margin rising 10 basis points to 26.3% even after significant investments in the business. In the fourth quarter EBITDA was 20.3% higher than in the same period of 2021, coming in at 26.9 million euros, with a 27.1% margin on sales, unchanged against the comparison quarter.

## ASIA-PACIFIC: Solid revenue performance, despite a reference market still impacted by the pandemic and localized lockdowns

(Euro millions)	FY 2022	FY 2021	Δ% 22/21
<b>Revenues</b>	<b>320.1</b>	251.7	<b>+27.3%</b>
Organic growth			+2.2%
Acquisitions			+21.7%
FX			+3.4%
<b>EBITDA recurring</b>	<b>83.9</b>	71.5	<b>+17.3%</b>
<i>Margin %</i>	<i>26.2%</i>	<i>28.4%</i>	<i>-220 bps</i>

(Euro millions)	Q4 2022	Q4 2021	Δ% 22/21
<b>Revenues</b>	<b>82.2</b>	80.3	<b>+2.4%</b>
Organic growth			+1.5%
Acquisitions			+0.6%
FX			+0.3%
<b>EBITDA recurring</b>	<b>21.2</b>	22.2	<b>-4.1%</b>
<i>Margin %</i>	<i>25.9%</i>	<i>27.6%</i>	<i>-170 bps</i>

In 2022 **ASIA-PACIFIC** reported an excellent revenue growth primarily driven by the significant M&A contribution, mainly related to Bay Audio, and a solid organic growth, despite the localized lockdowns in Australia, New Zealand, and China throughout the year. In the fourth quarter revenues grew by more than 2% at both current and constant exchange rates, driven by an organic growth of 1.5%, despite localized lockdowns in China, and M&A contribution related to China. The foreign exchange effect was positive for 0.3%, reducing compared to prior quarters. The solid organic performance reported in Australia more than offset the softer performance in the other region's markets still affected by the Covid-19 pandemic, mainly China and New Zealand.

EBITDA amounted to 83.9 million euros in 2022, an increase of 17.3% compared to 2021, with the EBITDA margin at 26.2%. In the fourth quarter EBITDA was 21.2 million euros, with the margin at 25.9%. The decrease in the EBITDA margin in 2022 and in the fourth quarter of 2022 compared to the relative comparison periods is due the lower operating leverage attributable to the organic performance and labor cost inflation, as well as the significant investments in marketing, mainly in Australia.

## BALANCE SHEET FIGURES AS AT DECEMBER 31<sup>ST</sup>, 2022

The balance sheet and financial indicators continue to confirm the Group's solidity and ability to sustain future growth opportunities. In 2022 the Company generated a free cash flow of 246.7 million euros and net financial debt came to 830.0 million euros.

Total net equity amounted to 1,040.4 million euros at December 31<sup>st</sup>, 2022, higher than the 927.3 million euros recorded at December 31<sup>st</sup>, 2021.

Operating cash flow, before payment of lease liabilities, reached 460.3 million euros. The payment of lease liabilities, equal to 107.3 million euros, brought the operating cash flow to 353.0 million euros, slightly lower than the record level of 365.9 million euros reported in 2021. After investments (net of disposals) of 106.3 million euros, versus 111.0 million euros in 2021, free cash flow came to 246.7 million euros, slightly lower than the exceptionally high 254.9 million euros reported in 2021. The net cash-out for acquisitions (84.6 million euros versus 414.6 million euros in 2021), as well as the payment of dividends (58.2 million euros) and outlays for the share buyback program (53.1 million euros), brought the cash flow for the reporting period to a positive 44.0 million euros versus a negative 240.4 million euros in 2021.

Net financial debt came to 830.0 million euros at December 31<sup>st</sup>, 2022, significantly lower than the 871.2 million euros recorded at December 31<sup>st</sup>, 2021, with financial leverage decreasing from 1.68x at December 31<sup>st</sup>, 2021 to 1.52x.

## ACCELERATION IN THE BOLT-ON ACQUISITIONS

From October to date, the Company strongly accelerated its bolt-on M&A activity, with 150 points of sale acquired mainly in Canada, United States, China, France, and Germany, for a cash-out of around 75 million euros. In the first two months of the year alone, more than 70 new stores were acquired for a cash-out of over 40 million euros.

## EVENTS SUBSEQUENT TO DECEMBER 31<sup>ST</sup>, 2022

On January 31<sup>st</sup>, 2023, Amplifon successfully completed the prepayment of all outstanding US Private Placement Notes ('USPP') amounting to 110 million US dollars in total (85.4 million euros), bearing an average coupon rate of 4%. The prepayment, financed via available liquidity, had very limited costs for both the "make-whole" provision and the derivatives' unwinding. The prepayment of the USPP and the consequent termination of the related financial covenants allow the Group to lower its overall cost of funding and enhance its financial flexibility.

## RESULTS OF THE PARENT COMPANY AMPLIFON S.P.A.

In 2022 the parent company Amplifon S.p.A. posted revenues of 416.2 million euros and a net profit of 117.7 million compared to 84.3 million euros in 2021.

## DIVIDEND

The Company's Board of Directors will propose that during the Annual Shareholders' Meeting, convened on April 21st, 2023, shareholders approve allocation of the year's earnings, as follows:

- distribution of part of the year's earnings as a dividend to shareholders of 0.29 euros (29 euro cents) per share, for a total of 65,123,026 euros based on the share capital subscribed to date, with shares going ex-dividend (detachment of coupon 15) on May 22<sup>nd</sup>, 2023, to be paid as from May 24<sup>th</sup>, 2023;
- allocation of the rest of the year's earnings, amounting to 52,578,867 euros, as retained earnings.

The total dividends payable and the allocation of retained earnings not distributed will vary depending on the number of shares with dividend rights outstanding as of the payment date, net of the Company's treasury shares.

## OUTLOOK

In the first two months of 2023 the Company reported solid revenue growth. Market performance in the next few months is key to consolidating this trend and increasing visibility for the entire year. The Company also intends to continue the accelerated bolt-on M&A activity seen in the recent months, also benefitting from a macroeconomic environment which should provide better opportunities in terms of multiples of potential targets. Lastly, since the beginning of the year, the Company implemented globally price increases in order to offset labor cost inflation. The Company does not expect any other significant cost inflation items.

In light of the above, in 2023 Amplifon expects:

- to outperform the reference market organically, gaining market share;
- bolt-on M&A to contribute for around 2% to the Group's consolidated revenue growth;
- to increase overall profitability thanks to higher operating leverage, even after continuous and significant investments in the business.

In the medium-term the Company remains extremely positive on its prospects of sustainable growth in sales and profitability thanks to the fundamentals of the hearing care market and its further strengthened competitive positioning.

These expectations for 2023 do not include any further global economic activity slowdown due to, among others, the well-known geopolitical, inflation and pandemic related issues.



## SUSTAINABILITY AND THE CONSOLIDATED NON-FINANCIAL STATEMENT

During today's meeting the Board of Directors also approved the 2022 Consolidated Non-Financial Statement drawn-up in accordance with Italian Legislative Decree 254/2016 (Sustainability Report). This Statement, which includes the achievements obtained by applying the Ten Principles promoted by the United Nation's Global Compact, to which Amplifon adheres, is an opportunity to share with all the company's stakeholders the progress made in terms of the Group's sustainability areas of commitment. It is also an opportunity to provide updates on the developments made with respect to the Sustainability Plan "Listening Ahead" which was prepared in accordance with the United Nations 2030 Agenda for Sustainable Development. The initiatives promoted and the main milestones achieved in 2022 include:

- the inclusion in S&P's 2023 Sustainability Yearbook as both a member and the only Industry Mover in Amplifon's sector. Amplifon showed the best improvement YoY in the score obtained through the S&P's Corporate Sustainability Assessment for the "Health Care Providers & Services" industry;
- the participation, for the first time, in the CDP Climate Change questionnaire resulting in a C score. This result is consistent with the sector average and guarantees a greater transparency in terms of environmental topics with all stakeholders;
- the strong acceleration in environmental responsibility. In this regard, key achievements include the first analysis of the Group's carbon footprint along the value chain (Scope 3 indirect emissions) for the future definition of the Group's climate strategy, the procurement of more than half of the electricity used from renewable sources, and the important growth of batteries saved thanks to the increased promotion of rechargeable hearing aids;
- the achievements reached with respect to the "People Empowerment" pillar include the adoption of a new DEIB Policy (Diversity, Equity, Inclusion, Belonging) and global governance which will guide the agenda and action plan, and the recognition of Top Employer 2023 certification in Europe, the United States and New Zealand.

## BUYBACK PROGRAM

During today's meeting the Board of Directors also resolved, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code and Art. 132 of Legislative Decree n. 58 of 24 February 1998, to submit a proposal to the Annual Shareholders' Meeting to authorize a new share buyback program, following withdrawal of the current program expiring October 2023 for the part not executed. The new authorization is requested for a period of 18 months from the Shareholders' Meeting and calls for the purchase and disposal, on one or more occasions, on a rotating basis, of up to a total number of new shares which, taking account of the treasury shares already held, does not exceed 10% of Amplifon S.p.A.'s share capital. Currently, the Company holds a total of 1,826,460 treasury shares equal to 0.807% of the share capital.

The proposal is motivated by the need to continue to provide the Company with an efficient means to access treasury shares to service stock-based incentive plans, existing and future, reserved for executives and/or employees and/or staff members of the Company or its subsidiaries, and for the potential free allocation of shares to shareholders, as well as to increase the number of treasury shares to be used as a form of payment for extraordinary transactions, including company acquisitions or the exchange of equity interests. Based on the Board of Directors' proposal to be submitted to the Annual Shareholders' Meeting, the purchase price of the shares will be determined on a case-by-case basis for each single transaction. The price, however, may not be 10% higher or lower than the stock price registered at the close of the trading session prior to each single purchase.

For further information please refer to the Directors' Report prepared in accordance with Art. 73 of the Regulations for Issuers.

## CALLING OF THE ANNUAL GENERAL MEETING

The draft Financial Statements as at December 31<sup>st</sup>, 2022 approved by Amplifon S.p.A.'s Board of Directors today will be submitted to the shareholders for approval during the Annual Shareholders' Meeting convened, in single call, on April 21<sup>st</sup>, 2023. The 2022 Consolidated Non-Financial Statement will also be presented.

The Annual Shareholders' Meeting will be also called upon to resolve on i) the allocation of the earnings for the year; ii) the proposed authorization for the buyback program described above; iii) the Stock Grant Plan 2023-2028 for employees of the Company and its subsidiaries; and (iv) the proposed amendment to the Co-investment Plan 2022-2027 (Sustainable Value Sharing Plan 2022-2027).

The Board of Directors also resolved to submit the following to the Annual Shareholders' Meeting for approval: i) the Group's 2023 Remuneration Report drawn-up in accordance with Art.123-ter of TUF and Art. 84-quarter of the Issuers Regulation; ii) the Directors' remuneration for 2023.

The documentation called for under the law relating to the above-mentioned topics and the proposed resolutions to be submitted to the shareholders will be available at the Company's registered office, along with the 2022 Consolidated Financial Statements in accordance with the Delegated Regulation n. 2019/815 by the European Commission and subsequent amendments, the Consolidated Non-Financial Statement and the Report on Corporate Governance and Ownership Structure approved today by the Board of Directors, within the time period required by law.

The documentation will also be available on the website <https://corporate.amplifon.com>.

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*The Company announces that the draft Annual Financial Statements and the Consolidated Financial Statements as at December 31<sup>st</sup>, 2022 in accordance with the Delegated Regulation n. 2019/815 by the European Commission and subsequent amendments, the Consolidated Non-Financial Statement as at December 31<sup>st</sup>, 2022, the 2023 Remuneration Report drawn-up in accordance with Art.123-ter of TUF and Art. 84-quarter of the Issuers Regulation, and the Report on Corporate Governance and Ownership Structure as at December 31<sup>st</sup>, 2022 will be made available to the public from March 16<sup>th</sup>, 2023 at the Company's registered office, on the Company's website (<https://corporate.amplifon.com>) and on the authorized storage system eMarket STORAGE ([www.emarketstorage.com](http://www.emarketstorage.com)).*

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*The results for the FY 2022 will be presented to the financial community today at 15:00 (CET) during a conference call and audiowebcast. To participate in the conference call dial one of the following numbers: +44 121 281 8004 (UK), +1 718 705 8796 (USA), +33 170 918 704 (France) or +39 02 802 09 11 (Italy); or access the audiowebcast directly through the following link:*

<https://event.choruscall.com/mediaframe/webcast.html?webcastid=ICtDlpQY>

*A few presentation slides will be made available prior to the beginning of the conference call, beginning at 14:30 CET, in the Investors section (Presentations) of the website: <https://corporate.amplifon.com>. Those who are unable to attend the conference call may access a recording which will be available immediately after the call until 24:00 (CET) of March 4<sup>th</sup>, 2023, by dialing the following number: +39 02 802 0987 (Italy), access code: 905# - guest code: 700905#; or, if the recording is no longer available, by accessing the webpage:*

<https://corporate.amplifon.com/en/investors/presentations-and-webcast/Presentation-FY-2022>

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*In compliance with paragraph 2 of Article 154 bis of the "Uniform Financial Services Act" (Legislative Decree 58/1998), the Manager charged with preparing the Company's financial reports, Gabriele Galli, declares that the accounting information reported in the present press release corresponds to the underlying documentary reports, books of account and accounting entries.*

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*Figures in the tables may reflect minimal differences exclusively due to rounding.*

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*This press release contains forward-looking statements. These statements are based on the Company's current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future, and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: continued volatility and further deterioration of capital and financial markets, changes in general macro-economic conditions, economic growth and other changes in business conditions, changes in laws and regulations (both in Italy and abroad), and many other factors, most of which are outside of the Company's control.*

## About Amplifon

Amplifon, global leader in the hearing care retail market, empowers people to rediscover all the emotions of sound. Amplifon's around 19,400 people worldwide strive every day to understand the unique needs of every customer, delivering exclusive, innovative and highly personalized products and services, to ensure everyone the very best solution and an outstanding experience. The Group, with annual revenues of over 2 billion euros, operates through a network of over 9,300 points of sale in 25 Countries and 5 continents. More information about the Group is available at: <https://corporate.amplifon.com>.

### Investor Relations

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## CONSOLIDATED NET REVENUES BY GEOGRAPHIC AREA – FY 2022 VS FY 2021

(€ thousands)	FY 2022	%	FY 2021	%	Change	Change %	Exchange diff.	Change % in local currency	Organic growth % (*)
Total EMEA	1,417,163	66.9%	1,389,640	71.3%	27,523	2.1%	4,866	1.7%	1.0%
Total Americas	381,294	18.0%	306,709	15.7%	74,585	24.3%	25,788	15.9%	13.0%
Total APAC	320,146	15.1%	251,726	13.0%	68,420	27.3%	8,524	23.9%	2.2%
Corporate and intercompany elimination	523	0.0%	-	0.0%	523	0.0%	-	0.0%	-
<b>Total</b>	<b>2,119,126</b>	<b>100.0%</b>	<b>1,948,075</b>	<b>100.0%</b>	<b>171,051</b>	<b>8.8%</b>	<b>39,178</b>	<b>6.8%</b>	<b>3.0%</b>

(\*) Organic growth is calculated as sum of same store growth and openings.

## CONSOLIDATED NET REVENUES BY GEOGRAPHIC AREA – Q4 2022 VS Q4 2021

(€ thousands)	Q4 2022	%	Q4 2021	%	Change	Change %	Exchange diff.	Change % in local currency	Organic growth % (*)
Total EMEA	397,908	68.7%	405,494	71.4%	(7,586)	-1.9%	405	-2.0%	-2.5%
Total Americas	99,251	17.1%	82,450	14.5%	16,801	20.4%	2,107	17.8%	14.1%
Total APAC	82,160	14.2%	80,259	14.1%	1,901	2.4%	203	2.1%	1.5%
Corporate and intercompany elimination	112	0.0%	-	0.0%	112	0.0%	-	0.0%	0.0%
<b>Total</b>	<b>579,431</b>	<b>100.0%</b>	<b>568,203</b>	<b>100.0%</b>	<b>11,228</b>	<b>2.0%</b>	<b>2,715</b>	<b>1.5%</b>	<b>0.4%</b>

(\*) Organic growth is calculated as sum of same store growth and openings.

## CONSOLIDATED SEGMENT INFORMATION – FY 2022 VS FY 2021

(€ thousands)	FY 2022					FY 2021				
	EMEA	Americas	Asia Pacific	Corporate (*)	Total	EMEA	Americas	Asia Pacific	Corporate (*)	Total
Net Revenues	1,417,163	381,294	320,146	523	2,119,126	1,389,640	306,709	251,726	-	1,948,075
<b>EBITDA</b>	<b>412,705</b>	<b>100,374</b>	<b>81,132</b>	<b>(75,502)</b>	<b>518,709</b>	<b>402,604</b>	<b>80,373</b>	<b>71,537</b>	<b>(86,188)</b>	<b>468,326</b>
% on sales	29.1%	26.3%	25.3%	-3.6%	24.5%	29.0%	26.2%	28.4%	-4.4%	24.0%
<b>Recurring EBITDA</b>	<b>415,509</b>	<b>100,374</b>	<b>83,912</b>	<b>(74,502)</b>	<b>525,293</b>	<b>408,172</b>	<b>80,373</b>	<b>71,537</b>	<b>(77,306)</b>	<b>482,776</b>
% on sales	29.3%	26.3%	26.2%	-3.5%	24.8%	29.4%	26.2%	28.4%	-4.0%	24.8%
<b>EBIT</b>	<b>264,639</b>	<b>77,017</b>	<b>33,838</b>	<b>(96,825)</b>	<b>278,669</b>	<b>253,128</b>	<b>60,287</b>	<b>36,524</b>	<b>(103,939)</b>	<b>246,000</b>
% on sales	18.7%	20.2%	10.6%	-4.6%	13.2%	18.2%	19.7%	14.5%	-5.3%	12.6%

(\*) The impact of the centralized costs is calculated as a percentage of the Group's total sales.

## CONSOLIDATED SEGMENT INFORMATION – Q4 2022 VS Q4 2021

(€ thousands)	Q4 2022					Q4 2021				
	EMEA	Americas	Asia Pacific	Corporate (*)	Total	EMEA	Americas	Asia Pacific	Corporate (*)	Total
Net Revenues	397,908	99,251	82,160	112	579,431	405,494	82,450	80,259	-	568,203
<b>EBITDA</b>	<b>122,859</b>	<b>26,918</b>	<b>21,115</b>	<b>(16,033)</b>	<b>154,859</b>	<b>131,670</b>	<b>22,378</b>	<b>22,155</b>	<b>(28,624)</b>	<b>147,579</b>
% on sales	30.9%	27.1%	25.7%	-2.8%	26.7%	32.5%	27.1%	27.6%	-5.0%	26.0%
<b>Recurring EBITDA</b>	<b>123,636</b>	<b>26,918</b>	<b>21,241</b>	<b>(16,033)</b>	<b>155,762</b>	<b>133,756</b>	<b>22,378</b>	<b>22,155</b>	<b>(21,708)</b>	<b>156,581</b>
% on sales	31.1%	27.1%	25.9%	-2.8%	26.9%	33.0%	27.1%	27.6%	-3.8%	27.6%
<b>EBIT</b>	<b>84,283</b>	<b>20,392</b>	<b>10,023</b>	<b>(21,601)</b>	<b>93,097</b>	<b>93,357</b>	<b>17,328</b>	<b>10,211</b>	<b>(34,574)</b>	<b>86,322</b>
% on sales	21.2%	20.5%	12.2%	-3.7%	16.1%	23.0%	21.0%	12.7%	-6.1%	15.2%

(\*) The impact of the centralized costs is calculated as a percentage of the Group's total sales.

## CONSOLIDATED INCOME STATEMENT – FY 2022 VS FY 2021

(€ thousands)	FY 2022				FY 2021				Change % on recurring
	Recurring	Non-recurring	Total	% on recurring	Recurring	Non-recurring	Total	% on recurring	
Revenues from sales and services	2,119,126	-	2,119,126	100.0%	1,948,075	-	1,948,075	100.0%	8.8%
Operating costs	(1,603,710)	(6,533)	(1,610,243)	-75.7%	(1,470,711)	(14,000)	(1,484,711)	-75.5%	-9.0%
Other income and costs	9,877	(51)	9,826	0.5%	5,412	(450)	4,962	0.3%	82.5%
<b>Gross operating profit (EBITDA)</b>	<b>525,293</b>	<b>(6,584)</b>	<b>518,709</b>	<b>24.8%</b>	<b>482,776</b>	<b>(14,450)</b>	<b>468,326</b>	<b>24.8%</b>	<b>8.8%</b>
Depreciation, amortization and impairment of non-current assets	(84,447)	-	(84,447)	-4.0%	(80,343)	(1,693)	(82,036)	-4.2%	-5.1%
Right-of-use depreciation	(108,491)	-	(108,491)	-5.1%	(96,244)	-	(96,244)	-4.9%	-12.7%
<b>Operating result before the amortization and impairment of PPA related assets (EBITA)</b>	<b>332,355</b>	<b>(6,584)</b>	<b>325,771</b>	<b>15.7%</b>	<b>306,189</b>	<b>(16,143)</b>	<b>290,046</b>	<b>15.7%</b>	<b>8.5%</b>
PPA related depreciation, amortization and impairment	(47,102)	-	(47,102)	-2.2%	(44,046)	-	(44,046)	-2.2%	-6.9%
<b>Operating profit (EBIT)</b>	<b>285,253</b>	<b>(6,584)</b>	<b>278,669</b>	<b>13.5%</b>	<b>262,143</b>	<b>(16,143)</b>	<b>246,000</b>	<b>13.5%</b>	<b>8.8%</b>
Income, expenses, revaluation and adjustments of financial assets (*)	309	-	309	0.0%	1,694	-	1,694	0.1%	-81.8%
Net financial expenses (*)	(32,481)	-	(32,481)	-1.5%	(29,245)	-	(29,245)	-1.6%	-11.1%
Exchange differences, inflation accounting and Fair Value valuation (*)	(2,761)	-	(2,761)	-0.1%	4,911	-	4,911	0.3%	-156.2%
<b>Profit (loss) before tax</b>	<b>250,320</b>	<b>(6,584)</b>	<b>243,736</b>	<b>11.9%</b>	<b>239,503</b>	<b>(16,143)</b>	<b>223,360</b>	<b>12.3%</b>	<b>4.5%</b>
Tax	(66,775)	1,819	(64,956)	-3.2%	(64,204)	4,442	(59,762)	-3.3%	-4.0%
<b>Profit (loss) from continuing operations</b>	<b>183,545</b>	<b>(4,765)</b>	<b>178,780</b>	<b>8.7%</b>	<b>175,299</b>	<b>(11,701)</b>	<b>163,598</b>	<b>9.0%</b>	<b>4.7%</b>
Profit (loss) from discontinued operations	-	-	-	0.0%	-	(5,755)	(5,755)	0.0%	-
<b>Net profit (loss)</b>	<b>183,545</b>	<b>(4,765)</b>	<b>178,780</b>	<b>8.7%</b>	<b>175,299</b>	<b>(17,456)</b>	<b>157,843</b>	<b>9.0%</b>	<b>4.7%</b>
Profit (loss) of minority interests	255	-	255	0.0%	58	-	58	0.0%	339.7%
<b>Net profit (loss) attributable to the Group</b>	<b>183,290</b>	<b>(4,765)</b>	<b>178,525</b>	<b>8.7%</b>	<b>175,241</b>	<b>(17,456)</b>	<b>157,785</b>	<b>9.0%</b>	<b>4.6%</b>

(\*) It is specified that, on the 2021 comparative period, reclassifications between income, expenses and adjustments of financial assets have been made in order to better represent financial information.

## CONSOLIDATED INCOME STATEMENT – Q4 2022 VS Q4 2021

(€ thousands)	Q4 2022				Q4 2021				Change % on recurring
	Recurring	Non-recurring	Total	% on recurring	Recurring	Non-recurring	Total	% on recurring	
Revenues from sales and services	579,431	-	579,431	100.0%	568,203	-	568,203	100.0%	2.0%
Operating costs	(428,596)	(903)	(429,499)	-74.0%	(413,337)	(8,817)	(422,154)	-72.7%	-3.7%
Other income and costs	4,927	-	4,927	0.9%	1,715	(185)	1,530	0.3%	187.3%
<b>Gross operating profit (EBITDA)</b>	<b>155,762</b>	<b>(903)</b>	<b>154,859</b>	<b>26.9%</b>	<b>156,581</b>	<b>(9,002)</b>	<b>147,579</b>	<b>27.6%</b>	<b>-0.5%</b>
Depreciation, amortization and impairment of non-current assets	(22,421)	-	(22,421)	-3.9%	(24,073)	-	(24,073)	-4.2%	6.9%
Right-of-use depreciation	(27,433)	-	(27,433)	-4.7%	(25,048)	-	(25,048)	-4.5%	-9.5%
<b>Operating result before the amortization and impairment of PPA related assets (EBITA)</b>	<b>105,908</b>	<b>(903)</b>	<b>105,005</b>	<b>18.3%</b>	<b>107,460</b>	<b>(9,002)</b>	<b>98,458</b>	<b>18.9%</b>	<b>-1.4%</b>
PPA related depreciation, amortization and impairment	(11,908)	-	(11,908)	-2.1%	(12,136)	-	(12,136)	-2.1%	1.9%
<b>Operating profit (EBIT)</b>	<b>94,000</b>	<b>(903)</b>	<b>93,097</b>	<b>16.2%</b>	<b>95,324</b>	<b>(9,002)</b>	<b>86,322</b>	<b>16.8%</b>	<b>-1.4%</b>
Income, expenses, revaluation and adjustments of financial assets (*)	(15)	-	(15)	0.0%	763	-	763	0.1%	-102.0%
Net financial expenses (*)	(8,497)	-	(8,497)	-1.4%	(3,527)	-	(3,527)	-0.6%	-140.9%
Exchange differences, inflation accounting and Fair Value valuation (*)	(848)	-	(848)	-0.1%	954	-	954	0.2%	-188.9%
<b>Profit (loss) before tax</b>	<b>84,640</b>	<b>(903)</b>	<b>83,737</b>	<b>14.7%</b>	<b>93,514</b>	<b>(9,002)</b>	<b>84,512</b>	<b>16.5%</b>	<b>-9.5%</b>
Tax	(20,899)	231	(20,668)	-3.7%	(23,378)	2,560	(20,818)	-4.2%	10.6%
<b>Profit (loss) from continuing operations</b>	<b>63,741</b>	<b>(672)</b>	<b>63,069</b>	<b>11.0%</b>	<b>70,136</b>	<b>(6,442)</b>	<b>63,694</b>	<b>12.3%</b>	<b>-9.1%</b>
Profit (loss) from discontinued operations	-	-	-	0.0%	-	(6,629)	(6,629)	0.0%	-
<b>Net profit (loss)</b>	<b>63,741</b>	<b>(672)</b>	<b>63,069</b>	<b>11.0%</b>	<b>70,136</b>	<b>(13,071)</b>	<b>57,065</b>	<b>12.3%</b>	<b>-9.1%</b>
Profit (loss) of minority interests	28	-	28	0.0%	26	-	26	0.0%	7.7%
<b>Net profit (loss) attributable to the Group</b>	<b>63,713</b>	<b>(672)</b>	<b>63,041</b>	<b>11.0%</b>	<b>70,110</b>	<b>(13,071)</b>	<b>57,039</b>	<b>12.3%</b>	<b>-9.1%</b>

(\*) It is specified that, on the 2021 comparative period, reclassifications between income, expenses and adjustments of financial assets have been made in order to better represent financial information.

## NON-RECURRING ITEMS – FY 2022 VS FY 2021

(€ thousands)	FY 2022	FY 2021
GAES integration costs	(2,804)	(5,337)
Charitable donation costs	(1,000)	-
Bay Audio acquisition and integration costs	(2,780)	(7,372)
Amplifon S.p.A restructuring costs	-	(1,741)
<b>Impact of the non-recurring items on EBITDA</b>	<b>(6,584)</b>	<b>(14,450)</b>
<b>Impact of the non-recurring items on EBIT</b>	<b>(6,584)</b>	<b>(16,143)</b>
<b>Impact of the non-recurring items on profit before tax</b>	<b>(6,584)</b>	<b>(16,143)</b>
Impact of the above items on the tax burden for the period	1,819	4,442
<b>Impact of the non-recurring items on net profit from continuing operations</b>	<b>(4,765)</b>	<b>(11,701)</b>
Profit (loss) from discontinued operations	-	(5,755)
<b>Impact of the non-recurring items on net profit</b>	<b>(4,765)</b>	<b>(17,456)</b>

## NON-RECURRING ITEMS – Q4 2022 VS Q4 2021

(€ thousands)	Q4 2022	Q4 2021
GAES integration costs	(778)	(2,141)
Charitable donation costs	-	-
Bay Audio acquisition and integration costs	(125)	(6,916)
Amplifon S.p.A restructuring costs	-	55
<b>Impact of the non-recurring items on EBITDA</b>	<b>(903)</b>	<b>(9,002)</b>
<b>Impact of the non-recurring items on EBIT</b>	<b>(903)</b>	<b>(9,002)</b>
<b>Impact of the non-recurring items on profit before tax</b>	<b>(903)</b>	<b>(9,002)</b>
Impact of the above items on the tax burden for the period	231	2,560
<b>Impact of the non-recurring items on net profit from continuing operations</b>	<b>(672)</b>	<b>(6,442)</b>
Profit (loss) from discontinued operations	-	(6,629)
<b>Impact of the non-recurring items on net profit</b>	<b>(672)</b>	<b>(13,071)</b>



## RECLASSIFIED CONSOLIDATED BALANCE SHEET

(€ thousands)	12/31/2022	12/31/2021	Change
Goodwill	1,754,028	1,681,470	72,558
Customer lists, non-compete agreements, trademarks and location rights	266,125	284,592	(18,467)
Software, licenses, other int.ass., wip and advances	153,973	129,938	24,035
Tangible assets	193,415	186,845	6,570
Right of use assets	451,747	437,377	14,370
Fixed financial assets	13,292	11,923	1,369
Other non-current financial assets	42,402	40,436	1,966
<b>Total fixed assets</b>	<b>2,874,982</b>	<b>2,772,581</b>	<b>102,401</b>
Inventories	76,258	62,570	13,688
Trade receivables	192,066	168,680	23,386
Other receivables	77,891	96,761	(18,870)
<b>Current assets (A)</b>	<b>346,215</b>	<b>328,011</b>	<b>18,204</b>
<b>Total assets</b>	<b>3,221,197</b>	<b>3,100,592</b>	<b>120,605</b>
Trade payables	(325,583)	(242,507)	(83,076)
Other payables	(360,461)	(377,394)	16,933
Provisions for risks (current portion)	(1,663)	(3,282)	1,619
<b>Short term liabilities (B)</b>	<b>(687,707)</b>	<b>(623,183)</b>	<b>(64,524)</b>
<b>Working capital (A) – (B)</b>	<b>(341,492)</b>	<b>(295,172)</b>	<b>(46,320)</b>
Derivative instruments	24,474	(3,447)	27,921
Deferred tax assets	81,780	85,185	(3,405)
Deferred tax liabilities	(106,683)	(105,191)	(1,492)
Provisions for risks (non-current portion)	(19,944)	(29,079)	9,135
Employee benefits (non-current portion)	(8,940)	(20,763)	11,823
Loan fees	4,508	7,017	(2,509)
Other long-term payables	(169,736)	(160,733)	(9,003)
<b>NET INVESTED CAPITAL</b>	<b>2,338,949</b>	<b>2,250,398</b>	<b>88,551</b>
Shareholders' equity	1,038,509	925,178	113,331
Third parties' equity	1,841	2,103	(262)
<b>Net equity</b>	<b>1,040,350</b>	<b>927,281</b>	<b>113,069</b>
Long term net financial debt	807,907	1,023,780	(215,873)
Short term net financial debt	22,086	(152,594)	174,680
<b>Total net financial debt</b>	<b>829,993</b>	<b>871,186</b>	<b>(41,193)</b>
Lease liabilities	468,606	451,931	16,675
<b>Total lease liabilities &amp; net financial debt</b>	<b>1,298,599</b>	<b>1,323,117</b>	<b>(24,518)</b>
<b>NET EQUITY, LEASE LIABILITIES AND NET FINANCIAL DEBT</b>	<b>2,338,949</b>	<b>2,250,398</b>	<b>88,551</b>

## CONSOLIDATED NET FINANCIAL DEBT MATURITY PROFILE

(€ millions)	2023	2024	2025	2026	2027 & beyond	Total
Private placement	(85.4)	-	-	-	-	(85.4)
Eurobond	-	-	-	-	(350.0)	(350.0)
Bank loans	(116.7)	(225.1)	(122.1)	(105.0)	-	(568.9)
Financing for GAES acquisition	-	-	-	-	-	-
Bank accounts	(24.1)	-	-	-	-	(24.1)
Other	(25.5)	(3.1)	(2.6)	-	-	(31.2)
Short term investments	49.9	-	-	-	-	49.9
Cash and cash equivalents	179.7	-	-	-	-	179.7
<b>Total</b>	<b>(22.1)</b>	<b>(228.2)</b>	<b>(124.7)</b>	<b>(105.0)</b>	<b>(350.0)</b>	<b>(830.0)</b>

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(€ thousands)	FY 2022 (*)	FY 2021 (**)
<b>EBIT</b>	<b>278,669</b>	<b>237,659</b>
Amortization, depreciation and write-downs	240,040	227,410
Provisions, other non-monetary items and gain/losses from disposals	13,889	17,935
Net financial expenses	(31,073)	(24,369)
Taxes paid	(44,857)	(65,579)
Changes in net working capital	3,617	68,105
<b>Cash flow provided by (used in) operating activities before repayment of lease liabilities</b>	<b>460,285</b>	<b>461,161</b>
Repayment of lease liabilities	(107,298)	(95,217)
<b>Cash flow provided by (used in) operating activities (A)</b>	<b>352,987</b>	<b>365,944</b>
Cash flow provided by (used in) operating investing activities (B)	(106,292)	(111,037)
<b>Free Cash Flow (A) + (B)</b>	<b>246,695</b>	<b>254,907</b>
Net cash flow provided by (used in) acquisitions (C)	(84,572)	(419,731)
(Purchase) sale of other investment, securities and business units (D)	-	5,166
<b>Cash flow provided by (used in) investing activities (B+C+D)</b>	<b>(190,864)</b>	<b>(525,602)</b>
<b>Cash flow provided by (used in) operating activities and investing activities</b>	<b>162,123</b>	<b>(159,658)</b>
Fees paid on medium/long-term financing	-	(1,099)
Dividends	(58,237)	(49,356)
Treasury shares	(53,093)	(31,085)
Capital increases, third parties' contributions and dividends paid by subsidiaries to third parties	(608)	458
Hedging instruments and other changes in non-current assets	(6,172)	326
<b>Net cash flow from the period</b>	<b>44,013</b>	<b>(240,414)</b>
<b>Net financial indebtedness as of period opening date net of lease liabilities</b>	<b>(871,186)</b>	<b>(633,665)</b>
Effect of discontinued operations on net financial indebtedness	-	(176)
Effect of exchange rate fluctuations on financial position	(2,820)	3,069
Change in net financial position	44,013	(240,414)
<b>Net financial indebtedness as of period closing date net of lease liabilities</b>	<b>(829,993)</b>	<b>(871,186)</b>

(\*) Cash flow is negatively impacted by non-recurring items 6,789 thousand euros.

(\*\*) Cash flow is negatively impacted by non-recurring items for 12,659 thousand euros.

## INCOME STATEMENT - AMPLIFON S.P.A

(Euro)	FY 2022			FY 2021			Change
	Recurring	Non recurring	Total	Recurring	Non recurring	Total	
Revenues from sales and services	416,203,148	-	416,203,148	249,550,846	-	249,550,846	166,652,302
- Related parties	416,198,439	-	416,198,439	145,516,178	-	145,516,178	270,682,261
Operating costs	(275,649,478)	(1,000,000)	(276,649,478)	(236,911,122)	(8,882,000)	(245,793,122)	(30,856,356)
- Related parties	36,425,468	-	36,425,468	27,653,259	-	27,653,259	8,772,209
Other costs and revenues	(48,680,924)	-	(48,680,924)	31,767,410	-	31,767,410	(80,448,334)
- Related parties	(59,959,068)	-	(59,959,068)	12,797,520	-	12,797,520	(72,756,588)
<b>Gross operating profit (EBITDA)</b>	<b>91,872,746</b>	<b>(1,000,000)</b>	<b>90,872,746</b>	<b>44,407,134</b>	<b>(8,882,000)</b>	<b>35,525,134</b>	<b>55,347,612</b>
<b>Amortization, depreciation and impairment</b>							
Amortization of intangible fixed assets	(17,554,465)	-	(17,554,465)	(15,453,494)	-	(15,453,494)	(2,100,971)
Amortization of tangible fixed assets	(2,874,645)	-	1,567,556	(4,041,056)	-	(4,041,056)	5,608,612
Right-of-use-depreciation	(3,172,126)	-	4,175,848	(7,347,974)	-	(7,347,974)	11,523,822
Impairment losses and reversal of non-current assets							
<b>Tot. Amortization, depreciation and impairment</b>	<b>(23,601,235)</b>	<b>-</b>	<b>(23,601,235)</b>	<b>(27,468,880)</b>	<b>-</b>	<b>(27,468,880)</b>	<b>3,867,645</b>
<b>Operating result (EBIT)</b>	<b>68,271,511</b>	<b>(1,000,000)</b>	<b>67,271,511</b>	<b>16,938,254</b>	<b>(8,882,000)</b>	<b>8,056,254</b>	<b>59,215,257</b>
<b>Financial income, charges and value adjustment to financial assets</b>							
Other income and charges, impairment and revaluations of financial assets	86,830,560	-	86,830,560	88,550,757	-	88,550,757	(1,720,197)
- Related parties	86,830,560	-	86,830,560	88,550,757	-	88,550,757	(1,720,197)
Interest income and charges	(19,111,380)	-	(19,111,380)	(17,463,070)	-	(17,463,070)	(1,648,310)
- Related parties	(5,038,177)	-	(5,038,177)	(4,485,668)	-	(4,485,668)	(552,509)
Other financial income and charges	(1,793,488)	-	(1,793,488)	(919,807)	-	(919,807)	(873,681)
- Related parties	425,987	-	425,987	969,068	-	969,068	(543,081)
Exchange gains and losses	277,701	-	277,701	192,791	-	192,791	84,910
Gain (loss) on assets measured at fair value	866,399	-	866,399	4,487,812	-	4,487,812	(3,621,413)
<b>Tot. Financial income, charges and value adjustment to financial assets</b>	<b>67,069,792</b>	<b>-</b>	<b>67,069,792</b>	<b>74,848,483</b>	<b>-</b>	<b>74,848,483</b>	<b>(7,778,691)</b>
<b>Profit (loss) before tax</b>	<b>135,341,303</b>	<b>(1,000,000)</b>	<b>134,341,303</b>	<b>91,746,737</b>	<b>(8,882,000)</b>	<b>82,864,737</b>	<b>51,476,566</b>
<b>Current and deferred income tax</b>							
Current tax	(14,046,255)	295,700	(13,750,555)	752,549	2,640,983	3,393,532	(17,144,087)
Deferred tax	(2,888,855)	-	(2,888,855)	(1,979,640)	-	(1,979,640)	(909,215)
<b>Tot. Current and deferred income tax</b>	<b>(16,935,110)</b>	<b>295,700</b>	<b>(16,639,410)</b>	<b>(1,227,091)</b>	<b>2,640,983</b>	<b>1,413,892</b>	<b>(18,053,302)</b>
<b>Total net profit (loss)</b>	<b>118,406,193</b>	<b>(704,300)</b>	<b>117,701,893</b>	<b>90,519,646</b>	<b>(6,241,017)</b>	<b>84,278,629</b>	<b>33,423,264</b>

## BALANCE SHEET - AMPLIFON S.P.A.

(Euro)	31/12/2022	31/12/2021	Change
Goodwill	8,025,474	-	8,025,474
Intangible fixed assets with finite useful life	73,643,556	64,217,374	9,426,182
Tangible fixed assets	7,260,751	8,906,009	(1,645,258)
Right of use assets	13,892,982	18,714,150	(4,821,168)
Equity Investments	1,773,397,980	1,681,760,572	91,637,408
Hedging instruments	25,849,624	10,982,859	14,866,765
Other long-term financial assets – related parties	-	4,696,339	(4,696,339)
Deferred tax assets	16,708,761	19,823,726	(3,114,965)
Contract costs – Long-term	-	-	-
Other non-current assets	4,089,200	4,791,794	(702,594)
<b>Total non current assets</b>	<b>1,922,868,328</b>	<b>1,813,892,823</b>	<b>108,975,505</b>
Inventories	180,669	42,215	138,454
Trade receivables	14,186,369	14,401,143	(214,774)
Other receivables	23,061,370	11,431,766	11,629,604
Hedging instruments	17,016,274	167,730	16,848,544
Trade receivables – related parties	248,677,075	219,461,308	29,215,767
Other financial assets	48,959,604	49,871,202	(911,598)
Contract costs – Short-term	-	-	-
Short term financial receivables – related parties	16,770,412	20,331,183	(3,560,771)
Cash and cash equivalents	50,072,147	128,385,290	(78,313,143)
<b>Total current assets</b>	<b>418,923,920</b>	<b>444,091,837</b>	<b>(25,167,917)</b>
<b>TOTAL ASSETS</b>	<b>2,341,792,248</b>	<b>2,257,984,660</b>	<b>83,807,588</b>
Share capital	4,527,772	4,527,772	-
Share premium reserve	202,712,442	202,712,442	-
Legal reserve	933,760	933,760	-
Treasury shares	(49,894,474)	(28,840,306)	(21,054,168)
Stock option reserve	34,724,848	38,087,753	(3,362,905)
Cash flow hedge and foreign currency reserve	19,520,993	(2,025,700)	21,546,693
Extraordinary reserve	3,643,824	3,359,842	283,982
Other reserves	368,429,144	359,049,771	9,379,373
Income (loss) carried forward	117,701,893	84,278,629	33,423,264
<b>Total net equity</b>	<b>702,300,202</b>	<b>662,083,963</b>	<b>40,216,239</b>
Financial liabilities	798,820,895	913,362,549	(114,541,654)
Financial liabilities – related parties	-	97,121,667	(97,121,667)
Lease liabilities – Long-term	12,568,255	17,362,105	(4,793,850)
Provisions for risks and charges	94,961	140,100	(45,139)
Liabilities for employees' benefits	717,825	890,633	(172,808)
Hedging instruments	-	2,530,629	(2,530,629)
Payables for business acquisitions – Long-term	2,575,760	6,551,576	(3,975,816)
Contract liabilities – Long-term	-	-	-
Deferred tax liabilities	-	-	-
Other liabilities	110,407	1,749,530	(1,639,123)
<b>Total non-current liabilities</b>	<b>814,888,103</b>	<b>1,039,708,789</b>	<b>(224,820,686)</b>
Trade payables	146,818,012	84,097,177	62,720,835
Trade payables – related parties	111,220,723	44,264,542	66,956,181
Other payables	14,699,566	25,537,427	(10,837,861)
Contract liabilities – Short-term	-	-	-
Payables for business acquisitions – Short-term	4,493,948	5,020,568	(526,620)
Other financial payable	134,562,724	146,942,010	(12,379,286)
Other financial payable – related parties	388,952,743	234,769,942	154,182,801
Lease liabilities – Short-term	2,850,360	2,544,822	305,538
Hedging instruments – Short-term	-	551,689	(551,689)
Tax payables	21,005,867	12,463,730	8,542,137
<b>Total current liabilities</b>	<b>824,603,943</b>	<b>556,191,908</b>	<b>268,412,035</b>
<b>TOTAL LIABILITIES</b>	<b>2,341,792,248</b>	<b>2,257,984,660</b>	<b>83,807,588</b>

## RECLASSIFIED CONDENSED CASH FLOW STATEMENT - AMPLIFON S.P.A.

(€ thousands)	FY 2022	FY 2021
<b>Operating profit (EBIT)</b>	<b>67,272</b>	<b>8,056</b>
Amortization, depreciation and impairment	23,601	27,469
Provisions, other non-monetary items and gain/losses from disposals	8,759	13,074
Net financial expenses	(17,482)	(14,908)
Dividends received	109,424	110,034
Taxes paid	(1,240)	(11,360)
Change in net working capital	52,341	(3,075)
<b>Cash flow provided by (used in) operating activities before repayment of lease liabilities</b>	<b>242,676</b>	<b>129,290</b>
Repayment of lease liabilities	(2,782)	(7,309)
<b>Cash flow provided by (used in) operating activities (A)</b>	<b>239,894</b>	<b>121,981</b>
<b>Cash flow provided by (used in) operating investing activities (B)</b>	<b>(27,064)</b>	<b>(36,258)</b>
<b>Free Cash Flow (A+B)</b>	<b>212,831</b>	<b>85,723</b>
Cash flow provided by (used in) acquisitions (C)	(2,629)	(439,039)
(Purchase) sale of other investment and securities (D)	-	132
<b>Cash flow generated from (absorbed by) investing activities (B+C+D)</b>	<b>(29,693)</b>	<b>(475,165)</b>
<b>Cash flow generated from (absorbed by) operating and investing activities (B+C+D)</b>	<b>210,202</b>	<b>(353,184)</b>
Other non-current assets	-	-
Hedging instrument and other change in non current asset	-	(1,682)
Fees paid on medium/long-term financing	-	(1,099)
Dividends distributed	(58,237)	(49,356)
Treasury shares	(53,093)	(31,085)
Capital increases	(102,555)	-
<b>Net cash flow from the period</b>	<b>(3,684)</b>	<b>(436,406)</b>
<b>Net financial indebtedness as of period opening date</b>	<b>(1,196,093)</b>	<b>(725,960)</b>
Change in net financial position	(3,684)	(436,406)
Cash conferred	(412)	(33,727)
<b>Net financial indebtedness as of period closing date</b>	<b>(1,200,190)</b>	<b>(1,196,093)</b>

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