Openjobmetis Group

Annual Report

(Translation from the Italian original which remains the definitive version.
This translation of the Annual Report 2022 constitutes a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815)

2022

Openjobmetis
Group

Openjobmetis S.p.A. - Employment Agency Auth. Prot. No. 1111-SG of 26/11/2004

Registered Office
Via Assietta, 19 – 20161 Milan – Italy

Headquarters and Offices
Via Marsala 40/C Centro Direzionale Le Torri, 21013 Gallarate (VA)

Legal Information
Joint-stock company
Approved and subscribed share capital EUR 13,712,000
Registered in the Milan Register of Companies under tax code
13343690155

Website
www.openjobmetis.it

Contents

openjobmetis

LETTER TO THE SHAREHOLDERS

Dear Shareholders,

the financial statements for 2022 ended a year marked by particular difficulties, which however did not prevent the achievement of more than satisfactory results. Despite rising energy costs, inflation and the complexity of the geopolitical system, the results of the Openjobmetis Group remained positive and growing, laying a solid foundation for the new year.
In fact, revenue amounted to EUR 768.4 million, marking the best year ever, while EBITDA amounted to EUR 29.4 million as at 31 December 2022 compared to EUR 23.5 million in 2021.
In the first few months of 2022, we successfully completed the process of integrating and perfecting the synergies deriving from the acquisition of the Quanta Group, which ended with the merger by incorporation of Quanta S.p.A. into Openjobmetis S.p.A. and its subsidiary Quanta Risorse Umane S.p.A. into Openjob Consulting S.r.l..
The success of the transaction allows us to maintain a special focus on the opportunities that the market may hold, with the aim of dynamically continuing the growth path undertaken so far.
November featured the launch of a voluntary partial tender offer on treasury shares, through which the Group provided you with an additional tool for monetising your investment.
The Offer, which received much interest, was intended, together with the dividend policy, to reward your trust in the Openjobmetis Group.
In light of the goals achieved and letting ourselves be guided by the enthusiasm and dedication that distinguishes us, we are convinced that we will be, now as always, creators of value in everyday life for our people, for our investors and for the community.

The Chairman

Marco Vittorelli

CORPORATE BODIES

The Ordinary Shareholders' Meeting of 30 April 2021 appointed the Board of Directors and the Board of Statutory Auditors in office until the Shareholders' Meeting that will be called to approve the financial statements as at 31 December 2023.

Board of Directors

Chairman	Marco Vittorelli
Deputy Chairman	Biagio La Porta
Managing Director	Rosario Rasizza
Directors	Alberica Brivio Sforza [1]
	Laura Guazzoni[1]
	Barbara Napolitano[1]
	Lucia Giancaspro[1]
	Alessandro Potestà[1]
	Alberto Rosati[1]
	Corrado Vittorelli

Board of Statutory Auditors

Chair	Chiara Segala
Standing Auditors	Manuela Paola Pagliarello
	Roberto Tribuno
Alternate Auditors	Alvise Deganello
	Marco Sironi

[1] Independent Director

Committees

Control, Risks and Sustainability Committee [2]	Alberto Rosati (Chair)[1] Laura Guazzoni[1] Lucia Giancaspro[1]
Remuneration Committee	Alberica Brivio Sforza (Chair)[1] Barbara Napolitano[1] Alberto Rosati[1]

* * *

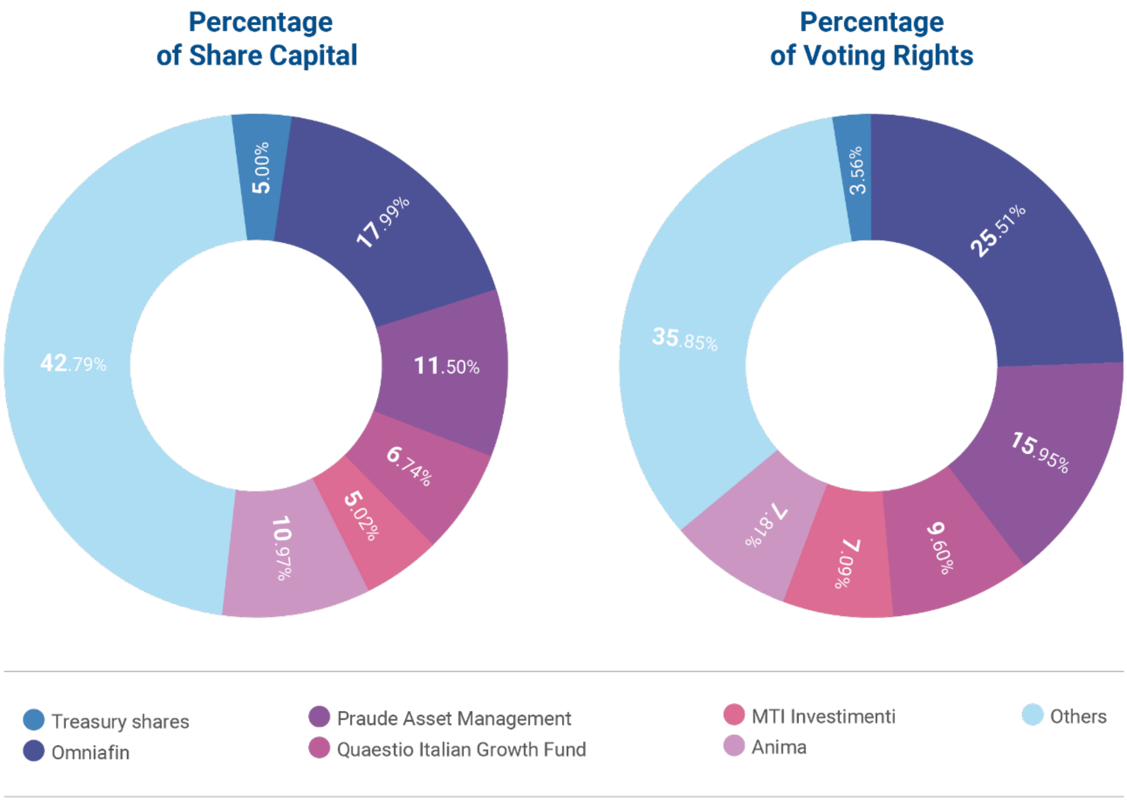
Manager in charge of financial reporting	Alessandro Esposti

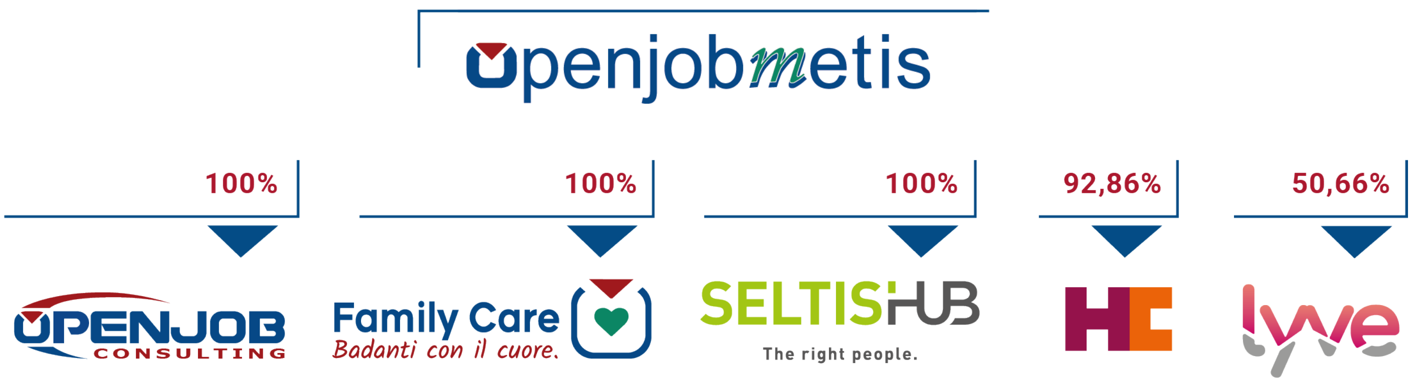
* * *

Independent Auditors [3]	KPMG S.p.A.

[2] The Control, Risks and Sustainability Committee also acts as Related Parties Committee.
[3] In office until 31/12/2023

STRUCTURE OF THE GROUP[4]



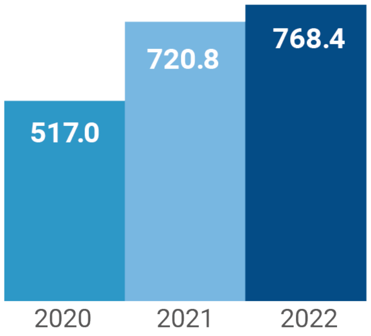


[4]Share capital structure and voting rights as at 31 December 2022 on the basis of the information received pursuant to articles 120 and 122 of the Consolidated Law on Finance (TUF). The above figures may not reflect the number of shares held by each of the parties after disclosure.
Subsidiaries of Openjobmetis S.p.A. as at 31 December 2022.

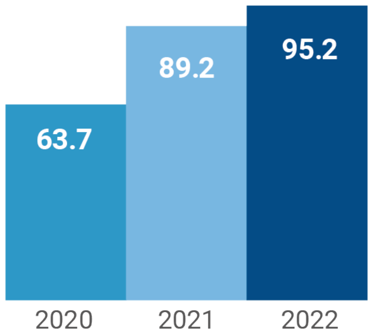
Directors' Report on Operations

Highlights (amounts in millions of EUR)

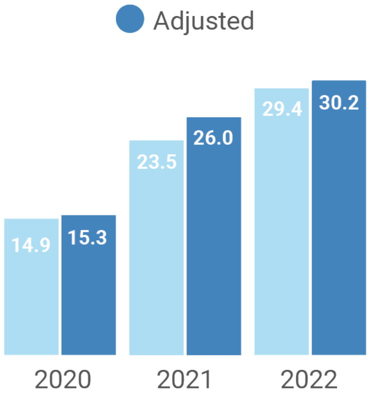
Revenue



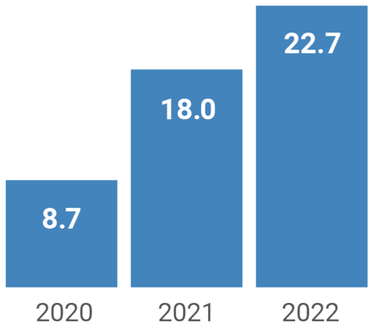
First contribution margin



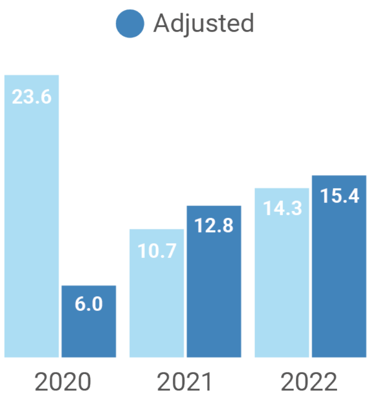
EBITDA



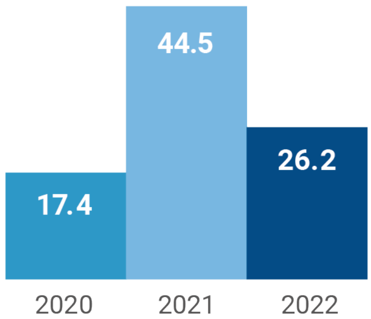
Adjusted EBITA



Profit (loss) for the period



Net Financial Indebtedness (NFI)



Notes: the adjusted values are calculated as indicated in the section "Trends in key financial and operating indicators – alternative performance indicators". Where not specified, the data are to be considered "Reported".

Trends in key financial and operating indicators – alternative performance indicators

Income Statement indicators	2022		2021		2020		Δ 22 vs. 21	
	EUR	%	EUR	%	EUR	%	EUR	%
First contribution margin (millions/margin) (1)	95.2	12.4%	89.2	12.4%	63.7	12.3%	6.0	6.7%
EBITDA (millions/margin) (2)	29.4	3.8%	23.5	3.3%	14.9	2.9%	5.9	25.1%
Adjusted EBITDA (millions/margin) (3)	30.2	3.9%	26.0*	3.6%	15.3	3.0%	4.2	16.2%
EBITA (millions/margin) (4)	21.9	2.8%	15.6	2.2%	8.3	1.6%	6.3	40.4%
Adjusted EBITA (millions/margin) (5)	22.7	3.0%	18.0*	2.5%	8.7	1.7%	4.7	26.1%
Profit (loss) for the year (millions/margin)	14.3	1.9%	10.7	1.5%	23.6	4.6%	3.6	33.6%
Adjusted profit (loss) for the year (millions/margin) (6)	15.4	2.0%	12.8*	1.8%	6.0	1.2%	2.6	20.3%
Net earnings (loss) per share outstanding* (EUR)	1.10	-	0.80	-	1.81	-	0.30	37.5%
Adjusted earnings (loss) per share outstanding* (EUR)	1.18	-	0.95*	-	0.46	-	0.23	24.2%

** To facilitate the comparison, the comparative figure was modified to include the amount of the extraordinary bonus recognised in the financial statements as at 31 December 2021.*

Other indicators	2022	2021	2020	Δ 22 vs. 21	
				Value	%
Net financial indebtedness (EUR million) (7)	26.2	44.5	17.4	(18.3)	(41.1%)
Net financial indebtedness/EBITDA	0.9	1.9	1.2	(1.0)	(52.6%)
Number of shares (thousand)	13,712	13,712	13,712	-	-
ROE – Net profit (loss)/average equity (%)	10.4%	8.3%	21.0%	2.1%	24.9%
Average no. of days to collect trade receivables (days) (8)	68	69**	76	1	1.4%

** The number of shares is calculated net of treasury shares purchased following the buyback programme and the voluntary partial public tender offer, as described in more detail in point 19 of the Notes to the consolidated financial statements, to which reference is made. ** Net of the effects of the consolidation of "Quanta".*

(1) The first contribution margin is calculated as the difference between Revenue and Personnel expense for contract workers and outsourcing.

(2) EBITDA is calculated as Profit (loss) for the period before income taxes, net financial expense, amortisation, provisions and impairment losses on trade and other receivables.

(3) Adjusted EBITDA is calculated as EBITDA before charges mainly relating to costs for personnel reorganisation, extraordinary bonuses and due diligence in relation to acquisitions and costs for professional services for extraordinary transactions on the regulated market (as indicated in the following pages of this report).

(4) EBITA is calculated as Profit (loss) for the period before income taxes, net financial expense and amortisation of the intangible assets included in the balance of Intangible assets and goodwill (amortisation of customer relations and non-compete agreement signed as part of the acquisition of "Quanta").

(5) Adjusted EBITA is calculated as EBITA before charges mainly relating to costs for personnel reorganisation, extraordinary bonuses and due diligence in relation to acquisitions and costs for professional services for extraordinary transactions on the regulated market (as indicated in the following pages of this report).

(6) Adjusted Profit (loss) for the period is calculated as Profit (loss) for the period before charges mainly relating to costs for personnel reorganisation, extraordinary bonus and due diligence in relation to acquisitions and costs

for professional services for extraordinary transactions in the regulated market, as well as the amortisation of the intangible assets included in the balance of Intangible assets and goodwill (amortisation of customer relations and the non-compete agreement signed as part of the acquisition of "Quanta") and net of the related tax effect (as indicated in the following pages of this report).
(7) Net financial indebtedness shows the company's financial exposure to lenders and is the difference between financial assets and the sum of current and non-current financial liabilities (see the section on "Operating performance and results of the Group" for its detail).
(8) Average no. of days to collect trade receivables: I) as at 31 December, trade receivables / revenue from sales x 360. (for 2021 it should be noted that trade receivables and revenue from sales have been considered net of the amounts included in the consolidated financial statements relating to Quanta S.p.A. and Quanta Risorse Umane S.p.A.).

The costs subject to adjustment as part of the aforementioned alternative performance indicators (costs for personnel reorganisation, extraordinary bonus and due diligence in relation to acquisitions, and costs for professional services for extraordinary transactions on the regulated market as well as amortisation of the intangible assets included in the balance of Intangible assets and goodwill) with the related reconciliations to the financial statements data are provided in the "Analysis of the operating performance of the Openjobmetis Group" section of this report.

The aforementioned alternative performance indicators facilitate analysis of business performance, ensuring better comparability of results over time.

The above indicators are not identified as accounting measures under IFRS, therefore the quantitative determination thereof may not be unique. The determination criteria applied by the Group for these indicators may not be consistent and comparable with those determined by other operators.

General economic scenario [5]

Political, economic and financial market trends

In the first quarter of 2022, according to ISTAT's "Quarterly Economic Accounts" there was timid GDP growth of 0.1% in economic terms, year-on-year, in line with the European scenario. Despite the spread of the Omicron variant and especially Russia's invasion of Ukraine, a recovery in domestic demand and investment in plant, machinery and construction has been witnessed. Tensions related to the Russia-Ukraine war have led to price rises relative to energy sources, for which Russia is also Italy's main supplier, and raw materials, leading to a rise in inflation to 7% in March. In the face of this inflationary dynamic, there has been, on the one hand, a shift in monetary policy, not only in Europe - aimed at counteracting the inflationary phenomenon by raising rates - and, on the other hand, a worsening in the assessment of country-risk, with an increase in the spread (understood as the difference between the yield offered by the 10-year BTP and its German counterpart) compared to other European countries.

According to the Bank of Italy, GDP accelerated by approximately +1.1% in the second quarter compared to the first quarter of 2022, thanks in part to the contribution of the service sector. In fact, the improved health situation has allowed for the almost complete elimination of measures to contain the epidemic and, as a result, the resumption of tourism/leisure and transportation activities. At the same time, the manufacturing sector (+1.5% from the previous quarter) proved resilient in the face of supply difficulties and rising prices of energy goods.

The third quarter of 2022 saw a 0.5% increase in GDP compared to the previous quarter and 2.6% compared to the third quarter of 2021. This positive trend was possible thanks to the growth in the added value of services, in particular trade, transport, accommodation and catering. [6]

With the end of the third quarter, annual GDP growth stood at 3.9% overall, despite the -0.1% recorded in the last three months, exceeding the trend estimates in the November version of the Economic and Financial Document. Inflation reached 12.3% on an annual basis, supported by the impact of the energy component on the prices of goods and services. The measures put in place by the Government to reduce the impact of energy costs and to support household income mitigated the impact of the inflationary shock on purchasing power. [7]
In fact, in December, consumer confidence increased, highlighting positive expectations for the country's economic situation.

The performance of the Italian economy during the year was affected by the development of the European macroeconomic scenario, much like the growth outlook for 2023.
Projections assume that the tensions associated with the war will continue to be elevated for the first part of the year, before gradually easing with a consequent tentative but effective recovery of economic activity beginning in late spring. In this case, GDP would return to expand in the second half of 2023 in parallel with the

[5] Sources: ISTAT, Bank of Italy and Euronext
[6] ISTAT, "Quarterly Economic Accounts, 3rd quarter", 30 November 2022
[7] Bank of Italy, "Economic Bulletin", 20 January 2023

easing of inflationary pressures and uncertainty related to the conflict in Ukraine and the manifestation of the effects of fiscal policy measures, including in relation to the National Recovery and Resilience Plan (NRRP). [8]

The previously described uncertain macroeconomic scenario did not cause any particular negative impact on the results that the Openjobmetis Group achieved in 2022, as evidenced by the economic, financial, and management indicators described in the previous section.

To date, there are no particular risk situations reported regarding the solvency of Openjobmetis Group's customers, including in relation to possible effects of the war. This is demonstrated by the average collection times (DSO - Days Sales Outstanding) which as at 31 December 2022 amounted to 68 days, the incidence of losses on receivables (0.2% as at 31 December 2022 compared to 0.3% as at 31 December 2021) and financial indebtedness down compared to the end of the previous year (from EUR 44.5 million as at 31 December 2021 to EUR 26.2 million as at 31 December 2022).

With regard to the use of salary supplement (TIS) for contract workers, the Group did not use it significantly. The amount for 2022 was EUR 910 thousand, in contrast to 2021 for which EUR 2,176 thousand was used.

Group Management continues to monitor the effects of the Russia-Ukraine conflict on the real economy, in particular in relation to any impact on turnover performance and items recorded in the financial statements.

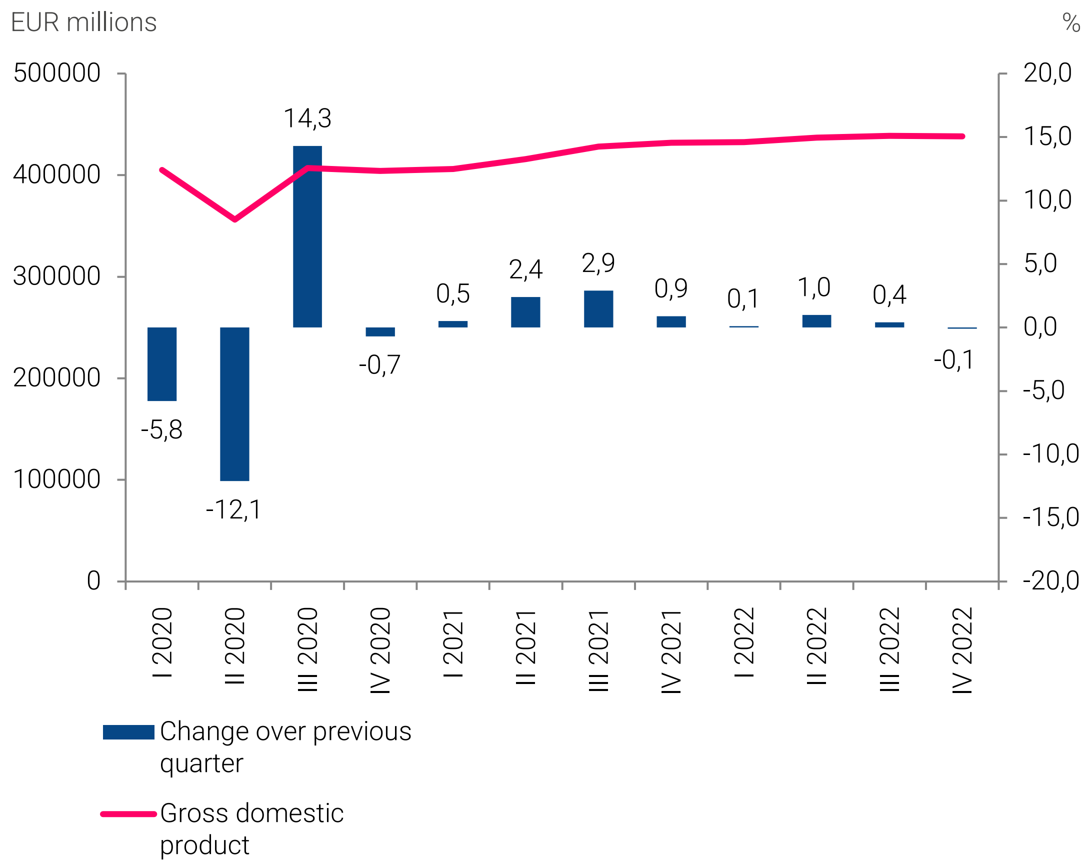
As for the financial markets, in 2022 the Euronext markets totalled 83 listings, for an aggregate capitalisation of 23 billion. In its year-end press release, Euronext highlighted its commitment to the Capital Market Union project, which involves the creation of a single integrated capital market for the European Union.

Euronext also confirms its position as the largest stock exchange operator for 2022, making it the most attractive platform for IPOs. In March 2023, the Italian markets are expected to migrate to the proprietary trading platform Optiq, which will further strengthen the liquidity pool and Euronext's position as a leader in Europe.

Since March 2022, also the stock market has been shaken by instability due to the outbreak of the Russia/Ukraine conflict. The increase in the price of raw materials, the geopolitical tensions on a global scale, rising interest rates, inflation and the spectre of recession have had a negative impact on the main global indexes, including FTSE Mib and FTSE Italia Star to which Openjobmetis S.p.A. belongs. Stabilisation in the stock market is expected for the second part of 2023, accompanied by a slow recovery of the economy.

On 2 January 2023, Openjobmetis shares (OJM.MI) opened at EUR 8.17 per share, while on 30 December 2022, the last trading day for the year, they closed at EUR 8.29 per share.

[8] Bank of Italy, "Macroeconomic projections for the Italian economy (Exercise coordinated by the Eurosystem)", 16 December 2022



YoY%	-6.3	-17.8	-6.1	-6.0	0.2	16.8	5.2	6.9	6.5	5.1	2.5	1.4

Table 1: Italian GDP trend by quarter (Source ISTAT)

Performance of the labour market [9]

Despite the political and economic scenario characterised by high uncertainty, the Italian labour market has shown positive signs, demonstrating a certain vitality.
According to ISTAT publications, 120 thousand more people were employed in the first months of 2022 than in the last quarter of 2021. Recruitment was particularly strong for fixed-term contracts (+2.4% in the first quarter of 2022) compared to permanent contracts (+0.2% in the first quarter of 2022). Hours worked increased by 1.5% from the previous period, returning for the first time to the levels observed at the end of 2019.
After a first quarter of strong growth, substantial stability was achieved in April, still registering the highest employment rate since 2004 at 59.9%. Of the 22.9 million employed, about 3.17 million are workers on fixed-term contracts. In the first part of the year, this category accounted for more than half of the trend increase in employment with an overall growth of about 8.8% and ten times the pace of permanent employment [10].
The second quarter saw a natural, albeit limited, decline in employment due to the summer months. The number of contract workers reached 482 thousand units, presenting a new trend increase (+ 3% in the year), albeit at a slower pace than in previous quarters.
The third quarter opened with significant signs of recovery. In particular, October was characterised by a jump in the employment rate to 60.5%, the highest value recorded since 1977, involving both genders and all age groups. Overall, the number of employed people in the month stood at 23.2 million, surpassing the pre-pandemic record of June 2019 for the first time.
After two consecutive months of growth, the labour market in November recorded a slight slowdown (-0.1%), albeit remaining at record values. The number of employees with fixed-term contracts started to rise again (around +60 thousand people) also due to the seasonality component linked to the arrival of the Christmas period.
2022 ended with a December characterised by growth in employment compared to both the previous month and the same period of 2021, in particular due to permanent and self-employed workers. According to ISTAT figures, the employment rate at the end of the year stood at 60.5%.

In general terms, the 2022 labour market was characterised by the mismatch between labour supply and demand (estimated at around 38.6% [11]), the main reason for which was the lack of applicants, in particular for the skilled workers category.
For the first quarter of 2023, the *Excelsior Information System* Bulletin prepared by Unioncamere and Anpal expects +1.3 million recruitments, particularly in the manufacturing sector, a comforting sign also for the economy in absolute terms.

[9] Source: ISTAT
[10] Source "Sole 24 Ore - Work: Istat, in May employment drops Inactive persons increase, record fixed-term employees", 30 June 2022
[11] Unioncamere, Press release, "Employment: 504 thousand recruitments expected by companies in January", 3 January 2023

Main regulatory aspects

With reference to the regulatory framework, it should be noted that as at 1 January 2022, the special 'cause' exemption framework provided by the "Support" Law Decree for the renewal of fixed-term contracts lapsed. On the other hand, what remained was the possibility for the company to identify causes additional to those provided for in the "Dignity Decree" according to the specific needs covered by national, territorial and company collective agreements, as introduced by Article 41-bis inserted into Law Decree 73/2021 "Support bis" by conversion law 106/2021. Generally speaking, the causes that have been identified by the labour agreement to provide greater flexibility for companies include: - peaks of higher-intensity activity resulting from market demands that cannot be met with the normal production regime; - exceptional orders that require increased production activity, product packaging and shipments; - the need to market new types of products not currently existing in normal production to adjust to demand. The option of affixing a duration of more than 12 months, but not exceeding 24 months, to the fixed-term contract in the event of specific needs up to 30 September 2022, also remains. Furthermore, up to the same date, periods of fixed-term missions carried out by workers hired by employment agencies on a permanent basis will not be counted in the maximum 24-month period.

On 8 June 2022, an agreement was reached between the EU Council, the European Parliament and the Commission as regards the directive - non-binding - on setting parameters to ensure a minimum wage with periodic adjustment system in EU countries. The aim is to ensure the protection of the dignity of the individual where states will be required to verify whether the existing legal minimum wage is sufficient to ensure an adequate standard of living based on purchasing power, cost of living, level and rate of wage growth, and productivity. Italy does not appear to be obliged to act because labour agreements have a coverage rate above 80%, which is the threshold set by EU rules. However, this initiative provides an opportunity for dialogue and in-depth analysis of the issue, including in relation to labour market access tools.

On 25 October, Directive no. 2022/2041 on the minimum wage, was published in the Official Gazette of the European Union, which gives each Member State the option of applying its own national labour agreements if more favourable than the pre-established thresholds.

The new Government, which took office in October 2022 and led by President Meloni, immediately raised the need to re-examine the Citizens' Income, in order to provide for the creation of a suitable and effective tool for the reintegration into work of the unemployed.

This urgency has also emerged in light of the latest Anpal report (national agency of Active Policies), which shows that, of the 1.1 million income earners, 660 thousand are potentially employable. Of the latter, 73% had no work experience in the last three years and in 36% of cases this was less than three months. [12]

On 29 December 2022, the 2023 Budget Law was published in the Official Gazette no. 3030 (Law no. 197 of 29 December 2022), which redefined the regulations on Citizens' Income, also providing for its repeal starting from 1 January 2024.

For 2023, citizens defined as "employable" will be paid economic support for a reduced period of 7 months, instead of the previous 18 months, renewable.

[12] Source: Sole 24 Ore "Citizens' income, the squeeze starts with 660 thousand employable beneficiaries", 31 October 2022

At the same time, the same recipients will be required to subscribe to a pathway aimed at job placement and to attend a training or/and vocational retraining course, failing which the benefit will be forfeited for the entire household.

For persons aged between 18 and 29 who have not completed the compulsory pathway, the payment of the subsidy will be subject to attendance at first-level education courses.

Lastly, the regulations envisaged the forfeiture of the benefit if one of the household members does not accept their first job offer, also abolishing the definition of "appropriate" work.

In February 2023, with an amendment to the Milleproroghe Decree, the option of using contract workers for periods of more than 24 months was extended by one year, from 30 June 2024 to 30 June 2025 without the need to establish a permanent employment contract, even if the employment contract between the employment agency and the contract worker is open-ended.

EMARKET SDIR CERTIFIED

Operating performance and results of the Group

Analysis of the operating performance of the Openjobmetis Group for the year 2022

It should be noted that following the acquisition of 100% of Quanta S.p.A and of 100% of its subsidiary Quanta Risorse Umane S.p.A., completed on 26 May 2021, the consolidation scope of this report includes the aforementioned Companies from June 2021.

Revenue from sales for 2022 came to EUR 768.4 million, compared to EUR 720.8 million in the previous year. In 2022, operating profit (or EBIT, earnings before interest and tax) amounted to EUR 21.2 million (EUR 15.2 million in 2021). Net profit was EUR 14.3 million compared to EUR 10.7 million in 2021. The Group's consolidated financial figures for the years ended 31 December 2022, 2021 and 2020 are shown in the table below.

(amounts in thousands of EUR)	Financial statements for the year ended 31 December					Change 2022/2021	
	2022	% of Revenue	2021	% of Revenue	2020	Value	%
Revenue	768,373	100.0%	720,789	100.0%	516,985	47,584	6.6%
Cost of contract work and outsourcing	(673,211)	(87.6%)	(631,557)	(87.6%)	(453,274)	(41,654)	6.6%
First contribution margin	**95,162**	**12.4%**	**89,232**	**12.4%**	**63,711**	**5,930**	**6.6%**
Other income	15,306	2.0%	15,586	2.2%	8,649	(280)	(1.8%)
Employee costs	(42,546)	(5.5%)	(42,458)	(5.9%)	(32,270)	(88)	0.2%
Cost of raw materials and consumables	(199)	(0.0%)	(202)	(0.0%)	(174)	3	(1.5%)
Costs for services	(37,493)	(4.9%)	(37,569)	(5.2%)	(24,410)	76	(0.2%)
Other operating expenses	(862)	(0.1%)	(1,046)	(0.1%)	(636)	184	(17.6%)
EBITDA	**29,368**	**3.8%**	**23,543**	**3.3%**	**14,870**	**5,825**	**24.7%**
Provisions and impairment losses	(1,685)	(0.2%)	(2,178)	(0.3%)	(1,631)	493	(22.6%)
Amortisation/depreciation	(5,820)	(0.8%)	(5,785)	(0.8%)	(4,927)	(35)	0.6%
EBITA	**21,863**	**2.8%**	**15,580**	**2.2%**	**8,312**	**6,283**	**40.3%**
Amortisation of intangible assets [13]	(667)	(0.1%)	(403)	(0.1%)	(46)	(264)	65.5%
EBIT	**21,196**	**2.8%**	**15,177**	**2.1%**	**8,266**	**6,019**	**39.7%**
Financial income	36	0.0%	40	0.0%	235	(4)	(9.9%)
Financial expense	(693)	(0.1%)	(719)	(0.1%)	(536)	26	(3.6%)
Profit (loss) before taxes	**20,539**	**2.7%**	**14,499**	**2.0%**	**7,965**	**6,040**	**41.7%**
Income taxes	(6,225)	(0.8%)	(3,786)	(0.5%)	15,677	(2,439)	64.4%
Profit (loss) for the year	**14,314**	**1.9%**	**10,713**	**1.5%**	**23,642**	**3,601**	**33.6%**

[13] Amortisation of intangible assets included in the balance of "Intangible assets and goodwill" (amortisation of customer relations, non-compete agreement signed as part of the acquisition of "Quanta" and other sundry assets) has been represented separately from the total of "Amortisation".

The table below provides a breakdown of the costs that have been adjusted for the purposes of determining the Alternative Performance Indicators (APIs).

(In thousands of EUR)		2022	2021
Costs for services	Charges mainly relating to costs for consultancy and due diligence in relation to acquisitions and costs for professional services for transactions on the regulated market	145	1,146
Employee costs	Costs for personnel reorganisation and extraordinary bonus for the achievement of specific results relating to the acquisition of Quanta	709	1,033
Other operating expenses	Taxes (Tobin Tax) and charges relating to the capital loss on the sale of the property in Rodengo Saiano	-	280
Total		854	2,459
Amortisation/depreciation	Amortisation of customer relations and non-compete agreements included in intangible assets and goodwill	667	403
Total costs		1,521	2,862
Tax effect		(424)	(787)
Total impact on the Income Statement		1,097	2,075

In 2022, charges relating to costs for personnel reorganisation and extraordinary bonuses amounted to EUR 709 thousand, while costs for consultancy and professional services in relation to extraordinary transactions on the regulated market amounted to EUR 145 thousand. Amortisation of intangible assets includes the amortisation of the non-compete agreement for EUR 300 thousand and the amortisation of customer relations for EUR 367 thousand recorded in the financial statements following the "Quanta" transaction in 2021. The above resulted in an adjusted net profit of EUR 15,411 thousand, taking into account a negative tax effect of EUR 424 thousand.

Revenue

Revenue in 2022 amounted to EUR 768,373 thousand compared to EUR 720,789 thousand in 2021.

Despite the complex conditions of the macroeconomic environment due to the international geopolitical scenario, revenue increased by 6.6% (substantially constant on a like-for-like basis). [14]

The positive performance of the subsidiaries Seltis Hub S.r.l., specialising in recruitment and selection (approx. +36% compared to 2021), and Family Care S.r.l. - Employment Agency, specialising in providing family assistants dedicated to the elderly (approx. +18% compared to 2021) was confirmed.

The following table provides a breakdown of revenue by type of service:

[14]The companies Quanta S.p.A. and Quanta Risorse Umane S.p.A. were included in the consolidation scope starting from June 2021.

(In thousands of EUR)	2022	2021	Change
Revenue from contract work	746,273	704,198	42,075
Revenue from personnel recruitment and selection	6,827	5,807	1,020
Revenue from outsourced services	6,310	2,733	3,577
Revenue from other activities	8,963	8,051	912
Total Revenue	768,373	720,789	47,584

Cost of contract work and outsourcing

Personnel expense relating to contract workers and for outsourced services amounted to EUR 673,211 thousand in 2022, compared to EUR 631,557 thousand in 2021, equal to 87.6% of revenue, in line with the previous year. Please refer to the comments for the item "Revenue" for the difference in the 2021 consolidation scope.

The table below shows details of costs of contract work:

(In thousands of EUR)	2022	2021	Change
Wages and salaries of contract workers	478,180	452,071	26,109
Social security charges of contract workers	137,972	129,439	8,533
Post-employment benefits of contract workers	26,789	25,422	1,367
Forma.Temp contributions for contract workers	18,497	17,167	1,330
Other costs of contract workers	6,225	5,420	805
Other costs for outsourced and other services	5,548	2,038	3,510
Total cost of contract work and outsourcing	673,211	631,557	41,654

First contribution margin

In 2022, the Group's first contribution margin amounted to EUR 95,162 thousand, compared with EUR 89,232 thousand in 2021. As a percentage of revenue, it was 12.4%, in line with the figure recorded in the previous year.

Other income

Other income for 2022 amounted to EUR 15,306 thousand, compared to EUR 15,586 thousand in 2021.

The item mostly includes contributions from Forma.Temp (EUR 13,430 thousand in 2022, compared with EUR 12,945 thousand in 2021) for costs incurred by the Group to deliver training courses for contract workers through qualified trainers. These contributions are issued by Forma.Temp on the basis of the specific cost reports of equal amounts - recorded for the organisation and performance of training activities – carried out for each individual initiative. Furthermore, the item includes other sundry income of EUR 1,876 thousand in 2022, compared to EUR 1,198 thousand in 2021. The figure for 2021 included a contribution recognised by Anpal for training activities for upgrading the skills of contract workers for EUR 1,443 thousand.

Employee costs

The average number of employees in 2022 was 769, compared to 729 in 2021, and includes staff employed at the headquarters and at the Group's subsidiaries and staff at branches located throughout the country.

Employee costs amounted to EUR 42,546 thousand in 2022, in line with 2021 (EUR 42,458 thousand).

Costs for services

In 2022, costs for services amounted to EUR 37,493 thousand, compared to EUR 37,569 thousand in 2021.

Costs for services include the costs incurred for the organisation of training courses for contract workers, amounting to EUR 13,453 thousand for 2022, compared to EUR 12,430 thousand in 2021. The Group receives contributions from Forma.Temp to fully cover the costs incurred for training, following accurate and timely reporting of said costs.

The 2021 figure included charges primarily related to consultancy and due diligence costs in connection with the acquisition of Quanta amounting to EUR 1,146 thousand, while as at 31 December 2022, charges related to consultancy and professional services for extraordinary transactions on the regulated market amounted to EUR 145 thousand. These charges are subject to disclosure for the purposes of calculating Adjusted EBITDA, as described below.

The following table shows the breakdown of the item costs for services:

(In thousands of EUR)	2022	2021	Change
Costs for organising courses for contract workers	13,453	12,340	1,113
Costs for updating skills of contract workers	-	1,371	(1,371)
Costs for tax, legal, IT, business consultancy	7,277	6,754	523
Costs for marketing consultancy	2,309	2,444	(135)
Fees to sourcers and professional advisors	4,814	4,800	14
Costs for advertising and sponsorships	2,377	2,410	(33)
Costs for utilities	1,431	1,217	214
Remuneration to the Board of Statutory Auditors	114	119	(5)
Costs for due diligence and consultancy services	145	1,146	(1,001)
Other	5,573	4,968	605
Total costs for services	37,493	37,569	(76)

Net of costs for the organisation of courses for contract workers and non-recurring costs, the incidence on revenue of remaining costs for services, which refer mainly to the costs for tax, legal, IT, commercial and business consultancy, and fees to sourcers and professional advisors, stands at 3.1% (3.2% in 2021).

In 2021, the item included costs for the upgrading of contract worker skills that were related to a specific professional upgrading programme promoted by the National Agency for Active Labour Market Policies.

EBITDA, EBITA and the respective adjusted values

In 2022, EBITDA amounted to EUR 29,368 thousand, compared to EUR 23,543 thousand in 2021. Adjusted EBITDA [15] was EUR 30,222 thousand in 2022, compared to EUR 26,002 thousand in 2021.

EBITA [16] in 2022 amounted to EUR 21,863 thousand compared to EUR 15,580 thousand in 2021 and Adjusted EBITA [17] amounted to EUR 22,717 thousand compared to EUR 18,039 thousand in 2021.

15 Adjusted EBITDA is calculated as EBITDA before charges mainly relating to costs for personnel reorganisation, extraordinary bonuses and due diligence incurred in relation to acquisitions and costs for professional services for extraordinary transactions on the regulated market.
16 EBITA is calculated as Profit (loss) for the period before income taxes, net financial expense and amortisation of the intangible assets included in the balance of Intangible assets and goodwill (amortisation of customer relations and non-compete agreement signed as part of the acquisition of "Quanta").
17 Adjusted EBITA is calculated as EBITA before charges mainly relating to costs for personnel reorganisation, extraordinary bonuses and due diligence incurred in relation to acquisitions and costs for professional services for extraordinary transactions on the regulated market.

It should be noted that the consolidation scope for 2021 included Quanta S.p.A. and Quanta Risorse Umane S.p.A. starting from June. The improvement in the results for 2022 is impacted by the realisation of the synergies deriving from the acquisition of these companies.

Amortisation/depreciation

Amortisation/depreciation amounted to EUR 6,487 thousand in 2022, compared to EUR 6,188 thousand in 2021. The amortisation charge for intangible assets was EUR 667 thousand in 2022 (EUR 403 thousand in 2021). In particular, it includes the amortisation of the intangible asset recorded in relation to the non-compete agreement with the seller for the "Quanta" transaction amounting to EUR 300 thousand and the amortisation charge for customer relations amounting to EUR 367 thousand.

Impairment loss on trade and other receivables

Impairment losses on trade and other receivables in 2022 totalled EUR 1,685 thousand, compared to EUR 2,178 thousand in the same period of 2021. The incidence of impairment losses on turnover was around 0.2%, slightly down compared to 2021 (0.3%), despite the complex economic context.

EBIT

As a result of the above, the Group's operating profit for 2022 was EUR 21,196 thousand, compared to EUR 15,177 thousand in 2021. It should be noted that the consolidation scope for 2021 included Quanta S.p.A. and Quanta Risorse Umane S.p.A. starting from June. The improvement in the results for 2022 is impacted by the realisation of the synergies deriving from the acquisition of these companies.

Financial income and financial expense

Net financial income and expense showed a net negative balance of EUR 657 thousand in 2022, compared to EUR 678 thousand in 2021. It should be noted that the figure includes the accounting of financial expense relating to lease liabilities (for EUR 167 thousand).

Income taxes

Income taxes of negative EUR 6,225 thousand were recorded in 2022, compared to negative EUR 3,786 thousand in 2021. The item mainly consists of current taxes of EUR 5,670 thousand, which refer to EUR 1,556 thousand for IRAP and EUR 4,114 thousand for IRES charges, compared to EUR 4,279 thousand in the previous year, which referred to EUR 1,086 thousand for IRAP and EUR 3,193 thousand for IRES charges. For further details, please refer to point 28 of the Notes to the consolidated financial statements.

Net Profit/(Loss) for the year and adjusted Net Profit/(Loss) for the year

As a result of the above, the result for the year showed a net profit of EUR 14,314 thousand in 2022, compared to a net profit of EUR 10,713 thousand in the previous year.

Adjusted net profit for the year, as reported in the following table, amounted to EUR 15,411 thousand in 2022, compared to an adjusted net profit of EUR 12,788 thousand in 2021.

Adjusted Profit *(In thousands of EUR)*	2022	2021
Profit for the period	14,314	10,713
Costs for services (Charges mainly relating to costs for consultancy and due diligence in relation to acquisitions and costs for professional services for extraordinary transactions on the regulated market)	145	1,146
Employee costs (Personnel reorganisation and extraordinary bonus for the achievement of specific results relating to the acquisition of Quanta)	709	1,033
Other operating expenses (Taxes and capital losses on property sales)	-	280
Amortisation of intangible assets	667	403
Tax effect	(424)	(787)
Adjusted profit for the period	15,411	12,788

Statement of Financial Position

The table below shows the Group's consolidated statement of financial position reclassified on a financial basis as at 31 December 2022, 2021, and 2020.

(In thousands of EUR)	Financial statements for the year ended 31 December					Change 2022/2021	
	2022	% on NIC* or Total sources	2021	% on NIC* or Total sources	2020	Value	%
Intangible assets and goodwill	102,842	60.8%	103,854	57.4%	76,191	(1,012)	(1.0%)
Property, plant and equipment	3,493	2.1%	3,412	1.9%	2,585	81	2.4%
Right of use for leases	13,838	8.2%	14,818	8.2%	12,851	(980)	(6.6%)
Other net non-current assets and liabilities	20,654	12.2%	20,611	11.4%	21,144	43	0.2%
Total non-current assets/liabilities	140,827	83.3%	142,696	78.9%	112,770	(1,869)	(1.3%)
Trade receivables	144,584	85.5%	153,040	84.6%	108,911	(8,456)	(5.5%)
Other receivables	8,423	5.0%	13,073	7.2%	7,751	(4,650)	(35.6%)
Current tax assets	81	0.0%	354	0.2%	280	(273)	(77.1%)
Trade payables	(14,752)	(8.7%)	(14,779)	(8.2%)	(10,456)	27	(0.2%)
Current employee benefits	(62,861)	(37.2%)	(63,865)	(35.3%)	(42,962)	1,004	(1.6%)
Other payables	(40,879)	(24.2%)	(43,591)	(24.1%)	(32,840)	2,712	(6.2%)
Current tax liabilities	(2,512)	(1.5%)	(1,519)	(0.8%)	(726)	(993)	65.4%
Provisions for current risks and charges	(3,757)	(2.2%)	(4,544)	(2.5%)	(1,929)	787	(17.3%)
Net working capital	28,327	16.7%	38,168	21.1%	28,029	(9,841)	(25.8%)
Total loans – net invested capital	169,154	100.0%	180,864	100.0%	140,799	(11,710)	(6.5%)
Equity	141,521	83.7%	134,722	74.5%	122,086	6,799	5.0%
Net Financial Indebtedness (NFI)	26,216	15.5%	44,464	24.6%	17,375	(18,248)	(41.0%)
Non-current employee benefits	1,417	0.8%	1,678	0.9%	1,339	(261)	(15.6%)
Total sources	169,154	100.0%	180,864	100.0%	140,799	(11,710)	(6.5%)

* Net Invested Capital

Intangible assets and goodwill

Intangible assets and goodwill totalled EUR 102,842 thousand as at 31 December 2022, compared to EUR 103,854 thousand as at 31 December 2021, and consist primarily of goodwill, customer relations, software and other intangible assets under development and payments on account.

Goodwill, amounting to EUR 99,228 thousand as at 31 December 2022, unchanged from the previous year, is attributable for EUR 45,999 thousand to acquisitions carried out before 2011 and the merger with WM S.r.l. carried out in 2007, for EUR 27,164 thousand to the acquisition and subsequent merger of Metis S.p.A. carried out in 2011, and for EUR 383 thousand to the acquisition of the subsidiary Corium S.r.l. carried out in 2013. Subsequently, the goodwill value increased in relation to the acquisitions of Meritocracy S.r.l. and HC S.r.l., respectively for amounts equal to EUR 288 thousand and EUR 604 thousand. The acquisition of Jobdisabili S.r.l. in January 2020 led to an increase of EUR 169 thousand, and the acquisition of 50.66% of Lyve S.r.l. in November 2020 resulted in an increase of EUR 519 thousand. Finally, following the acquisition of Quanta S.p.A. and its subsidiary Quanta Risorse Umane S.p.A., which took place on 26 May 2021, and consolidated from the financial statements as at 30 June 2021, the value of goodwill increased by EUR 24,100 thousand.

Other non-current assets and liabilities

The item, amounting to EUR 20,645 thousand, mainly includes the net effect deriving from the realignment of the tax value of the goodwill of the Parent, as provided for by Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis, for which EUR 19,351 thousand has been recorded for deferred tax assets as at 31 December 2022 (EUR 19,755 thousand as at 31 December 2021). Also included are payables for non-compete agreements of EUR 600 thousand (EUR 900 thousand as at 31 December 2021).

Trade receivables

As at 31 December 2022, trade receivables amounted to EUR 144,584 thousand, compared to EUR 153,040 thousand as at 31 December 2021. The item is recorded in the consolidated financial statements net of a loss allowance of EUR 7,598 thousand (EUR 6,699 thousand as at 31 December 2021).

As a result of the acquisition of Quanta, trade receivables at fair value were recorded in the financial statements and totally written down by EUR 88 thousand as at 31 December 2022 (EUR 4,099 thousand as at 31 December 2021).

In 2022, trade receivables were assigned for a total amount of EUR 57,753 thousand, compared to EUR 34,689 thousand in 2021.

The days sales outstanding (DSO) granted to customers is 68, compared to 69 [18] reported as at 31 December 2021.

There are no trade receivables with insurance coverage.

There are no credit risk profiles for related parties.

There are no particular concentrations of trade receivables in specific sectors. Exposure to the top ten customers' accounts for approximately 16% of total trade receivables as at 31 December 2022.

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[18] As "Quanta" has only been included in the consolidated financial statements since June 2021, it was not possible to correctly calculate the DSO using the revenue and trade receivables data from the financial statements as at 31 December 2021. DSO was therefore calculated net of Quanta Group's trade receivables and revenue.

Financial assets (current)

The item includes receivables from factoring companies for the amount of EUR 3,095 thousand referring to trade receivables assigned as at 31 December 2022, for which the Group has not requested early settlement.

Other receivables

As at December 2022, other receivables amounted to a total of EUR 8,423 thousand, compared to EUR 13,073 thousand as at 31 December 2021, and relate to receivables from Forma.Temp for EUR 2,724 thousand (EUR 5,040 thousand as at 31 December 2021), mainly referring to the reimbursement of the salary supplement (Trattamento di Integrazione Salariale - TIS) paid in advance to contract workers, receivables from the INPS treasury funds for post-employment benefits for EUR 1,574 thousand (EUR 1,732 thousand as at 31 December 2021), prepayments for EUR 1,242 thousand (EUR 1,066 thousand as at 31 December 2021), other disputed receivables for EUR 1,095 thousand relating to a receivable from a former director of Metis S.p.A. for unjustified expenses (unchanged compared to 31 December 2021), receivables from the tax authorities for reimbursements for EUR 152 thousand (EUR 104 thousand as at 31 December 2021) and other sundry receivables for EUR 236 thousand (EUR 217 thousand as at 31 December 2021).

The change in the amount due from the INPS treasury fund for post-employment benefits is mainly due to the seasonal nature of contract work, the contracts of which generally terminate prior to the customer companies' closure for the holidays.

Prepayments mainly refer to advance costs entirely recognised during the current year, relating to sponsorships, bank fees and sundry rentals not related to lease agreements.

As at 31 December 2021, there was a receivable of approximately EUR 2,419 thousand in relation to the selling party of Quanta S.p.A. for positions secured as part of the acquisition transaction which were settled during the first six months of the year. On the other hand, as at 31 December 2022, there remain receivables of EUR 1,400 thousand related to other liabilities also covered by a guarantee from the selling party, for which there is a provision for risks of the same amount, unchanged from 31 December 2021.

Trade payables

As at 31 December 2022, trade payables amounted to EUR 14,752 thousand, compared to EUR 14,779 thousand as at 31 December 2021. The main suppliers of the Group are implementing bodies for the organisation of courses for contract workers.

Employee benefits

As at 31 December 2022, payables for current employee benefits amounted to EUR 62,861 thousand, compared with EUR 63,865 thousand as at 31 December 2021. The item mainly refers to payables for salaries and compensation due to contract workers and company employees, in addition to the payable for post-employment benefits due to contract workers.

Given the nature of business carried out by the Group and the average duration of employment contracts with contract workers, employee benefits represented by the post-employment benefits of contract workers are paid periodically and were consequently regarded as current liabilities. Therefore, there was no need to make any actuarial valuation and the liability corresponds to the amount due to contract workers at the end of the contract.

Current tax liabilities

Current tax liabilities as at 31 December 2022 amounted to EUR 2,512 thousand and referred to EUR 717 thousand for the third instalment of the substitute tax pursuant to Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis, EUR 1,253 thousand to the tax authorities for IRES tax consolidation and EUR 533 thousand to the tax authorities for IRAP. The rest, amounting to EUR 9 thousand, refers to the IRAP payable for the subsidiary Lyve S.r.l. For further details, please refer to point 28 of the Notes to the consolidated financial statements.

Current tax liabilities as at 31 December 2021 amounted to EUR 1,519 thousand and mainly referred to EUR 717 thousand for the second instalment of the substitute tax pursuant to Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis and EUR 554 thousand to the tax authorities for IRES tax consolidation and EUR 181 thousand to the tax authorities for IRAP.

Other current payables

As at 31 December 2022, other payables amounted to EUR 40,879 thousand, compared to EUR 43,591 thousand as at 31 December 2021. The item mainly relates to social security charges payable for EUR 25,872 thousand (EUR 24,899 thousand as at 31 December 2021) and tax payables mainly in respect of employee withholding taxes for the amount of EUR 11,408 thousand (EUR 15,543 thousand as at 31 December 2021). In addition, the item includes payables to Forma.Temp for EUR 1,117 thousand (EUR 732 thousand as at 31 December 2021) and other payables for a total amount of EUR 2,482 thousand (EUR 2,417 thousand as at 31 December 2021), mainly including the valorisation of put-options provided for in the agreements for the purchase of the remaining shares of the subsidiaries.

Equity

As at 31 December 2022, equity amounted to EUR 141,521 thousand, compared to EUR 134,722 thousand as at 31 December 2021. The change in equity recorded between 31 December 2021 and 31 December 2022 is mainly attributable to the distribution of dividends for EUR 4,140 thousand and to the change in the reserve for the purchase of treasury shares for EUR 3,839 thousand, in addition to the profit for the period.

Net Financial Indebtedness (NFI)

Net financial indebtedness shows a negative balance of EUR 26,216 thousand as at 31 December 2022, compared to a negative balance of EUR 44,464 thousand as at 31 December 2021.

Below is the net financial indebtedness of the Group as at 31 December 2022, 2021 and 2020, calculated in accordance with the *Guidelines on disclosure requirements* published by ESMA on 4 March 2021 and CONSOB *Call to attention no. 5/21* of 29 April 2021.

	(In thousands of EUR)	Financial statements for the year ended 31 December			2022 vs 2021 Change	
		2022	2021	2020	Value	%
A	Cash	46	38	29	8	21.1%
B	Cash and cash equivalents	10,244	16,830	16,973	(6,586)	(39.1%)
C	Other current financial assets	3,095	-	-	3,095	100%
D	**Cash and cash equivalents (A+B+C)**	**13,385**	**16,868**	**17,002**	**(3,483)**	**(20.6%)**
E	Current financial debt	(22,831)	(37,025)	(14,240)	14,194	(38.3%)
F	Current portion of non-current financial debt	(4,025)	(4,311)	(3,665)	286	(6.6%)
G	**Current financial indebtedness (E+F)**	**(26,856)**	**(41,336)**	**(17,905)**	**14,480**	**(35.0%)**
H	**Net current financial indebtedness (G+D)**	**(13,471)**	**(24,468)**	**(903)**	**10,997**	**(44.9%)**
I	Non-current financial debt	(12,745)	(19,997)	(16,472)	7,252	(36.3%)
J	Debt instruments	-	-	-	-	-
K	Trade payables and other non-current payables	-	-	-	-	-
L	**Non-current financial indebtedness (I+J+K)**	**(12,745)**	**(19,997)**	**(16,472)**	**7,252**	**(36.3%)**
M	**Total financial indebtedness (H+L)**	**(26,216)**	**(44,464)**	**(17,375)**	**18,248**	**(41.0%)**

Other current financial assets of EUR 3,095 thousand refers to receivables from factoring companies referring to trade receivables assigned as at 31 December 2022, for which the Group has not requested early settlement.

Net financial indebtedness showed a negative balance of EUR 26,216 thousand as at 31 December 2022. Net of lease liabilities, the net financial indebtedness would have been a negative EUR 12,363 thousand.

The adoption of the *Guidelines on disclosure requirements* published by ESMA on 4 March 2021 and Consob *Call to attention no. 5/21* of 29 April 2021 did not entail significant impacts on the determination of the net financial position of the Group as at 31 December 2022 and 31 December 2021.

Contingent liabilities

The Group is a party to pending disputes and lawsuits. Based on the opinion of legal and tax advisors, the Directors do not expect that the outcome of these ongoing actions will have a significant effect on the financial position of the Group, in addition to that already allocated in the financial statements.

Specifically:

- The subsidiary Openjob Consulting S.r.l., at an event held in Perugia, underwent a tax inspection by the competent Local Labour Office that led to the preparation of a report which alleged violations concerning forms of contract used on this occasion with consequent possible administrative sanctions. In September 2018, an order was issued by the Local Labour Inspectorate of Perugia, which in June 2019 was the subject of a settlement agreement following which approximately EUR 29 thousand was paid in settlement of any claims. Following the aforementioned report, the INPS also issued a charge notice, which was subsequently effectively suspended by the Labour Court of Perugia, declaring its lack of local jurisdiction in favour of the Court of Varese, and is to date still pending an outcome; a possible settlement agreement in terms similar to that concluded with the Labour Inspectorate of Perugia is not excluded.

Also in light of the above, the Group believes that it has adequate grounds for its actions and therefore it is not expected that the outcome of such actions will have any effect on the Group's financial position beyond that which is already reflected in the financial statements.

- During 2020, Quanta S.p.A., now merged by incorporation into Openjobmetis S.p.A. as of 1 January 2022, received a questionnaire from the Italian Tax Authorities concerning the VAT treatment of the financed professional training activities, intended for contract workers in 2015, 2016 and 2017. On 30 November 2020, the Italian Tax Authorities communicated assessment notice no. TMB067O00388/2020, concerning the alleged non-deductibility of VAT for the year 2015, equal to EUR 592,801.18, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest.

On 28 April 2021, Quanta S.p.A. filed an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 15 March 2022, who, in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal.

On 28 October 2021, the Italian Tax Authorities communicated an assessment notice no. TMB067O00227/2021 for 2016 with the same requirements as the previous one, for EUR 595,569.72. On 22 December 2021, Quanta S.p.A. served an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 21 June 2022, who in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal. It cannot be ruled out that, for both of the aforementioned years for which the Company has seen its arguments recognised, the Italian Tax Authorities may appeal against the first instance Tax Commission's rulings.

On 12 April 2022, the Italian Tax Authorities served an additional assessment notice no. TMB061T00096/2022 for 2017 to Openjobmetis S.p.A., as the incorporator of Quanta S.p.A., with the same requirements as the previous ones, for EUR 572,322.77. On 9 June 2022, the Company filed an appeal with a petition for discussion at a public hearing held on 17 January 2023; the outcome of the ruling is currently pending.

Pursuant to the contractual agreements in place, the seller of Quanta S.p.A., FDQ S.r.l., has issued a specific guarantee to cover any liability that may arise in relation to assessment notices concerning the undue deduction of VAT for the year 2015 and onward until 2020.

In 2021, the Italian Tax Authorities - Regional Lombardy Division - Office of Major Taxpayers, initiated a tax audit activity against the Parent, Openjobmetis S.p.A., with reference to the 2016 and 2017 tax periods.

The audit concerned the VAT treatment of financed professional training received by the Company in its capacity as client, aimed at contract workers.

On 23 December 2021, the Italian Tax Authorities communicated assessment notice no. TMB061T00556/2021, concerning the alleged non-deductibility of VAT for the year 2017, equal to EUR 2,727,981.88, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest. On 21 May 2022, the Company filed an appeal with a petition for discussion at a public hearing held subsequently on 29 November 2022, following which the Tax Commission handed down a favourable ruling on 3 January 2023, acknowledging the merits of the reasons set out in the appeal.

On 13 October 2022, the Italian Tax Authorities communicated assessment notice no. TMB061T00552/2021, concerning the alleged non-deductibility of VAT for the year 2016, amounting to EUR 2,072,364.00 with the same assumptions applied with reference to the year 2017.

Openjobmetis S.p.A., after consulting its advisors, believes that it has various reasons to support its actions and the actions of Quanta, for which it has taken over all legal relations and obligations following the merger by incorporation carried out on 1 January 2022 and stresses its firm opposition to the objections raised by the Italian Tax Authorities and its willingness to proceed with litigation to the extent necessary for the recognition of its reasons.

The objections raised by the Italian Tax Authorities are part of a line of argument that has, to date, involved various Employment Agencies; consequently, the publication of new case law potentially favourable to the Company's defence cannot be ruled out in the coming months. To protect the interests of the category, associations representing Employment Agencies intervened, supporting initiatives directed at the competent institutional venues, including the complaint before the European Commission. Therefore, a favourable legislative intervention should not be excluded.

Operating performance and results of the Parent Openjobmetis S.p.A.

Analysis of the operating performance of Openjobmetis S.p.A. for the year 2022

On 1 January 2022, the merger by incorporation of the subsidiary Quanta S.p.A. into Openjobmetis S.p.A. was carried out. Therefore, the comparative figures for the year 2021 are not homogeneous. The main economic and financial impacts of such transaction will be described below in the Annual Report.
Revenue from sales for 2022 came to EUR 727.1 million, compared to EUR 624.9 million in the previous year. In 2022, operating profit (or EBIT, earnings before interest and tax) amounted to EUR 11.7 million (EUR 13.0 million in 2021). Net profit was EUR 11.7 million compared to EUR 10.5 million in 2021. The parent's income statements for the years 2022 and 2021 are shown in the table below.

(Amounts in EUR)	Financial statements for the year ended 31 December				Change 2022/2021	
	2022	% of Revenue	2021	% of Revenue	Value	%
Revenue	727,095,252	100.0%	624,939,861	100.0%	102,155,391	16.3%
Cost of contract work and outsourcing	(648,081,722)	(89.1%)	(555,337,887)	(88.9%)	(92,743,835)	16.7%
First contribution margin	79,013,530	10.9%	69,601,974	11.1%	9,411,556	13.5%
Other income	14,483,983	2.0%	12,562,564	2.0%	1,921,419	15.3%
Employee costs	(35,375,447)	(4.9%)	(31,216,828)	(5.0%)	(4,158,619)	13.3%
Cost of raw materials and consumables	(176,158)	(0.0%)	(144,564)	(0.0%)	(31,594)	21.9%
Costs for services	(35,027,072)	(4.8%)	(31,203,014)	(5.0%)	(3,824,058)	12.3%
Other operating expenses	(734,672)	(0.1%)	(804,424)	(0.1%)	69,752	(8.7%)
EBITDA	22,184,164	3.1%	18,795,708	3.0%	3,388,456	18.0%
Provisions and impairment losses	(1,585,000)	(0.2%)	(1,554,315)	(0.2%)	(30,685)	2.0%
Amortisation, depreciation and impairment losses	(8,229,710)	(1.1%)	(4,086,668)	(0.7%)	(4,143,042)	101.4%
EBITA	12,369,454	1.7%	13,154,725	2.1%	(785,271)	(6.0%)
Amortisation of intangible assets [19]	(651,812)	(0.1%)	(182,437)	(0.0%)	(469,375)	257.3%
EBIT	11,717,642	1.6%	12,972,288	2.1%	(1,254,646)	(9.7%)
Financial income	4,944,673	0.7%	1,132,588	0.2%	3,812,085	336.6%
Financial expense	(627,894)	(0.1%)	(579,405)	(0.1%)	(48,489)	8.4%
Profit (loss) before taxes	16,034,421	2.2%	13,525,471	2.2%	2,508,950	18.5%
Income taxes	(4,328,010)	(0.6%)	(2,984,961)	(0.5%)	(1,343,049)	45.0%
Profit (loss) for the year	11,706,411	1.6%	10,540,510	1.7%	1,165,901	11.1%

[19] Amortisation of intangible assets included in the balance of "Intangible assets and goodwill" (amortisation of customer relations, non-compete agreement signed as part of the acquisition of "Quanta" and other sundry assets) has been represented separately from the total of "Amortisation".

The table below provides a breakdown of the costs that have been adjusted for the purposes of determining the Alternative Performance Indicators (APIs).

(In EUR)		2022	2021
Costs for services	Charges mainly relating to costs for consultancy and due diligence in relation to acquisitions and costs for professional services for transactions on the regulated market	141,559	846,690
Employee costs	Costs for personnel reorganisation and extraordinary bonus for the achievement of specific results relating to the acquisition of Quanta	709,000	500,000
Other operating expenses	Taxes (Tobin Tax) and charges relating to the capital loss on the sale of the property in Rodengo Saiano	-	280,187
Total		**850,559**	**1,626,877**
Amortisation/depreciation	Amortisation of customer relations and non-compete agreements included in intangible assets and goodwill	651,812	182,437
Total costs		**1,502,371**	**1,809,314**
Tax effect		(419,162)	(493,639)
Total impact on the Income Statement		**1,083,209**	**1,315,675**

In 2022, charges relating to costs for personnel reorganisation and extraordinary bonuses amounted to EUR 709 thousand, while costs for consultancy and professional services in relation to extraordinary transactions on the regulated market amounted to EUR 141,559 thousand. Amortisation of intangible assets includes the amortisation of the non-compete agreement for EUR 300,000 thousand and the amortisation of customer relations for EUR 351,812 thousand recorded in the financial statements following the "Quanta" transaction in 2021. This resulted in an adjusted net profit of EUR 12,789,620, taking into account a negative tax effect of EUR 419,162 thousand.

Revenue

In 2022, the Parent's revenue was EUR 727,095,252 compared to EUR 624,939,861 in 2021. As previously commented on, the economic and political scenario was characterised by high uncertainty, caused by the continuation of the Russia/Ukraine conflict. Despite the instability, revenue compared to the previous year was substantially constant, excluding the effects due to the merger by incorporation of the company Quanta with statutory, accounting and tax effects starting from 1 January 2022

The following table provides a breakdown of revenue by type of service:

(In thousands of EUR)	2022	2021	Change
Revenue from contract work	724,434	623,694	100,740
Revenue from personnel recruitment and selection	430	278	152
Revenue from other activities	1,540	373	1,167
Expenses charged to Group companies	691	595	96
Total Revenue	727,095	624,940	102,155

Cost of contract work

Personnel expense relating to contract and outsourced workers shows an increase of EUR 92,744 thousand, from EUR 555,337,887 in 2021 to EUR 648,081,722 in 2022, with an incidence on revenue of 89.1%, slightly higher compared to 2021 (88.9%). The change is attributable to the increase in business volumes for the year for what was previously indicated in the comment on the item "revenue".

The table below shows details of costs of contract work:

(In thousands of EUR)	2022	2021	Change
Wages and salaries of contract workers	462,481	398,292	64,189
Social security charges of contract workers	135,566	115,966	19,600
Post-employment benefits of contract workers	25,752	22,057	3,695
Forma.Temp contributions for contract workers	17,904	14,950	2,954
Other costs of contract workers	6,170	4,073	2,097
Other costs for services provided	209	-	209
Total cost of contract work and outsourcing	648,082	555,338	92,744

First contribution margin

The Parent's first contribution margin was EUR 79,013,530 in 2022, compared to EUR 69,601,974 in 2021. The incidence on revenue was 10.9%, while the change compared to the previous year was 13.5%.

Other income

Other income for 2022 amounted to EUR 14,483,983, compared to EUR 12,562,564 in 2021.

The item mostly includes contributions from Forma.Temp (EUR 13,005 thousand in 2022, compared with EUR 10,440 thousand in 2021) for costs incurred by Openjobmetis S.p.A. to deliver training courses for contract workers through qualified trainers.

These contributions are issued by Forma.Temp on the basis of the specific cost reports of equal amounts - recorded for the organisation and performance of training activities – carried out for each individual initiative. Furthermore, the item includes other sundry income (EUR 1,479 thousand as at 31 December 2022, compared with EUR 2,122 thousand in 2021), which includes income not pertaining to the period such as the collection of previously impaired receivables and adjustments to the allocations of costs related to previous years, sundry reimbursements and other minor income.

In 2021, sundry income included a contribution of EUR 1,218 thousand received from the National Agency for Active Labour Policies to support professional development activities carried out by contract workers.

Employee costs

The average number of employees in 2022 was 648, compared to 541 in 2021, and includes staff employed at the headquarters and staff at the branch offices located throughout the country. The increase is mainly due to the merger by incorporation of Quanta S.p.A.

Employee costs in 2022 amounted to EUR 35,375,447 compared to EUR 31,216,828 in 2021.
As a percentage of revenue, it stood at 4.9%, slightly down from the figure reported in 2021 (5.0%).

Costs for services

In 2022, costs for services stood at EUR 35,027,072, compared to EUR 31,203,014 in 2021.

Costs for services include the costs incurred for the organisation of training courses for contract workers, amounting to EUR 13,028 thousand for 2022, compared to EUR 10,466 thousand in 2021. The Group receives contributions from Forma.Temp to fully cover the costs incurred for training, following accurate and timely reporting of said costs.

We note the presence of charges relating to consultancy and professional services for extraordinary transactions on the regulated market of EUR 142 thousand for 2022. As at 31 December 2021, there were charges relating to consultancy and due diligence in relation to the acquisition of Quanta for EUR 799 thousand, in addition to a further EUR 48 thousand for legal and tax consultancy fees. These charges are subject to disclosure for the purpose of calculating adjusted EBITDA as specified in the following paragraph.
The following table shows the breakdown of the item costs for services:

(In thousands of EUR)	2022	2021	Change
Costs for organising courses for contract workers	13,028	10,466	2,562
Costs for updating skills of contract workers	-	1,157	(1,157)
Costs for tax, legal, IT, business consultancy	6,771	5,355	1,416
Costs for marketing consultancy	2,034	2,218	(184)
Fees to sourcers and professional advisors	4,647	4,549	98
Costs for advertising and sponsorships	2,020	1,909	111
Costs for utilities	1,284	949	335
Remuneration to the Board of Statutory Auditors	88	88	-
Costs for due diligence and consultancy services	142	847	(705)
Other	5,013	3,665	1,348
Total costs for services	35,027	31,203	3,824

Net of costs for the organisation of courses for contract workers and non-recurring costs, the incidence on revenue of remaining costs for services, which refer mainly to the costs for tax, legal, IT, commercial and business consultancy, and fees to sourcers and professional advisors, stands at 3.0% (3.2% in 2021).

In 2021, the item included costs for the upgrading of contract worker skills that were related to a specific professional upgrading programme promoted by the National Agency for Active Labour Market Policies.

It should be noted that, in 2022, Openjobmetis S.p.A. was confirmed as the main sponsor of Pallacanestro Varese, a professional basketball club that plays at national level in the first division of the Italian basketball league.

EBITDA, EBITA and the respective adjusted values

In 2022, EBITDA stood at EUR 22,184,164, compared to EUR 18,795,708 realised in 2021. Adjusted EBITDA [20] was EUR 23,034,723 in 2022, compared to EUR 20,422,585 in 2021. The changes in the absolute values mainly refer to the effects of the merger by incorporation of Quanta S.p.A. as indicated in the previous comments on the individual items.

EBITA [21] in 2022 was EUR compared to EUR 12,369,454 in 2021 and Adjusted EBITA [22] was EUR 13,220,013 compared to EUR 14,781,602 in 2021. It should be noted that the 2022 figure includes impairment of equity investments for EUR 3,722 thousand.

Amortisation, depreciation and impairment losses

In 2022, amortisation/depreciation amounted to EUR 8,881,522, compared to EUR 4,269,105 in 2021.

The amortisation charge for intangible assets, amounting to EUR 651,812, includes amortisation for the non-compete agreement with the seller for the "Quanta" transaction of EUR 300 thousand and amortisation for relations of EUR 352 thousand.

In 2022, the item includes impairment of equity investments of EUR 3,272 thousand; for further information, please refer to point 5 of the notes to the separate financial statements.

Impairment loss on trade and other receivables

Total impairment in 2022 was EUR 1,585,000, compared to EUR 1,554,315 in 2021. The incidence with respect to total revenue stood at 0.22%, almost in line with the previous year (0.23 in spite of the complex economic context).

EBIT

As a result of the above, Openjobmetis S.p.A.'s operating profit was EUR 11,717,642 in 2022, compared with EUR 12,972,288 in 2021. Please refer to the comments on EBITDA, EBITA and respective adjustments in relation to the improvement in 2022 results.

Financial income and financial expense

Net financial income and expense show a net positive balance of EUR 4,316,779 in 2022 compared to a positive EUR 553,183 in 2021. It should be noted that the figure includes the accounting of financial expense relating to lease liabilities (for EUR 139 thousand).

The increase in the item is mainly due to the increase in dividends from subsidiaries which for the year 2022 amounted to EUR 4,911 thousand, compared to EUR 1,100 thousand in 2021.

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[20] Adjusted EBITDA is calculated as EBITDA before charges mainly relating to costs for personnel reorganisation, extraordinary bonuses and due diligence incurred in relation to acquisitions and costs for professional services for extraordinary transactions on the regulated market.

[21] EBITA is calculated as Profit (loss) for the period before income taxes, net financial expense and amortisation of the intangible assets included in the balance of Intangible assets and goodwill (amortisation of customer relations and non-compete agreement signed as part of the acquisition of "Quanta").

[22] Adjusted EBITA is calculated as EBITA before charges mainly relating to costs for personnel reorganisation, extraordinary bonuses and due diligence incurred in relation to acquisitions and costs for professional services for extraordinary transactions on the regulated market.

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Income taxes

In 2022, income taxes of a negative EUR 4,328,010 were recognised, compared to a negative EUR 2,984,961 in 2021. The item includes current IRES and IRAP taxes amounting to EUR 4,111 thousand, compared to EUR 3,491 thousand in the previous year, deferred taxes amounting to EUR 571 thousand and taxes relating to previous years amounting to EUR (354).

For further information, please refer to point 27 of the Notes to the separate financial statements.

Net Profit/(Loss) for the year and adjusted Net Profit/(Loss) for the year

As a result of the above, net profit for 2022 totalled EUR 11,706,411, compared to a net profit of EUR 10,540,510 in the previous year.

Adjusted net profit for the year, as shown in the following table, amounted to EUR 12,789,620 in 2022, compared to an adjusted profit of EUR 11,856,185 in 2021.

Adjusted Profit *(In EUR)*	2022	2021
Profit for the period	11,706,411	10,540,510
Costs for services (Charges mainly relating to costs for consultancy and due diligence in relation to acquisitions and costs for professional services for transactions on the regulated market)	141,559	846,690
Employee costs (Personnel reorganisation and extraordinary bonus for the achievement of specific results relating to the acquisition of Quanta)	709,000	500,000
Other operating expenses (Taxes and capital losses on property sales)	-	280,187
Amortisation of intangible assets	651,812	182,437
Tax effect	(419,162)	(493,639)
Adjusted profit for the period	12,789,620	11,856,185

Statement of Financial Position

The table below shows the Parent's separate statement of financial position reclassified on a financial basis for the years ended 31 December 2022 and 31 December 2021.

(In EUR)	Financial statements for the year ended 31 December				Change 2022/2021	
	2022	% on NIC* or Total sources	2021	% on NIC* or Total sources	Value	%
Intangible assets and goodwill	98,917,823	58.4%	73,180,621	43.9%	25,737,202	35.2%
Property, plant and equipment	3,222,125	1.9%	2,806,475	1.7%	415,650	14.8%
Right of use for leases	12,369,287	7.3%	9,039,938	5.4%	3,329,349	36.8%
Other net non-current assets and liabilities	25,795,567	15.2%	56,450,821	33.9%	(30,655,254)	(54.3%)
Total non-current assets/liabilities	140,304,802	82.9%	141,477,855	84.9%	(1,173,053)	(0.8%)
Trade receivables	136,300,197	80.5%	120,222,585	72.1%	16,077,612	13.4%
Other receivables	9,061,832	5.4%	8,430,207	5.1%	631,625	7.5%
Trade payables	(11,931,271)	(7.0%)	(10,497,662)	(6.3%)	(1,433,609)	13.7%
Current employee benefits	(59,969,389)	(35.4%)	(52,161,781)	(31.3%)	(7,807,608)	15.0%
Other payables	(38,433,249)	(22.7%)	(37,583,527)	(22.5%)	(849,722)	2.3%
Current tax liabilities	(2,419,787)	(1.4%)	(1,361,443)	(0.8%)	(1,058,344)	77.7%
Provisions for current risks and charges	(3,647,112)	(2.2%)	(1,838,839)	(1.1%)	(1,808,273)	98.3%
Net working capital	28,961,221	17.1%	25,209,540	15.1%	3,751,681	14.9%
Total loans – net invested capital	169,266,023	100.0%	166,687,397	100.0%	2,578,626	1.5%
Equity	135,783,033	80.2%	132,863,628	79.7%	2,919,405	2.2%
Net Financial Indebtedness (NFI)	32,896,416	19.4%	33,195,757	19.9%	(299,341)	(0.9%)
Non-current employee benefits	586,574	0.3%	628,012	0.4%	(41,438)	(6.6%)
Total sources	169,266,023	100.0%	166,687,397	100.0%	2,578,626	1.5%

* Net Invested Capital

Intangible assets and goodwill

Intangible assets and goodwill totalled EUR 98,917,823 as at 31 December 2022, compared to EUR 73,180,621 as at 31 December 2021, and consisted primarily of goodwill, customer relations, software, and the non-compete agreement.

Goodwill is attributable for EUR 44,572 thousand to acquisitions carried out before 2011 and the merger with WM S.r.l carried out in 2007, and for EUR 27,164 thousand to the acquisition and subsequent merger of Metis S.p.A. carried out in 2011.

In 2022, goodwill increased by a further EUR 23,846 thousand following the merger by incorporation of Quanta S.p.A. on 1 January.

In addition, following the merger, customer relations were recognised for EUR 2,815 thousand with a useful life of 8 years, in addition to software and trademarks for EUR 191 thousand.

The above was recognised in continuity of values with respect to those already included in the Group's consolidated financial statements as at 31 December 2021.

Other net non-current assets and liabilities

This item, amounting to EUR 25,795,567 in 2022 (EUR 56,450,821 in 2021), includes the net effect from the realignment of the tax value of goodwill, as provided for by Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis as recorded from 2020 (EUR 19,351 thousand as at 31 December 2022 compared to EUR 19,755 as at 31 December 2021).

Furthermore, the item includes equity investments in subsidiaries for EUR 5,152 thousand in 2022 (EUR 36,271 thousand in 2021). It should be noted that, with effect from 1 January 2022, the subsidiary Quanta S.p.A., a generalist employment agency, was incorporated into Openjobmetis S.p.A..

Lastly, the payable relating to the non-compete agreement signed with the seller of "Quanta", to be paid in five years, is included in the amount of EUR 600 thousand (EUR 900 thousand as at 31 December 2021).

Trade receivables

As at 31 December 2022, trade receivables amounted to EUR 136,300,197, compared to EUR 120,222,585 as at 31 December 2021, and included trade receivables from related parties in the amount of EUR 177 thousand (EUR 69 thousand as at 31 December 2021). The item is recorded in the separate financial statements net of a loss allowance of EUR 7,388 thousand (EUR 6,096 thousand as at 31 December 2021).

As a result of the acquisition of Quanta, trade receivables at fair value of EUR 0 were recorded in the financial statements and totally written down by EUR 88 thousand as at 31 December 2022.

During 2022, receivables were assigned for a total amount of EUR 57,753
thousand (EUR 34,689 thousand in the previous year).

The average collection period (DSO - Days Sales Outstanding) granted to customers appears to have decreased compared to the previous year, from 69 days to 67 days.

There are no trade receivables with insurance coverage.

There are no credit risk profiles for related parties.

There are no particular concentrations of trade receivables in specific sectors.

Exposure to the top ten customers' accounts for approximately 16% of total trade receivables as at 31 December 2022.

Financial assets (current)

The item includes receivables from factoring companies for the amount of EUR 3,094,969 referring to trade receivables assigned as at 31 December 2022, for which the Company has not requested early settlement.

Other receivables

As at 31 December 2022, other receivables amounted to a total of EUR 9,061,832 compared to EUR 8,430,207 as at 31 December 2021, and refer mainly to amounts due from Forma.Temp for EUR 2,743 thousand (EUR 4,247 thousand as at 31 December 2021), referring to the reimbursement of the salary supplement (Trattamento di Integrazione Salariale - TIS) paid in advance to contract workers, receivables from the INPS treasury funds for post-employment benefits for EUR 1,574 thousand (EUR 1,725 thousand as at 31 December 2021), prepayments for EUR 1,176 thousand (EUR 890 thousand as at 31 December 2021), receivables from tax authorities for reimbursements for EUR 150 thousand (EUR 104 thousand as at 31 December 2021), receivables for tax consolidation for EUR 705 thousand (EUR 225 thousand in 2021), other disputed receivables for EUR 1,095 thousand relating to a receivable from a former director of Metis S.p.A. for unjustified expenses (unchanged from 31 December 2021), and other sundry receivables for EUR 219 thousand (EUR 144 thousand in 2021).
The item Receivables from INPS treasury funds for post-employment benefits relates to the amount of post-employment benefits due to contract workers, which is paid in advance by Openjobmetis S.p.A. to the worker and requested as a reimbursement from the INPS treasury, to which it had been previously paid.
The item Prepayments mainly refers to costs not pertaining to the year for sponsorships, bank fees and sundry fees not relating to lease agreements.
The item "Receivable for domestic tax consolidation scheme" regards the Company's receivables from the subsidiaries Openjob Consulting S.r.l. and Seltis Hub S.r.l. due to participation in the tax consolidation scheme.

In addition, the item includes receivables from the seller of Quanta S.p.A. for EUR 1,400 thousand, referring to contingent liabilities, for which a provision for risks has been set aside, covered by the guarantee of the seller; it should be noted that the receivable, recognised in the Company's assets with the merger by incorporation of the subsidiary Quanta S.p.A. on 1 January 2022, had already been recognised in the consolidated financial statements for 2021.

Trade payables

As at 31 December 2022, trade payables totalled EUR 11,931,271, compared to EUR 10,497,662 as at 31 December 2021, and include trade payables to subsidiaries of EUR 1 thousand (not present as at 31 December 2021). The main suppliers of the Group are implementing bodies for the organisation of courses for contract workers.

Employee benefits

As at 31 December 2022, payables for current employee benefits amounted to EUR 59,969,389, compared to EUR 52,161,781 as at 31 December 2021. The item mainly refers to payables for salaries and compensation due to contract workers and company employees, in addition to the payable for post-employment benefits due to contract workers.

Given the nature of business carried out by the Company and the average duration of employment contracts with contract workers, employee benefits represented by the post-employment benefits of contract workers are paid periodically and were consequently regarded as current liabilities. Therefore, there was no need to make any actuarial valuation and the liability corresponds to the amount due to contract workers at the end of the contract.

Current tax liabilities

Current tax liabilities as at 31 December 2022 amounted to EUR 2,419,787 (EUR 1,361,443 as at 31 December 2021) and refer to the second instalment of the substitute tax pursuant to Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis amounting to 717 thousand (amount unchanged with respect to 2021), the IRES tax consolidation payable amounting to EUR 1,253 thousand (EUR 554 thousand as at 31 December 2021) and IRAP payable amounting to EUR 450 thousand (EUR 90 thousand as at 31 December 2021). For further details, please refer to point 27 of the Notes to the separate financial statements.

Other current payables

As at 31 December 2022, other payables amounted to EUR 38,433,249, compared to EUR 37,583,527 as at 31 December 2022. The item mainly relates to social security charges payable for EUR 25,258 thousand as at 31 December 2022 (EUR 22,336 thousand as at 31 December 2021), tax payables mainly in respect of employee withholding taxes for the amount of EUR 11,117 thousand (EUR 13,400 thousand as at 31 December 2021). In addition, the item includes payables to Forma.Temp for EUR 1,160 thousand (EUR 1,013 as at 31 December 2021), payables to subsidiaries for tax consolidation for EUR 293 thousand (EUR 385 thousand as at 31 December 2021) and other payables for EUR 305 thousand (EUR 150 thousand as at 31 December 2021).

With the finalisation of the acquisition of Quanta S.p.A. in May 2021, the current liability relating to the contractual agreement reached with the seller, concerning the limitation on the performance of professional activities in competition with the company, which will be recorded in five years (EUR 300 thousand), was recognised in the item Other current payables.

Equity

As at 31 December 2022, equity amounted to EUR 135,783,033, compared to EUR 132,863,628 as at 31 December 2021.

The change in equity recorded between 31 December 2021 and 31 December 2022 is mainly attributable to the distribution of dividends for EUR 4,140 thousand and to the change in the reserve for the purchase of treasury shares for EUR 3,839 thousand, in addition to the profit for the period.

Net Financial Indebtedness (NFI)

Net financial indebtedness shows a negative balance of EUR 32,896,416 as at 31 December 2022, compared with a negative balance of EUR 33,195,757 as at 31 December 2021.

Below is the net financial indebtedness of the Parent as at 31 December 2022 and as at 31 December 2021, calculated in accordance with the *Guidelines on disclosure requirements* published by ESMA on 4 March 2021 and CONSOB *Call to attention no. 5/21* of 29 April 2021.

	(In thousands of EUR)	Financial statements for the year ended 31 December		2022 vs 2021 Change	
		2022	2021	Value	%
A	Cash	33	19	14	73.7%
B	Cash and cash equivalents	1,878	5,076	(3,198)	(63.0%)
C	Other current financial assets	3,095	5,008	(1,913)	100%
D	**Cash and cash equivalents (A+B+C)**	**5,006**	**10,103**	**(5,097)**	**(50.5%)**
E	Current financial debt	(22,632)	(24,345)	1,713	(7.0%)
F	Current portion of non-current financial debt	(3,511)	(2,991)	(520)	17.4%
G	**Current financial indebtedness (E+F)**	**(26,143)**	**(27,336)**	**1,193**	**(4.4%)**
H	**Net current financial indebtedness (G+D)**	**(21,137)**	**(17,233)**	**(3,904)**	**22.7%**
I	Non-current financial debt	(11,759)	(15,963)	4,204	(26.3%)
J	Debt instruments	-	-	-	-
K	Trade payables and other non-current payables	-	-	-	-
L	**Non-current financial indebtedness (I+J+K)**	**(11,759)**	**(15,963)**	**4,204**	**(26.3%)**
M	**Total financial indebtedness (H+L)**	**(32,896)**	**(33,196)**	**300**	**(0.9%)**

Other current financial assets of EUR 3,095 thousand refers to receivables from factoring companies referring to trade receivables assigned as at 31 December 2022, for which the Company has not requested early settlement. The value included as at 31 December 2021 referred to receivables for loans from the subsidiary Quanta S.p.A.

The adoption of the *Guidelines on disclosure requirements* published by ESMA on 4 March 2021 and Consob *Call to attention no. 5/21* of 29 April 2021 did not entail significant impacts on the determination of the net financial position of the Parent as at 31 December 2022 and 31 December 2021.

Contingent liabilities

The Company is a party to pending disputes and lawsuits. Based on the opinion of legal and tax advisors, the directors do not expect that the outcome of these ongoing actions will have a significant effect on the financial position of the Company, in addition to what was already allocated in the consolidated financial statements.

During 2020, Quanta S.p.A., now merged by incorporation into Openjobmetis S.p.A. as of 1 January 2022, received a questionnaire from the Italian Tax Authorities concerning the VAT treatment of the financed professional training activities, intended for contract workers in 2015, 2016 and 2017. On 30 November 2020, the Italian Tax Authorities communicated assessment notice no. TMB067O00388/2020, concerning the alleged non-deductibility of VAT for the year 2015, equal to EUR 592,801.18, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest.

On 28 April 2021, Quanta S.p.A. filed an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 15 March 2022, who, in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal.

On 28 October 2021, the Italian Tax Authorities communicated an assessment notice no. TMB067000227/2021 for 2016 with the same requirements as the previous one, for EUR 595,569.72. On 22 December 2021, Quanta S.p.A. served an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 21 June 2022, who in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal. It cannot be ruled out that, for both of the aforementioned years for which the Company has seen its arguments recognised, the Italian Tax Authorities may appeal against the first instance Tax Commission's rulings.

On 12 April 2022, the Italian Tax Authorities served an additional assessment notice no. TMB061T00096/2022 for 2017 to Openjobmetis S.p.A., as the incorporator of Quanta S.p.A., with the same requirements as the previous ones, for EUR 572,322.77. On 9 June 2022, the Company filed an appeal with a petition for discussion at a public hearing held on 17 January 2023; the outcome of the ruling is currently pending.

Pursuant to the contractual agreements in place, the seller of Quanta S.p.A., FDQ S.r.l., has issued a specific guarantee to cover any liability that may arise in relation to assessment notices concerning the undue deduction of VAT for the year 2015 and onward until 2020.

In 2021, the Italian Tax Authorities - Regional Lombardy Division - Office of Major Taxpayers, initiated a tax audit activity against the Parent, Openjobmetis S.p.A., with reference to the 2016 and 2017 tax periods.

The audit concerned the VAT treatment of financed professional training received by the Company in its capacity as client, aimed at contract workers.

On 23 December 2021, the Italian Tax Authorities communicated assessment notice no. TMB061T00556/2021, concerning the alleged non-deductibility of VAT for the year 2017, equal to EUR 2,727,981.88, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest. On 21 May 2022, the Company filed an appeal with a petition for discussion at a public hearing held subsequently on 29 November 2022, following which the Tax Commission handed down a favourable ruling on 3 January 2023, acknowledging the merits of the reasons set out in the appeal.

On 13 October 2022, the Italian Tax Authorities communicated assessment notice no. TMB061T00552/2021, concerning the alleged non-deductibility of VAT for the year 2016, amounting to EUR 2,072,364.00 with the same assumptions applied with reference to the year 2017.

Openjobmetis S.p.A., after consulting its advisors, believes that it has various reasons to support its actions and the actions of Quanta, for which it has taken over all legal relations and obligations following the merger by incorporation carried out on 1 January 2022 and stresses its firm opposition to the objections raised by the Italian Tax Authorities and its willingness to proceed with litigation to the extent necessary for the recognition of its reasons.

The objections raised by the Italian Tax Authorities are part of a line of argument that has, to date, involved various Employment Agencies; consequently, the publication of new case law potentially favourable to the Company's defence cannot be ruled out in the coming months. To protect the interests of the category, associations representing Employment Agencies intervened, supporting initiatives directed at the competent institutional venues, including the complaint before the European Commission. Therefore, a favourable legislative intervention should not be excluded.

Risks related to operations

Risks related to the general operating performance

The general trend in the contract work market is affected by a number of factors beyond the Group's control, including the general economic environment and the employment level. Demand for contract workers is correlated with the GDP trend.

Negative economic conditions in Italy, also resulting from the effects of the ongoing geopolitical crisis related to the conflict between Russia and Ukraine, could adversely affect the demand for contract workers and lead to a proliferation of unlawful arrangements on the labour market, with consequent negative effects on the Group's business and expected results.

Risks relating to market competition

The contract work industry is highly competitive and some of the competitors are large multinationals that are able to adapt quickly to market changes and offer services at competitive prices, thanks to their financial strength, the marketing tools they can deploy and the economies of scale they can take advantage of.

Therefore, it cannot be excluded that the current structure of Openjobmetis S.p.A. will prove inadequate in this competitive environment, and that in order to maintain its competitiveness it may have to take certain initiatives that other market players have resorted to, and consequently may incur unexpected costs, with possible impacts on the Group's financial position, results of operations and cash flows.

Risks associated with changes in the national regulatory framework

Since its introduction in 2003, the temporary work employment agreement has been the subject of subsequent legislative amendments that have progressively changed the scope of application.

Within the framework of these constantly evolving regulations, however, it cannot be ruled out that future legislative measures could reduce the number of cases where the use of the temporary work employment, whether open ended or fixed-term, is allowed, or the possible future introduction of types of contracts alternative to employment.

Any changes in the legislation and/or collective bargaining schemes regarding training services may adversely affect the possibility for the Group to manage professional training courses for contract workers, and ultimately the ability to provide companies that use contract workers with adequate and competitive training under the same conditions as apply today, and the Group's financial position, results of operations and cash flows.

The Group carefully monitors regulatory and collective bargaining developments relating to temporary work contracts and training services, also through membership of the Assosomm trade association.

Risks to reputation and to the maintenance of Ministerial authorisations

The Group could suffer negative consequences from possible damage to its reputation in the future.

Openjobmetis S.p.A. and the Group companies Seltis Hub S.r.l., HC S.r.l. and Family Care S.r.l. conduct their business on the basis of authorisations issued by the Ministry of Labour and Social Affairs, which are mandatory for the performance of their activities.

Specifically: a) Openjobmetis S.p.A. and Family Care S.r.l conduct their business as providers of contract work employment by virtue of a ministerial authorisation pursuant to Article 4, paragraph 1(a) of Italian Legislative

Decree 276/2003; b) Seltis Hub S.r.l. holds a ministerial authorisation pursuant to Article 2, paragraph 1(c) of Legislative Decree 276/2003, to provide personnel recruitment and selection services; c) HC S.r.l. (formerly Corium S.r.l.) holds a ministerial authorisation pursuant to Article 2, paragraph 1(d) of Italian Legislative Decree 276/2003 to provide professional outplacement support; it should be noted that the companies Lyve S.r.l. and Openjob Consulting S.r.l. do not hold any ministerial authorisation.

Over the previous years and during the current year, the ministerial authorisations granted to Group companies were not subject to revocation or suspension. In addition, during the same period, Group companies have not received any remarks from the competent authorities, nor were they involved in proceedings in connection with the ministerial authorisations.

The Group carefully monitors the correct application of the regulatory provisions and the fulfilment of the obligations required to maintain the conditions provided for by the ministerial authorisations in force.

Although to date there is no reason to believe that the above authorisations may be suspended or revoked, it cannot be excluded that this may happen in the future, including as a result of any developments in the applicable regulatory requirements, with the possible consequence that the Group's continuing operation would be compromised.

Risks associated with debt exposure and the ability to meet financial requirements

The Group uses bank loans to finance its working capital to meet its cash requirements and obligations to pay the salaries of its employees and contract workers.

This means that any withdrawal by banks of the credit lines or facilities in place could negatively affect the Group's financial position, with the risk that, to honour its commitments, the Group may be forced to find other sources of funding - possibly at less advantageous conditions.

As at 31 December 2022, the Group's financial exposure amounted to approximately EUR 39,601 thousand, gross of cash and cash equivalents. With reference to the previous year, the Group's debt exposure gross of cash and cash equivalents (including banks and other financial institutions) as at 31 December 2021, amounted to EUR 61,333 thousand.

With particular reference to the senior loan entered into in 2019, still in place as at 31 December 2022, it should be noted that it provides for: (a) the obligation of the Company to comply with specific financial parameters, to be calculated annually on the items of the consolidated financial statements of the Group, (b) certain non-performance events involving the lenders' right to terminate the loan agreement, or to withdraw therefrom and declare the Company's benefit of postponed payment to be forfeited, depending on the circumstances.

Risks associated with court and/or arbitration proceedings and the possible inadequacy of provisions for risks

As at 31 December 2022, the Group companies are party to ongoing civil and tax disputes and litigation.

Considering the sector in which they operate, they are exposed to the risk of being involved in legal and/or arbitration proceedings of a labour law nature, both with reference to contract workers and to Group employees and in relation to contracts with independent collaborators, including commercial advisors, sourcers and professional consulting firms, with potential adverse effects on the Group's financial position.

Interest rate risk

The Group's financial indebtedness has variable interest rates, therefore the Group could be exposed to the risks related to fluctuations in these rates.

It cannot be ruled out that the dynamics of rising interest rates, related to macroeconomic conditions resulting from the conflict between Russia and Ukraine and as a result of ECB interventions to also combat inflation and any other unforeseeable fluctuations in interest rates, may lead to negative consequences in relation to the Group's financial situation, which, moreover, are minimal considering the low financial indebtedness.

Credit risk

The Group keeps the customer base diversified, and consequently it reduces the risks associated with debt recovery; the consolidated financial statements as at 31 December 2022 show that the Group's receivables from customers amounted to EUR 144,584 thousand, net of the loss allowance of EUR 7,598 thousand. Receivables from customers amounted to EUR 153,040 thousand as at 31 December 2021, net of the loss allowance of EUR 6,699 thousand.

It cannot be excluded that any breach of customers' payment obligations, or the mere delay in the execution of such payments, may reduce the liquid funds available to the Company and the Group, increasing the need for additional sources of funding.

Additionally, any deterioration in the economic environment or negative market developments could have adverse effects on customer relations, compromising the possibility for the Group to recover its trade receivables, with possible negative impacts on the Group's business and on its financial position, results of operations and cash flows.

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Lastly, please note that financial risk management objectives and policies are described in the dedicated paragraphs of the Notes to the separate and consolidated financial statements.

Relations with subsidiaries and related parties

The relationships between Group companies and by the Group with related parties, as identified on the basis of the criteria defined in IAS 24 – Related Party transactions – and CONSOB (the Italian Commission for listed companies and the stock exchange) provisions issued in this regard, are mainly commercial in nature and relate to transactions carried out on an arm's length basis.

During the meeting of 12 October 2015, the Board of Directors approved and subsequently updated, most recently on 29 June 2021, the related party transactions policy and procedure, in accordance with Article 2391-bis of the Italian Civil Code and with the "Related party transactions regulations" adopted by CONSOB with resolution no. 17221 of 12 March 2010 and subsequent amendments. The aforementioned procedure can be downloaded from the Group's website.

Relationships with Subsidiaries[23]

Openjobmetis S.p.A., whose core business is the provision of contract work, owns 100% of:

- Seltis Hub S.r.l., a company focused on the recruitment and selection of personnel (including those with disabilities) on behalf of third parties and on digital head-hunting.

- Openjob Consulting S.r.l., a company focused on supporting the parent with payroll management tasks, training-related activities and outsourcing services. It merged the company Quanta Risorse Umane S.p.A. by deed dated 25 March 2022, with effect for statutory purposes from 1 April 2022 and for tax and accounting purposes from 1 January 2022.

- Family Care S.r.l. – Employment Agency, a company focused on providing family assistants dedicated to the elderly and non-self-sufficient people.

In addition, Openjobmetis S.p.A. directly controls 92.86% of HC S.r.l., a company focused on training, coaching and outplacement, and 50.66% of Lyve S.r.l., a training company that operates mainly in the insurance and financial services sector.

Openjobmetis S.p.A. maintains relations with the other Group companies in matters of commercial transactions under market conditions. The revenue invoiced by Openjobmetis S.p.A. to the subsidiaries relates primarily to a range of general management, accounting and administrative support, operational control, personnel management, sales management, debt collection, EDP and data processing, call centre and procurement services provided by the Parent to the other Group companies, as well as secondment. The revenue invoiced by Openjob Consulting S.r.l. to Openjobmetis S.p.A. and Family Care S.r.l. - Employment Agency mainly pertains to the processing of contract workers' payslips, including the calculation of taxes and social security contributions (withholdings) and the processing of required periodic and annual reporting in addition to training services, as well as secondment of staff.

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[23] As at 31 December 2021, the subsidiary Quanta S.p.A. was present, which was merged by incorporation into Openjobmetis S.p.A. with effect for statutory, accounting and tax purposes from 1 January 2022 at 00:00.

Pursuant to Articles 117 to 129 of the Consolidated Income Tax Act (TUIR), agreements were signed between Openjobmetis S.p.A. and its subsidiaries Openjob Consulting S.r.l., Seltis S.r.l., HC S.r.l. and Family Care S.r.l. concerning the exercise of the option for the domestic tax consolidation scheme, thus benefiting from the possibility of offsetting taxable income against tax losses in a single tax return. The three-year agreements will be tacitly renewed for the following three-year period unless they are revoked.
The following table shows the economic and equity relationships between the various Group companies in the periods indicated (values eliminated in the consolidated financial statements):

Intercompany Revenue/Costs among Openjobmetis S.p.A. Group companies
(Amounts in thousands of EUR)

Year	2022	2021
Revenue		
Openjobmetis vs Openjob Consulting	911	262
Openjobmetis vs Seltis Hub	232	210
Openjobmetis vs HC	86	94
Openjobmetis vs Family Care	178	128
Openjobmetis vs Lyve	45	-
Openjobmetis vs Quanta	-	8
HC vs Seltis Hub	1	13
HC vs Openjobmetis	13	11
Seltis Hub vs HC	7	-
Lyve vs Openjobmetis	62	13
Openjob Consulting vs Family Care	107	89
Openjob Consulting vs Openjobmetis	1,659	1,276
Quanta vs Quanta Risorse Umane	-	607
Quanta Risorse Umane vs Quanta	-	1,638
Total Revenue/Costs	3,301	4,349

Intercompany Receivables/Payables among Openjobmetis S.p.A. Group companies
(Amounts in thousands of EUR)

Year	31/12/2022	31/12/2021
Receivables		
Openjobmetis vs Openjob Consulting	252	225
Openjobmetis vs Seltis Hub	486	-
Openjobmetis vs HC	144	69
Openjobmetis vs Quanta	-	5,008
Seltis Hub vs Openjobmetis	-	28
HC vs Openjobmetis	64	20
Family Care vs Openjobmetis	229	337
Quanta vs Quanta Risorse Umane	-	174
Lyve vs Openjobmetis	1	-
Total Receivables/Payables	1,176	5,861

Remuneration of key management personnel

The total remuneration to key management personnel as at 31 December 2022 amounted to EUR 3,185 thousand, against EUR 3,374 thousand as at 31 December 2021. For further details, please refer to point 32 of the Notes to the separate and consolidated financial statements.

The Board of Directors of Openjobmetis S.p.A. identified the beneficiaries of the first tranche of the 2022-2024 LTI Performance Shares Plan approved at the Shareholders' Meeting of 19 April 2022, including the Chairman of the Board of Directors Marco Vittorelli, the Deputy Chairman Biagio La Porta, the Managing Director Rosario

Rasizza and key management personnel of Openjobmetis, as well as the number of rights assigned to each beneficiary. For further information, please refer to the press release issued on 19 April 2022 by Openjobmetis S.p.A.

On 2 May 2022, shares were awarded to the beneficiaries identified for the first tranche of the 2019-2021 LTI Performance Shares Plan approved by the Shareholders' Meeting on 17 April 2019, according to the criteria defined in the plan. For further information, please refer to the press releases issued on 2 May 2022 by Openjobmetis S.p.A.

In addition to salaries, the Group also offers certain key management personnel benefits in kind according to the ordinary contractual practice for company managers, such as company cars, company mobiles, health and injury insurance coverage.

It should also be noted that the Chairman of the Board of Directors Marco Vittorelli and the Director Corrado Vittorelli indirectly hold 17.99% through Omniafin S.p.A. (of which they are shareholders with equal stakes) and that the Managing Director Rosario Rasizza indirectly holds 5.02% through MTI Investimenti S.r.l., of which he is the majority shareholder.

Other related party transactions

For details on related party transactions, please refer to section 32 of the Notes to the consolidated financial statements and section 31 of the Notes to the separate financial statements.

In the course of normal business, the Group has provided contract worker supply services and has collaborated with related parties for insignificant amounts and under normal market conditions.

Significant events in 2022

As of 00.00 on 1 January 2022, pursuant to Article 2504-bis, paragraph 2, of the Italian Civil Code, the statutory, accounting and tax effects of the merger by incorporation of Quanta S.p.A. into Openjobmetis S.p.A. became effective. The transaction did not entail any increase in share capital as the entire share capital of the merged company Quanta S.p.A. was wholly owned by the merging company.

By a deed dated 25 March 2022, the company Quanta Risorse Umane S.p.A. was declared merged by incorporation into the company Openjob Consulting S.r.l., with effect for statutory purposes from 1 April 2022 and with effect for tax and accounting purposes from 1 January 2022. The transaction allowed for the conclusion of the integration of the Quanta Group, acquired in 2021, within the Openjobmetis Group, consequently simplifying the corporate structure of the Group and obtaining improvements in terms of management flexibility.

On 19 April 2022, the Shareholders' Meeting approved the financial statements as at 31 December 2021, resolving to allocate the profit for the year and distribute a unit dividend of EUR 0.31 for each entitled share. The Shareholders' Meeting then approved the "2022-2024 Performance Shares Plan" for the free allocation of rights to receive ordinary shares of the Company and granted the Board of Directors all powers necessary to fully implement the plan. Furthermore, the Shareholders' Meeting resolved to authorise the Board of Directors to buy back and dispose of treasury shares, subject to revocation of the previous authorisation granted by the Shareholders' Meeting of 30 April 2021, up to a maximum of shares not exceeding 5% of the share capital of Openjobmetis S.p.A. Finally, the Shareholders' Meeting appointed, pursuant to and for the purposes of Article 2386, first paragraph, of the Italian Civil Code and Article 15.16 of the Articles of Association, Lucia Giancaspro as Director of the Company, who will remain in office until the expiry of the term of office of the current Board of Directors, i.e. until the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2023. For further information, please refer to the relevant press release.

On 19 April 2022, the Board of Directors of Openjobmetis S.p.A. identified the beneficiaries of the first tranche of the 2022-2024 LTI Performance Shares Plan approved at the Shareholders' Meeting of 19 April 2022, including the Chairman of the Board of Directors Marco Vittorelli, the Deputy Chairman Biagio La Porta, the Managing Director Rosario Rasizza and key management personnel, as well as the number of rights assigned to each beneficiary. For further information, please refer to the relevant press release.

On 8 May 2022, Openjobmetis S.p.A. received an ESG Rating from Sustainalytics for the second year, for a value of 10.4 points compared to 12.5 points in 2021, corresponding to the "Low Risk" level, on a scale from 0 (zero risk) to 40 (very high risk).

On 11 November 2022 the Board of Directors of Openjobmetis S.p.A. met to close the treasury share buyback programme launched on 19 April 2022 on the basis of the authorisation of the Shareholders' Meeting approved on the same date, and approved the launch of a new treasury share buyback programme, also based on the same Shareholders' Meeting authorisation, to be carried out through a partial voluntary public purchase offer for up to 325,065 ordinary shares admitted to trading on the Euronext STAR Milan, at the price of EUR 8.80 per share and for a maximum equivalent value of EUR 2,860,572.00. The Offer Acceptance Period was extended to a duration of 15 Trading Days and began at 8:30 a.m. on 14 November 2022 ended at 5:30 p.m. on 2 December 2022. For further information, please refer to the relevant press release.

On 6 December 2022, Openjobmetis announced the final results of the previously mentioned voluntary partial public tender offer. Members received in acceptance 3,568,654 shares, equal to 26.03% of the entire share capital and 1,097.83% of the maximum number of shares subject to the offer.

Taking the above into account and as a result of the applied allocation coefficient of 9.109%, on 9 December 2022, i.e., the date of payment of the consideration, the Company purchased 325,024 shares equal to 2.37% of the entire share capital, for a total outlay of EUR 2,860,211.

On 21 December 2022, Openjobmetis S.p.A. announced that the change of the Registered Office was recorded in the Milan Register of Companies at the following address: Via Assietta, no. 19, 20161 Milan.

Main significant subsequent events

On 27 February 2023, the Parent Openjobmetis S.p.A. acquired the minority interest equal to 7.14% of HC S.r.l., becoming the sole shareholder.

On 13 March 2023, the Boards of Directors of Lyve S.r.l. and HC S.r.l. presented and approved the plan for the merger by incorporation of HC S.r.l. into Lyve S.r.l.

Outlook

In a context characterised by the consequences of the Russia/Ukraine conflict, in 2022 the Group's revenue increased by 6.6% compared to the previous year (substantially constant on a like-for-like basis).
The prospects for 2023, drawn up by the Bank of Italy, envisage the easing of tensions associated with the war starting from late spring, with a consequent attenuation of the uncertainty of the economic and political scenario. [24]
The forecasts of the International Monetary Fund estimate an expected growth of the Italian GDP of +0.6% for 2023, which were considered good omens by the Ministry of Economy. [25]
On the regulatory front, the Meloni Government has demonstrated, from the first months of its work, an openness to the Employment Agencies for a fruitful discussion. On the one hand, the review of the Citizens' Income and, on the other, the simplification of fixed-term contracts represent a clear sign of understanding the needs of the increasingly dynamic labour market.

By virtue of these considerations, for the year 2023 we can hope for a further improvement in results thanks to the ability of the Openjobmetis Group to seize the opportunities that lie ahead.

[24] Bank of Italy, "Macroeconomic projections for the Italian economy", 16 December 2022
[25] Sole 24 Ore, "2022 GDP beyond estimates (+ 3.9%)", 1 February 2022

Information relating to employees

For the Openjobmetis Group, its people are at the heart of all business activities and are its most important strategic asset. They are the promoters of a *modus operandi*, characterised by continuous growth and specialisation, high levels of professionalism and innovation in identifying the best solutions for its clients and outsourced workers.

The success of Openjobmetis S.p.A. is based, among other things, on the added value provided by the synergy of those who work within it. Retaining our talents, i.e., the satisfaction of our people, is the very foundation of various strategic choices and a prerequisite for the implementation of the various initiatives for internal staff described below.

For this reason, the Group operates by promoting teamwork, sharing, skills development, individual empowerment, the promotion of well-being and a sense of belonging.

In managing relations with its direct personnel, Openjobmetis S.p.A. adopts behaviours that are legal, ethical and respectful of internationally recognised standards and principles regarding the treatment of workers, with particular attention to health and safety, respect for human rights and working conditions, inclusion and enhancement of diversity and non-discrimination.

For additional information on employees, please refer to the Consolidated Non-Financial Statement as at 31 December 2022 prepared pursuant to Legislative Decree 254/2016, which is submitted with the financial statements and will be made available to the public at the registered office and at Borsa Italiana S.p.A. within the time limits prescribed by law, and will also be made available on the company's website at the following address: http://www.openjobmetis.it

Information on environmental matters

All organisations should reflect on topics such as emissions, climate change and the consumption of natural resources. Specifically, it is necessary to evaluate the impacts that business activities have on the external environment in detail. Considering the type of services offered, the activities of the Openjobmetis group have limited environmental impacts in terms of energy consumption, greenhouse gas emissions and the consumption of natural resources. However, the Group makes an effort every day in carrying out its activities to ensure that energy consumption is reduced and that rules to protect the environment are continuously respected, as well as fostering a culture of respect for the environment.

Some initiatives aimed at reducing environmental impact and developing employee and contract worker awareness with respect to these matters are listed below:

- safeguarding of the environment as a topic laid out within the Code of Ethics;
- drafting and action of an Environmental Policy;
- initiatives aimed at minimising environmental impact:
    - installation of new LED lamps in all newly opened branches, when possible;
    - use of IT platforms that make it possible for customers to choose to enter into digital contracts with outsourced workers. The same procedure may also be used to send payslips to outsourced workers, who can decide to receive them via email instead of picking up the hard copy at the branch;
    - supply of FSC (Forests for all forever) certified paper for the Group, highlighting its commitment and rigour with regard to environmental issues;
    - in order to safeguard the environment, the usual plastic cups at the water stations located on the various floors of the head offices have been replaced with other recyclable and environmentally-friendly paper cups;
    - to encourage zero-impact travel by its employees, Openjobmetis has equipped its head offices with electric bicycles and scooters which staff can book and use free of charge;
    - provision of an environmental training course for the benefit of all employees;
    - waste separation and disposal in accordance with the law with particular reference to paper, printer toners, iron, wood also through accredited suppliers.

In 2021, Openjobmetis S.p.A. hired a Mobility Manager in order to promote and implement measures to organise and manage the mobility needed by human resources. The ultimate goal is the structural reduction of the environmental impact of vehicle traffic in urban and metropolitan areas caused by the travel needs of employees. Openjobmetis S.p.A thus developed a sustainable mobility project with the aim of optimising internal travel for employees at the Gallarate site by making home-to-work journeys more efficient.

For further information on environmental matters, please refer to the aforementioned Consolidated Non-Financial Statement as at 31 December 2022.

Reconciliation between the Parent's financial statements and the consolidated financial statements

In compliance with the requirements set out in Consob communication no. DEM/6064293 of 28 July 2006, the following table shows the reconciliation between the net profit for the year and equity in the separate financial statements of the Parent Openjobmetis S.p.A., and the net profit for the year and equity in the consolidated financial statements of the Openjobmetis Group for 2022 and 2021.

(Amounts in thousands of EUR)	Net profit for 2022	Shareholders 'Equity as at 31.12.2022
Openjobmetis S.p.A. Financial Statements	11,706	135,783
Profit for the year and reserves of the consolidated companies net of elimination of equity investments	4,356	2,857
Derecognition of dividends for the year	(4,911)	-
Recognition of goodwill, Lyve lease and Meritocracy software gross of the tax effect	(231)	3,786
Reserve for the exercise of the option to purchase the remaining share of Lyve S.r.l.	-	(1,500)
Derecognition of equity investment impairment loss	3,272	-
Other consolidation adjustments	183	(104)
Non-controlling interests	(61)	699
Group consolidated financial statements	14,314	141,521

(Amounts in thousands of EUR)	Net profit for 2021	Shareholders 'Equity as at 31.12.2021
Openjobmetis S.p.A. Financial Statements	10,541	132,864
Profit for the year and reserves of the consolidated companies net of elimination of equity investments	1,486	(27,281)
Derecognition of dividends for the year	(1,100)	-
Recognition of goodwill, Lyve lease and Meritocracy software gross of the tax effect	(231)	28,148
Recognition of "Quanta" customer list gross of tax effect	(205)	2,609
Reserve for the exercise of the option to purchase the remaining share of Lyve S.r.l.	-	(1,500)
Other consolidation adjustments	115	(878)
Non-controlling interests	107	760
Group consolidated financial statements	10,713	134,722

Other information

Treasury shares

The Shareholders' Meeting called on 19 April 2022 authorised the Board of Directors to buy back and dispose of treasury shares, subject to revocation of the previous authorisation granted by the Shareholders' Meeting of 30 April 2021, up to a maximum of 5% of the pro tempore share capital of Openjobmetis S.p.A., pursuant to the combined provisions of Articles 2357 and 2357-ter of the Italian Civil Code, as well as Article 132 of Italian Legislative Decree no. 58 of 24 February 1998. Note that on 31 December 2022, the Company directly held 685,559 treasury shares, equal to 5.00% of the share capital of Openjobmetis S.p.A.

Dividend policy

On 12 November 2021, the Board of Directors of Openjobmetis S.p.A. resolved to adopt, starting from the approval of the financial statements as at 31 December 2021, a new dividend policy that provides for the proposed distribution of between 25% and 50% of consolidated net profit for the three-year period 2021-2023.
On 19 April 2022, the Shareholders' Meeting resolved to distribute a dividend of EUR 0.31 for each eligible share. The Meeting also resolved that this dividend be paid, gross of withholding taxes mandated by the law, from 11 May 2022, with coupon no. 4 to be detached on 9 May 2022 and record date (i.e. date when entitlement to the payment of the dividend is established pursuant to Article 83-terdecies of the Consolidated Law on Finance (TUF), and Article 2.6.6, par. 2, of the Regulation of the Markets organised and managed by Borsa Italiana S.p.A.) on 10 May 2022.

Management and coordination

In accordance with Article 2497-bis of the Italian Civil Code, the Parent is not subject to the management and coordination of other corporate structures, as all business decisions are taken independently by the Board of Directors.

Atypical or unusual transactions

The 2022 financial statements do not show any income components or financial items, arising from atypical and/or unusual events and transactions, as defined in Consob communication no. DEM/6064293 of 28 July 2006.

Report on Corporate Governance and the Ownership Structures

The report on Corporate Governance and Ownership Structures is submitted at the same time as the financial statements and will be made available to the public at the registered office and at Borsa Italiana S.p.A. within the time limits prescribed by law.
The documentation will also be available on the company's website at: http://www.openjobmetis.it.

Consolidated Non-Financial Statement as at 31 December 2022 pursuant to Legislative Decree no. 254/2016

The Consolidated Non-Financial Statement as at 31 December 2022 pursuant to Legislative Decree No. 254/2016 is submitted at the same time as the financial statements and will be made available to the public at the registered office and at Borsa Italiana S.p.A. within the time limits prescribed by law.
The documentation will also be available on the company's website at: http://www.openjobmetis.it.

Please note that in accordance with the exemption laid out in Article 6 of Legislative Decree 254/2016, the Non-Financial Statement was prepared only on a consolidated basis.

Procedure adopted to ensure the transparency and fairness of related party transactions

Pursuant to Article 2391-bis of the Italian Civil Code and the Consob Related Parties Regulation, on 3 December 2015, the Board of Directors approved the Related Party Procedure regarding the regulation of transactions with related parties.

The aforementioned Procedure, most recently amended on 29 June 2021, contains the rules for identification, approval and execution of related party transactions carried out by the Company, directly or through subsidiaries, for the purpose of ensuring both the essential and procedural correctness and transparency of said transactions. Following the entry into office of the new Board of Directors, on 30 April 2021, the Control, Risks and Sustainability Committee was appointed to which the prerogatives of the Related Parties Committee were assigned.

Domestic tax consolidation scheme

Pursuant to Articles 117 to 129 of the Consolidated Income Tax Act (TUIR), agreements were signed between Openjobmetis S.p.A. and its subsidiaries Openjob Consulting S.r.l., Seltis S.r.l., HC S.r.l. and Family Care S.r.l. on the exercise of the option for the domestic tax consolidation scheme, thus benefiting from the possibility of offsetting taxable income against tax losses in a single tax return.

The three-year agreements will be tacitly renewed for the following three-year period unless they are revoked.

Amount paid to directors, statutory auditors and key management personnel

The table contained in paragraph 33 of the notes to the consolidated financial statements shows the compensation paid as at 31 December 2022 by Openjobmetis S.p.A. and its subsidiaries to members of the governing and control bodies and other key management personnel. This includes all the individuals who have held these positions even for just part of the year.

Information pursuant to Articles 70 and 71 of the Issuers' Regulation approved by Consob Resolution no. 11971 of 14 May 1999 and subsequent amendments

The company relies on the option, introduced by Consob with Resolution no. 18079 of 20 January 2012, to waive the obligation to make an information document available to the public about significant transactions related to mergers, demergers, share capital increases by way of contributions in kind, acquisitions and sales.

Proposed allocation of the Parent's profit for the year

The Board of Directors, taking into account the company's development projects, proposes to resolve as follows with respect to profit for 2022:

- Allocation of a dividend to the shareholders of EUR 0.50 per each entitled share (excluding treasury shares) up to a maximum of EUR 6,513,220.50
- Allocation to other reserves for EUR 5,193,190.13
- There was no allocation to the legal reserve, having reached one fifth of the share capital, as required by Article 2430 of the Italian Civil Code.

Milan, 15 March 2023

On behalf of the Board of Directors

The Chairman

Marco Vittorelli

(signed on the original)

openjobmetis

Consolidated Financial Statements

Statement of Financial Position

(In thousands of EUR)	Notes	31/12/2022	31/12/2021
ASSETS			
Non-current assets			
Property, plant and equipment	*4 a*	3,493	3,412
Right of use for leases	*4 b*	13,838	14,818
Intangible assets and goodwill	*5*	102,842	103,854
Financial assets	*6*	181	211
Deferred tax assets	*7*	21,073	22,018
Total non-current assets		141,427	144,313
Current assets			
Cash and cash equivalents	*8*	10,290	16,868
Trade receivables	*10*	144,584	153,040
Other assets	*11*	8,423	13,073
Financial assets	*9*	3,095	-
Current tax assets	*12*	81	354
Total current assets		166,473	183,335
Total assets		307,900	327,648
LIABILITIES AND EQUITY			
Non-current liabilities			
Financial liabilities	*13*	2,917	9,758
Lease liabilities	*13*	9,828	10,225
Derivative instruments	*13, 30*	-	14
Non-current tax liabilities	*17*	-	717
Employee benefits	*14*	1,417	1,678
Other liabilities	*16*	600	900
Total non-current liabilities		14,762	23,292
Current liabilities			
Bank loans and borrowings and other financial liabilities	*13*	22,831	37,025
Lease liabilities	*13*	4,025	4,311
Trade payables	*15*	14,752	14,779
Employee benefits	*14*	62,861	63,865
Other liabilities	*16*	40,879	43,591
Current tax liabilities	*17*	2,512	1,519
Provisions	*18*	3,757	4,544
Total current liabilities		151,617	169,634
Total liabilities		166,379	192,926
EQUITY			
Share capital		13,712	13,712
Legal reserve		2,855	2,844
Share premium reserve		31,193	31,193
Other reserves		78,687	75,607
Profit (loss) for the year attributable to the owners of the Parent		14,375	10,606
Equity attributable to:			
Owners of the Parent		140,822	133,962
Non-controlling interests		699	760
Total equity	*19*	141,521	134,722
Total liabilities and equity		307,900	327,648

Statement of Comprehensive Income

(In thousands of EUR)	Notes	2022	2021
Revenue	*20*	768,373	720,789
Cost of contract work and outsourcing	*22 a*	(673,211)	(631,557)
First contribution margin		95,162	89,232
Other income	*21*	15,306	15,586
Personnel expense	*22 b*	(42,546)	(42,458)
Cost of raw materials and consumables	*23*	(199)	(202)
Costs for services	*24*	(37,493)	(37,569)
Amortisation, depreciation and impairment loss	*4 a, 4 b, 5*	(6,487)	(6,188)
Impairment losses on trade receivables and other assets	*26*	(1,685)	(2,178)
Other operating expenses	*25*	(862)	(1,046)
Operating profit (loss)		21,196	15,177
Financial income	*27*	36	40
Financial expense	*27*	(693)	(719)
Profit (loss) before taxes		20,539	14,499
Income taxes	*28*	(6,225)	(3,786)
Profit (loss) for the year		14,314	10,713
Other comprehensive income (expense)			
Items that are or may subsequently be reclassified to profit or loss:			
Fair value gain (loss) on cash flow hedges		14	21
Items that will not be reclassified to profit/loss:			
Actuarial gain (loss) on defined benefit plans		250	(36)
Total other comprehensive income (expense) for the year		264	(15)
Total comprehensive income (expense) for the year		14,578	10,698
Profit for the period attributable to:			
Owners of the Parent		14,375	10,606
Non-controlling interests		(61)	107
Profit (loss) for the year		14,314	10,713
Comprehensive income (expense) for the year attributable to:			
Owners of the Parent		14,639	10,591
Non-controlling interests		(61)	107
Total comprehensive income (expense) for the year		14,578	10,698
Earnings (loss) per share (in EUR):			
Basic	*38*	*1.07*	*0.81*
Diluted	*38*	*1.07*	*0.81*

Statement of Changes in Equity

(In thousands of EUR)	Share capital	Legal reserve	Share premium reserve	Hedging reserve and actuarial reserve	Treasury shares reserve	Other reserves	Profit (loss) for the year	Equity attributable to owners of the Parent	Equity attributable to non-controlling interests	Total Equity
Balances as at 01/01/2020	13,712	2,315	31,193	(202)	(4,571)	50,247	10,374	103,068	91	103,159
Fair value gain (loss) on cash flow hedges				(7)				(7)		(7)
Actuarial gain (loss) on defined benefit plans				(48)				(48)		(48)
Profit (loss) for the year							23,629	23,629	13	23,642
Total comprehensive income (expense)	-	-	-	(55)	-	-	23,629	23,574	13	23,587
Allocation of profit (loss) for the year		519				9,855	(10,374)	-		-
Dividend distribution						(2,769)		(2,769)		(2,769)
Options on subsidiaries						(1,500)		(1,500)		(1,500)
Fair value share-based plans						139		139		139
Repurchase of treasury shares					(1,074)			(1,074)		(1,074)
Acquisition of subsidiary with non-controlling interests						8		8	549	557
Other adjustments						(12)		(12)		(12)
Balances as at 31/12/2020	13,712	2,834	31,193	(258)	(5,645)	55,968	23,629	121,433	653	122,086
Fair value gain (loss) on cash flow hedges				21				21		21
Actuarial gain (loss) on defined benefit plans				(36)				(36)		(36)
Profit (loss) for the year							10,606	10,606	107	10,713
Total comprehensive income (expense)	-	-	-	(15)	-	-	10,606	10,591	107	10,698
Allocation of profit (loss) for the year		10				23,619	(23,629)	-		-
Dividend distribution						(1,433)		(1,433)		(1,433)
Fair value share-based plans						277		277		277
Repurchase of treasury shares					(1,721)			(1,721)		(1,721)
Acquisition of subsidiaries				(44)	4,349	512		4,817		4,817
Other adjustments						(2)		(2)		(2)
Balances as at 31/12/2021	13,712	2,844	31,193	(317)	(3,017)	78,941	10,606	133,962	760	134,722
Fair value gain (loss) on cash flow hedges				14				14		14
Actuarial gain (loss) on defined benefit plans				250				250		250
Profit (loss) for the period							14,375	14,375	(61)	14,314
Total comprehensive income (expense)	-	-	-	264	-	-	14,375	14,639	(61)	14,578
Allocation of profit (loss) for the year		11				10,595	(10,606)	-		-
Dividend distribution						(4,140)		(4,140)		(4,140)
Fair value share-based plans					495	(289)		206		206
Repurchase of treasury shares					(3,839)			(3,839)		(3,839)
Other adjustments				2		(8)		(6)		(6)
Balances as at 31/12/2022	13,712	2,855	31,193	(51)	(6,361)	85,099	14,375	140,822	699	141,521

Statement of Cash Flows

(In thousands of EUR)	Notes	2022	2021
Cash flows from operating activities			
Profit (loss) for the year		14,314	10,713
Adjustments for:			
Depreciation of the right of use of leased assets	4 b	4,715	4,644
Depreciation of property, plant and equipment	4 a	730	574
Amortisation of intangible assets	5	1,041	970
Capital losses/(gains) on sales of property, plant and equipment		(317)	232
Impairment loss on trade receivables	26, 30	1,685	2,178
Current and deferred taxes	28	6,225	3,786
Net financial expense	27	657	678
Cash flows before changes in working capital and provisions		29,050	23,775
Change in trade receivables and other assets gross of impairment loss	10, 11	11,420	(18,280)
Change in trade payables and other liabilities	15, 16	(2,665)	4,637
Change in employee benefits	14	(1,266)	9,457
Change in current and deferred tax assets and liabilities net of paid taxes for the year and current and deferred taxes for the year	7	292	1,186
Change in provisions	18	(785)	2,224
Paid income taxes		(5,024)	(3,750)
Cash flows generated/(absorbed) by operating activities (a)		31,022	19,249
Purchase of property, plant and equipment	4 a	(1,195)	(1,701)
Proceeds from sales of property, plant and equipment		1,048	450
Other net increases in intangible assets	5	(331)	(363)
Acquisition of Companies, net of cash acquired		-	(14,932)
Change in other financial assets	6, 9	(3,066)	35
Cash flows generated/(absorbed) by investing activities (b)		(3,544)	(16,511)
Lease payments		(4,916)	(4,802)
Interest paid		(309)	(368)
Interest received		0	0
New loan disbursement	13	-	14,000
Dividend distribution		(4,140)	(1,433)
Repayment of loan instalments	13	(8,841)	(22,776)
Repurchase of treasury shares	19	(3,839)	(1,721)
Change in current bank loans and borrowings and repayments of other loans		(12,011)	14,229
Cash flows generated/(absorbed) by financing activities (c)		(34,056)	(2,871)
Cash flows for the year (a) + (b) + (c)	8	(6,578)	(134)
Net cash and cash equivalents as at 1 January	8	16,868	17,002
Net cash and cash equivalents as at 31 December	8	10,290	16,868

Notes to the Consolidated Financial Statements

General information

Openjobmetis S.p.A. (hereinafter also referred to as the "Parent"), during the Board of Directors' meeting held on 11 December 2022, resolved to change its registered office from Via Bernardino Telesio 18, Milan (Italy) to Via Assietta 19, Milan (Italy), effective 15 December 2022.

The Group operates in the staffing industry i.e. the professional supply of permanent or fixed-term labour, pursuant to Article 20 of Legislative Decree no. 276/2003 as amended and supplemented, pursuant to Article 4.1. a) thereof.

As from 3 December 2015, the Parent Openjobmetis S.p.A. is listed on Euronext Milan, in the STAR segment, organised and managed by Borsa Italiana S.p.A.

At the present date, the Parent is not a subsidiary in accordance with Article 93 of the Consolidated Law on Finance (TUF).

Accounting standards and basis of presentation adopted in preparing the financial statements

1. Accounting standards and statement of compliance

These consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and interpretations thereof in force as at 31 December 2022, as well as measures issued in implementation of article 9 of Legislative Decree no. 38/05. The rules of national legislation implementing directive 2013/34 EU also apply, insofar as they are compatible, to companies that prepare IFRS financial statements. Therefore, the financial statements incorporate what is laid out in the articles of the Italian Civil Code and the corresponding rules of the T.U.F. for listed companies on the matter of the directors' report, auditing and the publication of financial statements. The consolidated financial statements and the related notes also provide the details and supplementary information required by other rules and provisions of Consob on the financial statements. The consolidated financial statements contain the statement of financial position, the statement of comprehensive income, the statement of cash flows, the statement of changes in equity and the related notes.

In preparing these consolidated financial statements, the following formats, selected from the various options allowed by IAS 1, were used:

- the consolidated statement of financial position was prepared by classifying the assets and liabilities as current/non-current assets/liabilities;
- the consolidated statement of comprehensive income was prepared by classifying the items by nature;
- the consolidated statement of cash flows was prepared using the indirect method.

The purpose of the notes is to illustrate the preparation criteria adopted and to provide the information required by IFRS and not contained in other parts of the financial statements, as well as any additional information that is not shown in the financial statements but is necessary for a reliable representation of the Group's activities.

The consolidated financial statements were prepared on the basis of the accounting records as at 31 December 2022 on a going concern basis and are accompanied by the directors' report.
The Group's consolidated financial statements for the year ended 31 December 2022 were approved by the Board of Directors of the Parent at the meeting held on 15 March 2023, when the sharing of the results through a press release dated 15 March 2023 containing the main elements of the financial statements was authorised.
The Parent's Board of Directors has the authority to amend the consolidated financial statements until the date of the Shareholders' Meeting called to approve the Parent's financial statements. The Shareholders' Meeting has the authority to request changes to these consolidated financial statements.
The consolidated financial statements and related notes were prepared with amounts rounded to the nearest thousand Euros, the functional currency of the Group. Moreover, for the purpose of transparency, the mandatory items pursuant to IAS 1 with zero balances were omitted in the schedules and tables, in both periods presented for comparison.
In compliance with Consob resolution no. 15519 of 27 July 2006 and Consob Communication no. DEM/6064293 of 28 July 2006, note 36 indicates separately the events or transactions whose occurrence is non-recurring or those transactions or events which do not occur frequently in the ordinary course of business. Also in application of the same Consob references, any incidences of non-recurring significant events and transactions are reported in note 36, while in note 32 the related incidences regarding positions and transactions with related parties are indicated separately.
The most important accounting policies and standards used by the Group to prepare the consolidated financial statements are described below.

2. Significant accounting policies

(a) General, adoption of new accounting standards, amendments and interpretations issued by the IASB

New accounting standards adopted by the Group from 1 January 2022

These consolidated financial statements have been prepared using the same accounting standards applied by the Group in the last annual financial statements. There are no new standards or amendments that became effective from 1 January 2022 that have a material impact on the consolidated financial statements.

Use of estimates and valuations

While preparing the financial statements, company management had to formulate valuations, estimates and assumptions that affect the application of the accounting policies and the amounts of assets, liabilities, costs and revenue recognised in the financial statements; however, it should be underlined that, since these are estimates, the results achieved will not necessarily be the same as the amounts shown in the financial statements.
These estimates and assumptions are regularly revised; any changes resulting from the revision of accounting estimates are recognised in the year in which the revision is carried out and in future years.
The main subjective assessments made by Group management in applying the accounting standards and the main sources of uncertainty in estimates were the same as those applied for the preparation of the financial statements for the year ended 31 December 2021.
In particular, information on the areas of greater uncertainty in the formulation of estimates and valuations during the process of application of IFRS that have a significant effect on the amounts recognised in the financial statements together with aspects of particular significance are provided below:

- *Impairment testing on goodwill*

Goodwill is subject to impairment tests at least annually or more often if there are indicators of an impairment loss.

Impairment testing is carried out using the discounted cash flow method: this method is highly sensitive to the assumptions contained in the estimate of future cash flows, with reference to changes in revenue, margins and collection terms from customers, and of interest rates used.

For this assessment, the Group uses plans approved by the administrative body and financial parameters in line with those resulting from the current performance of the reference markets.

Details regarding the procedures for preparing the goodwill impairment test are provided in note 5.

- *Measurement of receivables*

The Group accrues a provision for impairment that reflects the estimate of impairment losses on trade receivables, the main components of which are the individual impairment losses of significant exposures or those subject to disputes and collective impairment of homogeneous groups of trade receivables against losses that have not yet been identified. Collective impairment is determined on the basis of historical losses, adjusted if necessary by scale factors reflecting the differences between the economic conditions of the period during which the historical data was collected and the Group's point of view about the economic conditions over the entire expected life of the assets. Therefore, the loss allowance is calculated based on estimates of impairment losses that the Group expects to incur and takes into account multiple elements, including:

- receivables' ageing;
- customers' solvency;
- prior historical experience, adjusted if necessary by scalar factors to reflect the economic conditions estimated over the entire expected lives of the receivables.

When there is certainty that it will not be possible to recover the amount due, the amount considered irrecoverable is written off directly from the related financial asset.

The above requires the management to make significant estimates with regard to general economic conditions and any possible negative trends in the credit markets that could negatively impact on customer relations.

- *Provisions*

The Group companies are parties in certain proceedings, arising from the conduct of business and from events of a civil and tax nature involving the companies.

In addition, in view of the sector in which they operate, they are exposed to the risk of being involved in legal and/or arbitration proceedings of a labour law nature, both with reference to contract workers and to the organisational structure of the Group and in relation to contracts with independent collaborators.

In the event that it is considered probable that as a result of the dispute a disbursement of resources - the amount of which can be reliably estimated - will be required, this amount, discounted to take account of the time horizon along which the disbursement will take place, is included in the provisions for risks. Disputes for which the occurrence of a liability is considered only possible but not probable are disclosed in the relevant section on commitments and risks and, as a result, no allocations are made with respect thereto.

Assessing the development of such disputes can be complicated and requires the management to make significant estimates.

- *Leases*

The Group estimates the lease term of certain contracts in which it acts as a lessee and that provide for renewal options. The Group's assessment of whether or not there is a reasonable certainty of exercising the option affects the estimate of the lease term, significantly impacting the amount of lease liabilities and right-of-use assets recognised.

Russia/Ukraine conflict

In the first quarter of 2022, according to ISTAT's "Quarterly Economic Accounts" there was timid GDP growth of 0.1% in economic terms, year-on-year, in line with the European scenario. Despite the spread of the Omicron variant and especially Russia's invasion of Ukraine, a recovery in domestic demand and investment in plant, machinery and construction has been witnessed. Tensions related to the Russia-Ukraine war have led to price rises relative to energy sources, for which Russia is also Italy's main supplier, and raw materials, leading to a rise in inflation to 7% in March. In the face of this inflationary dynamic, there has been, on the one hand, a shift in monetary policy, not only in Europe - aimed at counteracting the inflationary phenomenon by raising rates - and, on the other hand, a worsening in the assessment of country-risk, with an increase in the spread (understood as the difference between the yield offered by the 10-year BTP and its German counterpart) compared to other European countries.

The previously described uncertain macroeconomic scenario did not cause any particular negative impact on the results that the Openjobmetis Group achieved in 2022, as evidenced by the economic, financial, and management indicators described in the previous section.

To date, there are no particular risk situations reported regarding the solvency of Openjobmetis Group's customers, including in relation to possible effects of the war. This is demonstrated by the average collection times (DSO - Days Sales Outstanding) which as at 31 December 2022 amounted to 68 days, the incidence of losses on receivables (0.2% as at 31 December 2022 compared to 0.3% as at 31 December 2021) and financial indebtedness down compared to the end of the previous year (from EUR 44.5 million as at 31 December 2021 to EUR 26.2 million as at 31 December 2022).

With regard to the use of salary supplement (TIS) for contract workers, the Group did not use it significantly. The amount for 2022 was EUR 910 thousand, in contrast to 2021 for which EUR 2,176 thousand was used. The dynamics of rising interest rates related to the macroeconomic conditions resulting from the conflict between Russia and Ukraine was reflected in the assessments made for the separate and consolidated financial statements as at 31 December 2022, in particular as regards the determination of the discount rate applied for the goodwill impairment test.

It cannot be ruled out that, even with further interventions by the ECB to combat inflation, the further development of such interest rate dynamics and any other unforeseeable fluctuations in interest rates will result in negative consequences for the Group's financial position. Taking into account the reduced indebtedness, it is believed that these consequences would be minimal in any case. What is indicated with regard to interest rates could also lead to further increases in the discount rate used for the purpose of the goodwill impairment test, with a consequent negative impact on the estimated recoverable value on a like-for-like basis.

Group Management continues to monitor the effects of the Russia-Ukraine conflict on the real economy, in particular in relation to any impact on turnover performance and the recoverability of trade receivables and intangible assets and goodwill recorded in the financial statements.

(b) Consolidation criteria and scope

(i) Business combinations

The Group records business combinations by applying the acquisition method on the date on which it actually obtains control of the acquiree. The transferred consideration and the identifiable net assets acquired are usually recognised at fair value. The carrying amount of goodwill is tested for impairment on an annual basis to identify any impairment losses. Any gain arising from a bargain purchase is recognised immediately in profit or loss for the year, whereas costs related to the business combination, other than those related to the issue of debt or equity instruments, are recognised as expense in profit or loss for the year when incurred.

The amounts related to the termination of a pre-existing relationship are excluded from the transferred consideration. Normally, these amounts are recognised in profit or loss for the year.

The contingent consideration is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not recalculated and its subsequent settlement is directly accounted for in equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss for the year.

If the incentives recognised in share-based payments (replacement awards) are exchanged with awards held by employees of the acquiree (acquiree awards), the amount of these replacement awards of the acquiree is fully or partially included in the measurement of the transferred consideration for the business combination. This measurement considers the difference of the market value of the replacement awards compared to that of the acquiree awards and the proportion of replacement awards that refers to services provided before the business combination.

(ii) Non-controlling interests

Non-controlling interests are measured in proportion to the relevant share of identifiable net assets of the acquiree on the acquisition date.

The changes in the equity investment of the Group in a subsidiary that do not imply the loss of control are accounted for as transactions between owners.

(iii) Subsidiaries

Subsidiaries are companies controlled by the Group, or for which the Group is exposed to variable returns deriving from its relationship with the body, or has claims over those returns, having at the same time, the ability to affect them by exercising its power over the body. The financial statements of subsidiaries are included in the consolidated financial statements from the time when the parent starts to exercise control until the time when this control ends. Where necessary, the accounting policies of subsidiaries were changed to align them with the Group's accounting policies.

The subsidiaries included in the consolidation scope as at 31 December 2022 are shown below:

Company name	% held as at 31/12/2022	Registered office	Share capital
Openjob Consulting S.r.l.	100%	Gallarate, Via Marsala 40/C	EUR 100,000
Seltis Hub S.r.l.	100%	Milan, Via Assietta 19	EUR 110,000
H.C. S.r.l.	92.86%	Milan, Via Assietta 19	EUR 40,727
Family Care S.r.l. Employment Agency	100%	Milan, Via Assietta 19	EUR 1,100,000
Lyve S.r.l.	50.66%	Milan, Via Assietta 19	EUR 451,758

The subsidiaries included in the consolidation scope as at 31 December 2021 are shown below:

Company name	% held as at 31/12/2021	Registered office	Share capital
Openjob Consulting S.r.l.	100%	Gallarate, Via Marsala 40/C	EUR 100,000

Company name	% held as at 31/12/2021	Registered office	Share capital
Seltis Hub S.r.l.	100%	Milan, Via Assietta 19 (*)	EUR 110,000
H.C. S.r.l.	92.86%	Milan, Via Assietta 19 (*)	EUR 40,727
Family Care S.r.l. Employment Agency	100%	Milan, Via Assietta 19 (*)	EUR 1,100,000
Lyve S.r.l.	50.66%	Milan, Via Assietta 19 (*)	EUR 451,758
Quanta S.p.A.	100%	Milan, Via Assietta 19	EUR 600,000
Quanta Risorse Umane S.p.A.	100%	Milan, Via Assietta 19	EUR 300,000

(*) change of registered office during 2022.

(iv) Loss of control

In the case of loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and other equity components related to the subsidiaries. Any profit or loss deriving from the loss of control is recognised in profit or loss for the year. Any equity investment retained in the former subsidiary is measured at fair value at the date of loss of control.

(v) Transactions derecognised during the consolidation

During the preparation of the consolidated financial statements, the balances of intragroup transactions as well as intragroup unrealised revenue and costs are derecognised. Unrealised gains deriving from transactions with equity-accounted investees are derecognised in proportion to the Group's interest in the body. Unrealised losses are derecognised in the same way as unrealised gains to the extent that there are no indicators showing impairment.

(c) Cash and cash equivalents

Cash and cash equivalents include cash balances and sight deposits and are recognised at their nominal amount, which corresponds to their fair value.

(d) Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments include investments in equities and debt instruments, trade and other receivables, financial liabilities, trade and other payables.

Trade receivables and debt securities issued are recognised when they arise. All other financial assets and financial liabilities are initially recognised at the trade date, i.e. when the Group becomes a contractual party to the financial instrument.

Except for trade receivables that do not contain a significant financing component, financial assets are initially measured at fair value plus or minus, in the case of financial assets or financial liabilities not measured at FVTPL, the transaction costs directly attributable to the acquisition or issue of the financial asset. At the time of initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price.

At the time of initial recognition, a financial asset is classified according to its assessment: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, unless the Group changes its business model for the management of financial assets. In this case, all financial assets concerned are reclassified on the first day of the first year following the change in business model.

A financial asset shall be measured at amortised cost if both of the following conditions are met and it is not designated at FVTPL: the financial asset is held within the framework of a business model whose objective is the possession of financial assets aimed at collecting the related contractual cash flows; and the contractual terms of the financial assets involve, at certain dates, cash flows exclusively represented by payments of capital and interest on the amount of capital to be returned.

At the time of initial recognition of an equity instrument not held for trading purposes, the Group may make the irrevocable decision to present subsequent changes in fair value in other comprehensive income (expense). This decision is made for each asset.

A financial asset shall be measured at FVOCI if both of the following conditions are met and it is not designated at FVTPL: the financial asset is held within the framework of a business model whose objective is achieved either through the collection of the contractual cash flows or through the sale of the financial assets, and the contractual terms of the financial assets involve, at certain dates, cash flows exclusively represented by payments of capital and interest on the amount of capital to be returned.

At the time of initial recognition of an equity instrument not held for trading purposes, the Group may make the irrevocable decision to present subsequent changes in fair value in other comprehensive income (expense). This decision is made for each asset.

All financial assets not classified as measured at amortised cost or FVOCI, as indicated above, are measured at FVTPL.

At the time of initial recognition, the Group may irrevocably designate the financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting asymmetry that otherwise would result from the measurement of the financial asset at amortised cost or FVOCI.

For the purposes of assessment, the "capital" is the fair value of the financial asset at the time of initial recognition, while the "interest" constitutes consideration for the time value of money, for the credit risk associated with the amount of capital to be returned during a given period of time and for other risks and base costs linked to the loan (for example, liquidity risk and administrative costs), as well as the profit margin.

In assessing whether the contractual cash flows are represented exclusively by payments of principal and interest, the Group considers the contractual terms of the instrument. Therefore, it assesses, among other things, whether the financial asset contains a contractual clause that changes the timing or the amount of the contractual cash flows so as to not meet the following condition. For the purposes of the assessment, the Group considers: contingent events which would alter the timing or amount of the cash flows; clauses which may adjust the contractual interest rate of the coupon, including variable rate components; prepayment and extension components; and clauses which limit requests of cash flows by the Group from specific assets (for example, non-recourse components).

The financial assets of the Group, relating to trade and other receivables, are classified as measured at amortised cost. These financial assets are then recognised as described above, and subsequently measured at amortised cost in accordance with the effective interest method. Impairment losses are deducted from the amortised cost. Interest income, exchange rate gains and losses and impairment losses are recognised in profit or loss for the year as well as any gains or losses on derecognition.

Before 1 January 2018, these financial assets were measured at amortised cost using the effective interest method, less impairment losses.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified at FVTPL when it is held for trading, represents a derivative or is designated as such upon initial recognition.

Financial liabilities at FVTPL are measured at fair value and any changes, including interest expense, are recognised in the profit or loss for the year. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and exchange rate gains and losses are recognised in profit or loss for the year, as well as any gains or losses deriving from derecognition. The Group's financial liabilities are classified as measured at amortised cost.

Financial assets are derecognised when the contractual rights to the cash flows arising therefrom expire, when the contractual rights to receive the cash flows within the scope of a transaction in which substantially all the risks and rewards incidental to the ownership of the financial asset are transferred or when the Group neither transfers nor retains substantially all the risks and rewards incidental to the ownership of the financial asset and does not maintain control of the financial asset.

The Group proceeds to derecognise a financial liability when the obligation specified in the contract has been fulfilled or cancelled or has expired. The Group also derecognises a financial liability when the associated contractual terms are changed and the cash flows of the modified liability are substantially different. In this case, a new financial liability is recognised at fair value on the basis of the modified contractual terms. The difference between the accounting value of the extinguished financial liability and the consideration paid (including assets not represented by cash transferred or liabilities assumed) is recognised in the profit or loss for the year.

Financial assets and liabilities may be offset and the amount resulting from offsetting is presented in the statement of financial position if, and only if, the Group currently has the legal right to offset such amounts and intends to adjust the balance on net bases or recover the asset and adjust the liability simultaneously.

Trade and other receivables

Trade and other receivables are identified as financial assets measured at amortised cost, and are initially recognised at the transaction price for trade receivables and at fair value for other receivables, which generally corresponds to their nominal amount, and subsequently measured at amortised cost net of any impairment losses identified. The impairment test of receivables is based on the present value of expected cash flows.

Loss allowances are always measured at an amount equal to the expected losses along the life of the receivable; the Group takes into consideration reasonable and supportable information that is relevant and available. This includes quantitative and qualitative information and analyses, based on the past experience of the Group, on credit assessment as well as forward-looking information.

Loans and borrowings

Payments on account and loans and borrowings are initially recognised at the fair value of the amount received, net of directly attributable additional charges. Subsequently, they are measured at amortised cost using the effective interest rate method. They are classified as current liabilities or non-current liabilities according to their settlement date.

Trade and other payables

Trade and other payables, the due date of which falls within normal current commercial terms, are initially recognised at fair value and subsequently recorded at amortised cost.

Derivative financial instruments

The Group uses financial derivatives to hedge its exposure to risks of changes in interest rates. Derivatives are initially recognised at fair value; attributable transaction costs are recognised in profit or loss when incurred. After initial recognition, derivatives are measured at fair value. Their changes are accounted for as described below. At the initial designation of the hedge, the Group documents the relationship between the hedging instruments and the hedged item, including the risk management objectives, the strategy for undertaking the hedge, together with the methods that will be used to assess the effectiveness of the hedging instrument. Both at the beginning of the hedge and during its period of validity, the Group assesses whether the hedge is expected to be highly effective in offsetting the changes in fair value or cash flows attributable to their hedged items during the period for which the hedge is designated and if the actual results of each hedging range from 80% to 125%. In cash flow hedging transactions of a forecast transaction, the transaction must have a high probability of occurring and must present an exposure to changes in cash flows that could have an effect on profit or loss. Changes in the fair value of the derivative designated as a cash flow hedge are recognised directly in equity to the extent that the hedge is effective. For the ineffective portion, changes in fair value are recognised in profit or loss.

Hedge accounting, as indicated above, is discontinued prospectively if the instrument designated as a hedge no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised. The accumulated gain or loss is kept in equity until the envisaged transaction occurs. When the hedged item is a non-financial asset, the amount recognised in equity is transferred to the carrying amount at the time at which it is recognised. In other cases, the amount recognised in equity is transferred to profit or loss in the same year in which the hedged item affects profit or loss.

(e) Share capital – purchase and reissue of ordinary shares (treasury shares)

In the event of the repurchase of shares recognised in equity, the consideration paid, including any costs directly attributable to the transaction are recognised as a decrease in equity. Repurchased shares are classified as treasury shares and recorded in the reserve for treasury shares. The consideration received from the subsequent sale or reissue of treasury shares is recorded as an increase in equity. Any increase or decrease resulting from the transaction is recorded in the share premium reserve.

(f) Property, plant and equipment

An item of property, plant and equipment is measured at cost less accumulated depreciation and impairment losses.

The historical cost includes any costs directly attributable to the acquisition of the asset.

If significant components have different useful lives, these components are recorded separately.

The cost of an asset produced on a time and materials basis includes the cost of materials used and of direct labour as well as other directly attributable costs for taking the asset to the location and under the conditions required for working as intended by company management.

Costs incurred after initial recognition of an item of property, plant and equipment are added to the carrying amount of the asset to which they refer if it is probable that the related future benefits will flow to the Group and if the cost of the item can be reliably measured. Ordinary maintenance costs of property, plant and equipment are recognised in profit or loss during the year in which they are incurred.

The gains and losses generated by the sale of any property, plant or equipment are determined as the difference between the net proceeds on the sale and the carrying amount of the asset, and are recognised in profit or loss at the time of the disposal.

Depreciation is charged to profit or loss on a straight-line basis over the expected useful life of each item of property, plant and equipment estimated by the Group, which is reviewed every year and changes, where necessary, are applied prospectively.

The estimated useful lives in the years under review are as follows:

Assets	Depreciation
Property	33.3 years
Telephone systems	4 years
Electric installations	6.6 years
Furniture and fixtures	8.3 years
Electronic office machines	5 years
Signs	6.6 years
Sundry equipment	6.6 years
Motor vehicles	4 years
Alarm systems	3.3 years

Leasehold improvements are depreciated over the shorter between the useful life and the term of the contract to which they refer.

(g) Leased assets

At the inception of the lease, the Group recognises the right-of-use asset and the lease liability. The right-of-use asset is initially measured at cost, including the amount of the initial measurement of the lease liability, adjusted by the payments due for the lease made at or before the start date, increased by the initial direct costs incurred and an estimate of the costs that the lessee will have to incur to dismantle and remove of the underlying asset or to restore the underlying asset or site where it is located, net of lease incentives received.

The right-of-use asset is subsequently depreciated on a straight-line basis from the start date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group at the end of the lease term or, considering the cost, for the right of use, it is expected that the Group will exercise the purchase option. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, determined on the same basis as that of property and equipment. In addition, the right-of-use asset is regularly reduced by any impairment losses and adjusted to reflect any changes resulting from subsequent valuations of the lease liability.

The Group measures the lease liability at the present value of the lease payments not paid at the inception date, discounting them using the interest rate implicit in the lease. Where it is not possible to determine this rate easily, the Group uses the incremental borrowing rate. Generally, the Group uses the incremental borrowing rate as the discount rate.

The marginal borrowing rate of the Group is calculated on the basis of the interest rates obtained from various external sources of financing by making some adjustments that reflect the conditions of the lease and the type of leased asset.

The lease liability is measured at amortised cost using the effective interest method and remeasured in the event of a change in future lease payments resulting from a change in an index or a rate, in the event of a change in the amount expected by the Group to be due under residual value guarantees or when the Group changes its assessment with reference to whether it will exercise a purchase, extension or termination option, or in the event of a revision of in-substance fixed lease payments.

When the lease liability is remeasured, the lessee makes a corresponding change to the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero, the lessee recognises the change in the profit or loss for the year.

The Group recognised new assets and liabilities mainly for its leases on properties at the headquarters and from which its branches operate, and for leases on company cars. In general, real estate leases have a term of six

years and contain an option to renew for a further six years exercisable at the end of the binding period, while car leases have a term of three or four years and do not contain an option to renew. Real estate leases allow the Group to withdraw from the contract with six months' notice.
The Group decided not to recognise right-of-use assets and lease liabilities relating to low-value assets and short-term leases. The Group recognises the related lease payments as an expense on a straight-line basis over the lease term.

(h) Intangible assets and goodwill

(h.1) Goodwill

Goodwill is recognised at cost, net of accumulated impairment losses, calculated as indicated below.
Goodwill is tested for impairment based on expected future cash flows on an annual basis or more frequently if events or changes in circumstances that may give rise to any impairment losses occur. The impairment loss is not reversed if the reasons that generated it no longer exist. Please see section (i) Impairment losses below.

(h.2) Customer relations

The value of customer relations was recorded based on the fair value identified on 30 June 2007, the business combination date between "Wm S.r.l." and the former "Openjob S.p.A.". The historical cost increased due to the acquisition of the business unit of "J.O.B. S.p.A." in 2009, the business combination with "Metis S.p.A" in 2011 and, lastly, the acquisition of the "Noi per Voi S.r.l" customer database on 1 July 2016 and, finally, following the acquisition of the company "Quanta S.p.A." in the course of 2021.
The value of customer relations was amortised based on the economic useful life estimated by the appraisals prepared by independent experts: 7.5 years for the business combination between "Wm S.r.l." and the former "Openjob S.p.A." and the acquisition of the business unit "J.O.B. S.p.A.", and 4.5 years for the business combination with Metis S.p.A and for the acquisition of the "Noi per Voi S.r.l." Customer Database, and finally 8 years for the acquisition of "Quanta S.p.A.".

(h.3) Other intangible assets

Other intangible assets acquired by the Group, which have a finite useful life, are recognised at cost, less accumulated amortisation and accumulated impairment losses and mainly include the software purchased from third parties and amortised over three years, and the value of the Databook software developed internally (in use from 2017) and the Meritocracy platform, both amortised over five years.

(i) Impairment losses

(i.1) Financial assets

A financial asset is impaired if there is any objective evidence that one or more events have had a negative effect on the expected estimated cash flows of that asset.
An impairment loss on a financial asset measured at amortised cost is the difference between the carrying amount and the present value of the estimated cash flows, discounted at the original effective interest rate.
Individually significant financial assets are tested separately to determine whether they have been impaired. The other financial assets are tested collectively for groups with similar credit risk characteristics.
All expected impairment losses are recognised in profit or loss.
Expected impairment losses are reversed if the subsequent increase in value can be objectively related to an event that occurred after the impairment. The reversal is recognised in profit or loss.

(i.1.1) Trade receivables

The Group allocates a loss allowance that reflects the estimate of impairment losses on trade receivables, whose main components are the individual impairment losses of significant exposures or those subject to disputes and the collective impairment loss of homogeneous groups by nature and maturity of receivables against losses that have not yet been identified. Collective impairment is determined on the basis of historical losses, adjusted if necessary by scale factors reflecting the differences between the economic conditions of the period during which the historical data was collected and the Group's point of view about the economic conditions over the entire expected life of the assets. Therefore, the loss allowance is calculated based on estimates of impairment losses that the Group expects to incur and takes into account multiple elements, including:

- receivables' ageing;
- customers' solvency;
- prior historical experience, adjusted if necessary by scalar factors to reflect the economic conditions estimated over the entire expected lives of the receivables.

When there is certainty that it will not be possible to recover the amount due, the amount considered irrecoverable is written off directly from the related financial asset.

The loss allowance of financial assets measured at amortised cost is deducted from the gross carrying amount of the assets.

(i.2) Non-financial assets

At the end of each reporting period, the Group tests the carrying amounts of its financial assets for impairment. If this test shows that the assets have actually been impaired, the Group estimates their recoverable amount. The recoverable amount of goodwill and of the intangible assets that are not yet available for use is estimated at each reporting date.

When the carrying amount of an asset or of a cash generating unit exceeds its recoverable amount, the Group recognises the related impairment loss. A cash generating unit is the smallest identifiable group of assets that generates cash inflows largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognised in profit or loss. Impairment losses of cash generating units are charged first of all as a reduction of the carrying amount of the goodwill assigned to the cash generating unit and, secondly, as a reduction of the other assets of the unit (group of units) proportionally to the carrying amount.

The recoverable amount of an asset or of a cash generating unit is the higher of its value in use and its fair value less costs to sell. To determine the value in use, the Group uses the estimated expected cash flow discounting method. The cash flows are discounted by using a discount rate that reflects the current market evaluations of the time value of money and of the asset's specific risks (WACC - weighted average cost of capital). Expected cash flows are inferred from plans approved by the competent Board of Directors.

Impairment losses of goodwill cannot be reversed. In the case of other assets, at each reporting date, impairment losses recognised in previous years are measured in order to recognise the existence of any indication suggesting the possible reduction or non-existence of the loss. The impairment of an asset is reversed when a change occurs in the valuations used for calculating the recoverable amount. The carrying amount resulting from the reversal of the impairment loss must not exceed the carrying amount that would have been determined (net of amortisation) if the impairment loss on the asset had never been recorded.

(j) Taxes

Taxes for the year include current taxes and deferred taxes. Income taxes are recognised in profit or loss, except those related to transactions recognised directly in equity that are accounted for in it.

Current taxes represent the estimate of the amount of the income taxes due, calculated on the taxable profit for the year, determined by applying the tax rates in force or essentially in force at the end of the reporting period and any adjustment to the amount related to the previous years.

Deferred taxes are allocated in compliance with the equity method, calculating the temporary differences between the carrying amounts of assets and liabilities recorded in the separate financial statements and the corresponding values recognised for tax purposes. Deferred taxes are not allocated for the following temporary differences: initial recognition of goodwill, initial recognition of assets or liabilities in a transaction other than a business combination that does not affect the accounting profit or the taxable profit, as well as in the case of differences relating to investments in subsidiaries and companies subject to joint control for which it is possible to control the cancellation time and it is likely that in the foreseeable future the temporary difference will not be reversed. Deferred tax assets and liabilities are measured using the tax rates that are expected to be applicable in the year in which the asset or the liability to which they refer will be realised or discharged, respectively, on the basis of tax rates established by the measures in force or essentially in force at the reporting date.

Deferred tax assets are recognised to the extent that a future taxable profit against which these assets can be used may be available. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be achieved.

Additional income taxes resulting from the distribution of dividends are accounted for when the liability for the dividend payment is recognised. There are no reserves that will be taxed when distributed.

(k) Provisions

The Group recognises a provision when it has assumed a (legal or constructive) obligation, which can be reliably estimated and is the result of a past event, and it is also likely that the utilisation of resources that can produce economic benefits will be necessary to fulfil the obligation. The amount of the provision is represented by the present value of expected estimated cash flows discounted at a pre-tax rate that reflects current market evaluations of the present value of money and the risks specific to the liability.

The Group recognises a provision for restructuring when the detailed and formal programme for restructuring has been approved and the restructuring has either started or been publicly announced. No provisions have been set aside for future operating costs.

(l) Employee benefits

Defined contribution plans

Contributions to defined contribution plans are recognised as a cost in profit or loss in the year in which they are incurred. Contributions paid in advance are recognised under Assets to the extent that the advance payment will result in a reduction of future payments or a refund.

Defined benefit plans

The Group's net liability deriving from defined benefit plans is calculated separately for each plan by estimating the amount of the future benefit that the employees accrued in exchange for their services carried out in the current year and in prior years; this benefit is discounted and the fair value of plan assets is deducted from the liabilities.

The calculation is carried out by a third-party consultant using the projected unit credit method. If the calculation generates a benefit for the Group, the amount of the asset recognised is limited to the present value of the economic benefits available in the form of repayments from the plan or of reductions in future contributions of the plan. In order to determine the present value of the economic benefits, minimum funding requirements that apply to any plan in the Group are considered.

Actuarial gains and losses, returns on plan assets (excluding interest) and the effect of the ceiling of the asset (excluding any interest) that arise as a result of revaluations of the net liability for defined benefit plans are immediately recognised in other comprehensive income (expense). Net interest for the year on the liability/(asset) for defined benefits are calculated by applying the discount rate used for discounting the defined-benefit obligation to the liability/(asset), calculated at the beginning of the year, considering any changes in the liability/(asset) for defined benefits occurred during the year following the payment of contributions and benefits. Net interest and other costs relating to defined benefit plans are recognised in the profit or loss for the year.

When changes are made to the benefits of a plan or when the plan is curtailed, the portion of the economic benefit related to past services or the gain or loss deriving from the curtailment of the plan are recognised in profit or loss for the year when the adjustment or the reduction occurs.

The post-employment benefits due to the employees pursuant to Article 2120 of the Italian Civil Code fall within defined benefit pension plans, plans based on the working life of employees and on the remuneration received by the employee during a previously established service period.

In particular, the liability for post-employment benefits is recorded in the financial statements based on its actuarial value, as it qualifies as an employee benefit payable under a defined benefit plan. Recognition in the financial statements requires estimating with actuarial techniques the amount of employee benefits accrued in exchange for the work carried out in the current and prior years and the discounting of these benefits in order to determine the present value of the commitments of the Group.

Italian law no. 296 of 27 December 2006 (2007 Finance Act) introduced new rules for post-employment benefits accruing from 1 January 2007.

Following the supplementary pension reform:

- the portions of post-employment benefits accrued up until 31 December 2006 remain at the company;
- the portions of post-employment benefits accruing since 1 January 2007 must, at the employee's option, according to explicit or tacit acceptance:

a) be allocated to supplementary pension plans;

b) be held by the company, which will transfer the portions of post-employment benefits to the treasury fund managed by INPS (the Italian Social Security Institution).

In both cases, the portions of post-employment benefits accrued after 1 January 2007 (or on the date the choice is made in the case of allocation to supplementary pension plans) are considered as a defined contribution plan. The 2007 Finance Act did not involve any amendment in the accrued post-employment benefits as at 31 December 2006, which therefore fall within the defined benefit pension plans. Moreover, as a result of the new regulations introduced by the 2007 Finance Act, the post-employment benefits "accrued" before 1 January 2007 (or on the date the choice is made in the case of allocation to supplementary pension plans) undergo a significant change in calculation since the actuarial assumptions previously linked to salary increases no longer exist. More specifically, the liability related to the "accrued post-employment benefits" is measured using actuarial techniques as at 1 January 2007 (or on the date the choice is made in the case of allocation to supplementary pension plans) without applying the pro-rata (years of service already worked/total years of service), in that the employee benefits up until 31 December 2006 (or on the date the choice is made in the case of allocation to supplementary pension plans) can be considered almost entirely accrued (with the sole exception of revaluation). It follows that, for the purposes of this calculation, "current service costs" related to future employee work must be considered null and void in that they are represented by payments of contributions to supplementary pension funds or to the INPS treasury fund.

Current benefits

Current employee benefits are recognised as a cost on an undiscounted basis when the service giving rise to such benefits is supplied.

The Group recognises a liability for the amount expected to be paid in the form of profit sharing and incentive schemes when it has an actual, legal or constructive obligation to make such payments as a result of past events and the obligation can be reliably estimated.

Non-current employee benefits

The Group's liability as a result of non-current employee benefits corresponds with the amount of the future benefit that the employees have earned for work done in the current year and in previous years. This benefit is discounted. Revaluations are recognised in profit or loss for the year when they arise.

Termination benefits

Termination benefits are recognised as an expense when the Group has committed without possibility of withdrawal to provide such benefits, or when the Group recognises restructuring costs, whichever is earlier. Benefits that are entirely payable more than twelve months after the end of the financial year are discounted.

Share-Based Payments

The fair value of the amount due to employees with regard to the share revaluation rights, settled in cash, is recognised as a cost with a corresponding increase in liabilities over the period during which employees become entitled to the unconditional right to receive the payment. The liability is measured at the end of each reporting period and at the settlement date on the basis of the fair value of the rights of share revaluation. Any changes in the fair value of the liability are recognised in profit or loss as personnel costs.

The fair value of the amount payable to employees with regard to the share revaluation rights, settled in shares, is recognised as a cost with a corresponding increase in equity over the period during which employees become entitled to the unconditional right to receive the shares. Any changes in fair value after the date of assignment do not affect the initial valuation. At the end of each financial year, the estimate of the number of rights that will accrue at maturity ("non-market based" component) is updated.

(m) Revenue

The Group operates primarily in the provision of services relating to the supply of contract workers, for which a single performance obligation can be identified and it is deemed that the customer simultaneously receives and consumes the benefits of the services provided by the Group. The measurement of the degree of progress in fulfilling the contract obligation is related to the physical presence of the worker at the customer's premises and the service provided is invoiced on a monthly basis. In the determination of the contract consideration, there are no significant variable amounts, significant advance or deferred payment conditions with respect to sector practices or amounts paid to customers that are not considered a reduction of the contract consideration.

(n) Contributions

Capital contributions and grants related to income are recognised when there is a reasonable certainty that the Group will meet the conditions for obtaining the grants and that the grants will be received. Capital contributions are recorded in the statement of financial position as deferred revenue under "Other payables" and systematically recognised in profit or loss against depreciation of the assets for which the grant was received. Grants related to income are recognised in profit or loss under the item "Other income".

(o) Financial income and expense

Financial income includes interest income on invested cash, dividends, income from the sale of available-for-sale financial assets, changes in fair value of financial assets measured through profit or loss, exchange rate gains and gains on hedging instruments through profit or loss. Interest income is recognised in profit or loss on an accruals basis using the effective interest method. Dividends are recognised when the right of the Group to receive payment is established.

Financial expense includes interest expense on loans and finance leases, exchange rate losses, changes in fair value of financial assets measured at fair value through profit or loss, expected impairment losses on financial assets and losses on hedging instruments recognised in profit or loss. Costs related to loans and finance leases are recognised in profit or loss using the effective interest method.

(p) New standards published but not yet adopted

The new accounting standards applicable for years beginning after 1 January 2022 and for which early application is permitted are indicated below. The Group has, however, decided not to adopt them in advance for the preparation of these consolidated financial statements.

The following new standards or amendments to the standards are not expected to have significant effects on the consolidated financial statements of the Group:

- Classification of liabilities as current or non-current (amendments to IAS 1);
- Definition of accounting estimates (amendments to IAS 8);
- Disclosure of accounting policies (amendments to IAS 1 and IFRS Practice Statement 2);
- Deferred tax related to assets and liabilities arising from a single transaction (amendments to IAS 12);
- Lease liabilities in a sale and leaseback (amendments to IFRS 16);
- Non-current liabilities with covenants (amendments to IAS 1);
- Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28);
- Insurance Contracts (IFRS 17).

(q) Financial risk management

The Group is exposed to the following risks arising from the use of financial instruments:

- credit risk;
- liquidity risk;
- interest rate risk.

This section provides information on the Group's exposure to each of the above risks, the objectives, policies and processes for managing those risks and the methods used to measure them, as well as the management of the Group's capital.

The Board of Directors of Openjobmetis S.p.A. is responsible for creating and overseeing the Group's risk management system.

The purpose of the risk management policies of the Group is to identify and analyse the risks to which it is exposed, establish proper limits, and control and monitor the risks and the observance of such limits. These policies and related systems are revised regularly to reflect any changes in the market conditions and the Group's activities. Through training, standards and management procedures, the Group aims to create a regulated and constructive control environment in which its employees are aware of their roles and responsibilities.

(i) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will cause a financial loss by failing to fulfil an obligation, and mainly derives from the Group's trade receivables.

The Group's exposure to credit risk mainly depends on the specific characteristics of each customer. The Group's customer portfolio consists of many customers, and does not show significant levels of concentration in a few customers. The main type of customer consists of medium-small sized companies, operating in almost all sectors. There is no strong geographic concentration; part of it is mainly located in the regions of central and northern Italy. Any deterioration in the general economic environment or negative credit market developments could have adverse effects on customer relations, compromising the possibility for the Group to recover its trade receivables and influencing the management of working capital.

It cannot be excluded that any breach of customers' payment obligations, or the mere delay in the execution of such payments, may reduce the liquidity available to the Group, increasing the need for additional sources of funding.

The Group keeps the customer base diversified, and consequently it reduces the risks associated with debt recovery.

Before supplying contract workers, a proper evaluation procedure is carried out requiring that the creditworthiness of each new customer be analysed individually before offering the standard conditions in terms of payment and supply. This analysis also includes external assessments, where available, and, in some cases, banking information. Supply limits, representing the maximum credit line beyond which the direct approval of management is required, are established for each customer.

The overall amount due from customers mainly consists of the total expense of the contract worker's remuneration, which in addition to the elements of normal remuneration as per the National labour agreement of reference, also includes remuneration accrued but not paid (thirteenth month and fourteenth month pay, holidays plus any other element), the margin and VAT calculated only on the margin of the Group.

Splitting the macro items that determine the value of the trade receivable offers a different degree of legal protection of the trade receivable. In fact, in case of customer bankruptcy, only the portion of receivable representing the remuneration of the contract worker is secured during repayment.

For the measurement, please see section (i) Impairment losses (i.1) Financial assets

(ii) Liquidity risk

Liquidity risk is the risk that the Group has difficulty in meeting the obligations related to financial liabilities. The approach of the Group to liquidity management is to ensure, as much as possible, that there are always sufficient funds to fulfil its obligations when due, both in normal conditions and during financial tension, without having to bear excessive costs or run the risk of damaging its reputation.

The Group monitors the economic and financial performance of each branch thus facilitating the monitoring of liquidity requirements and optimising the return on investments. Generally, the Group makes sure that there are sufficient cash and cash equivalents to cover expected operating costs for a period of 60 days, including those relating to liabilities represented by "Contract Worker Benefits" and to related social security contribution liabilities.

Moreover, the Group has had the following credit lines over the years:

Financial year 2022:

- EUR 5 million of revolving credit lines, at an average interest rate equal to the six-month Euribor plus 1.50%, subject to compliance with an economic and financial covenant as described below;
- EUR 102 million of credit lines that can be used against presentation of short-term trade receivables, generally at a variable rate linked to the Euribor.

Financial year 2021:

- EUR 5 million of revolving credit lines, at an average interest rate equal to the six-month Euribor plus 1.40%, subject to compliance with an economic and financial covenant as described below;
- EUR 118 million of credit lines that can be used against presentation of short-term trade receivables, generally at a variable rate linked to the Euribor.

As described below, the Group is subject to compliance with the financial covenant included in the Loan and calculated on the Group's consolidated financial statements once a year.

The Loan as at 31 December 2022, provides for certain non-performance events involving the right for the lenders to terminate the loan agreement, or to withdraw therefrom and declare the Company's benefit of postponed payment to be forfeited, as the case may be.

Moreover, the Group has the following financial guarantees in place:

(In thousands of EUR)

Beneficiary	Type	2022	2021	Change
A.N.P.A.L.	Authorisation pursuant to Italian Legislative Decree no. 276	36,627	30,228	6,399
Third Parties	Sureties for participating in tenders	491	500	(9)
Third Parties	Sureties for leases	1,012	891	121
Total		**38,130**	**31,619**	**6,511**

The guarantees given in favour of the A.N.P.A.L. (Italian National Agency for Active Labour Market Policies) refer to the legal requirement to issue appropriate guarantees for the amount due to workers employed on temporary employment contracts.

Sureties for leases refer to guarantees given in favour of various owners of the buildings in which the head office of the Group and some branches are located.

(iii) Interest rate risk

The Group's financial indebtedness has variable interest rates, therefore the Group could be exposed to the risks related to fluctuations in these rates. To address these risks, the Group has adopted partial hedging instruments against the risk of interest rate changes. More specifically, derivative contracts that qualify as "hedging instruments" have been concluded, aimed at transforming the variable rates applied into average fixed rates on the hedged portion of the loan, equal to 50% of the nominal value of the amortising line for the first three years. It cannot be excluded that any unpredictable fluctuations in interest rates may have adverse effects on the Group's financial position.

(r) Segment reporting

For the purposes of IFRS 8 Operating Segments, the Group only has one operating segment. For a more detailed analysis of the outlook and the operating indicators, please refer to the directors' report.

3. Acquisitions of subsidiaries and non-controlling interests

The original goodwill of EUR 45,999 thousand generated as from 1 July 2007 mainly refers to the skills and technological knowledge of the personnel of the Openjob S.p.A. group (with particular reference to Openjob S.p.A., In Time S.p.A. and Quandoccorre S.p.A.) acquired in June 2007 by WM S.r.l., which was subsequently the subject of a reverse merger into Openjob S.p.A.

Moreover, during this business combination, the customer relations of Openjob S.p.A. and of the subsidiary Intime S.p.A. amounted to EUR 2,472 thousand and EUR 1,390 thousand, respectively, on the basis of an appraisal drawn up by an independent expert.

Following the acquisition and subsequent merger by incorporation of Metis S.p.A., which took place on 31 December 2011, the difference between the consideration paid and the fair value of the net assets acquired amounted to EUR 27,164 thousand.

In the following years, in relation to various acquisitions, goodwill increased by EUR 26,063 as shown below:

- In 2013 for Corium by EUR 383 thousand;
- In 2018 for Meritocracy by EUR 288 thousand;
- In 2018 for HC by EUR 604 thousand;
- In 2020 for Jobdisabili by EUR 169 thousand;
- In 2020 for Lyve by EUR 519 thousand;
- Lastly, in 2021 for Quanta and Quanta RU by EUR 24,100 thousand; at this time, the value of the related customer relationship was then recognised for an amount of EUR 2,815 thousand, on the basis of an appraisal drawn up by an independent third-party professional.

4a. Property, plant and equipment

The following tables show the changes occurred in this item.

(In thousands of EUR)	Land and buildings	Plant and equipment	Other items of property, plant and equipment	Other assets	Leasehold improvements	Total
Cost:						
Balances as at 1 January 2022	1,211	1,126	6,101	106	179	8,723
Increases	683	60	759	-	-	1,502
Decreases	(693)	(30)	(456)	(3)	(44)	(1,226)
As at 31 December 2022	1,201	1,156	6,404	103	135	8,999
Depreciation and impairment losses:						
Balances as at 1 January 2022	319	868	3,839	106	179	5,311
Increases	29	72	629	-	-	730
Decreases	(5)	(27)	(456)	(3)	(44)	(535)
As at 31 December 2022	343	913	4,012	103	135	5,506
Carrying amounts:						
As at 1 January 2022	892	258	2,262	-	-	3,412
As at 31 December 2022	858	243	2,392	-	-	3,493

(In thousands of EUR)	Land and buildings	Plant and equipment	Other items of property, plant and equipment	Other assets	Leasehold improvements	Total
Cost:						
Balances as at 1 January 2021	1,692	1,052	4,795	106	179	7,824
Increases	627	111	963	-	-	1,701
Companies acquired	-	411	2,888	-	-	3,299
Decreases	-	(421)	(2,572)	-	-	(2,993)
Reclassifications	(1,289)	(27)	27	-	-	(1,289)
Other changes	181	-	-	-	-	181
Balances as at 31 December 2021	1,211	1,126	6,101	106	179	8,723
Depreciation and impairment losses:						
Balances as at 1 January 2021	849	801	3,304	106	179	5,239
Increases	48	74	453	-	-	575
Companies acquired	-	400	2,618	-	-	3,018
Decreases	(656)	(407)	(2,536)	-	-	(3,599)
Other changes	78	-	-	-	-	78
Balances as at 31 December 2021	319	868	3,839	106	179	5,311
Carrying amounts:						
As at 1 January 2021	843	251	1,491	-	-	2,585
As at 31 December 2021	892	258	2,262	-	-	3,412

Land and buildings

The item includes properties in the province of Udine, Brescia and Latina; it should be noted that during the year a property previously leased in the city of Milan was redeemed, which was sold to third parties.

Plant and equipment

The Group has some non-current assets mainly related to equipment, plant and furniture at the branches.

Other items of property, plant and equipment

The item mainly includes electronic office machines, furniture and fittings, illuminated signs and motor vehicles.

4b. Right of use for leases

The following table shows the changes in this item:

(In thousands of EUR)	Motor vehicles	Property	Other fixed assets	Total
Cost:				
Balances as at 1 January 2022	4,784	18,089	43	22,916
Increases	1,431	3,510	-	4,941
Decreases	(1,269)	(2,990)	(43)	(4,302)
Balances as at 31 December 2022	4,946	18,609	-	23,555
Depreciation and impairment losses:				
Balances as at 1 January 2022	2,363	5,700	35	8,098
Increases	1,412	3,295	8	4,715
Decreases	(1,190)	(1,863)	(43)	(3,096)
Balances as at 31 December 2022	2,585	7,132	-	9,717
Carrying amounts:				
As at 1 January 2022	2,421	12,389	8	14,818
As at 31 December 2022	2,361	11,477	-	13,838

(In thousands of EUR)	Motor vehicles	Property	Other fixed assets	Total
Cost:				
Balances as at 1 January 2021	4,127	15,613	81	19,821
Increases	1,005	2,394	75	3,474
Company acquired	497	3,668	-	4,165
Decreases	(845)	(3,586)	(113)	(4,544)
Balances as at 31 December 2021	4,784	18,089	43	22,916
Depreciation and impairment losses:				
Balances as at 1 January 2021	1,787	5,132	51	6,970
Increases	1,422	3,131	91	4,644
Decreases	(845)	(2,563)	(107)	(3,515)
Balances as at 31 December 2021	2,363	5,700	35	8,098
Carrying amounts:				
As at 1 January 2021	2,340	10,481	30	12,851
As at 31 December 2021	2,421	12,389	8	14,818

Motor vehicles

This item mainly includes vehicles assigned to personnel under lease agreements. The increases represent the new agreements signed during the year.

Property

This item mainly includes property owned by the Group's head office and operating branches under lease agreements. The increases refer to new lease agreements signed during the year following the opening of new branches and the renewal of existing agreements concluded during the period.

Other fixed assets

This item mainly includes electronic equipment held by the Group under lease agreements.

5. Intangible assets and goodwill

The following table shows the changes in this item.

(In thousands of EUR)	Goodwill	Customer relations	Software and Trademarks	Non-compete agreement	Research and development costs	Total
Cost:						
Balances as at 1 January 2022	99,227	11,037	6,484	1,500	113	118,361
Increases	-	-	30	-	-	30
Decreases	-	-	-	-	(3)	(3)
Balances as at 31 December 2022	99,227	11,037	6,514	1,500	110	118,388
Amortisation and impairment losses:						
Balances as at 1 January 2022	-	8,380	5,839	176	112	14,507
Increases	-	367	374	300	-	1,041
Decreases	-	-	-	-	(2)	(2)
Balances as at 31 December 2022	-	8,747	6,213	476	110	15,546
Carrying amounts:						
As at 1 January 2022	99,227	2,657	645	1,324	1	103,854
As at 31 December 2022	99,227	2,290	301	1,024	-	102,842

(In thousands of EUR)	Goodwill	Customer relations	Software and Trademarks	Non-compete agreement	Research and development costs	Total
Cost:						
Balances as at 1 January 2021	75,126	8,205	4,209	-	126	87,666
Increases	24,101	2,832	63	1,500	-	28,496
Decreases	-	-	(222)	-	(16)	(238)
Companies acquired	-	-	2,434	-	3	2,437
Balances as at 31 December 2021	99,227	11,037	6,484	1,500	113	118,361
Amortisation and impairment losses:						
Balances as at 1 January 2021	-	8,153	3,225	-	97	11,475
Increases	-	227	554	176	13	970
Decreases	-	-	(221)	-	-	(221)
Companies acquired	-	-	2,281	-	2	2,283
Balances as at 31 December 2021	-	8,380	5,839	176	112	14,507
Carrying amounts:						
As at 1 January 2021	75,126	52	984	-	29	76,191
As at 31 December 2021	99,227	2,657	645	1,324	1	103,854

Goodwill

At the end of each year, the Group tests goodwill for impairment. The impairment test on goodwill is carried out on the basis of the value in use through calculations based on projected cash flows taken from the approved five-year business plan.

It should be noted that a re-assessment of CGUs took place during 2021; until 31 December 2020, all of the Group's operating assets and liabilities were identified as a single CGU. The analysis carried out was made necessary by the acquisition of Quanta in 2021, in respect of which an amount of goodwill equal to EUR 24.1 million was recorded, and by the Group reorganisation process initiated in the recent past, which led to the aggregation of several subsidiaries and the establishment of the subsidiary Family Care.

As of 2021, two separate CGUs have been identified with reference to:

- all the operating assets and liabilities of the Parent and its subsidiaries, excluding Family Care S.r.l. ("Main CGU");

- the subsidiary, Family Care S.r.l., mainly due to the specific nature of the services provided (personal welfare) and the customers it caters for (private individuals) compared with the rest of the Group, and the use of a dedicated branch network for its business. This is also in view of the growth in the subsidiary's business volumes recorded in recent years and the development prospects envisaged for the future.

The above is consistent with management's strategic and operational vision, as well as with the level of analytical reporting monitored by management.

The volume of goodwill recorded in the financial statements is fully allocated to the main CGU, considering that the business of Family Care S.r.l. was initiated within the Group and not related to acquisitions made in previous years.

The impairment test as at 31 December 2022 was carried out using the main CGU as a reference for the above.

The value of the main CGU, to which all of the goodwill recorded in the financial statements has been allocated, was verified by determining the value in use, understood as the current value of expected cash flows (discounted cash flow) using a rate that reflects the specific risks at the valuation date (WACC).

The measurement was carried out on the basis of the 2023-2027 business plan and directly based on that approved by the Board of Directors on 23 February 2023, prepared by management on the basis of the historical economic and financial performance of the main CGU, and expected outlook.

In view of the Group's strategy, the expected trend of the reference market and the overall macroeconomic situation, projected cash flows were estimated on the basis of the following assumptions:

- Revenue: the assumption for revenue is 3.8% growth in 2023 and from 4.8% to 2.3% from 2024 to 2027, on the basis of expected GDP and inflation trends.

To calculate the terminal value, a prudent assumption was adopted of a steady state scenario (g-rate equal to zero), in which, given a zero growth, the obtainable cash flow on a like-for-like basis and from the year following the year related to the analytical forecasts, were estimated based on the following main assumptions:

- EBITDA, normal average equal to the last year of analytical forecast;
- maintenance capital expenditure, equal to approximately EUR 2 million per year;
- maintenance investments in right-of-use assets (IFRS 16), equal to around EUR 5 million per year;
- constant working capital;
- constant provisions.

These projections reflect the current conditions of all the operating assets and liabilities of the main CGU being measured and the values used are consistent with the historical performance of the same and with expectations of management in relation to the expected trends in the market of reference.

The terminal value was determined based on the last year of the business plan, as indicated above.

Projected cash flows were discounted taking into account a cost of unlevered risk capital, calculated on the basis of the Capital Asset Pricing Model (CAPM), of 13.8% (previous year equal to 10.4%) gross of the related tax effect. This rate reflects the current market evaluation of the time value of money for the period in question and the specific risks of the sector and country, Italy, where the Group operates. The WACC as at 31 December 2022 was estimated on the basis of the following assumptions:

- the risk-free rate adopted (4.1%);
- the estimated beta coefficient (unlevered) was 1.34 on the basis of the characteristics of the sector concerned and of the betas recognised with reference to a sample of listed companies belonging to the sector concerned;

- the equity risk premium used is 5%;
- small size premium recognised of 3%.

The value in use as at 31 December 2022 calculated in this way was greater than the carrying amount of the cash generating unit. Therefore, no impairment losses were recognised as at 31 December 2022, as in previous years.

The carrying amount and recoverable amount of the main CGU as recognised in 2022 and 2021 are shown below, excluding 2020 when it was considered as a single CGU:

(In thousands of EUR)

Years	Carrying amount of the group	Recoverable amount	Amount in excess, recoverable with respect to the carrying amount
2020	122,794	137,321	14,527
2021	157,802	192,337	34,535
2022	147,183	156,410	9,227

Due to their nature, the forecasts used for impairment testing are subject to unforeseen elements that could still affect them, such as GDP not increasing as expected, changes in interest rates and inflation rates, changes in revenue, profit margins and collection terms from customers because of the macroeconomic trend. Such unforeseen elements could therefore result in having to amend the above-described impairment test. It is noted in this regard that the sensitivity analysis as at 31 December 2022 shows that the value in use is equal to the carrying amount of the Cash Generating Unit in the event of an increase in the discount rate of approximately 0.80 percentage points, all the other conditions being equal; similarly, in the case of a reduction in non-discounted cash flows by approximately 6% throughout the plan period and for the cash flows on which the terminal value is based, the value in use would equal the carrying amount of the Cash Generating Unit.

The analyses listed above confirm the sensitivity of the assessments of the recoverability of goodwill to the change in the aforementioned variables; in this context, the Directors will systematically monitor the performance of the aforementioned variables, partly exogenous and uncontrollable, for any adjustments to the recoverability estimates of the carrying amount of goodwill in the financial statements. It should also be noted that appraisals drawn up by independent experts were used in the preparation of the impairment test as at 31 December 2022 approved by the Board of Directors of the Company on 15 March 2023. Finally, it should be noted that as at 31 December 2022, the Parent, whose shares are traded on the STAR segment of the online stock exchange (MTA) managed by Borsa Italiana S.p.A., capitalised approximately EUR 107,989 thousand.

Customer relations

In May 2021, with the acquisition of the Subsidiary Quanta S.p.A., customer relations were identified for EUR 2,815 thousand with a recognised useful life of 8 years. This valuation was carried out with the assistance of an independent external professional, adopting the "excess earning method".

Software

The item Software refers to the operating and management programmes acquired by the Group.

In 2018, on the basis of the appraisal prepared by a professional independent expert, the fair value of the platform owned by Meritocracy (now Seltis Hub S.r.l.), was recorded as EUR 1,157 thousand, and its useful life was reasonably assumed to be five years.

Assets under development

There are no assets under development or payments on account as at 31 December 2022.

6. Non-current financial assets

This item mainly consists of guarantee deposits paid for utilities of the registered office and the Branches.

7. Deferred tax assets and liabilities

Deferred tax assets and liabilities refer to the following items:

(In thousands of EUR)	Assets		Liabilities		Net	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Property, plant and equipment	-	-	205	87	(205)	(87)
Intangible assets	9	8	678	840	(669)	(832)
Employee benefits	-	13	14	-	(14)	13
Provisions	466	663	-	-	466	663
Loss allowance	1,654	1,661	-	-	1,654	1,661
Costs with deferred deductibility	490	483	-	-	490	483
Tax losses	-	362	-	-	-	362
Goodwill realignment	19,351	19,755	-	-	19,351	19,755
Total	21,970	22,945	897	927	21,073	22,018

Temporary differences between the tax base of assets and liabilities and their carrying amounts were not excluded from the calculation of deferred taxes.

Tax assets and liabilities are measured using the tax rates that are expected to be applicable in the period in which the asset or the liability to which they refer will be realised or discharged, respectively, on the basis of tax rates established by measures in force.

Starting from 2020, deferred tax assets were recognised relating to the realignment of the tax value of the Parent's goodwill, in accordance with the provisions of Article 110, paragraphs 8 and 8-bis of Law Decree no. 104/2020. For further details, please refer to Note 28.

Changes in net deferred tax assets and liabilities were as follows:

(In thousands of EUR)	Balance as at 31 December 2021	Increases in the statement of financial position	Changes in profit or loss	Balance as at 31 December 2022
Property, plant and equipment	(87)	-	(118)	(205)
Intangible assets	(832)	-	163	(669)
Employee benefits	13	-	(27)	(14)
Provisions	663	-	(197)	466
Trade and other receivables	1,661	-	(7)	1,654
Costs with deferred deductibility	483	-	7	490
Tax losses	362	-	(362)	-
Goodwill realignment	19,755	-	(404)	19,351
Total	22,018	-	(945)	21,073

8. Cash and cash equivalents

The item includes the credit balance of bank and postal deposits and cash in hand.

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Bank and postal deposits	10,244	16,830	(6,586)
Cash in hand and cash equivalents	46	38	8
Total cash and cash equivalents	10,290	16,868	(6,578)

With reference to the net financial indebtedness, in accordance with the Guidelines on disclosure requirements published by ESMA on 4 March 2021 and Consob call to attention no. 5/21 of 29 April 2021, please refer to Note 13 below.

9. Other short-term financial assets

The item refers to receivables from factoring companies for the amount of EUR 3,095 thousand in relation to trade receivables assigned as at 31 December 2022, for which the Group has not requested early settlement.

10. Trade receivables

The item is made up as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
From third-party customers	152,182	159,739	(7,557)
Loss allowance	(7,598)	(6,699)	(899)
Total trade receivables	144,584	153,040	(8,456)

As at 31 December 2022 and 2021, there were no trade receivables arising from factoring with recourse. Total trade receivables are exclusively related to Italian customers; therefore, there are no receivables in currencies other than the euro. At the reporting dates, there was no concentration of trade receivables from a limited number of customers.

The item is recorded in the consolidated financial statements net of a loss allowance of EUR 7,598 thousand. The receivables are also recorded net of an amount of EUR 88 thousand corresponding to the valuation arising from the measurement at fair value of the trade receivables of Quanta S.p.A., a company acquired in 2021.

The days sales outstanding (DSO) granted to customers is 68, compared to 69 [26] reported as at 31 December 2021.

Reference is made to note 30 (a) "Impairment losses" for further information about the analysis of trade receivables exposure at the reporting date.

11. Other assets

The item is made up as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Receivable from tax authorities for reimbursements	152	104	48
Receivable from the INPS treasury funds for post-employment benefits	1,574	1,732	(158)
Prepayments	1,242	1,066	176
Other disputed receivables	1,095	1,095	-
Receivables from the seller of Quanta S.p.A.	1,400	3,819	(2,419)
Receivables from Forma.Temp	2,724	5,040	(2,316)
Other sundry receivables	236	217	19
Total other assets	8,423	13,073	(4,650)

The item "Other disputed receivables" refers to the receivable from a former Director of Metis who left office in 2009; the Provisions for risks reflect the considerations made for this litigation.

[26] As "Quanta" has only been included in the consolidated financial statements since June 2021, it was not possible to correctly calculate the DSO using the revenue and trade receivables data from the financial statements as at 31 December 2021. DSO was therefore calculated net of Quanta Group's trade receivables and revenue.

Prepayments as at 31 December 2022 of EUR 1,242 thousand mainly refer to advance costs entirely recognised during the current year, relating to sponsorships, bank fees and sundry rentals not related to lease agreements.
The item "Receivables from seller of Quanta S.p.A." as at 31 December 2022 refers to contingent liabilities for which a provision for risks has been set aside, covered by the guarantee of the seller. The change compared to 31 December 2021 relates to guaranteed positions as part of the acquisition transaction that were settled during the year.
The item "Receivables from Forma.Temp" for EUR 2,724 thousand refers mainly to the reimbursement of the salary supplement (TIS) paid in advance to contract workers.

12. Current tax assets

As at 31 December 2022, the receivable for current income taxes amounted to EUR 81 thousand and referred to the receivable from tax authorities for IRAP for the amount of EUR 10 thousand from the subsidiary HC S.r.l. and the receivable from tax authorities for IRES for the amount of EUR 71 thousand from the subsidiary Lyve S.r.l.
As at 31 December 2021, the current income tax credit amounted to EUR 354 thousand and referred to the receivable from the tax authorities for IRAP for EUR 8 thousand for the subsidiary HC S.r.l., the receivable from the tax authorities for IRAP for EUR 1 thousand for the subsidiary Seltis Hub S.r.l., the receivable from the tax authorities for IRAP for EUR 19 thousand and the receivable from the tax authorities for IRES for EUR 326 thousand, both for the subsidiary Quanta S.p.A.

13. Bank loans and borrowings and other financial liabilities

This note illustrates the contractual conditions that regulate the Group's financial liabilities. For further information on the Group's exposure to interest rate risk, reference is made to Note 30.

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Non-current liabilities:			
Line A Loan	1,491	4,474	(2,983)
Line B2 Loan	1,426	4,284	(2,858)
M/L Loans	-	1,000	(1,000)
Lease liabilities	9,828	10,225	(397)
Derivative instruments	-	14	(14)
Total non-current liabilities	12,745	19,997	(7,252)
Current liabilities			
Line A Loan	3,000	3,000	-
Line B2 Loan	2,858	2,858	-
Loans	1,000	3,000	(2,000)
Non-guaranteed bank loans and borrowings	15,973	28,167	(12,194)
Lease liabilities	4,025	4,311	(286)
Total current liabilities	26,856	41,336	(14,480)
Total current and non-current liabilities	39,601	61,333	(21,732)

In March 2019, a medium-long term amortising loan of EUR 15 million was subscribed and issued, which also provides a revolving credit line of EUR 15 million, EUR 10 million of which has been used in 2021; there were no drawdowns during 2022.
During the current year, no loans were subscribed or disbursed.

The contractual conditions of bank loans and borrowings and other financial liabilities, excluding financial instruments, are set below:

(In thousands of EUR)				31 December 2022		31 December 2021	
	Curr.	Nominal interest rate	Year of maturity	Nominal amount	Carrying amount	Nominal amount	Carrying amount
Line A Loan	EUR	Euribor*	2024	4,500	4,491	7,500	7,474
Line B2 Loan	EUR	Euribor*	2024	4,284	4,284	7,142	7,142
M/L Loans	EUR	0.3%**	2023	1,000	1,000	4,000	4,000
Non-guaranteed bank loans and borrowings	EUR	2.60% **	-	15,973	15,973	28,167	28,167
Lease liabilities	EUR	1.91%***	2023/28	14,503	13,853	14,782	14,536
Total interest-bearing liabilities				40,260	39,601	61,591	61,319

* Six-month Euribor plus a spread ranging from a minimum of 1.45% to a maximum of 2.00% in relation to compliance with a financial restriction

** These are approximate average rates

*** Weighted average incremental interest rate

The existing medium-long term Loan requires compliance with a financial constraint known as the leverage ratio, which is the NFI/EBITDA ratio as defined in the loan agreement. This financial constraint has to be measured on an annual basis as at 31 December, since it is based on the Group's consolidated financial statements. The lending bank has the right to request the termination of the loan agreement if, at the date of calculation, the restriction is not complied with.

The financial constraint that must be complied with at consolidated level is shown below:

Calculation Dates	NFI/EBITDA <
31 December 2022	2.25
31 December 2023	2.25

NFI = Net Financial Indebtedness

EBITDA = Consolidated net profit for the year before income taxes, net financial expense, amortisation/depreciation, provisions and impairment losses

It should be noted that as at 31 December 2022 the financial constraint had been complied with.

Branch leases contain extension options that can be exercised up to six months before the end of the binding period. If, at their respective deadlines, all extension options should be exercised, the potential cash flows that are not currently reflected in the lease liability would amount to approximately EUR 18,600 thousand.

Below is the reconciliation of the changes in lease liabilities, bank borrowings and other financial liabilities arising from financing activities:

(In thousands of EUR)	Lease liabilities	Financial liabilities, bank loans and borrowings and other liabilities
Balance as at 1 January 2022	14,536	46,783
Changes in financial liabilities		
Lease payments	(4,916)	-
Interest expense	167	-
New leases, renewals and contract terminations	4,066	-
New payables for acquired companies	-	-
New loan disbursement	-	-
Repayment of loan instalments	-	(8,841)
Other financial payables and interest	-	(12,194)
Total changes in financial liabilities	(683)	(21,035)
Balance as at 31 December 2022	13,853	25,748

Below is the net financial indebtedness of the Group as at 31 December 2022 and 31 December 2021, calculated in accordance with the Guidelines on disclosure requirements published by ESMA on 4 March 2021 and CONSOB Warning notice no. 5/21 of 29 April 2021; please note that the new disclosure requirements did not entail significant impacts on determination of the net financial position of the Group as at 31 December 2022 and 31 December 2021.

	(In thousands of EUR)	Financial statements for the year ended 31 December			2022 vs 2021 Change	
		2022	2021	2020	Value	%
A	Cash	46	38	29	8	21.1%
B	Cash and cash equivalents	10,244	16,830	16,973	(6,586)	(39.1%)
C	Other current financial assets	3,095	-	-	3,095	100%
D	**Cash and cash equivalents (A+B+C)**	**13,385**	**16,868**	**17,002**	**(3,483)**	**(20.6%)**
E	Current financial debt	(22,831)	(37,025)	(14,240)	14,194	(38.3%)
F	Current portion of non-current financial debt	(4,025)	(4,311)	(3,665)	286	(6.6%)
G	**Current financial indebtedness (E+F)**	**(26,856)**	**(41,336)**	**(17,905)**	**14,480**	**(35.0%)**
H	**Net current financial indebtedness (G+D)**	**(13,471)**	**(24,468)**	**(903)**	**10,997**	**(44.9%)**
I	Non-current financial debt	(12,745)	(19,997)	(16,472)	7,252	(36.3%)
J	Debt instruments	-	-	-	-	-
K	Trade payables and other non-current payables	-	-	-	-	-
L	**Non-current financial indebtedness (I+J+K)**	**(12,745)**	**(19,997)**	**(16,472)**	**7,252**	**(36.3%)**
M	**Total financial indebtedness (H+L)**	**(26,216)**	**(44,464)**	**(17,375)**	**18,248**	**(41.0%)**

14. Employee benefits

(a) current

The balance of the item current employee benefits includes:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Salaries payable to contract workers	40,951	41,238	(287)
Remuneration payable to contract workers	15,700	15,752	(52)
Post-employment benefits of contract workers	373	253	120
Remuneration payable to employees	5,837	6,622	(785)
Total payables for employee benefits	62,861	63,865	(1,004)

Given the nature of business carried out by the Group and the average duration of employment contracts with contract workers, employee benefits represented by the post-employment benefits of contract workers were paid periodically and were consequently regarded as current liabilities. Therefore, the liability was not discounted and corresponds to the obligation due to contract workers at the end of the contract.

(b) non-current

The balance of the item Employee benefits relates to post-employment benefits due to employees. The change in the amount related to employee benefits in the different years is summarised as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Payables for employee benefits as at 1 January	1,678	1,339	339
Increase for companies acquired	-	459	(459)
Cost recognised in profit or loss	192	163	29
Payments during the period	(203)	(319)	116
Actuarial valuation	(250)	36	(286)
Total payables for employee benefits	1,417	1,678	(261)

The amount is recognised in profit or loss as per the following table:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Current service cost	161	153	8
Interest expense on the obligation	31	10	21
Total	192	163	29

The liability related to post-employment benefits is based on the actuarial valuation made by independent experts according to the following main parameters:

	31/12/2022	31/12/2021
Projected future salary increases (average amount)	1.00%	1.00%
Projected staff turnover	9.00%	9.00%
Discount rate	4.17%	1.09%
Average inflation rate	2.30%	1.75%

15. Trade payables

The item includes trade payables for the provision of services and consultancy.

Total trade payables at the reporting date are mainly due to Italian suppliers. Moreover, there are no trade payables in currencies other than the euro.

The item is broken down as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Trade payables to third parties	14,752	14,779	(27)
Total trade payables	14,752	14,779	(27)

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16. Other liabilities

The item is broken down as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Social security charges payable	25,872	24,899	973
Tax payables	11,408	15,543	(4,135)
Payables to Forma.Temp	1,117	732	385
Current liability linked to the non-compete agreement	300	300	-
Other payables	2,182	2,117	65
Total other current liabilities	**40,879**	**43,591**	**(2,712)**
Non-current liability linked to the non-compete agreement	600	900	(300)
Total other non-current liabilities	**600**	**900**	**(300)**
Total other liabilities	**41,479**	**44,491**	**(3,012)**

Social security charges payable mainly refers to amount due to INPS (the Italian Social Security Institution), INAIL (the Italian National Institute for Insurance against Accidents at Work) and other social security institutions referring to wages and salaries to contract workers and employees.

Payables to Forma.Temp refer to the management contribution and the contribution for the training of permanent personnel hired in December.

With the finalisation of the acquisition of Quanta S.p.A. in May 2021, the liability relating to the contractual agreement reached with the seller, concerning the limitation on the performance of professional activities in competition with the company, which will be recorded in five years, was recognised in the item Other current and non-current liabilities.

The item Other payables mainly refers to shares acquired during previous years and the recognition of put options as envisaged by the relevant agreements.

17. Current and non-current tax liabilities

Current tax liabilities as at 31 December 2022 amounted to EUR 2,512 thousand and referred to EUR 717 thousand for the third instalment of the substitute tax pursuant to Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis (for further details, see Note 28), EUR 1,253 thousand to the tax authorities for IRES tax consolidation and EUR 533 thousand to the tax authorities for IRAP. The rest, amounting to EUR 9 thousand, refer to the tax liability for IRAP for the subsidiary Lyve S.r.l.

As at 31 December 2022 there were no non-current tax liabilities.

Current tax liabilities as at 31 December 2021 amounted to EUR 1,519 thousand and referred to EUR 717 thousand for the second instalment of the substitute tax pursuant to Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis (for further details, see Note 28), EUR 554 thousand to the tax authorities for IRES tax consolidation and EUR 181 thousand to the tax authorities for IRAP. The residual amount of EUR 67 thousand referred to the IRAP payable for EUR 45 thousand and to EUR 22 thousand for the IRES payable by the subsidiaries Lyve S.r.l. and Quanta Risorse Umane S.r.l.

Non-current tax liabilities as at 31 December 2021 amounted to EUR 717 thousand and related to the third instalment of the substitute tax pursuant to Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis to be paid in 2023. For further details, please refer to Note 28.

18. Provisions

Changes in this item are broken down as follows:

(In thousands of EUR)	
Balance as at 1 January 2022	4,544
Increases	246
Uses	(1,033)
Balance as at 31 December 2022	3,757

The item refers to possible future charges relating to a number of disputes, to a dispute relating to a non-commercial receivable, to potential liabilities relating to the companies acquired during the previous year for which there is, however, the guarantee from the previous shareholder, which led to the simultaneous recognition of a credit position under current assets, in addition to other minor risks.

19. Equity

(a) Share capital

(In thousands of shares)	2022	2021
Ordinary shares		
Issued as at 1 January	13,712	13,712
Issued as at 31 December	13,712	13,712

As at 31 December 2022, the approved share capital consisted of 13,712,000 ordinary shares, the ownership percentages of which are specified in the section "Group structure", to which explicit reference is made.

The Shareholders' Meeting, convened on 24 April 2018, authorised the Board of Directors to purchase and dispose of treasury shares pursuant to the combined provisions of Articles 2357 and 2357-ter of the Italian Civil Code, as well as article 132 of Legislative Decree no. 58 of 24 February 1998. The Board of Directors' meeting called for 15 May 2018 resolved to launch the buyback programme from 16 May 2018.

Subsequently, following the revocation of the authorisation on 30 April 2021, by resolution approved by the Shareholders' Meeting on 19 April 2022, the buyback programme was restarted by the Board of Directors of Openjobmetis S.p.A., up to a maximum number of shares such as not to exceed 5% of the pro-tempore share capital. On 11 November 2022, the Board of Directors ordered the closure of the existing programme, resolving the launch of a new plan for the buyback of treasury shares, again based on the same Shareholders' Meeting authorisation, to be carried out through a partial voluntary public tender offer for a maximum of 325,065 ordinary shares; the offer period ended on 2 December 2022.

Following the buybacks made during the year, it should be noted that as at 31 December 2022 Openjobmetis S.p.A. directly held 685,559 treasury shares, equal to approximately 5.00% of the share capital.

The Company did not issue any preference shares.

The share capital has been fully paid up.

(b) Share premium reserve

The item Share premium reserve includes the share premium paid as a result of the share capital increase made during the extraordinary Shareholders' Meeting of 18 March 2005 (EUR 3,899 thousand), the share premium recognised as a result of the share capital increase made on 11 June 2007 (EUR 51 thousand), the share premium recognised as a result of the share capital increase made by injection on 14 March 2011 (EUR 5,030 thousand), the share premium paid as a result of the share capital increase on 14 March 2011 (EUR 7,833 thousand), the share premium recognised as a result of the conversion of the bond issue on 26 June 2015 (EUR 700 thousand), and the share premium recognised as a result of the Public Offering of Sale and Subscription made on 3 December 2015 (EUR 16,240 thousand). Moreover, the reserve was reduced by EUR 2,208 thousand for the portion of the listing costs related to the public subscription offering (i.e. costs directly attributable to the latter and portion pro rata of the other listing costs, in proportion to the number of shares related to the public subscription offering, relative to the total number of shares of the initial public offering, including the greenshoe option). Finally, upon the approval of the 2018 profit for the year, the subsidiary Seltis S.r.l. distributed part of the reserve for EUR 360 thousand.

(c) Other reserves

The item Other reserves includes the residual portion of EUR 15,602 thousand of the equity-related reserve of WM S.r.l. originally of EUR 25,959 thousand. This reserve was used in part to cover losses for 2007, and increased following the negative goodwill arising on the merger with Quandoccorre S.p.A.; subsequently, it decreased to cover the 2009 losses carried forward.

As at 31 December 2022, in accordance with IAS 19, the net actuarial gain of EUR 250 thousand - resulting from the difference between the value of expected benefits calculated for the period of reference and the actual benefit resulting from the new measurement assumptions at the end of the period - was accounted for in equity.

As a reduction of equity as at 31 December 2021, the fair value of the derivative contract put in place to hedge the risk of interest rate changes granted to the New Loan was recognised; the closing of the derivative contract in 2022 led to the recognition of the change in fair value in the statement of comprehensive income for the amount of EUR 14 thousand.

The amount of Other reserves is net of the separate negative reserve for the buyback of treasury shares held, equal to EUR 6,361 thousand as at 31 December 2022, and of the reserve for the put options for the remaining portion of the equity investments in HC S.r.l. and Lyve S.r.l. for a total of EUR 1,650 thousand.

Other reserves also include the reserve of EUR 421 thousand related to the 2019-2021 Performance Shares Plan and the 2022-2024 Performance Shares Plan, as better specified in Note 22b and the reserve of EUR 257 thousand, originally generated for EUR 468 thousand following the assignment of treasury shares in the "Quanta" purchasing transaction, relating to the difference between the carrying amount of the shares at the various acquisition dates (EUR 4,349 thousand) and their fair value at the acquisition date (EUR 4,817 thousand), and partially utilised during the year for the amount of EUR 211 thousand for the allocation of the first tranche of treasury shares under the 2019-2021 Performance Shares Plan.

20. Revenue

A breakdown of revenue by type of service, all in Euro and from Italian customers, is summarised in the following table:

(In thousands of EUR)	2022	2021	Change
Revenue from contract work	746,273	704,198	41,990
Revenue from personnel recruitment and selection	6,827	5,807	1,020
Revenue from outsourced services	6,310	2,733	3,577
Revenue from other activities	8,963	8,051	912
Total Revenue	**768,373**	**720,789**	**47,499**

Revenue in 2022 amounted to EUR 768,373 thousand compared to EUR 720,789 thousand in 2021.

Despite the complex conditions of the macroeconomic context due to the international geopolitical scenario, revenue increased by 6.6% (substantially constant on a like-for-like basis, as Quanta S.p.A. and Quanta Risorse Umane S.p.A. were included in 2021 since June).

The positive performance of the subsidiaries Seltis Hub S.r.l., specialising in recruitment and selection (approx. +36% compared to 2021), and Family Care S.r.l. - Employment Agency, specialising in providing family assistants dedicated to the elderly (approx. +18% compared to 2021) was confirmed.

The item "Revenue from other activities" mainly refers to consultancy on administration and organisational matters as part of the training activities, training courses as well as courses dedicated to the development and motivation of employees and other minor revenue.

21. Other income

The item includes:

(In thousands of EUR)	2022	2021	Change
Recognition of contributions from Forma.Temp	13,430	12,945	485
Other sundry income	1,876	2,641	(792)
Total other income	15,306	15,586	(307)

The recognition of contributions from Forma.Temp refers to contributions received from said body for the repayment of the costs incurred for training courses for contract workers, included in the item costs for services. The contributions are recognised by the body on the basis of the specific reporting of costs to organise and carry out the training activities. The relevant revenue recognition occurs in a timely manner on the basis of the reporting of costs incurred for each course.

In 2021, the Other sundry income item included a contribution of EUR 1,443 thousand received from the Agenzia Nazionale Politiche Attive del Lavoro (National Agency for Active Labour Market Policies) in support of professional training activities carried out by contract workers; income not pertaining to the period, such as the collection of previously impaired receivables and adjustments to the allocations of costs related to previous years, various reimbursements and other minor items, are included in the year 2022.

22a. Cost of contract work and outsourcing

The item includes:

(In thousands of EUR)	2022	2021	Change
Wages and salaries of contract workers	478,180	452,071	26,109
Social security charges of contract workers	137,972	129,439	8,533
Post-employment benefits of contract workers	26,789	25,422	1,367
Forma.Temp contributions for contract workers	18,497	17,167	1,330
Other costs of contract workers	6,225	5,420	805
Other costs for outsourced and other services	5,548	2,038	3,510
Total cost of contract work and outsourcing	673,211	631,557	41,654

Forma.Temp contributions refer to the compulsory payment to the bilateral body of approximately 4% of some elements of gross salaries of contract workers, to be allocated to promoting qualification courses for the workers themselves.

The cost of wages and salaries and social security charges, as at 31 December 2022, is shown net of the salary supplement (Trattamento di Integrazione Salariale - TIS) amounting to EUR 936 thousand (EUR 2,176 thousand as at 31 December 2021), the value of which is reimbursed by Forma.Temp.
Other costs of contract workers mainly refer to additional charges such as luncheon vouchers and various refunds.

22b. Employee costs

(In thousands of EUR)	2022	2021	Change
Salaries and wages of employees	27,890	27,808	82
Social security costs of employees	7,962	8,040	(78)
Post-employment benefits of employees	1,971	1,886	85
Remuneration to the Board of Directors and committees	2,257	2,458	(201)
Social security costs of the Board of Directors	134	123	11
Other employee costs	2,125	1,480	645
Long-term incentive	207	663	(456)
Total personnel expense	42,546	42,458	(88)

Other employee costs mainly refer to additional charges such as luncheon vouchers and various refunds.
The remuneration of key management personnel is indicated in Note 33.

The average number of employees is set out below:

Average number of employees	2022	2021	Change
Executives - employees	4	3	1
White-collar staff - employees	765	726	39
Average total	769	729	40

The increase over the previous year is mainly attributable to the consolidation of Quanta S.p.A. and Quanta Risorse Umane S.p.A. that took place in 2021, only from 1 June.

Long-term incentive

On 12 May 2017 and on 15 May 2018, the Board of Directors assigned a number of directors and key management personnel the option, i.e. the right to receive a sum of money corresponding to the increase in the value of the Openjobmetis S.p.A. shares at the end of the three-year vesting period and subject to the occurrence of the conditions contained in the "Information document relating to the incentive plan" based on the attribution of Phantom Stock Options available on the company website (to which explicit reference is made).
Subsequently, with a view to making a concrete contribution to the effort produced by the Company, at all levels, in dealing with the impact of the Covid-19 emergency, on 15 May 2020 all beneficiaries identified for the first tranche have formalised an unconditional and irrevocable waiver to the Board of the right to exercise options accrued for a value of approximately EUR 0.5 million, recognised as a reduction in personnel expense for the period.
The estimated cost for the last tranche of the Phantom Stock Option Plan was EUR 474 thousand (of which EUR 386 thousand is recognised in the previous financial year) and corresponds with the liability measured at fair value, representing the amount to be paid to employees for whom the unconditional right to receive payment accrued in relation to the tranche granted in 2018 under the Plan and the Regulations in force. The option was exercised in its entirety by the beneficiaries in January 2022, and the related liability had already been fully included in employee benefits as at 31 December 2021.

The Shareholders' Meeting of 17 April 2019 approved the adoption of a 2019-2021 Performance Shares Plan which provides for the right of some directors, key management personnel and other key employees to receive, at the end of the three-year vesting period, ordinary shares of the Parent Openjobmetis S.p.A. subject to the achievement of certain Performance Objectives as described in the above Plan (to which explicit reference is made).

The Board of Directors identified the beneficiaries of each of the first three tranches of the Plan on 25 June 2019, 15 May 2020 and 14 May 2021.

The assessment of the cost assigned was estimated by considering the performance components related to the achievement of the adjusted, consolidated and cumulative three-year EBITDA targets compared to the plan targets (with 50% weight) and the Company's performance in terms of Total Shareholder Return compared to the companies that make up the FTSE Italia STAR index (with 50% weight), estimated using the Monte Carlo method, which, on the basis of suitable assumptions, made it possible to define a considerable number of alternative scenarios.

In May 2022, the first tranche was allocated to the beneficiaries, as defined by the relevant Plan, the total cost of which amounted to EUR 283 thousand over the three-year reference period.

The EUR 91 thousand estimated cost for the period of the remaining tranches of Performances Shares assigned corresponds to the change in the liability measured at fair value, representative of the value of the shares actually accrued by the beneficiaries in relation to the tranches allocated in 2019, 2020 and 2021. The related liability is included in the Equity item "Other reserves" at the reporting date.

The parameters used in the fair value measurement at the dates of assignment and valuation of the plan are as follows: share price at the valuation date of EUR 5.10 for the second tranche and EUR 8.87 for the third trance, expected dividend rate of 3.5%, discount rate of 0.40% for the second tranche and (0.26)% for the third tranche, vesting right of the "market based" component equal to 55% for the second tranche and 49% for the third tranche, annual volatility 32% for the second tranche and 29% for the third tranche, applying a reasonable estimate on the basis of historical volatility calculated with reference to the valuation date.

The per-unit fair value of the right to receive the bonus shares at the reporting date was EUR 4.76 for the second tranche and EUR 8.28 for the third tranche.

The Shareholders' Meeting of 19 April 2022 approved the adoption of a 2022-2024 Performance Shares Plan which provides for the right of some directors, key management personnel and other key employees to receive, at the end of the three-year vesting period, ordinary shares of the Parent Openjobmetis S.p.A. subject to the achievement of certain Performance Objectives as described in the above Plan (to which explicit reference is made).

The Board of Directors, on the same date, identified the beneficiaries of the first tranche of the Plan.

The assessment of the cost assigned was estimated by considering the performance components related to the achievement of the adjusted, consolidated and cumulative three-year EBITDA targets compared to the plan targets (with 50% weight) and the Parent's performance in terms of Total Shareholder Return compared to the companies that make up the FTSE Italia STAR index (with 50% weight), estimated using the Monte Carlo method, which, on the basis of suitable assumptions, made it possible to define a considerable number of alternative scenarios, and based on the Group's ESG performance, as determined by Sustainalytics, a leader in the provision of ESG research and ratings.

The EUR 94 thousand estimated cost for the period of the Performance Shares assigned corresponds to the change in the liability measured at fair value, representative of the value of the shares actually accrued by the beneficiaries in relation to the tranche allocated during the year. The related liability is included in the Equity item "Other reserves" at the reporting date.

The parameters used in the fair value measurement at the date of assignment and valuation of the plan are as follows: share price at the valuation date of EUR 11.16, expected dividend rate 4%, discount rate equal to 0.66%, annual volatility of 34%, applying a reasonable estimate based on historical volatility calculated with reference to the valuation date, and ESG rating as determined by Sustainalytics expected to be equal to 10.

The per-unit fair value of the right to receive the free shares as at the reporting date with regard to the first tranche was determined to be EUR 9.92 for the "non-market" component, and EUR 4.80 for the "market" component.

23. Cost of raw materials and consumables

The item mainly includes costs for consumables, stationery and other minor expenses.

24. Costs for services

The item includes:

(In thousands of EUR)	2022	2021	Change
Costs for organising courses for contract workers	13,453	12,340	1,113
Costs for updating skills of contract workers	-	1,371	(1,371)
Costs for tax, legal, IT, business consultancy	7,277	6,754	523
Costs for marketing consultancy	2,309	2,444	(135)
Fees to sourcers and professional advisors	4,814	4,800	14
Costs for advertising and sponsorships	2,377	2,410	(33)
Costs for utilities	1,431	1,217	214
Remuneration to the Board of Statutory Auditors	114	119	(5)
Costs for due diligence and consultancy services	145	1,146	(1,001)
Other	5,573	4,968	605
Total costs for services	37,493	37,569	(76)

Costs for organising courses for contract workers mainly refer to costs charged by training companies, for organising training activities carried out for contract workers, in addition to additional charges. The costs borne by the organisational bodies mainly consist of services invoiced by independent experts. Against the precise and timely reporting of the costs incurred for the courses, Openjobmetis S.p.A. and Family Care S.r.l. receive a specific refund from Forma.Temp and other bodies.

The item marketing consultancy includes the costs incurred for commercial development projects in certain geographical areas.

The item fees to sourcers and professional advisors refers to costs incurred to promote meetings with potential customers.

Costs for advertising and sponsorship refer to ads, costs to promote of the corporate image and the contribution as the main sponsor of a sports company.

Other costs mainly include costs incurred for insurance, information on customer solvency, independent auditors' fees, published notices and sundry non-lease fees.

25. Other operating expenses

The item includes:

(In thousands of EUR)	2022	2021	Change
Other expenses	862	1,046	(184)
Total other operating expenses	862	1,046	(184)

Other expenses include donations, stamps, membership fees, other taxes such as waste taxes and advertising, as well as minor taxes and penalties.

26. Impairment losses on trade and other receivables

For further details on the loss allowance, refer to the directors' report and note 30 below.

27. Net financial income (expense)

Net financial income and expense are shown in the following table:

(In thousands of EUR)	2022	2021	Change
Bank interest and other income	1	-	1
Interest income on trade receivables	35	40	(5)
Total financial income	36	40	(4)
Interest expense on loans	(205)	(248)	43
Interest expense on current accounts	(219)	(159)	(60)
Other interest expense	(269)	(312)	43
Total financial expense	(693)	(719)	26
Total financial income (expense)	(657)	(679)	22

Other interest expense mainly refers to the portion of costs attributable to each year deriving from application of the amortised cost method to the loan in accordance with IFRS 9, and the expense relating to the recognition of the right of use pursuant to IFRS 16, amounting to EUR 167 thousand.

28. Income taxes

Income taxes recognised in profit or loss are broken down as follows:

(In thousands of EUR)	2022	2021	Change
Current taxes	5,670	4,279	1,391
Deferred tax assets	975	286	689
Deferred tax liabilities	(30)	(199)	169
Tax from previous years	(390)	(580)	190
Total income taxes	6,225	3,786	2,439

Current taxes as at 31 December 2022 totalling EUR 5,670 thousand refer to IRAP of EUR 1,556 thousand and to IRES of EUR 4,114 thousand.

Current taxes as at 31 December 2021 totalling EUR 4,279 thousand refer to IRAP of EUR 1,086 thousand and to IRES of EUR 3,193 thousand.

As at 31 December 2020, the Parent benefited from the possibility of realigning the tax on the higher amounts of the assets recorded in the financial statements, specifically the amount of goodwill of EUR 71,736 thousand, in accordance with Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis. This decision resulted in the recognition of deferred tax assets of EUR 20,158 thousand on that date against a substitute tax payable of 3%

of the realigned value (EUR 2,152 thousand) to be paid in three instalments (two of which have already been paid at the reporting date). In addition, a tax suspension restriction was placed on reserves already existing in the equity for the amount of EUR 69,583 thousand.

Article 1, paragraphs 622-624 of Law 234/2021 (2022 Budget Law) subsequently intervened, retroactively modifying the tax regime of the amortisation of realigned goodwill pursuant to Article 110 of Law Decree 104/2020, providing for the increase of the minimum tax amortisation period from the ordinary 18 years to 50 years. Faced with the novelty of the lengthening of the tax amortisation plan, companies were essentially given three alternatives: (i) accepting such dilution and deducting a portion of amortisation referred to the higher values realigned to an extent not exceeding, for each tax period, one-fiftieth (ii) benefiting from the depreciation in eighteenths originally applicable by integrating the substitute tax to the extent corresponding to that established by Article 176, paragraph 2-ter of the Consolidated Income Tax Act (TUIR) (iii) revoking, even partially, the application of the tax rules of the aforementioned Article 110, in accordance with procedures and terms to be adopted by means of a Provision of the Director of the Italian Tax Authorities.

The Parent, taking note of the regulatory change, decided to maintain the goodwill realignment option, thus diluting the tax amortisation period in fifty years. Based on the forecasts of taxable income generations in the 2023-2027 plan approved by the Board of Directors on 23 February 2023 and historical data, deferred tax assets, decreased by EUR 807 thousand as at 31 December 2022, were deemed fully recoverable in consideration of the possibility of absorption through the Group's future taxable income.

The following table shows the items that reconcile the difference between the theoretical tax burden at Italian rate and taxes actually charged to the year:

(In thousands of EUR)	2022	Rate	2021	Rate
Profit (loss) before taxes	20,540		14,499	
Theoretical income taxes (a)	4,930	24.00%	3,480	24.00%
Tax effect of permanent differences including:				
- cars	241		191	
- telephony	90		67	
- prior year income and expense	19		50	
- board and lodging	52		38	
- other changes	100		75	
- ACE (Aiuto alla crescita economica, Aid to economic growth)	(301)		(507)	
- 10% IRAP deduction	(120)		(66)	
Subtotal (b)	81		(152)	
Income taxes recorded in the Financial Statements				
(current and deferred) excluding IRAP and realignment effect (a + b)	5,011	24.39%	3,328	22.95%
IRAP (current and deferred, excluding realignment)	1,604	7.81%	1,038	7.16%
Deferred tax assets on previous years' tax losses	-	0.00%	-	0.00%
Deferred tax assets on goodwill realignment, Law Decree 104/2020	-	0.00%	-	0.00%
Substitute tax for goodwill realignment, Law Decree 104/2020	-	0.00%	-	0.00%
Income taxes recorded in the Financial Statements (current and deferred)	6,615	32.20%	4,366	30.11%
Deferred tax assets not included in the financial Statements (on tax losses of companies acquired during the year)	-	0.00%	-	0.00%
Tax from previous years	(390)	(1.90%)	(580)	(4.00%)
Total taxes	6,225	30.30%	3,786	26.11%

Pursuant to Articles 117 to 129 of the Consolidated Income Tax Act (TUIR), agreements were signed between Openjobmetis S.p.A. and its subsidiaries Openjob Consulting S.r.l., Seltis S.r.l., HC S.r.l. and Family Care S.r.l. on the exercise of the option for the domestic tax consolidation scheme, thus benefiting from the possibility of offsetting taxable income against tax losses in a single tax return. The three-year agreements will be tacitly renewed for the following three-year period unless they are revoked.

29. Contingent liabilities

The Group is a party to pending disputes and lawsuits. Based on the opinion of legal and tax advisors, the Directors do not expect that the outcome of these ongoing actions will have a significant effect on the financial position of the Group, in addition to that already allocated in the financial statements.

Specifically:

- During 2020, Quanta S.p.A., now merged by incorporation into Openjobmetis S.p.A. as of 1 January 2022, received a questionnaire from the Italian Tax Authorities concerning the VAT treatment of the financed professional training activities, intended for contract workers in 2015, 2016 and 2017. On 30 November 2020, the Italian Tax Authorities communicated assessment notice no. TMB067O00388/2020, concerning the alleged non-deductibility of VAT for the year 2015, equal to EUR 592,801.18, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest.

  On 28 April 2021, Quanta S.p.A. filed an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 15 March 2022, who, in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal.

  On 28 October 2021, the Italian Tax Authorities communicated an assessment notice no. TMB067O00227/2021 for 2016 with the same requirements as the previous one, for EUR 595,569.72. On 22 December 2021, Quanta S.p.A. served an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 21 June 2022, who in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal. It cannot be ruled out that, for both of the aforementioned years for which the Company has seen its arguments recognised, the Italian Tax Authorities may appeal against the first instance Tax Commission's rulings.

  On 12 April 2022, the Italian Tax Authorities served an additional assessment notice no. TMB061T00096/2022 for 2017 to Openjobmetis S.p.A., as the incorporator of Quanta S.p.A., with the same requirements as the previous ones, for EUR 572,322.77. On 9 June 2022, the Company filed an appeal with a petition for discussion at a public hearing held on 17 January 2023; the outcome of the ruling is currently pending.

  Pursuant to the contractual agreements in place, the seller of Quanta S.p.A., FDQ S.r.l., has issued a specific guarantee to cover any liability that may arise in relation to assessment notices concerning the undue deduction of VAT for the year 2015 and onward until 2020.

  In 2021, the Italian Tax Authorities - Regional Lombardy Division - Office of Major Taxpayers, initiated a tax audit activity against the Parent, Openjobmetis S.p.A., with reference to the 2016 and 2017 tax periods.

  The audit concerned the VAT treatment of financed professional training received by the Company in its capacity as client, aimed at contract workers.

  On 23 December 2021, the Italian Tax Authorities communicated assessment notice no. TMB061T00556/2021, concerning the alleged non-deductibility of VAT for the year 2017, equal to EUR 2,727,981.88, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest. On 21 May 2022, the Company filed an appeal with a petition for discussion at a public hearing held subsequently on 29 November 2022, following which the Tax Commission handed down a favourable ruling on 3 January 2023, acknowledging the merits of the reasons set out in the appeal.

On 13 October 2022, the Italian Tax Authorities communicated assessment notice no. TMB061T00552/2021, concerning the alleged non-deductibility of VAT for the year 2016, amounting to EUR 2,072,364.00 with the same assumptions applied with reference to the year 2017.

Openjobmetis S.p.A., after consulting its advisors, believes that it has various reasons to support its actions and the actions of Quanta, for which it has taken over all legal relations and obligations following the merger by incorporation carried out on 1 January 2022 and stresses its firm opposition to the objections raised by the Italian Tax Authorities and its willingness to proceed with litigation to the extent necessary for the recognition of its reasons.

The objections raised by the Italian Tax Authorities are part of a line of argument that has, to date, involved various Employment Agencies; consequently, the publication of new case law potentially favourable to the Company's defence cannot be ruled out in the coming months. To protect the interests of the category, associations representing Employment Agencies intervened, supporting initiatives directed at the competent institutional venues, including the complaint before the European Commission. Therefore, a favourable legislative intervention should not be excluded.

- The subsidiary Openjob Consulting S.r.l., at an event held in Perugia, underwent a tax inspection by the competent Local Labour Office that led to the preparation of a report which alleged violations concerning forms of contract used on this occasion with consequent possible administrative sanctions. In September 2018, an order was issued by the Local Labour Inspectorate of Perugia, which in June 2019 was the subject of a settlement agreement following which approximately EUR 29 thousand was paid in settlement of any claims. Following the aforementioned report, the INPS also issued a charge notice, which was subsequently effectively suspended by the Labour Court of Perugia, declaring its lack of local jurisdiction in favour of the Court of Varese, and is to date still pending an outcome; a possible settlement agreement in terms similar to that concluded with the Labour Inspectorate of Perugia is not excluded.

  Also in light of the above, the Group believes that it has adequate grounds for its actions and therefore it is not expected that the outcome of such actions will have any effect on the Group's financial position beyond that which is already reflected in the financial statements.

30. Financial instruments

(a) Credit risk

Exposure to credit risk

The carrying amount of the financial assets represents the Group's maximum exposure to credit risk. At the end of the reporting period, this exposure is set out below:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Held-to-maturity investments	3,276	211	3,065
Trade receivables	144,584	153,040	(8,456)
Cash and cash equivalents	10,290	16,868	(6,578)
Total	158,150	170,119	(11,969)

Trade receivables mainly refer to Italian customers.

There are no particular concentrations of trade receivables in specific sectors.

Exposure to the top ten customers' accounts for approximately 16% of total trade receivables as at 31 December 2022.

Impairment losses

The ageing of trade receivables at the end of the reporting period was as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Falling due	122,037	128,885	(6,848)
Past due from 0 to 90 days	20,478	21,149	(671)
Past due from 91 to 360 days	3,069	3,293	(224)
Past due 360 days or more	6,598	6,412	186
Total trade receivables	152,182	159,739	(7,557)

The changes in the loss allowance for trade receivables during the years were as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Opening balance	6,699	5,545	1,154
Impairment losses for the period	1,685	2,178	(493)
Use during the year	(786)	(1,024)	238
Closing balance	7,598	6,699	899

It should be noted that the value of receivables shown above is recorded net of an amount of EUR 88 thousand corresponding to the impairment loss arising from the measurement at fair value of trade receivables inherited from the acquisition of Quanta S.p.A. during 2021, mainly relating to receivables due beyond 360 days.

The Group allocates a loss allowance that reflects the estimate of impairment losses on trade receivables and on other receivables, whose main components are the individual impairment losses on significant exposures and the collective impairment loss on homogeneous groups of assets against losses that have not yet been identified. Collective impairment is determined on the basis of historical losses, adjusted if necessary by scale factors reflecting the differences between the economic conditions of the period during which the historical data was collected and the Group's point of view about the economic conditions over the entire expected life of the assets.

The impairment loss for the year refers to the provision for estimated impairment losses on trade receivables as described above.

The Group constantly monitors its exposure to credit risk relating to relations with its customers, and adopts appropriate measures to mitigate them. Specifically, on the basis of the policies adopted by the Group, receivables that are past due are the subject of specific reminders and recovery actions, even forced. The result of these actions is considered in determining the loss allowance.

The Group did not recognise expected impairment losses on held-to-maturity investments in the course of the financial year.

The Group uses loss allowances to recognise the impairment losses on trade receivables and on held-to-maturity investments; however, when there is the certainty that the amount due cannot be recovered, the amount considered irrecoverable is written off directly from the related financial asset.

(b) Liquidity risk

The contractual maturities of financial liabilities, including interest to be paid and excluding the effects of offsetting agreements, are shown in the following table:

Non-derivative financial liabilities	31 December 2022					
(In thousands of EUR)	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-5 years	More than 5 years
Line A Loan	(4,491)	(4,574)	(1,537)	(1,525)	(1,512)	-
Line B2 Loan	(4,284)	(4,345)	(1,460)	(1,449)	(1,436)	-
Loans	(1,000)	(1,000)	(1,000)		-	-
Non-guaranteed bank loans and borrowings	(15,973)	(15,973)	(15,973)	-	-	-
Lease liabilities	(13,853)	(14,503)	(2,204)	(2,204)	(9,506)	(589)
Trade payables	(14,752)	(14,752)	(14,752)	-	-	-
Other liabilities	(41,479)	(41,479)	(40,879)	-	(600)	-
Employee benefits *	(62,861)	(62,861)	(62,861)	-	-	-
Total	(158,693)	(159,487)	(140,666)	(5,178)	(13,054)	(589)

Non-derivative financial liabilities	31 December 2021					
(In thousands of EUR)	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-5 years	More than 5 years
Line A Loan	(7,474)	(7,685)	(1,562)	(1,549)	(4,574)	-
Line B2 Loan	(7,142)	(7,294)	(1,479)	(1,470)	(4,345)	-
Loans	(4,000)	(4,009)	(1,506)	(1,503)	(1,000)	-
Non-guaranteed bank loans and borrowings	(28,167)	(28,169)	(28,169)	-	-	-
Lease liabilities	(14,536)	(14,782)	(2,209)	(2,209)	(9,649)	(715)
Trade payables	(14,779)	(14,779)	(14,779)	-	-	-
Other liabilities	(44,491)	(44,491)	(43,591)	-	(900)	-
Employee benefits *	(63,865)	(63,865)	(63,865)	-	-	-
Total	(184,454)	(185,074)	(157,160)	(6,731)	(20,468)	(715)

* the item Employee benefits considers only short-term benefits that will generally be settled periodically.

The cash flows included in the above-mentioned tables are not expected to occur significantly in advance or for considerably different amounts.

(c) Interest rate risk

Floating rate financial liabilities are summarised below:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Non-guaranteed bank loans and borrowings	15,973	28,167	(12,194)
Line A Loan	4,491	7,474	(2,983)
Line B2 Loan	4,284	7,142	(2,858)
Loans	1,000	4,000	(3,000)
Total financial liabilities	25,748	46,783	(21,035)

(d) Fair value

Fair value and carrying amount

The following table shows the carrying amount recorded in the statement of financial position and the fair value of each financial asset and liability:

(In thousands of EUR)	31 December 2022		31 December 2021	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Held-to-maturity investments	3,276	3,276	211	211
Trade receivables and other assets	153,007	153,007	166,113	166,113
Cash and cash equivalents	10,290	10,290	16,868	16,868
Lease liabilities	(13,853)	(13,853)	(14,536)	(14,536)
Line A Loan	(4,491)	(4,491)	(7,474)	(7,474)
Line B2 Loan	(4,284)	(4,284)	(7,142)	(7,142)
M/L Loans	(1,000)	(1,000)	(4,000)	(4,000)
Non-guaranteed bank loans and borrowings	(15,973)	(15,973)	(28,167)	(28,167)
Trade payables and other liabilities	(56,231)	(56,231)	(59,270)	(59,270)
Employee benefits	(64,278)	(64,278)	(65,543)	(65,543)
Total	6,463	6,463	(2,940)	(2,940)

Methods for determining fair value

The methods and main assumptions used for measuring the fair value of the financial instruments are shown below:

- *Non-derivative financial liabilities*

  Bank loans and borrowings and other financial liabilities bear interest at floating rate and therefore, also considering that they are indicated net of the related charges, no significant differences between the carrying amount and fair value were identified.

- *Derivative financial liabilities*

  The fair value of Interest Rate Swaps is equal to the present value of the future cash flows estimated on the basis of observable market parameters, and also compared with the prices of the financial intermediary with whom the contract was signed.

- *Trade and other receivables*

  The fair value of trade and other receivables is estimated based on future cash flows discounted using market interest rates at the reporting date. The fair value matches the carrying amount as it already reflects the impairment loss.

  For information concerning the interest rates used to discount the expected cash flows, where applicable, on the elements listed in the above table, mainly used for calculating the financial liabilities at amortised cost, refer to Note 13.

- *Fair value hierarchy*

  The following table shows the financial instruments recognised at fair value based on the valuation technique used. The different levels were defined as follows:

  Level 1: (unadjusted) prices quoted in active markets for identical assets or liabilities;

  Level 2: inputs other than quoted market prices defined in Level 1, which are observable for the asset or the liability, either directly (as in the case of prices), or indirectly (derived from prices);

  Level 3: inputs relating to the asset or liability that are not based on observable market data (data not observable).

(In thousands of EUR)	Hedging IRS	
	31/12/2022	31/12/2021
Level 1	-	-
Level 2	-	(14)
Level 3	-	-
Total	-	(14)

31. Leases

The Group, for the purposes of its business, makes use of several leases, mainly for car rental and property leases for the branches and offices.

32. Related parties

Some members of the Board of Directors hold a position in other bodies and may be in a position to exercise control or significant influence on the financial and management policies of such bodies.
The relationships between Group companies and the Group with related parties, as identified on the basis of the criteria defined in IAS 24 Related Party Disclosures, are mainly commercial in nature.
During the year, the Group carried out transactions with some of the above-mentioned bodies as shown below. The general conditions that regulate said transactions have been carried out on an arm's length basis.
During the meeting of 12 October 2015, the Board of Directors approved and subsequently updated, most recently on 29 June 2021, the related party transactions policy and procedure, in accordance with Article 2391-bis of the Italian Civil Code and with the "Related party transactions regulations" adopted by CONSOB with resolution no. 17221 of 12 March 2010 and subsequent amendments.
The total value of the transactions and residual balances is as follows:

Description *(in thousands of EUR)*	Total 2022	Other related parties	Total related parties	% weight on financial statement items
Employee costs	42,546	3,481	3,481	8.18%
Description *(in thousands of EUR)*	Total 2021	Other related parties	Total related parties	% weight on financial statement items
Employee costs	42,458	3,603	3,603	8.49%

As shown in Note 33 below, the item Employee costs from Other related parties includes costs of EUR 2,257 thousand in 2022 (EUR 2,458 thousand in 2021) for the Board of Directors; EUR 815 thousand in 2022 (EUR 807 thousand in 2021) for key management personnel and EUR 409 thousand in 2022 (EUR 348 thousand in 2021) for salaries paid to close family members of the latter.
In the course of normal business, the Group has provided contract worker supply services and has collaborated with related parties for immaterial amounts and under market conditions.

33. Remuneration of members of the Boards of Directors, key management personnel and members of the Board of Statutory Auditors

The general conditions that regulate the transactions with key management personnel and their related parties are not more favourable than those applied, or that could reasonably be applied, in the case of similar transactions with non-key management personnel associated with the same bodies at normal market conditions.

The total remuneration of Group key management personnel, recorded in the item Personnel expense and costs for services, amounted to EUR 3,185 thousand, of which EUR 2,257 thousand for members of the Board of Directors and EUR 815 thousand for key management personnel (EUR 3,265 thousand in 2021, of which EUR 2,458 thousand for the members of the Board of Directors and EUR 807 thousand for key management personnel). In addition to salaries, the Group also offers certain key management personnel benefits in kind according to the ordinary contractual practice for company managers. It should be noted that the Board of Directors has assigned to Directors and key management personnel the option, i.e., the right to receive in the two years following the expiration of the three-year vesting period, which occurred in May 2021, a sum of money corresponding to the increase in the value of Openjobmetis S.p.A. shares subject to the occurrence of the conditions contained in the Plan Regulations available on the company website and to which explicit reference is made. It should be noted that the beneficiaries exercised all of their assigned rights in January 2022, and the related liability had already been fully recognised in the previous year's financial statements. The Shareholders' Meeting on 17 April 2019 resolved the adoption of a 2019-2021 Performance Shares Plan, and on 19 April 2022 approved the adoption of a 2022-2024 Performance Shares Plan, which provide for the right of directors, key management personnel and other key employees to receive, at the end of the three-year vesting period, ordinary shares of Openjobmetis S.p.A. subject to the achievement of certain Performance Objectives as described in the above Plan (to which explicit reference is made).

It should also be noted that the remuneration to certain Directors has been paid to their respective companies rather than to individual beneficiaries, according to an agreement between them and the companies in question, for a total of EUR 91 thousand in 2022 (EUR 74 thousand in 2021).

For more information regarding fees of said managers, reference is made to the 2022-23 Remuneration Report published in the "Corporate Governance" section of the company website.

Remuneration to the Board of Statutory Auditors for 2022 amounted to EUR 113 thousand (EUR 119 thousand in 2021).

The total amount of transactions with said key management personnel and bodies over which they exercise control or significant influence is as follows:

Remuneration *(in thousands of EUR)*	Remuneration of the parent	Non-monetary benefits	Bonuses and other incentives	Remuneration of subsidiaries	Total remuneration
Members of the Board of Directors	1,011	None	817*	429	2,257
Key Management Personnel	462	None	353*	-	815
Total BoD and Key management personnel	1,473	None	1,170	429	3,072

Remuneration *(in thousands of EUR)*	Remuneration of the parent	Non-monetary benefits	Bonuses and other incentives	Remuneration of subsidiaries	Total remuneration
Board of Statutory Auditors	88	None	-	25	113
Total Board of Statutory Auditors	88	None	-	25	113
Total remuneration of key management personnel	1,561	None	1,170	454	3,185

*The amount includes a portion allocated in the year which will be paid out in 2023 subject to the achievement of specific results in relation to the acquisition of Quanta.

34. Compensation to the audit company

Type of services	Service provider	Recipient	Compensation *(in thousands of EUR)*
Audit	KPMG S.p.A.	Openjobmetis S.p.A.	180
Audit	KPMG S.p.A.	Openjob Consulting S.r.l.	12
Audit	KPMG S.p.A.	Seltis Hub S.r.l.	12
Audit	KPMG S.p.A.	Family Care S.r.l.	27
Total compensation for audit services			231
Forma.Temp statement	KPMG S.p.A.	Openjobmetis S.p.A.	4.5
Forma.Temp statement	KPMG S.p.A.	Family Care S.r.l.	4.5
Non-financial statement	KPMG S.p.A.	Openjobmetis S.p.A.	16
Other assurance activities	KPMG S.p.A.	Openjobmetis S.p.A.	11
Total			267

Auditing services include the statutory audit of the consolidated financial statements as at and for the year ended 31 December 2022 as well as the review of the interim consolidated financial statements as at 30 June 2022.

35. Atypical and/or unusual transactions

The consolidated financial statements as at 31 December 2022 do not show any income components or capital and financial items, either positive or negative, arising from atypical and/or unusual events and transactions, as defined in Consob communication no. DEM/606493 of 28 July 2006.

36. Significant non-recurring events and transactions

In compliance with Consob communication no. DEM/6064293 of 28 July 2006, regarding events or transactions which are non-recurring or those transactions or events which do not occur frequently in the ordinary course of business, reference should be made to the comments made in Note 24, in relation to costs for due diligence and consultancy services to acquisitions and costs for professional services for extraordinary transactions on the regulated market for EUR 145 thousand (approximately 0.4% of costs for services), and Note 21 b, in relation to charges referable to personnel reorganisation and extraordinary bonuses amounting to EUR 709 thousand (approximately 2.0% of employee costs).

37. Information required by Law no. 124/2017, Article 1, paragraphs 125-129

It should be noted that during the year the company did not receive any public grants, subsidies, benefits, contributions or aid, in cash or in kind, which are not general in nature and are not a form of consideration, remuneration or compensation, in addition to what has already been published on the site:
https://www.rna.gov.it/RegistroNazionaleTrasparenza/faces/pages/TrasparenzaAiuto.jspx

38. Earnings per share

The calculation of earnings per share for the years ended 31 December 2022 and 31 December 2021 is shown in the following table and is based on the ratio of profit (loss) attributable to the Group to the weighted average number of issued outstanding shares.

(In thousands of EUR)	2022	2021
Profit (loss) for the period	14,314	10,713
Average number of shares in thousands*	13,347	13,305
Basic earnings per share (in EUR)	1.07	0.81
Diluted earnings per share (in EUR)	1.07	0.81

* The average number of shares is calculated net of treasury shares purchased following the buyback programme, as described in more detail in Note 19, to which reference is made.

Taking into account the characteristics of the existing Stock Option plan, there are no significant impacts on diluted earnings per share.

39. Subsequent events

On 27 February 2023, the Parent Openjobmetis S.p.A. acquired the minority interest equal to 7.14% of HC S.r.l., becoming the sole shareholder.

On 13 March 2023, the Boards of Directors of Lyve S.r.l. and HC S.r.l. presented and approved the plan for the merger by incorporation of HC S.r.l. into Lyve S.r.l.

Milan, 15 March 2023

On behalf of the Board of Directors

The Chairman

Marco Vittorelli

(signed on the original)

STATEMENT ON THE CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH ARTICLE 154-BIS OF LEGISLATIVE DECREE 58/98 AS AMENDED AND SUPPLEMENTED

1. We the undersigned Rosario Rasizza, Managing Director, and Alessandro Esposti, Manager in charge of financial reporting of Openjobmetis S.p.A., hereby certify, taking into account, inter alia, the provisions of Article 154-bis, paragraphs 3 and 4, of Italian Legislative Decree no. 58 of 24 February 1998:

- the adequacy in relation to the characteristics of the company and
- the actual application of the administrative and accounting procedures for the preparation of the consolidated financial statements, in the year from 01/01/2022 to 31/12/2022.

2. In this regard, it should be noted that the assessment of the adequacy of the administrative and accounting procedures for the preparation of the consolidated financial statements for the year ended 31 December 2022 was based on the assessment of the system of internal controls and audit of the processes relating, even indirectly, to the preparation of the accounting and financial statement figures.

3. We confirm that:

I. The consolidated financial statements as at and for the year ended 31 December 2022:

- correspond with the information contained in the accounting ledgers and records;
- have been prepared in accordance with applicable international accounting standards recognised by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 as well as the provisions issued in implementation of Legislative Decree no. 38/2005;
- provide a true and fair view of the financial position, results of operations and cash flows of the issuer and all its consolidated companies.

II. The Directors' Report of the separate and consolidated financial statements includes a reliable analysis of the operating performance and results, as well as the situation of the issuer, the events that have occurred during the year and their impact on the financial statements, together with the description of the main risks and uncertainties to which the Group is exposed. The Director's Report also contains information on significant transactions with related parties. Pursuant to the provisions of Article 154-ter of Legislative Decree 58/98

Milan, 15 March 2023

Managing Director	Manager in charge of financial reporting
Rosario Rasizza	Alessandro Esposti
(signed on the original)	(signed on the original)

KPMG S.p.A.
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(The accompanying translated consolidated financial statements of the Openjobmetis Group constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Openjobmetis S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Openjobmetis Group (the "Group"), which comprise the statement of financial position as at 31 December 2022, the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include a summary of the significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Openjobmetis Group as at 31 December 2022 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Openjobmetis S.p.A. (the "Parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of goodwill

Notes to the consolidated financial statements: 2 "Significant accounting policies" and 5 "Intangible assets and goodwill"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2022 include goodwill of €99,227 thousand arising from non-recurring transactions and acquisitions carried out, unchanged from 31 December 2021. This goodwill is allocated to the cash-generating unit comprising the Parent and the controlled subsidiaries' operating assets and liabilities, excluding Family Care S.r.l. which has been identified as a separate CGU. With the assistance of an external advisor, the directors tested the carrying amount of goodwill for impairment to identify any impairment losses compared to its recoverable amount. The impairment test was approved by the board of directors on 15 March 2023. The directors estimated the recoverable amount based on its value in use, calculated using the discounted cash flow model by discounting the expected cash flows set out in the 2023-2027 business plan approved by the board of directors on 23 February 2023. Impairment testing requires a high level of judgement, especially in relation to: • the expected cash flows, calculated by taking into account the general economic performance and that of the Group's sector and the actual cash flows generated by the cash-generating unit in recent years; • the financial parameters to be used to discount the above cash flows. For the above reasons and considering the materiality of the caption, we believe that the measurement of goodwill is a key audit matter.	Our audit procedures, which also involved our own specialists, included: • updating our understanding of the process adopted to prepare the 2023-2027 business plan and the impairment test and assessing the design and implementation of relevant controls; • checking any discrepancies between previous years forecast and actual figures, in order to check the accuracy of the estimation process; • analysing the reasonableness of the expected cash flows and the key assumptions used by the directors to prepare the business plan used for impairment testing. We also compared the expected cash flows and key assumptions to the CGU's historical figures and external information, where available; • assessing the reasonableness of the impairment testing model and related assumptions, especially in relation to the discount rate, based on the related components, and comparing them to publicly-available data and information; • checking any discrepancies between the most recent actual figures and the business plan forecasts and understanding the underlying reasons; • comparing the value in use arising from the impairment test to the market capitalisation; • checking the sensitivity analysis presented in the notes in relation to the main assumptions used for impairment testing; • assessing the appropriateness of the disclosures provided in the notes about the measurement of goodwill.

Measurement of trade receivables

Notes to the consolidated financial statements: 2 "Significant accounting policies", 10 "Trade receivables" and 30 (a) "Financial instruments – credit risk"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2022 include trade receivables of €144,584 thousand, net of the loss allowance of €7,598 thousand. In Italy, the Group has a large number of customers operating in various sectors, especially small to medium sized companies. Accordingly, any worsening in the general market conditions or a negative performance of the credit market could have an adverse impact on the Group's transactions with these customers, affecting its ability to collect its trade receivables and affecting its working capital management. Considering the nature of existing trade receivables, the Group estimated the impairment losses on trade receivables based on a specific assessment of the exposures individually significant or under dispute. It also performed a collective assessment by groups of similar exposures. The loss allowance is based on the lifetime expected credit losses, estimated considering many factors, including: • the age of the trade receivable; • the customer's solvency; • historical figures, possibly adjusted by scalar factors to reflect the expected market conditions over the trade receivables' life. Accordingly, calculating the loss allowance requires a high level of judgement. For the above reasons and considering the materiality of the caption, we believe that the measurement of trade receivables is a key audit matter.	Our audit procedures included: • updating our understanding of the process adopted to monitor and manage credit risk; • assessing the design and implementation of relevant controls, including the Group's checks of its customers' solvency and assignment of a credit rating to them, the regular monitoring of past due exposures and of the implementation of the related recovery measures; • assessing the reasonableness of the trade receivable measurement model adopted by the Group, in relation to the collective and individual assessments, through discussions with the relevant internal departments and considering the Group's past experience and expectations about the market conditions over the trade receivables' life and our knowledge of its sector; • sample-based analysis of collections from customers after the reporting date relating to trade receivables existing at the reporting date; • on a sample basis and with reference to the main past due exposures, discussing the recoverability prospects with the relevant internal departments and checking their consistency, by assessing the reasonableness of estimates based on our understanding of the Group's business, its past experience, the reference environment and publicly-available information about its customers' financial position and performance; • sending written requests for information to the legal advisors assisting the Group with credit recovery and checking the individual assessments made by the Group for consistency with the information obtained; • assessing the appropriateness of the disclosures provided in the notes about the measurement of trade receivables.

Responsibilities of the Parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the Parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to

the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 12 October 2015, the shareholders of Openjobmetis S.p.A. appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2015 to 31 December 2023.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the Parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The directors of Openjobmetis S.p.A. are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2022 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2022 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The directors of Openjobmetis S.p.A. are responsible for the preparation of the directors' report and the report on corporate governance and ownership structures at 31 December 2022 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the directors' report and the specific information presented in the report on corporate governance and ownership structures indicated by article 123-bis.4 of Legislative decree no. 58/98 with the Group's consolidated financial statements at 31 December 2022 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structures referred to above are consistent with the Group's consolidated financial statements at 31 December 2022 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Statement pursuant to article 4 of the Consob regulation implementing Legislative decree no. 254/16

The directors of Openjobmetis S.p.A. are responsible for the preparation of a consolidated non-financial statement pursuant to Legislative decree no. 254/16. We have checked that the directors had approved such consolidated non-financial statement. In accordance with article 3.10 of Legislative decree no. 254/16, we attested the compliance of the consolidated non-financial statement separately.

Milan, 24 March 2023

KPMG S.p.A.

(signed on the original)

Luisa Polignano
Director of Audit

Separate Financial Statements

Statement of Financial Position

(In thousands of EUR)	Notes	31/12/2022	31/12/2021
ASSETS			
Non-current assets			
Property, plant and equipment	*3 a*	3,222,125	2,806,475
Right of use for leases	*3 b*	12,369,287	9,039,938
Intangible assets and goodwill	*4*	98,917,823	73,180,621
Equity investments in subsidiaries	*5*	5,152,034	36,271,607
Financial assets	*6*	168,225	957
Deferred tax assets	*7*	21,075,308	21,795,757
Total non-current assets		140,904,802	143,095,355
Current assets			
Cash and cash equivalents	*8*	1,910,519	5,095,210
Trade receivables	*9*	136,300,197	120,222,585
Other assets	*10*	9,061,832	8,430,207
Current tax assets	*11*	-	-
Financial assets	*6*	3,094,969	5,008,479
Total current assets		150,367,517	138,756,481
Total assets		291,272,319	281,851,838
LIABILITIES AND EQUITY			
Non-current liabilities			
Financial liabilities	*12*	2,916,627	9,758,110
Lease liabilities	*12*	8,842,769	6,191,316
Derivative instruments	*12, 29*	-	13,687
Non-current tax liabilities	*16*	-	717,500
Other liabilities	*15*	600,000	900,000
Employee benefits	*13*	586,574	628,012
Total non-current liabilities		12,945,970	18,208,625
Current liabilities			
Bank loans and borrowings and other financial liabilities	*12*	22,631,672	24,345,394
Lease liabilities	*12*	3,510,836	2,990,939
Trade payables	*14*	11,931,271	10,497,662
Employee benefits	*13*	59,969,389	52,161,781
Other liabilities	*15*	38,433,249	37,583,527
Current tax liabilities	*16*	2,419,787	1,361,443
Provisions	*17*	3,647,112	1,838,839
Total current liabilities		142,543,316	130,779,585
Total liabilities		155,489,286	148,988,210
EQUITY			
Share capital		13,712,000	13,712,000
Legal reserve		2,811,996	2,811,996
Share premium reserve		31,545,661	31,545,661
Other reserves		76,006,965	74,253,461
Profit (loss) for the year		11,706,411	10,540,510
Total equity	*18*	135,783,033	132,863,628
Total liabilities and equity		291,272,319	281,851,838

Statement of Comprehensive Income

(In thousands of EUR)	Notes	2022	2021
Revenue	*19*	727,095,252	624,939,861
Cost of contract work and outsourcing	*21 a*	(648,081,722)	(555,337,887)
First contribution margin		79,013,530	69,601,974
Other income	*20*	14,483,983	12,562,564
Personnel expense	*21 b*	(35,375,447)	(31,216,828)
Cost of raw materials and consumables	*22*	(176,158)	(144,564)
Costs for services	*23*	(35,027,072)	(31,203,014)
Amortisation, depreciation and impairment losses	*3, 4, 5*	(8,881,522)	(4,269,105)
Impairment loss on trade receivables and other assets	*25*	(1,585,000)	(1,554,315)
Other operating expenses	*24*	(734,672)	(804,424)
Operating profit (loss)		11,717,642	12,972,288
Financial income	*26*	4,944,673	1,132,588
Financial expense	*26*	(627,894)	(579,405)
Profit (loss) before taxes		16,034,421	13,525,471
Income taxes	*27*	(4,328,010)	(2,984,961)
Profit (loss) for the year		11,706,411	10,540,510
Other comprehensive income (expense)			
Items that are or may subsequently be reclassified to profit or loss:			
Fair value gain (loss) on cash flow hedges		13,687	19,238
Items that will not be reclassified to profit/loss:			
Actuarial gain (loss) on defined benefit plans		86,602	(12,505)
Total other comprehensive income (expense) for the year		100,289	6,733
Total comprehensive income (expense) for the year		11,806,700	10,547,243

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Statement of Changes in Equity

(In thousands of EUR)	Share capital	Legal reserve	Share premium reserve	Hedging reserve and actuarial reserve	Treasury shares reserve	Other reserves	Profit (loss) for the year	Total Equity
Balances as at 01/01/2020	13,712	2,293	31,546	(96)	(4,571)	46,307	10,386	99,577
Fair value gain (loss) on cash flow hedges				(7)				(7)
Actuarial gain (loss) on defined benefit plans				(24)				(24)
Profit (loss) for the year							24,536	24,536
Total comprehensive income (expense)	-	-	-	(31)	-	-	24,536	24,505
Allocation of profit (loss) for the year		519				9,867	(10,386)	-
Dividend distribution						(2,769)		(2,769)
Fair value share-based plans						139		139
Repurchase of treasury shares					(1,074)			(1,074)
Other adjustments						(1)		(1)
Balances as at 31/12/2020	13,712	2,812	31,546	(127)	(5,645)	53,543	24,536	120,376
Fair value gain (loss) on cash flow hedges				19				19
Actuarial gain (loss) on defined benefit plans				(13)				(13)
Profit (loss) for the period							10,541	10,541
Total comprehensive income (expense)	-	-	-	6	-	-	10,541	10,547
Allocation of profit (loss) for the year						24,536	(24,536)	-
Dividend distribution						(1,433)		(1,433)
Fair value share-based plans						277		277
Repurchase of treasury shares					(1,721)			(1,721)
Acquisition of subsidiaries					4,349	468		4,817
Balances as at 31/12/2021	13,712	2,812	31,546	(121)	(3,017)	77,391	10,541	132,863
Fair value gain (loss) on cash flow hedges				14				14
Actuarial gain (loss) on defined benefit plans				87				87
Profit (loss) for the period							11,706	11,706
Total comprehensive income (expense)	-	-	-	101	-	-	11,706	11,807
Allocation of profit (loss) for the year						10,541	(10,541)	-
Fair value share-based plans					495	(289)		206
Dividend distribution						(4,140)		(4,140)
Repurchase of treasury shares					(3,839)			(3,839)
Effects of merger						(1,114)		(1,114)
Balances as at 31/12/2022	13,712	2,812	31,546	(20)	(6,361)	82,389	11,706	135,783

Statement of Cash Flows

(In thousands of EUR)	Notes	2022	2021
Cash flows from operating activities			
Profit (loss) for the year		11,706,411	10,540,510
Adjustments for:			
Depreciation of the right of use of leased assets	3b	4,178,035	3,427,273
Depreciation of property, plant and equipment	3a	649,131	441,505
Amortisation of intangible assets	4	781,902	400,327
Capital losses/(gains) on sales of property, plant and equipment		(30,222)	253,268
Impairment of equity investments in subsidiaries	5	3,272,453	-
Impairment loss on trade receivables	25, 29	1,585,000	1,554,315
Current and deferred taxes	27	4,328,011	2,984,961
Net financial expense	26	(4,316,780)	(553,183)
Cash flows before changes in working capital and provisions		22,153,941	19,048,975
Change in trade receivables and other assets gross of impairment loss	9, 10, 25	12,602,989	(18,738,070)
Change in trade payables and other liabilities	14, 15	(3,084,704)	8,122,808
Change in employee benefits	13	(1,592,675)	11,154,344
Change in current and deferred tax assets and liabilities net of paid taxes for the year and current and deferred taxes for the year	7, 11, 16, 27	1,435,734	579,925
Change in provisions	17	(947,483)	123,166
Paid income taxes		(4,507,417)	(3,330,758)
Cash flows generated/(absorbed) by operating activities (a)		26,060,385	16,960,389
Purchase of property, plant and equipment	3a	(762,451)	(1,524,397)
Proceeds from sales of property, plant and equipment		33,303	422,359
Acquisition of Companies, net of cash acquired	5	-	(20,000,000)
Other net increases in intangible assets	4	(300,000)	(362,720)
Change in other financial assets	6	(3,065,581)	(4,981,561)
Cash flows generated/(absorbed) by investing activities (b)		(4,094,729)	(26,446,320)
Lease payments	12	(4,331,043)	(3,608,194)
Interest paid		(296,663)	(254,833)
Interest and dividends received	26	4,910,963	1,100,266
New loan disbursement	12	-	13,000,000
Repayment of loan instalments	12	(7,858,000)	(13,776,443)
Dividend distribution		(4,140,245)	(1,432,904)
Repurchase of treasury shares	18	(3,839,188)	(1,720,582)
Capital payment	5	(1,000,000)	(6,000,000)
Change in current bank loans and borrowings and other repayments of other assets		(12,200,677)	13,397,395
Cash flows generated/(absorbed) by financing activities (c)		(28,754,853)	704,704
Cash flows for the year (a) + (b) + (c)		(6,789,197)	(8,781,227)
Net cash and cash equivalents as at 1 January	8	5,095,210	13,876,437
Net cash and cash equivalents as at 1 January from merger (*)		3,604,506	-
Net cash and cash equivalents as at 31 December	8	1,910,519	5,095,210

(*) the amount represents the value of cash and cash equivalents of the subsidiary Quanta S.p.A. merged by incorporation into Openjobmetis S.p.A. on 1 January 2022. The following note "General Information" includes a summary statement of the effects on the equity and financial balances deriving from the merger as at 1 January 2022, which did not give rise to cash flows.

Notes to the Separate Financial Statements

General information

Openjobmetis S.p.A. (hereinafter also referred to as the "Company"), during the Board of Directors' meeting held on 11 December 2022, resolved to change its registered office from Via Bernardino Telesio 18, Milan (Italy) to Via Assietta 19, Milan (Italy), effective 15 December 2022.

The Group operates in the staffing industry i.e. the professional supply of permanent or fixed-term labour, pursuant to Article 20 of Legislative Decree no. 276/2003 as amended and supplemented, pursuant to Article 4.1. a) thereof.

As from 3 December 2015, the Company Openjobmetis S.p.A. is listed on Euronext Milan, in the STAR segment, organised and managed by Borsa Italiana S.p.A.

At the present date, the Company is not a subsidiary in accordance with Article 93 of the Consolidated Law on Finance (TUF).

Merger by incorporation of Quanta S.p.A.

Starting from 00.00 on 1 January 2022, the merger by incorporation with the company Quanta S.p.A., 100% owned as at 31 December 2021, was completed.

Below is a summary table of the effects on the equity and financial balances deriving from the merger recognised as at 1 January:

Description	OJM balances as at 31/12/2021	Quanta balances as at 31/12/2021	Effects of merger	OJM balances as at 01/01/2022
Right of use for operating leases	9,039,938	-	3,394,218	12,434,156
Property, plant and equipment	2,806,475	305,410	-	3,111,885
Intangible assets and goodwill	73,180,621	64,572	26,455,394	99,700,587
Equity investments in subsidiaries	36,271,607	620,000	(29,817,120)	7,074,487
Financial assets	957	196,656	-	197,613
Deferred tax assets	21,795,757	1,159,324	(1,308,511)	21,646,570
Total non-current assets	143,095,355	2,345,962	(1,276,019)	144,165,297
Cash and cash equivalents	5,095,210	3,604,506	-	8,699,716
Trade receivables	120,222,585	26,163,657	(70,000)	146,316,242
Other receivables	8,430,207	1,151,390	3,652,179	13,233,776
Current tax assets	-	344,223	-	344,223
Financial assets	5,008,479	-	(5,008,479)	-
Total current assets	138,756,481	31,263,775	(1,426,300)	168,593,957
Total assets	281,851,838	33,609,737	(2,702,319)	312,759,255
Financial liabilities	9,758,110	-	-	9,758,110
Operating lease liabilities	6,191,316	-	2,489,975	8,681,291
Derivative instruments	13,687	-	-	13,687
Non-current tax liabilities	717,500	-	-	717,500
Employee benefits	628,012	119,010	12,424	759,445
Other payables	900,000	-	-	900,000
Total non-current liabilities	18,208,625	119,010	2,502,399	20,830,034
Bank loans and borrowings and other financial liabilities	24,345,394	11,489,785	-	35,835,179
Operating lease liabilities	2,990,939	-	757,027	3,747,966
Trade payables	10,497,662	1,977,995	-	12,475,657
Employee benefits	52,161,781	9,227,412	-	61,389,193
Other payables	37,583,527	8,550,917	(5,008,479)	41,125,964

Description	OJM balances as at 31/12/2021	Quanta balances as at 31/12/2021	Effects of merger	OJM balances as at 01/01/2022
Current tax liabilities	1,361,443	-	-	1,361,443
Provisions	1,838,839	1,005,755	1,400,000	4,244,594
Total current liabilities	130,779,585	32,251,864	(2,851,453)	160,179,996
Total liabilities	148,988,210	32,370,874	(349,054)	181,010,030
Total equity	132,863,628	1,238,863	(2,353,266)	131,749,225
Total liabilities and equity	281,851,838	33,609,737	(2,702,319)	312,759,255

The effects of the merger shown in the table above have been recognised on a continuity of values with respect to those included in the Group's consolidated financial statements as at 31 December 2021.

The financial statements as at 31 December 2021 of Quanta S.p.A., recognised according to the national OIC accounting standards, showed revenue from sales of EUR 107,458 thousand, and an operating result of EUR (4,982) thousand, after having recognised impairment losses and provisions of EUR (3,216) thousand.

Accounting standards and basis of presentation adopted in preparing the financial statements

1. Accounting standards and statement of compliance

These separate financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and interpretations thereof in force as at 31 December 2022, as well as measures issued in implementation of article 9 of Legislative Decree no. 38/05. The rules of national legislation implementing directive 2013/34 EU also apply, insofar as they are compatible, to companies that prepare IFRS financial statements. Therefore, the financial statements incorporate what is laid out in the articles of the Italian Civil Code and the corresponding rules of the T.U.F. for listed companies on the matter of the directors' report, auditing and the publication of financial statements. The separate financial statements and the relative notes also provide the details and supplementary information required by other rules and provisions of Consob on financial statements. The separate financial statements contain the statement of financial position, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the relevant notes.

In preparing these separate financial statements, the following formats, selected from the various options allowed by IAS 1, were used:

- the statement of financial position was prepared by classifying the values according to the format of current/non-current assets/liabilities;
- the statement of comprehensive income was prepared by classifying the items by nature;
- the statement of cash flows was prepared using the indirect method.

The purpose of the notes is to illustrate the preparation criteria adopted and to provide the information required by IAS/IFRS and not contained in other parts of the financial statements, as well as any additional information that is not shown in the financial statements but is necessary for a reliable representation of the Company's activities.

The separate financial statements were prepared on the basis of the accounting records as at 31 December 2022 on a going concern basis and are accompanied by the report on operations.

The Company's separate financial statements for the year ended as at 31 December 2022 were approved by the Board of Directors of the Company at the meeting held on 15 March 2023, when the sharing of the results through a press release dated 15 March 2023 containing the main elements of the financial statements was authorised. The Board of Directors of Openjobmetis S.p.A. has the authority to amend the separate financial statements until the date of the Shareholders' Meeting called to approve the Company's financial statements. The Shareholders' Meeting has the authority to request changes to these separate financial statements.
The separate financial statements are prepared with amounts rounded to the nearest euro, the Company's functional currency. Moreover, for the purpose of transparency, the mandatory items pursuant to IAS 1 with zero balances were omitted in the schedules and tables, in both periods presented for comparison.
In compliance with Consob resolution no. 15519 of 27 July 2006 and Consob Communication no. DEM/6064293 of 28 July 2006, Note 35 indicates separately the events or transactions whose occurrence is non-recurring or those transactions or events which do not occur frequently in the ordinary course of business. Also in application of the same Consob references, any incidences of non-recurring significant events and transactions are reported in Note 35, while in Note 31 the relative incidences regarding positions and transactions with related parties are indicated separately.
The most important accounting policies and standards used by the Company to prepare the separate financial statements are described below.

2. Significant accounting policies

(a) General, adoption of new accounting standards, amendments and interpretations issued by the IASB

New accounting standards adopted by the Company from 1 January 2022

These financial statements have been prepared using the same accounting standards applied by the Company in the last annual financial statements. There are no new standards or amendments that became effective from 1 January 2022.

Use of estimates and valuations

While preparing the separate financial statements, company management had to formulate valuations, estimates and assumptions that affect the application of the accounting policies and the amounts of assets, liabilities, costs and revenue recognised in the financial statements.
These estimates and assumptions are regularly revised; any changes resulting from the revision of accounting estimates are recognised in the year in which the revision is carried out and in future years.
The main subjective assessments made by Group management in applying the accounting standards and the main sources of uncertainty in estimates were the same as those applied for the preparation of the financial statements for the year ended 31 December 2021.
In particular, information on the areas of greater uncertainty in the formulation of estimates and valuations during the process of application of IFRS that have a significant effect on the amounts recognised in the financial statements together with aspects of particular significance are provided below:

- *Impairment testing on goodwill*

Goodwill is subject to impairment tests at least annually or more often if there are indicators of an impairment loss.

Impairment testing is carried out using the discounted cash flow method: this method is highly sensitive to the assumptions contained in the estimate of future cash flows, with reference to changes in revenue, margins and collection terms from customers, and of interest rates used.

For this assessment, the Company uses plans approved by the administrative body and financial parameters in line with those resulting from the current performance of the reference markets.

Details regarding the procedures for preparing the goodwill impairment test are provided in Note 4.

- *Valuation of equity investments*

Similar assessments, with respect to that indicated above for goodwill, in the presence of indicators of impairment losses are also carried out with reference to the equity investments in subsidiaries.

- *Measurement of receivables*

The Group accrues a provision for impairment that reflects the estimate of impairment losses on trade receivables, the main components of which are the individual impairment of significant exposures or those subject to disputes and collective impairment of homogeneous groups of trade receivables against losses that have not yet been identified. Collective impairment is determined on the basis of historical losses, adjusted if necessary by scale factors reflecting the differences between the economic conditions of the period during which the historical data was collected and the Company's point of view about the economic conditions over the entire expected life of the receivables. Therefore, the loss allowance is calculated based on estimates of impairment losses that the Company expects to incur and takes into account multiple elements, including:

- receivables' ageing;
- customers' solvency;
- prior historical experience, adjusted if necessary by scalar factors to reflect the economic conditions estimated over the entire expected lives of the receivables.

When there is certainty that it will not be possible to recover the amount due, the amount considered irrecoverable is written off directly from the related financial asset.

The above requires the management to make significant estimates with regard to general economic conditions and any possible negative trends in the credit markets that could negatively impact on customer relations.

- *Provisions*

The Company is a party to certain proceedings, arising from the conduct of business and from events of a civil and tax nature involving the companies.

In addition, in view of the sector in which it operates, it is exposed to the risk of being involved in legal and/or arbitration proceedings of a labour law nature, both with reference to contract workers and to the organisational structure of the Company and in relation to contracts with independent collaborators.

In the event that it is considered probable that as a result of the dispute a disbursement of resources - the amount of which can be reliably estimated - will be required, this amount, discounted to take account of the time horizon along which the disbursement will take place, is included in the provisions for risks. Disputes for which the occurrence of a liability is considered only possible but not probable are disclosed in the relevant section on commitments and risks and, as a result, no allocations are made with respect thereto.

Assessing the development of such disputes can be complicated and requires the management to make significant estimates.

- *Leases*

The Company estimated the lease term of certain contracts in which it acts as a lessee and that provide for renewal options. The Company's assessment of whether or not there is a reasonable certainty of exercising the option affects the estimate of the lease term, significantly impacting the amount of lease liabilities and right-of-use assets recognised.

Russia/Ukraine conflict

In the first quarter of 2022, according to ISTAT's "Quarterly Economic Accounts" there was timid GDP growth of 0.1% in economic terms, year-on-year, in line with the European scenario. Despite the spread of the Omicron variant and especially Russia's invasion of Ukraine, a recovery in domestic demand and investment in plant, machinery and construction has been witnessed. Tensions related to the Russia-Ukraine war have led to price rises relative to energy sources, for which Russia is also Italy's main supplier, and raw materials, leading to a rise in inflation to 7% in March. In the face of this inflationary dynamic, there has been, on the one hand, a shift in monetary policy, not only in Europe - aimed at counteracting the inflationary phenomenon by raising rates - and, on the other hand, a worsening in the assessment of country-risk, with an increase in the spread (understood as the difference between the yield offered by the 10-year BTP and its German counterpart) compared to other European countries.

The previously described uncertain macroeconomic scenario did not cause any particular negative impact on the results that Openjobmetis achieved in 2022, as evidenced by the economic, financial, and management indicators described in the previous section.

The dynamics of rising interest rates related to the macroeconomic conditions resulting from the conflict between Russia and Ukraine was reflected in the assessments made for the financial statements as at 31 December 2022, in particular as regards the determination of the discount rate applied for the goodwill impairment test.

It cannot be ruled out that, even with further interventions by the ECB to combat inflation, the further development of such interest rate dynamics and any other unforeseeable fluctuations in interest rates will result in negative consequences for the Company's financial position. Taking into account the reduced indebtedness, it is believed that these consequences would be minimal in any case. What is indicated with regard to interest rates could also lead to further increases in the discount rate used for the purpose of the goodwill impairment test, with a consequent negative impact on the estimated recoverable value on a like-for-like basis.

Management of the Company continues to monitor the effects of the Russia-Ukraine conflict on the real economy, in particular in relation to any impact on turnover performance and the recoverability of trade receivables and intangible assets and goodwill recorded in the financial statements.

(b) Equity investments in subsidiaries

The amount of equity investments in the separate financial statements is determined on the basis of the purchase or subscription price, including directly attributable incidental expenses, net of impairment losses.

(c) Cash and cash equivalents

Cash and cash equivalents include cash balances and sight deposits and are recognised at their nominal amount, which corresponds to their fair value.

(d) Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments include investments in equities and debt instruments, trade and other receivables, financial liabilities, trade and other payables.

Trade receivables and debt securities issued are recognised when they arise. All other financial assets and financial liabilities are initially recognised at the trade date, i.e. when the Company becomes a contractual party to the financial instrument.

Except for trade receivables that do not contain a significant financing component, financial assets are initially measured at fair value plus or minus, in the case of financial assets or financial liabilities not measured at FVTPL, the transaction costs directly attributable to the acquisition or issue of the financial asset. At the time of initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price.

At the time of initial recognition, a financial asset is classified according to its assessment: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, unless the Company changes its business model for the management of financial assets. In this case, all financial assets concerned are reclassified on the first day of the first year following the change in business model. A financial asset shall be measured at FVOCI if both of the following conditions are met and it is not designated at FVTPL: the financial asset is held within the framework of a business model whose objective is achieved either through the collection of the contractual cash flows or through the sale of the financial assets, and the contractual terms of the financial assets involve, at certain dates, cash flows exclusively represented by payments of capital and interest on the amount of capital to be returned.

At the time of initial recognition of an equity instrument not held for trading purposes, the Company may make the irrevocable decision to present subsequent changes in fair value in other comprehensive income (expense). This decision is made for each asset.

All financial assets not classified as measured at amortised cost or FVOCI, as indicated above, are measured at FVTPL.

At the time of initial recognition, the Company may irrevocably designate the financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting asymmetry that otherwise would result from the measurement of the financial asset at amortised cost or FVOCI.

For the purposes of assessment, the "capital" is the fair value of the financial asset at the time of initial recognition, while the "interest" constitutes consideration for the time value of money, for the credit risk associated with the amount of capital to be returned during a given period of time and for other risks and base costs linked to the loan (for example, liquidity risk and administrative costs), as well as the profit margin.

In assessing whether the contractual cash flows are represented exclusively by payments of principal and interest, the Company considers the contractual terms of the instrument. Therefore, it assesses, among other things, whether the financial asset contains a contractual clause that changes the timing or the amount of the contractual cash flows so as to not meet the following condition. For the purposes of the assessment, the Company considers: contingent events which would alter the timing or amount of the cash flows; clauses which may adjust the contractual interest rate of the coupon, including variable rate components; prepayment and extension components; and clauses which limit requests of cash flows by the Company from specific assets (for example, non-recourse components).

The financial assets of the Company, relating to trade and other receivables, are classified as measured at amortised cost. These financial assets are then recognised as described above, and subsequently measured at amortised cost in accordance with the effective interest method. Impairment losses are deducted from the amortised cost. Interest income, exchange rate gains and losses and impairment losses are recognised in profit or loss for the year as well as any gains or losses on derecognition.

Before 1 January 2018, these financial assets were measured at amortised cost using the effective interest method, less impairment losses.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified at FVTPL when it is held for trading, represents a derivative or is designated as such upon initial recognition. Financial liabilities at FVTPL are measured at fair value and any changes, including interest expense, are recognised in the profit or loss for the year. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and exchange rate gains and losses are recognised in profit or loss for the year, as well as any gains or losses deriving from derecognition. The Company's financial liabilities are classified as measured at amortised cost.

Financial assets are derecognised when the contractual rights to the cash flows arising therefrom expire, when the contractual rights to receive the cash flows within the scope of a transaction in which substantially all the risks and rewards incidental to the ownership of the financial asset are transferred or when the Company neither transfers nor retains substantially all the risks and rewards incidental to the ownership of the financial asset and does not maintain control of the financial asset.

The Company proceeds to derecognise a financial liability when the obligation specified in the contract has been fulfilled or cancelled or has expired. The Company also derecognises a financial liability when the associated contractual terms are changed and the cash flows of the modified liability are substantially different. In this case, a new financial liability is recognised at fair value on the basis of the modified contractual terms. The difference between the accounting value of the extinguished financial liability and the consideration paid (including assets not represented by cash transferred or liabilities assumed) is recognised in the profit or loss for the year.

Financial assets and liabilities may be offset and the amount resulting from offsetting is presented in the statement of financial position if, and only if, the Company currently has the legal right to offset such amounts and intends to adjust the balance on net bases or recover the asset and adjust the liability simultaneously.

Trade and other receivables

Trade and other receivables are identified as financial assets measured at amortised cost, and are initially recognised at the transaction price for trade receivables and at fair value for other assets, which generally corresponds to their nominal amount, and subsequently measured at amortised cost net of any impairment losses identified. The impairment test of receivables is based on the present value of expected cash flows.

Loss allowances for trade receivables are always measured at an amount equal to the expected losses along the life of the receivable; the Company takes into consideration reasonable and supportable information that is relevant and available. This includes quantitative and qualitative information and analyses, based on the historical experience of the Company, on credit assessment as well as forward-looking information.

Loans and borrowings

Payments on account and loans and borrowings are initially recognised at the fair value of the amount received, net of directly attributable additional charges. Subsequently, they are measured at amortised cost using the effective interest rate method. They are classified as current liabilities or non-current liabilities according to their settlement date.

Trade and other payables

Trade and other payables, the due date of which falls within normal current commercial terms, are initially recognised at fair value and subsequently recorded at amortised cost.

Derivative financial instruments

The Company uses financial derivatives to hedge its exposure to risks of changes in interest rates. Derivatives are initially recognised at fair value; attributable transaction costs are recognised in profit or loss when incurred. After initial recognition, derivatives are measured at fair value. Their changes are accounted for as described below. At the initial designation of the hedge, the Company documents the relationship between the hedging instruments and the hedged item, including risk management objectives, strategy for undertaking the hedge, along with the methods that will be used to assess the effectiveness of the hedging instrument. Both at the beginning of the hedge and during its period of validity, the Company assesses whether the hedge is expected to be highly effective in offsetting the changes in fair value or cash flows attributable to their hedged items during the period for which the hedge is designated and if the actual results of each hedging range from 80% to 125%. In cash flow hedging transactions of a forecast transaction, the transaction must have a high probability of occurring and must present an exposure to changes in cash flows that could have an effect on the profit or loss for the year.

Changes in the fair value of the derivative designated as a cash flow hedge are recognised directly in equity to the extent that the hedge is effective. For the ineffective portion, changes in fair value are recognised in profit or loss.

Hedge accounting, as indicated above, is discontinued prospectively if the instrument designated as a hedge no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised. The accumulated gain or loss is kept in equity until the envisaged transaction occurs. When the hedged item is a non-financial asset, the amount recognised in equity is transferred to the carrying amount at the time at which it is recognised. In other cases, the amount recognised in equity is transferred to profit or loss in the same year in which the hedged item affects profit or loss.

(e) Share capital – purchase and reissue of ordinary shares (treasury shares)

In the event of the repurchase of shares recognised in equity, the consideration paid, including any costs directly attributable to the transaction are recognised as a decrease in equity. Repurchased shares are classified as treasury shares and recorded in the reserve for treasury shares. The consideration received from the subsequent sale or reissue of treasury shares is recorded as an increase in equity. Any increase or decrease resulting from the transaction is recorded in the share premium reserve.

(f) Property, plant and equipment

An item of property, plant and equipment is measured at cost less accumulated depreciation and impairment losses.

The historical cost includes any costs directly attributable to the acquisition of the asset.

If significant components have different useful lives, these components are recorded separately.

The cost of an asset produced on a time and materials basis includes the cost of materials used and of direct labour as well as other directly attributable costs for taking the asset to the location and under the conditions required for working as intended by company management. Costs incurred after initial recognition of an item of property, plant and equipment are added to the carrying amount of the asset to which they refer if it is probable that the related future benefits will flow to the Company if the cost of the item can be reliably measured. Ordinary maintenance costs of property, plant and equipment are recognised in profit or loss during the year in which they are incurred.

The gains and losses generated by the sale of any property, plant or equipment are determined as the difference between the net proceeds on the sale and the carrying amount of the asset, and are recognised in profit or loss at the time of the disposal.

Depreciation is charged to profit or loss on a straight-line basis over the expected useful life of each item of property, plant and equipment estimated by the Company, which is reviewed every year and changes, where necessary, are applied prospectively.

The estimated useful lives in the years under review are as follows:

Assets	Depreciation
Property	33.3 years
Telephone systems	4 years
Electric installations	6.6 years
Furniture and fixtures	8.3 years
Electronic office machines	5 years
Signs	6.6 years
Sundry equipment	6.6 years
Motor vehicles	4 years
Alarm systems	3.3 years

Leasehold improvements are depreciated over the shorter between the useful life and the term of the contract to which they refer.

(g) Leased assets

At the inception of the lease, the Company recognises the right-of-use asset and the lease liability. The right-of-use asset is initially measured at cost, including the amount of the initial measurement of the lease liability, adjusted by the payments due for the lease made at or before the start date, increased by the initial direct costs incurred and an estimate of the costs that the lessee will have to incur to dismantle and remove of the underlying asset or to restore the underlying asset or site where it is located, net of lease incentives received.

The right-of-use asset is subsequently depreciated on a straight-line basis from the start date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company at the end of the lease term or, considering the cost, for the right of use, it is expected that the company will exercise the purchase option. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, determined on the same basis as that of property and equipment. In addition, the right-of-use asset is regularly reduced by any impairment losses and adjusted to reflect any changes resulting from subsequent valuations of the lease liability.

The Company measures the lease liability at the present value of the lease payments not paid at the inception date, discounting them using the interest rate implicit in the lease. Where it is not possible to determine this rate easily, the Company uses the incremental borrowing rate. Generally, the Company uses the incremental borrowing rate as the discount rate.

The marginal borrowing rate of the Company is calculated on the basis of the interest rates obtained from various external sources of financing by making some adjustments that reflect the conditions of the lease and the type of leased asset.

The lease liability is measured at amortised cost using the effective interest method and remeasured in the event of a change in future lease payments resulting from a change in an index or a rate, in the event of a change in the amount expected by the Company to be payable under residual value guarantees or when the Company changes its assessment with reference to whether it will exercise a purchase, extension or termination option, or in the event of a revision of in-substance fixed lease payments.

When the lease liability is remeasured, the lessee makes a corresponding change to the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero, the lessee recognises the change in the profit or loss for the year.

The Company recognised new assets and liabilities mainly for its leases on properties used at the headquarters and from which the branches operate, and for leases on company cars. In general, real estate leases have a term of six years and contain an option to renew for a further six years exercisable at the end of the binding period, while car leases have a term of three or four years and do not contain an option to renew. Real estate leases allow the Company to withdraw from the contract with six months' notice.

The Company decided not to recognise right-of-use assets and lease liabilities relating to low-value assets and short-term leases. The Company recognises the related lease payments as an expense on a straight-line basis over the lease term.

(h) Intangible assets and goodwill

(h.1) Goodwill

Goodwill is recognised at cost, net of accumulated impairment losses, calculated as indicated below.

Goodwill is tested for impairment based on expected future cash flows on an annual basis or more frequently if events or changes in circumstances that may give rise to any impairment losses occur. The impairment loss is not reversed if the reasons that generated it no longer exist. Please refer to the following paragraph.

(h.2) Customer relations

The value of customer relations was recorded based on the fair value identified on 30 June 2007, the business combination date between "Wm S.r.l." and the former "Openjob S.p.A.". The historical cost increased due to the acquisition of the business unit of "J.O.B. S.p.A." in 2009, the business combination with "Metis S.p.A" in 2011, the acquisition of the "Noi per Voi S.r.l" customer database on 1 July 2016 and, finally, following the acquisition of the "Quanta" Group in 2021. The value of customer relations was amortised based on the economic useful life estimated by the appraisals prepared by independent experts: 7.5 years for the business combination between "Wm S.r.l." and the former "Openjob S.p.A." and the acquisition of the business unit "J.O.B. S.p.A.", 4.5 years for the business combination with Metis S.p.A, 4.5 years for the acquisition of the "Noi per Voi S.r.l." Customer Database, and finally 8 years for the acquisition of "Quanta".

(h.3) Other intangible assets

Other intangible assets acquired by the Company, which have a finite useful life, are stated at cost, less accumulated amortisation and accumulated impairment losses and mainly include the value of the non-compete agreement reached with the outgoing shareholder of Quanta S.p.A., which was acquired during the year.

(i) Impairment losses

(i.1) Financial assets

A financial asset is impaired if there is any objective evidence that one or more events have had a negative effect on the expected estimated cash flows of that asset.

An impairment loss on a financial asset measured at amortised cost is the difference between the carrying amount and the present value of the estimated cash flows, discounted at the original effective interest rate.

Individually significant financial assets are tested separately to determine whether they have been impaired. The other financial assets are tested collectively for groups with similar credit risk characteristics.

All expected impairment losses are recognised in profit or loss.

Expected impairment losses are reversed if the subsequent increase in value can be objectively related to an event that occurred after the impairment. The reversal is recognised in profit or loss.

(i.1.1) Trade receivables

The Company allocates a loss allowance that reflects the estimate of impairment losses on trade receivables, whose main components are the individual impairment losses of significant exposures or those subject to disputes and the collective impairment loss of homogeneous groups by nature and maturity of receivables against losses that have not yet been identified. Collective impairment is determined on the basis of historical losses, adjusted if necessary by scale factors reflecting the differences between the economic conditions of the period during which the historical data was collected and the Company's point of view about the economic conditions over the entire expected life of the receivables. Therefore, the loss allowance is calculated based on estimates of impairment losses that the Company expects to incur and takes into account multiple elements, including:

- receivables' ageing;
- customers' solvency;
- prior historical experience, adjusted if necessary by scalar factors to reflect the economic conditions estimated over the entire expected lives of the receivables.

When there is certainty that it will not be possible to recover the amount due, the amount considered irrecoverable is written off directly from the related financial asset.

The loss allowance of financial assets measured at amortised cost is deducted from the gross carrying amount of the assets.

(i.2) Non-financial assets

At the end of each reporting period, the Company tests the carrying amounts of its financial assets for impairment. If this test shows that the assets have actually been impaired, the Company estimates their recoverable amount. The recoverable amount of goodwill and of the intangible assets that are not yet available for use is estimated at each reporting date.

When the carrying amount of an asset or of a cash generating unit exceeds its recoverable amount, the Company recognises the related impairment loss. A cash generating unit is the smallest identifiable group of assets that generates cash inflows largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognised in profit or loss. Impairment losses of cash generating units are charged first of all as a reduction of the carrying amount of the goodwill assigned to the cash generating unit and, secondly, as a reduction of the other assets of the unit (group of units) proportionally to the carrying amount.

The recoverable amount of an asset or of a cash generating unit is the higher of its value in use and its fair value less costs to sell. To determine the value in use, the Company uses the estimated expected cash flow discounting method. The cash flows are discounted by using a discount rate that reflects the current market evaluations of the time value of money and of the asset's specific risks (WACC – weighted average cost of capital). Expected cash flows are inferred from plans approved by the competent Board of Directors.
Impairment losses of goodwill cannot be reversed. In the case of other assets, at each reporting date, impairment losses recognised in previous years are measured in order to recognise the existence of any indication suggesting the possible reduction or non-existence of the loss. The impairment of an asset is reversed when a change occurs in the valuations used for calculating the recoverable amount. The carrying amount resulting from the reversal of the impairment loss must not exceed the carrying amount that would have been determined (net of amortisation) if the impairment loss on the asset had never been recorded.

(j) Taxes

Taxes for the year include current taxes and deferred taxes. Income taxes are recognised in profit or loss, except those related to transactions recognised directly in equity that are accounted for in it.
Current taxes represent the estimate of the amount of the income taxes due, calculated on the taxable profit for the year, determined by applying the tax rates in force or essentially in force at the end of the reporting period and any adjustment to the amount related to the previous years.
Deferred taxes are allocated in compliance with the equity method, calculating the temporary differences between the carrying amounts of assets and liabilities recorded in the separate financial statements and the corresponding values recognised for tax purposes. Deferred taxes are not allocated for the following temporary differences: initial recognition of goodwill, initial recognition of assets or liabilities in a transaction other than a business combination that does not affect the accounting profit or the taxable profit, as well as in the case of differences relating to investments in subsidiaries and companies subject to joint control for which it is possible to control the cancellation time and it is likely that in the foreseeable future the temporary difference will not be reversed. Deferred tax assets and liabilities are measured using the tax rates that are expected to be applicable in the year in which the asset or the liability to which they refer will be realised or discharged, respectively, on the basis of tax rates established by the measures in force or essentially in force at the reporting date.
Deferred tax assets are recognised to the extent that a future taxable profit against which these assets can be used may be available. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be achieved.
Additional income taxes resulting from the distribution of dividends are accounted for when the liability for the dividend payment is recognised.

(k) Provisions

The Company recognises a provision when it has assumed a (legal or constructive) obligation, as a result of a past event and the amount can be estimated, and it is also likely that the utilisation of resources that can produce economic benefits will be necessary to fulfil the obligation. The amount of the provision is represented by the present value of expected estimated cash flows discounted at a pre-tax rate that reflects current market evaluations of the present value of money and the risks specific to the liability.

The Company recognises a provision for restructuring when the detailed and formal programme for restructuring has been approved and the restructuring has either started or publicly announced. No provisions have been set aside for future operating costs.

(l) Employee benefits

Defined contribution plans

Contributions to defined contribution plans are recognised as a cost in the income statement in the year in which they are incurred. Contributions paid in advance are recognised under Assets to the extent that the advance payment will result in a reduction of future payments or a refund.

Defined benefit plans

The Company's net liability arising from defined benefit plans is calculated separately for each plan by estimating the amount of the future benefit that the employees have accrued in exchange for their services carried out in the current year and in prior years; this benefit is discounted and the fair value of plan assets are deducted from the liabilities.

The calculation is carried out by a third-party consultant using the projected unit credit method. If the calculation generates a benefit for the Company, the amount of the asset recognised is limited to the present value of the economic benefits available in the form of repayments from the plan or of reductions in future contributions of the plan. In order to determine the present value of financial benefits, minimum funding requirements that apply to any plan of the Company are considered.

Actuarial gains and losses, returns on plan assets (excluding interest) and the effect of the ceiling of the asset (excluding any interest) that arise as a result of revaluations of the net liability for defined benefit plans are immediately recognised in other comprehensive income (expense). Net interest for the year on the liability/(asset) for defined benefits are calculated by applying the discount rate used for discounting the defined-benefit obligation to the liability/(asset), calculated at the beginning of the year, considering any changes in the liability/(asset) for defined benefits occurred during the year following the payment of contributions and benefits. Net interest and other costs relating to defined benefit plans are recognised in the profit or loss for the year.

When changes are made to the benefits of a plan or when the plan is curtailed, the portion of the economic benefit related to past services or the gain or loss deriving from the curtailment of the plan are recognised in profit or loss for the year when the adjustment or the reduction occurs.

The post-employment benefits due to the employees pursuant to Article 2120 of the Italian Civil Code fall within defined benefit pension plans, plans based on the working life of employees and on the remuneration received by the employee during a previously established service period.

In particular, the liability for post-employment benefits is recorded in the separate financial statements based on its actuarial value, as it qualifies as an employee benefit payable under a defined benefit plan. Recognition in the separate financial statements of the defined benefit plans requires estimating with actuarial techniques the amount of employee benefits accrued in exchange for the work carried out in the current and prior years and discounting these benefits in order to determine the present value of the Company's commitments.

Italian law no. 296 of 27 December 2006 (2007 Finance Act) introduced new rules for post-employment benefits accruing from 1 January 2007.

Following the supplementary pension reform:

- the portions of post-employment benefits accrued up until 31 December 2006 remain at the company;

- the portions of post-employment benefits accruing since 1 January 2007 must, at the employee's option, according to explicit or tacit acceptance:
a) be allocated to supplementary pension plans;
b) be held by the company, which will transfer the portions of post-employment benefits to the treasury fund managed by INPS (the Italian Social Security Institution).

In both cases, the portions of post-employment benefits accrued after 1 January 2007 (or on the date the choice is made in the case of allocation to supplementary pension plans) are considered as a defined contribution plan. The 2007 Finance Act did not involve any amendment in the accrued post-employment benefits as at 31 December 2006, which therefore fall within the defined benefit pension plans. Moreover, as a result of the new regulations introduced by the 2007 Finance Act, the post-employment benefits "accrued" before 1 January 2007 (or on the date the choice is made in the case of allocation to supplementary pension plans) undergo a significant change in calculation since the actuarial assumptions previously linked to salary increases no longer exist. More specifically, the liability related to the "accrued post-employment benefits" is measured using actuarial techniques as at 1 January 2007 (or on the date the choice is made in the case of allocation to supplementary pension plans) without applying the pro-rata (years of service already worked/total years of service), in that the employee benefits up until 31 December 2006 (or on the date the choice is made in the case of allocation to supplementary pension plans) can be considered almost entirely accrued (with the sole exception of revaluation). It follows that, for the purposes of this calculation, "current service costs" related to future employee work must be considered null and void in that they are represented by payments of contributions to supplementary pension funds or to the INPS treasury fund.

Current benefits

Current employee benefits are recognised as a cost on an undiscounted basis when the service giving rise to such benefits is supplied.

The Company recognises a liability for the amount expected to be paid in the form of profit sharing and incentive schemes when it has an actual, legal or constructive obligation to make such payments as a result of past events and the obligation can be reliably estimated.

Non-current employee benefits

The Company's net liability as a result of non-current employee benefits corresponds to the amount of the future benefit that the employees have earned for work done in the current year and in previous years. This benefit is discounted. Revaluations are recognised in profit or loss for the year when they arise.

Termination benefits

Termination benefits are recognised as an expense when the Company has committed without possibility of withdrawal to provide such benefits, or when the Company recognises restructuring costs, whichever is earlier. Benefits that are entirely payable more than twelve months after the end of the financial year are discounted.

Share-Based Payments

The fair value of the amount due to employees with regard to the share revaluation rights, settled in cash, is recognised as a cost with a corresponding increase in liabilities over the period during which employees become entitled to the unconditional right to receive the payment. The liability is measured at the end of each reporting period and at the settlement date on the basis of the fair value of the rights of share revaluation. Any changes in the fair value of the liability are recognised in profit or loss as personnel costs.

The fair value of the amount payable to employees with regard to the share revaluation rights, settled in shares, is recognised as a cost with a corresponding increase in equity over the period during which employees become entitled to the unconditional right to receive the shares. Any changes in fair value after the date of assignment do not affect the initial valuation. At the end of each financial year, the estimate of the number of rights that will accrue at maturity ("non-market based" component) is updated.

(m) Revenue

The Company operates primarily in the provision of services relating to the supply of contract workers, so a single performance obligation can be identified and it is deemed that the customer simultaneously receives and consumes the benefits of the services provided by the Company. The measurement of the degree of progress in fulfilling the contract obligation is related to the physical presence of the worker at the customer's premises and the service provided is invoiced on a monthly basis. In the determination of the contract consideration, there are no significant variable amounts, significant advance or deferred payment conditions with respect to sector practices or amounts paid to customers that are not considered a reduction of the contract consideration.

(n) Contributions

Capital contributions and grants related to income are recognised when there is a reasonable certainty that the Company will meet the conditions for obtaining the grants and that the grants will be received. Capital contributions are recorded in the statement of financial position as deferred revenue under "Other payables" and systematically recognised in profit or loss against depreciation of the assets for which the grant was received. Grants related to income are recognised in profit or loss under the item "Other income".

(o) Financial income and expense

Financial income includes interest income on invested cash, dividends, income from the sale of available-for-sale financial assets, changes in fair value of financial assets measured through profit or loss, exchange rate gains and gains on hedging instruments through profit or loss. Interest income is recognised in the income statement on an accruals basis using the effective interest method. Dividends are recognised when the Company's right to receive payment is established.

Financial expense includes interest expense on loans and finance leases, exchange rate losses, changes in fair value of financial assets measured at fair value through profit or loss, impairment losses on financial assets and losses on hedging instruments recognised in profit or loss. Costs related to loans and finance leases are recognised in the income statement using the effective interest method.

(p) New standards published but not yet adopted

The following new standards or amendments to the standards are not expected to have significant effects on the Company's financial statements.

- Classification of liabilities as current or non-current (amendments to IAS 1);
- Definition of accounting estimates (amendments to IAS 8);
- Disclosure of accounting policies (amendments to IAS 1 and IFRS Practice Statement 2);
- Deferred tax related to assets and liabilities arising from a single transaction (amendments to IAS 12);
- Lease liabilities in a sale and leaseback (amendments to IFRS 16);
- Non-current liabilities with covenants (amendments to IAS 1);

- Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28).

(q) Financial risk management

The Company is exposed to the following risks arising from the use of financial instruments:

- credit risk;
- liquidity risk;
- interest rate risk.

This section provides information on the Company's exposure to each of the above risks, the objectives, policies and processes for managing those risks and the methods used to measure them, as well as the management of the Company's capital.

The Board of Directors of Openjobmetis S.p.A. is responsible for creating and supervising the Company's risk management system.

The purpose of the Company's risk management policies is to identify and analyse the risks to which it is exposed, establish proper limits and control and monitor the risks and the observance of such limits. These policies and related systems are revised regularly in order to reflect any changes in market conditions and the Company's activities. Through training, standards and management procedures, the Company aims to create a regulated and constructive control environment in which its employees are aware of their roles and responsibilities.

(i) Credit risk

The credit risk is the risk that a customer or counterparty to a financial instrument will cause a financial loss by failing to fulfil an obligation, and mainly arises from the Company's trade receivables.

The Company's exposure to credit risk mainly depends on the specific characteristics of each customer. The Company's customer portfolio consists of a large number of customers, and does not show significant levels of concentration vis-à-vis few customers. The main type of customer consists of medium-small sized companies, operating in almost all sectors. There is no strong geographic concentration; part of it is mainly located in the regions of central and northern Italy. Any deterioration in the general economic environment or negative credit market developments could have adverse effects on customer relations, compromising the possibility for the Company to recover its trade receivables and influencing the management of working capital. It cannot be excluded that any breach of customers' payment obligations, or the mere delay in the execution of such payments, may reduce the liquidity available to the Company, increasing the need for additional sources of funding.

The Company keeps the customer base diversified, and consequently it reduces the risks associated with debt recovery.

Before supplying contract workers, a proper evaluation procedure is carried out requiring that the creditworthiness of each new customer be analysed individually before offering the standard conditions in terms of payment and supply. This analysis also includes external assessments, where available, and, in some cases, banking information. Supply limits, representing the maximum credit line beyond which the direct approval of management is required, are established for each customer.

Overall, the amount due from customers mainly consists of the total expense of the contract worker's remuneration, which in addition to the elements of normal remuneration as per the National Labour Agreement of reference, also includes remuneration accrued but not paid (thirteenth month and fourteenth month pay, holidays plus any other element), the margin and VAT calculated only on the Company's profit margin.

Splitting the macro items that determine the value of the trade receivable offers a different degree of legal protection of the trade receivable. In fact, in case of customer bankruptcy, only the portion of receivable representing the remuneration of the contract worker is secured during repayment.

For the measurement, please see section i) Impairment losses (i.1) Financial assets.

(ii) Liquidity risk

Liquidity risk is the risk that the Company has difficulty in meeting the obligations related to financial liabilities. The Company's approach in the management of liquidity is to ensure, as much as possible, that there are always sufficient funds to fulfil its obligations when due, both in normal conditions and during a financial tension, without having to bear excessive costs or running the risk of damaging its own reputation.

The Company monitors the economic and financial performance of each branch, thus facilitating the monitoring of liquidity requirements and optimising the return on investment. Generally, the Company makes sure that there are cash and cash equivalents to cover expected operating costs for a period of 60 days, including those relating to liabilities represented by "Contract Worker Benefits" and to related contributory liabilities.

Moreover, the Company has had the following credit lines over the years:

Financial year 2022

- EUR 5 million of cash revolving credit lines backed by collateral, at an average interest rate equal to the six-month Euribor plus 1.50%, subject to compliance with an economic and financial covenant as described below;
- EUR 100 million of credit lines that can be used against presentation of short-term trade receivables, generally at a variable rate linked to the Euribor.

Financial year 2021

- EUR 5 million of cash revolving credit lines backed by collateral, at an average interest rate equal to the six-month Euribor plus 1.40%, subject to compliance with an economic and financial covenant as described below;
- EUR 91 million of credit lines that can be used against presentation of short-term trade receivables, generally at a variable rate linked to the Euribor.

As described below, the Company is subject to compliance with an economic and financial covenant included in the loan agreement and calculated at the level of the Parent's consolidated financial statements.

Moreover, the Company has the following financial guarantees in place:

(In thousands of EUR)

Beneficiary	Type	2022	2021	Change
A.N.P.A.L.	Authorisation pursuant to Italian Legislative Decree no. 276	36,627	24,691	11,936
Third Parties	Sureties for participating in tenders	491	89	402
Third Parties	Sureties for leases	877	723	154
Total		37,995	25,503	12,492

The guarantees given in favour of the A.N.P.A.L. (Italian National Agency for Active Labour Market Policies) refer to the legal requirement to issue appropriate guarantees for the amount due to workers employed on temporary employment contracts.

Sureties for leases refer to guarantees given in favour of various owners of the buildings in which the head office of the Company and some branches are located.

(iii) Interest rate risk

The Company's financial indebtedness has variable interest rates, therefore the Company could be exposed to the risks related to fluctuations in these rates.

It cannot be excluded that any unpredictable fluctuations in interest rates may have adverse effects on the Company's financial position.

(r) Segment reporting

For the purposes of IFRS 8 "Operating Segments", the Company's business has only one operating segment. For a more detailed analysis of the outlook and the operating indicators, please refer to the directors' report.

(s) Acquisition of subsidiaries and non-controlling interests

The original goodwill of EUR 44,572 thousand generated as from 1 July 2007 refers mainly to the skills and technical knowledge of the personnel of Openjob S.p.A. (with particular reference to Openjob S.p.A., In Time S.p.A. and Quandoccorre S.p.A.) acquired in June 2007 by WM S.r.l., which was subsequently the subject of a reverse merger into Openjob S.p.A.

Moreover, during this business combination, the customer relations of Openjob S.p.A. and of the subsidiary Intime S.p.A. amounted to EUR 2,472 thousand and EUR 1,390 thousand, respectively, on the basis of an appraisal drawn up by an independent expert.

Following the acquisition and subsequent merger by incorporation of Metis S.p.A., which took place on 31 December 2011, the difference between the consideration paid and the fair value of the net assets acquired was allocated entirely to goodwill and amounted to EUR 27,164 thousand.

With the acquisition of the subsidiary Quanta S.p.A., which took place in May 2021 and the resulting merger by incorporation from 1 January 2022, the value of the customer relationship acquired was recognised for an amount of EUR 2,815 thousand, determined on the basis of an appraisal drawn up by an independent third-party professional, in addition to goodwill of EUR 23,846 thousand.

3a. Property, plant and equipment

The following tables show the changes occurred in this item.

(In thousands of EUR)	Land and buildings	Plant and equipment	Other items of property, plant and equipment	Other assets	Leasehold improvements	Total
Cost:						
Balances as at 1 January 2022	1,201	1,028	4,872	106	179	7,386
Increases from merger	-	18	553	-	-	571
Increases	-	47	713	-	-	760
Decreases	-	(30)	(418)	(3)	(44)	(495)
As at 31 December 2022	1,201	1,063	5,720	103	135	8,222
Depreciation and impairment losses:						
Balances as at 1 January 2022	315	823	3,158	106	179	4,581
Increases from merger	-	9	256	-	-	265
Increases	28	60	559	-	-	647
Decreases	-	(28)	(418)	(3)	(44)	(493)
As at 31 December 2022	343	864	3,555	103	135	5,000
Carrying amounts:						
As at 1 January 2022	886	205	1,714	-	-	2,805
As at 31 December 2022	858	199	2,165	-	-	3,222

(In thousands of EUR)	Land and buildings	Plant and equipment	Other items of property, plant and equipment	Other assets	Leasehold improvements	Total
Cost:						
Balances as at 1 January 2021	1,682	974	4,236	109	182	7,183
Increases	627	81	816	-	-	1,524
Decreases	(1,289)	-	(207)	(3)	(3)	(1,502)
Reclassifications	-	(27)	27	-	-	-
Other changes	181	-	-	-	-	181
Balances as at 31 December 2021	1,201	1,028	4,872	106	179	7,386
Depreciation and impairment losses:						
Balances as at 1 January 2021	843	762	3,001	109	182	4,897
Increases	48	61	332	-	-	441
Decreases	(654)	-	(175)	(3)	(3)	(835)
Other changes	78	-	-	-	-	78
Balances as at 31 December 2021	315	823	3,158	106	179	4,581
Carrying amounts:						
As at 1 January 2021	839	212	1,235	-	-	2,286
As at 31 December 2021	886	205	1,714	-	-	2,805

Land and buildings

The item includes buildings in the province of Udine, Brescia and Latina.

Plant and equipment

The Company owns some non-current assets mainly related to equipment, plant and furniture at the branches.

Other items of property, plant and equipment

The item mainly includes electronic office machines, furniture and fittings, illuminated signs and motor vehicles.

3b. Right of use for leases

The following table shows the changes in this item:

(In thousands of EUR)	Motor vehicles	Property	Other fixed assets	Total
Cost:				
Balances as at 1 January 2022	3,669	11,873	28	15,570
Increases	1,257	3,149	-	4,406
Increases from merger	366	3,542	-	3,908
Decreases	(1,050)	(1,926)	(28)	(3,004)
Balances as at 31 December 2022	4,242	16,638	-	20,880
Depreciation and impairment losses:				
Balances as at 1 January 2022	1,948	4,561	21	6,530
Increases	1,221	2,949	8	4,178
Increases from merger	129	385	-	514
Decreases	(1,018)	(1,664)	(29)	(2,711)
Balances as at 31 December 2022	2,280	6,231	-	8,511
Carrying amounts:				
As at 1 January 2022	1,721	7,312	7	9,040
As at 31 December 2022	1,962	10,407	-	12,369

(In thousands of EUR)	Motor vehicles	Property	Other fixed assets	Total
Cost:				
Balances as at 1 January 2021	3,446	13,237	66	16,749
Increases	857	1,691	10	2,558
Decreases	(634)	(3,055)	(48)	(3,737)
Balances as at 31 December 2021	3,669	11,873	28	15,570
Depreciation and impairment losses:				
Balances as at 1 January 2021	1,499	4,696	51	6,246
Increases	1,074	2,335	18	3,427
Decreases	(625)	(2,470)	(48)	(3,143)
Balances as at 31 December 2021	1,948	4,561	21	6,530
Carrying amounts:				
As at 1 January 2021	1,947	8,541	15	10,503
As at 31 December 2021	1,721	7,312	7	9,040

Motor vehicles

This item mainly includes vehicles assigned to personnel under lease agreements. The increases represent the new agreements signed during the year.

Property

This item mainly includes property owned by the Company's head office and operating branches under lease agreements. The increases refer to new lease agreements signed during the year following the opening of new branches and the renewal of existing agreements concluded during the period.

Other fixed assets

This item mainly includes electronic equipment held by the Company under lease agreements.

4. Intangible assets and goodwill

The following tables show the changes occurred in this item.

(In thousands of EUR)	Goodwill	Customer relations	Software and Trademarks	Non-compete agreement	Total
Cost:					
Balances as at 1 January 2022	71,736	8,152	2,597	1,500	83,985
Increases from merger	23,846	2,815	191	-	26,852
Balances as at 31 December 2022	95,582	10,967	2,788	1,500	110,837
Amortisation and impairment losses:					
Balances as at 1 January 2022	-	8,152	2,477	176	10,805
Increases from merger	-	205	127	-	332
Increases	-	352	130	300	782
Balances as at 31 December 2022	-	8,709	2,734	476	11,919
Carrying amounts:					
As at 1 January 2022	71,736	-	120	1,324	73,180
As at 31 December 2022	95,582	2,258	54	1,024	98,918

(In thousands of EUR)	Goodwill	Customer relations	Software and Trademarks	Non-compete agreement	Total
Cost:					
Balances as at 1 January 2021	71,736	8,152	2,534	-	82,422
Increases	-	-	63	1,500	1,563

(In thousands of EUR)	Goodwill	Customer relations	Software and Trademarks	Non-compete agreement	Total
Balances as at 31 December 2021	71,736	8,152	2,597	1,500	83,985
Amortisation and impairment losses:					
Balances as at 1 January 2021	-	8,145	2,259	-	10,404
Increases	-	7	218	176	401
Balances as at 31 December 2021	-	8,152	2,477	176	10,805
Carrying amounts:					
As at 1 January 2021	71,736	7	275	-	72,018
As at 31 December 2021	71,736	-	120	1,324	73,180

Goodwill

At the end of each year, the Group tests goodwill for impairment. The impairment test on goodwill is carried out on the basis of the value in use through calculations based on projected cash flows taken from the approved five-year business plan.

It should be noted that a re-assessment of CGUs took place during 2021; until 31 December 2020, all of the Group's operating assets and liabilities were identified as a single CGU. The analysis carried out was made necessary by the acquisition of Quanta in 2021, in respect of which an amount of goodwill equal to EUR 24.1 million was recorded, and by the Group reorganisation process initiated in the recent past, which led to the aggregation of several subsidiaries and the establishment of the subsidiary Family Care.

As of 2021, two separate CGUs have been identified with reference to:

all the operating assets and liabilities of the Parent and its subsidiaries, excluding Family Care S.r.l. ("Main CGU");

The subsidiary, Family Care S.r.l., mainly due to the specific nature of the services provided (personal welfare) and the customers it caters for (private individuals) compared with the rest of the Group, and the use of a dedicated branch network for its business. This is also in view of the growth in the subsidiary's business volumes recorded in recent years and the development prospects envisaged for the future.

The above is consistent with management's strategic and operational vision, as well as with the level of analytical reporting monitored by management.

The volume of goodwill recorded in the financial statements is fully allocated to the main CGU, considering that the business of Family Care S.r.l. was initiated within the Group and not related to acquisitions made in previous years.

The impairment test as at 31 December 2022 was carried out using the main CGU as a reference for the above.

The value of the main CGU, to which all of the goodwill recorded in the financial statements has been allocated, was verified by determining the value in use, understood as the current value of expected cash flows (discounted cash flow) using a rate that reflects the specific risks at the valuation date (WACC).

The measurement was carried out on the basis of the 2023-2027 business plan and directly based on that approved by the Board of Directors on 23 February 2023, prepared by management on the basis of the historical economic and financial performance of the main CGU, and expected outlook.

In view of the Group's strategy, the expected trend of the reference market and the overall macroeconomic situation, projected cash flows were estimated on the basis of the following assumptions:

- Revenue: the assumption for revenue is 3.8% growth in 2023 and from 4.8% to 2.3% from 2024 to 2027, on the basis of expected GDP and inflation trends.

To calculate the terminal value, a prudent assumption was adopted of a steady state scenario (g-rate equal to zero), in which, given a zero growth, the obtainable cash flow on a like-for-like basis and from the year following the year related to the analytical forecasts, were estimated based on the following main assumptions:

- EBITDA, normal average equal to the last year of analytical forecast;
- maintenance capital expenditure, equal to approximately EUR 2 million per year;
- maintenance investments in right-of-use assets (IFRS 16), equal to around EUR 5 million per year;
- constant working capital;
- constant provisions.

These projections reflect the current conditions of all the operating assets and liabilities of the main CGU being measured and the values used are consistent with the historical performance of the same and with expectations of management in relation to the expected trends in the market of reference.

The terminal value was determined based on the last year of the business plan, as indicated above.

Projected cash flows were discounted taking into account a cost of unlevered risk capital, calculated on the basis of the Capital Asset Pricing Model (CAPM), of 13.8% (previous year equal to 10.4%) gross of the related tax effect. This rate reflects the current market evaluation of the time value of money for the period in question and the specific risks of the sector and country, Italy, where the Group operates. The WACC as at 31 December 2022 was estimated on the basis of the following assumptions:

- the risk-free rate adopted (4.1%);
- the estimated beta coefficient (unlevered) was 1.34 on the basis of the characteristics of the sector concerned and of the betas recognised with reference to a sample of listed companies belonging to the sector concerned;
- the equity risk premium used is 5%;
- small size premium recognised of 3%.

The value in use as at 31 December 2022 calculated in this way was greater than the carrying amount of the cash generating unit. Therefore, no impairment losses were recognised as at 31 December 2022, as in previous years.

The carrying amount and recoverable amount of the main CGU as recognised in 2022 and 2021 are shown below, excluding 2020 when it was considered as a single CGU:

(In thousands of EUR)

Years	Carrying amount of the group	Recoverable amount	Amount in excess, recoverable with respect to the carrying amount
2020	122,794	137,321	14,527
2021	157,802	192,337	34,535
2022	147,183	156,410	9,227

Due to their nature, the forecasts used for impairment testing are subject to unforeseen elements that could still affect them, such as GDP not increasing as expected, changes in interest rates and inflation rates, changes in revenue, profit margins and collection terms from customers because of the macroeconomic trend. Such unforeseen elements could therefore result in having to amend the above-described impairment test. It is noted in this regard that the sensitivity analysis as at 31 December 2022 shows that the value in use is equal to the carrying amount of the Cash Generating Unit in the event of an increase in the discount rate of approximately 0.80 percentage points, all the other conditions being equal; similarly, in the case of a reduction in non-discounted cash flows by approximately 6% throughout the plan period and for the cash flows on which the terminal value is based, the value in use would equal the carrying amount of the Cash Generating Unit.

The analyses listed above confirm the sensitivity of the assessments of the recoverability of goodwill to the change in the aforementioned variables; in this context, the Directors will systematically monitor the performance of the aforementioned variables, partly exogenous and uncontrollable, for any adjustments to the recoverability estimates of the carrying amount of goodwill in the financial statements.

It should also be noted that appraisals drawn up by independent experts were used in the preparation of the impairment test as at 31 December 2022 approved by the Board of Directors of the Company on 15 March 2023.

Finally, it should be noted that as at 31 December 2022, the Company, whose shares are traded on the STAR segment of the online stock exchange (MTA) managed by Borsa Italiana S.p.A., capitalised approximately EUR 107,989 thousand.

Customer relations

From 1 January 2022, with the merger by incorporation of Quanta S.p.A., customer relations were recorded for EUR 2,815 thousand, partially amortised for EUR 205 thousand during 2021; the initial valuation, carried out with the help of an external independent professional using the "excess earning method", was carried out at the time of the acquisition, which took place in May 2021.

Software

The item Software is related to the operating and management programs acquired by the Company.

Assets under development

There are no assets under development or payments on account as at 31 December 2022.

5. Equity investments in subsidiaries

The changes during the year were as follows:

(In thousands of EUR)	Seltis Hub S.r.l.	Jobdisabili S.r.l.	Openjob Consulting S.r.l.	HC S.r.l.
Balance as at 1 January 2021	1,598	700	329	37
Acquisitions	-	-	-	-
Value increases	-	-	-	-
Reclassifications	700	(700)	-	-
Balance as at 31 December 2021	2,298	-	329	37
Effects of merger	-	-	-	-
Value increases	-	-	-	-
Reclassifications	-	-	620	-
Value decreases	-	-	-	-
Balance as at 31 December 2022	2,298	-	949	37

(In thousands of EUR)	Family Care S.r.l.	Lyve S.r.l.	Quanta S.p.A.	Quanta RU S.p.A.	Total
Balance as at 1 January 2021	1,700	-	-	-	4,364
Acquisitions	-	1,090	24,817	-	25,907
Value increases	1,000	-	5,000	-	6,000
Reclassifications	-	-	-	-	-
Balance as at 31 December 2021	2,700	1,090	29,817	-	36,271
Effects of merger	-	-	(29,817)	620	(29,197)
Value increases	1,000	-	-	-	1,000
Reclassifications	-	-	-	(620)	-
Value decreases	(2,600)	(322)	-	-	(2,922)
Balance as at 31 December 2022	1,100	768	-	-	5,152

A comparison between the carrying amount of equity investments and the respective equity is shown below:

(In thousands of EUR)	Share capital	Equity	Stake	Value pro-rata (A)	Carrying amount (B)	Differences (A - B)
Seltis Hub S.r.l.	110	2,500	100.00%	2,500	2,298	202
Openjob Consulting S.r.l.	100	3,826	100.00%	3,826	949	2,877
HC S.r.l.	41	(306)	92.86%	(284)	37	(321)
Family Care S.r.l.	1,100	824	100.00%	824	1,100	(276)
Lyve S.r.l.	452	1,516	50.66%	768	768	0
Total	1,803			7,634	5,152	2,482

With effect from 1 January 2022, the subsidiary Quanta S.p.A., a generalist employment agency, with a focus also on the aerospace, ICT, naval and energy sectors and in personnel selection, was incorporated into Openjobmetis S.p.A.

Openjob Consulting S.r.l. mainly carries out the management of financed training activities, the provision of outsourced services, as well as offering support to the parent on payroll management activities; during the year, it incorporated the company Quanta Risorse Umane S.p.A., which focuses on the analysis, design and implementation of training and updating of human resources and other outsourced services, previously 100% controlled by Quanta S.p.A., with statutory effectiveness from 1 April 2022, and tax and accounting effectiveness from 1 January 2022.

Seltis Hub S.r.l., a company dealing with the recruitment and selection of personnel (including those with disabilities) on behalf of third parties and digital head-hunting.

HC S.r.l. is an Educational Company that carries out activities dedicated to the development and motivation of human resources in organisations. Against the economic performance of 2022 and the differential that emerged between the carrying amount and equity pertaining to the financial statements, a provision for risks was recognised as at 31 December 2022 for EUR 350 thousand.

Lyve S.r.l. is a corporate training company, an innovation laboratory that integrates skills in the areas of training, digital technologies, marketing and communication. Against the economic performance of 2022, future forecasts and the differential that emerged between the carrying amount and equity pertaining to the financial statements, a write-down of the investment of EUR 322 thousand was made as at 31 December 2022.

The company "Family Care S.r.l. - Employment Agency" is focused on providing family assistants dedicated to the elderly and non-self-sufficient people. The value of the equity investment was verified by determining the value in use, understood as the current value of expected cash flows (discounted cash flow) using a rate that reflects the specific risks at the valuation date (WACC).

The measurement was carried out on the basis of the 2023-2027 business plan and directly based on that approved by the Board of Directors on 23 February 2023, prepared by management on the basis of the historical economic and financial performance of the equity investment, and expected outlook.

In view of the Group's strategy for the investee company, the expected trend of the reference market and the overall macroeconomic situation, projected cash flows were estimated on the basis of the following assumptions:

- Revenue: the assumption for the Company's revenue is a growth, at constant perimeter, of 8.4% in 2023 and then 12% from 2024 to 2027.

To calculate the terminal value, i.e. the obtainable cash flow on a like-for-like basis and from the year following the year related to the analytical forecasts, the following main assumptions were made:

- EBITDA, normal average equal to the last year of analytical forecast;

- maintenance capital expenditure, equal to approximately EUR 0.1 million per year;
- maintenance investments in right-of-use assets (IFRS 16), equal to EUR 0.7 million per year;
- constant working capital;
- constant provisions;
- A reconciliation period of 5 years between the last year of the Plan and the terminal period was considered, in order to gradually align the annual growth rate of the revenue at the end of the Plan (12%) with that of the terminal flow (2%);
- G-rate assumed to be 2%.

These projections reflect the current conditions of all the operating assets and liabilities of the investee company being evaluated and are consistent with management's expectations in relation to expected trends in the reference market.

Projected cash flows were discounted taking into account a cost of unlevered risk capital, calculated on the basis of the Capital Asset Pricing Model (CAPM), of 13.8% (10.4% last year) gross of the related tax effect. This rate reflects the current market evaluation of the time value of money for the period in question and the specific risks of the sector and country, Italy, where the Group operates. The WACC as at 31 December 2022 was estimated on the basis of the following assumptions:

- the risk-free rate adopted (4.1%);
- the estimated beta coefficient (unlevered) was 1.34 on the basis of the characteristics of the sector concerned and of the betas recognised with reference to a sample of listed companies belonging to the sector concerned;
- the equity risk premium used is 5%;
- small size premium recognised of 3%.

The value in use as at 31 December 2022 thus calculated was added to the value of the net financial position of the investee as at 31 December 2022; the equity value thus determined being lower than the carrying amount of the investee.

Therefore, following the valuation expressed above, there is an impairment loss of the investment in Family Care which was promptly recognised in the current year for EUR 2.6 million.

6. Financial assets

This non-current item mainly consists of guarantee deposits paid for utilities of the registered office and the branches.

The current item refers to receivables from factoring companies for the amount of EUR 3,095 thousand in relation to trade receivables assigned as at 31 December 2022, for which the Company has not requested early settlement.

7. Deferred tax assets and liabilities

Deferred tax assets and liabilities refer to the following items:

(In thousands of EUR)	Assets		Liabilities		Net	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Property, plant and equipment	-	-	86	87	(86)	(87)
Intangible assets	-	-	630	-	(630)	-
Employee benefits	-	13	14	-	(14)	13

(In thousands of EUR)	Assets		Liabilities		Net	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Provisions	359	347	-	-	359	347
Loss allowance	1,622	1,311	-	-	1,622	1,311
Costs with deferred deductibility	473	457	-	-	473	457
Goodwill realignment	19,351	19,755	-	-	19,351	19,755
Total	21,805	21,883	730	87	21,075	21,796

Temporary differences between the tax base of assets and liabilities and their carrying amounts were not excluded from the calculation of deferred taxes.

There are no tax losses that can be carried forward for which deferred tax assets can be recognised.

Tax assets and liabilities are measured using the tax rates that are expected to be applicable in the period in which the asset or the liability to which they refer will be realised or discharged, respectively, on the basis of tax rates established by measures in force.

Starting from 2020, deferred tax assets were recognised relating to the realignment of the tax value of the goodwill, in accordance with the provisions of Article 110, paragraphs 8 and 8-bis of Law Decree no. 104/2020. For further details, please refer to Note 27.

Changes in net deferred tax assets and liabilities were as follows:

(In thousands of EUR)	Balance as at 31 December 2021	Increases in the statement of financial position	Changes in profit or loss	Balance as at 31 December 2022
Property, plant and equipment	(87)	-	1	(86)
Intangible assets	-	(728)	98	(630)
Employee benefits	13	-	(27)	(14)
Provisions	347	243	(231)	359
Trade and other receivables	1,311	335	(24)	1,622
Costs with deferred deductibility	457	-	16	473
Goodwill realignment	19,755	-	(404)	19,351
Total	21,796	(150)	(571)	21,075

The column relating to increases in the statement of financial position also includes the effects deriving from the merger by incorporation of the subsidiary Quanta S.p.A., which took effect from 1 January 2022.

8. Cash and cash equivalents

The item includes the credit balance of bank and postal deposits and cash in hand.

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Bank and postal deposits	1,878	5,076	(3,198)
Cash in hand and cash equivalents	33	19	14
Total cash and cash equivalents	1,911	5,095	(3,184)

With reference to the net financial indebtedness, in accordance with the Guidelines on disclosure requirements published by ESMA on 4 March 2021 and Consob Call to attention no. 5/21 of 29 April 2021, please refer to Note 12 below.

9. Trade receivables

The item is made up as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
From third-party customers	143,511	126,250	17,261
From related parties	177	69	108
Loss allowance	(7,388)	(6,096)	(1,292)
Total trade receivables	136,300	120,223	16,077

As at 31 December 2022 and 2021, there were no trade receivables arising from factoring with recourse. Total trade receivables are exclusively related to Italian customers; therefore, there are no receivables in currencies other than the euro. At the reporting dates, there was no concentration of trade receivables from a limited number of customers.

Please refer to paragraph 31 "Related parties" for further information on the analysis of the exposure of trade receivables from related parties.

The receivables are also recorded net of an amount of EUR 88 thousand corresponding to the valuation arising from the measurement at fair value of the trade receivables of Quanta S.p.A., a company merged by incorporation as of 1 January 2022.

The days sales outstanding (DSO) granted to customers is 67, compared to 69 reported as at 31 December 2021. Refer to paragraph 25 "Impairment losses" for further information about the analysis of trade receivables exposure at the reporting date.

10. Other assets

The item is made up as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Receivables from Forma.Temp	2,743	4,247	(1,504)
Receivables from the seller of Quanta S.p.A.	1,400	-	1,400
Prepayments	1,176	890	286
Other disputed receivables	1,095	1,095	-
Receivables for domestic tax consolidation scheme	705	225	480
Other sundry receivables	219	144	75
Receivable from tax authorities for reimbursements	150	104	46
Receivable from the INPS treasury funds for post-employment benefits	1,574	1,725	(151)
Total other assets	9,062	8,430	632

The item Other disputed receivables refers to the receivable from a former Director of Metis who left office in 2009; the Provisions for risks reflect the considerations made for this litigation.

Prepayments as at 31 December 2022 of EUR 1,176 thousand mainly refer to advance costs entirely recognised during the current year, relating to sponsorships, bank fees and sundry rentals not related to lease agreements.

The item "Receivables from Forma.Temp" for EUR 2,743 thousand refers mainly to the reimbursement of the salary supplement (TIS) paid in advance to contract workers.

The item "Receivables for domestic tax consolidation scheme" regards the Company's receivables from the subsidiaries Openjob Consulting S.r.l. and Seltis Hub S.r.l. due to participation in the tax consolidation scheme. Please refer to note 31 "Related parties".

The item "Receivables from seller of Quanta S.p.A." refers to contingent liabilities for which a provision for risks has been set aside, covered by the guarantee of the seller; it should be noted that the receivable, recognised in the Company's assets with the merger by incorporation of the subsidiary Quanta S.p.A. on 1 January 2022, had already been recognised in the consolidated financial statements for 2021.

11. Current tax assets

As at 31 December 2022, as well as at 31 December 2021, there are no current tax receivables.

12. Bank loans and borrowings and other financial liabilities

This note illustrates the contractual conditions that regulate the Company's financial liabilities. For further information on the Company's exposure to the interest rate risk, reference is made to Note 29.

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Non-current liabilities:			
Line A Loan	1,490	4,474	(2,983)
Line B2 Loan	1,426	4,284	(2,858)
M/L Loans	-	1,000	(1,000)
Lease liabilities	8,843	6,191	2,652
Derivative instruments	-	14	(14)
Total non-current liabilities	11,759	15,963	(4,204)
Current liabilities			
Line A Loan	3,000	3,000	-
Line B2 Loan	2,858	2,858	-
Loans	1,000	2,000	(1,000)
Non-guaranteed bank loans and borrowings	15,774	16,487	(713)
Lease liabilities	3,511	2,991	520
Total current liabilities	26,143	27,336	(1,193)
Total current and non-current liabilities	37,902	43,299	(5,397)

In March 2019, a medium-long term amortising loan of EUR 15 million was subscribed and issued, which also provides a revolving credit line of EUR 15 million, EUR 10 million of which has been used in 2021; there were no drawdowns during 2022.

During the previous year, a loan of EUR 3 million was subscribed and issued, to be repaid within 18 months from the date of issue.

The contractual conditions of bank loans and borrowings and other financial liabilities, excluding financial instruments, are set below:

(In thousands of EUR)				31 December 2022		31 December 2021	
	Curr.	Nominal interest rate	Year of maturity	Nominal amount	Carrying amount	Nominal amount	Carrying amount
Line A Loan	EUR	Euribor*	2024	4,500	4,490	7,500	7,474
Line B2 Loan	EUR	Euribor*	2024	4,284	4,284	7,142	7,142
Loans	EUR	0.3%**	2022/23	1,000	1,000	3,000	3,000
Non-guaranteed bank loans and borrowings	EUR	2.60% **	-	15,774	15,774	16,487	16,487
Lease liabilities	EUR	1.98%***	2023/28	12,961	12,354	9,370	9,182
Total interest-bearing liabilities				38,519	37,902	43,499	43,285

* Six-month Euribor plus a spread ranging from a minimum of 1.45% to a maximum of 2.00% in relation to compliance with a financial restriction

** These are approximate average rates

*** Weighted average incremental interest rate

The existing medium-long term Loan requires compliance with a financial constraint known as the leverage ratio, which is the NFI/EBITDA ratio as defined in the loan agreement. This financial constraint has to be measured on an annual basis as at 31 December, since it is based on the Group's consolidated financial statements. The lending bank has the right to request the termination of the loan agreement if, at the date of calculation, the restriction is not complied with.

The financial constraint that must be complied with at consolidated level is shown below:

Calculation Dates	NFI/EBITDA <
31 December 2022	2.25
31 December 2023	2.25

NFI = Net Financial Indebtedness

EBITDA = Consolidated net profit for the year before income taxes, net financial expense, amortisation/depreciation, provisions and impairment losses

It should be noted that as at 31 December 2022 the financial constraint had been complied with.

Branch leases contain extension options that can be exercised up to six months before the end of the binding period. If, at their respective deadlines, all extension options should be exercised, the potential cash flows that are not currently reflected in the lease liability would amount to approximately EUR 18,720 thousand.

Below is the net financial indebtedness of the Company as at 31 December 2022 and as at 31 December 2021, calculated in accordance with the Guidelines on disclosure requirements published by ESMA on 4 March 2021 and CONSOB Call to attention no. 5/21 of 29 April 2021.

	(In thousands of EUR)	Financial statements for the year ended 31 December		2022 vs 2021 Change	
		2022	2021	Value	%
A	Cash	33	19	14	73.7%
B	Cash and cash equivalents	1,878	5,076	(3,198)	(63.0%)
C	Other current financial assets	3,095	5,008	(1,913)	100%
D	Cash and cash equivalents (A+B+C)	5,006	10,103	(5,097)	(50.5%)
E	Current financial debt	(22,632)	(24,345)	1,713	(7.0%)
F	Current portion of non-current financial debt	(3,511)	(2,991)	(520)	17.4%
G	Current financial indebtedness (E+F)	(26,143)	(27,336)	1,193	(4.4%)
H	Net current financial indebtedness (G+D)	(21,137)	(17,233)	(3,904)	22.7%
I	Non-current financial debt	(11,759)	(15,963)	4,204	(26.3%)
J	Debt instruments	-	-	-	-
K	Trade payables and other non-current payables	-	-	-	-
L	Non-current financial indebtedness (I+J+K)	(11,759)	(15,963)	4,204	(26.3%)
M	Total financial indebtedness (H+L)	(32,896)	(33,196)	300	(0.9%)

The adoption of the Guidelines on disclosure requirements published by ESMA on 4 March 2021 and CONSOB Call to attention no. 5/21 of 29 April 2021 did not entail significant impacts on the determination of the net financial position of the company as at 31 December 2022 and 31 December 2021.

Below is the reconciliation of the changes in lease liabilities, bank borrowings and other financial liabilities arising from financing activities.

(In thousands of EUR)	Lease liabilities	Financial liabilities, bank loans and borrowings and other liabilities
Balance as at 1 January 2022	9,182	34,103
Changes in financial liabilities		
Lease payments	(4,331)	-
Interest expense	139	-
New leases, renewals and contract terminations	4,116	-
New payables for acquired companies	3,248	11,490
New loan disbursement	-	-
Repayment of loan instalments	-	(7,842)
Other financial payables and interest	-	(12,203)
Total changes in financial liabilities	3,172	(8,555)
Balance as at 31 December 2022	12,354	25,548

13. Employee benefits

(a) current

The balance of the item current employee benefits includes:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Salaries payable to contract workers	39,365	34,541	4,824
Remuneration payable to contract workers	15,198	11,879	3,319
Post-employment benefits of contract workers	350	202	148
Remuneration payable to employees	5,056	5,540	(484)
Total payables for employee benefits	59,969	52,162	7,807

Given the nature of business carried out by the Company and the average duration of employment contracts with contract workers, employee benefits represented by the post-employment benefits of contract workers are on average paid periodically and were consequently regarded as current liabilities. Therefore, the liability was not discounted and corresponds to the obligation due to contract workers at the end of the contract.

The liabilities as at 31 December 2022 increased compared to 31 December 2021, mainly in relation to the increase in contract workers following the merger with Quanta S.p.A. as of 1 January 2022.

(b) non-current

The balance of the item Employee benefits relates to post-employment benefits due to employees. The change in the amount related to employee benefits in the different years is summarised as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Payables for employee benefits as at 1 January	629	639	(10)
Effects of merger	131	-	131
Cost recognised in profit or loss	15	5	10
Payments during the period	(101)	(28)	(73)
Actuarial valuation	(87)	13	(100)
Total payables for employee benefits	587	629	(42)

The amount is recognised in profit or loss as per the following table:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Interest expense on the obligation	15	5	10
Total	15	5	10

The liability related to post-employment benefits is based on the actuarial valuation made by independent experts according to the following main parameters:

	31/12/2022	31/12/2021
Projected future salary increases (average amount)	1.00%	1.00%
Projected staff turnover	9.00%	9.00%
Discount rate	4.17%	1.09%
Average inflation rate	2.30%	1.75%

14. Trade payables

The item includes trade payables for the provision of services and consultancy.

Total payables at the reporting date are exclusively due to Italian suppliers. Moreover, there are no payables in currencies other than the euro.

The item is broken down as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Trade payables to third parties	11,930	10,498	1,486
Trade payables to subsidiaries	1	-	1
Total trade payables	11,931	10,498	1,487

15. Other liabilities

The item is broken down as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Social security charges payable	25,258	22,336	1,387
Tax payables	11,117	13,400	(2,283)
Payables to Forma.Temp	1,160	1,013	147
Payables to subsidiaries for tax consolidation scheme	293	385	(92)
Current liability linked to the non-compete agreement	300	300	-
Other payables	305	150	156
Total other current liabilities	38,433	37,584	(685)
Non-current liability linked to the non-compete agreement	600	900	(300)
Total other non-current liabilities	600	900	(300)
Total other liabilities	39,033	38,484	(985)

Social security charges payable mainly refers to amount due to INPS (the Italian Social Security Institution), INAIL (the Italian National Institute for Insurance against Accidents at Work) and other social security institutions referring to wages and salaries to contract workers and employees.

Payables to subsidiaries relate to the payable of EUR 229 thousand due to Family Care S.r.l. and the payable of EUR 64 thousand due to HC S.r.l. for the domestic tax consolidation scheme.

With the finalisation of the acquisition of Quanta S.p.A. in May 2021, the liability relating to the contractual agreement reached with the seller, concerning the limitation on the performance of professional activities in competition with the company, which will be recorded in five years, was recognised in the item Other current and non-current liabilities.

Payables to Forma.Temp refer to the management contribution and the contribution for the training of contract workers in December.

The item Tax payables is broken down as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Withholding taxes - Employees	10,918	13,217	(2,299)
VAT and other minor payables	199	183	16
Total tax payables	11,117	13,400	(2,283)

16. Current and non-current tax liabilities

Current tax liabilities as at 31 December 2022 amounted to EUR 2,420 thousand and referred to EUR 717 thousand for the third instalment of the substitute tax pursuant to Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis, EUR 1,253 thousand to the tax authorities for IRES tax consolidation and EUR 450 thousand to the tax authorities for IRAP. For further details, please refer to Note 27.

Current tax liabilities as at 31 December 2021 amounted to EUR 1,361 thousand and referred to EUR 717 thousand for the second instalment of the substitute tax pursuant to Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis, EUR 554 thousand to the tax authorities for IRES tax consolidation and EUR 90 thousand to the tax authorities for IRAP. For further details, please refer to Note 27.

Non-current tax liabilities as at 31 December 2021 amounted to EUR 717 thousand and related to the third instalment of the substitute tax pursuant to Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis to be paid in 2023. For further details, please refer to Note 27.

17. Provisions

Changes in this item are broken down as follows:

(In thousands of EUR)	
Balance as at 1 January 2022	1,839
Increases	431
Increases from merger	2,406
Uses	(1,029)
Balance as at 31 December 2022	3,647

The item refers to possible future charges relating to a number of disputes with personnel, to a dispute relating to a non-commercial receivable, to potential liabilities relating to the companies acquired during the previous year for which there is, however, the guarantee from the previous shareholder, which led to the simultaneous recognition of a credit position under current assets, in addition to other minor risks.

18. Equity

(a) Share capital

(In thousands of shares)	2022	2021
Ordinary shares		
Issued as at 1 January	13,712	13,712
Issued as at 31 December	13,712	13,712

As at 31 December 2022, the approved share capital consisted of 13,712,000 ordinary shares, the ownership percentages of which are specified in the section "Group structure", to which explicit reference is made.

The Shareholders' Meeting, convened on 24 April 2018, authorised the Board of Directors to purchase and dispose of treasury shares pursuant to the combined provisions of Articles 2357 and 2357-ter of the Italian Civil Code, as well as article 132 of Legislative Decree no. 58 of 24 February 1998. The Board of Directors' meeting called for 15 May 2018 resolved to launch the buyback programme from 16 May 2018.

Subsequently, following the revocation of the authorisation on 30 April 2021, by resolution approved by the Shareholders' Meeting on 19 April 2022, the buyback programme was restarted by the Board of Directors of Openjobmetis S.p.A., up to a maximum number of shares such as not to exceed 5% of the pro-tempore share capital. On 11 November 2022, the Board of Directors ordered the closure of the existing programme, resolving the launch of a new plan for the buyback of treasury shares, again based on the same Shareholders' Meeting authorisation, to be carried out through a partial voluntary public tender offer for a maximum of 325,065 ordinary shares; the offer period ended on 2 December 2022.

Following the buybacks made during the year, it should be noted that as at 31 December 2022 Openjobmetis S.p.A. directly held 685,559 treasury shares, equal to approximately 5.00% of the share capital.

The Company did not issue any preference shares.

The share capital has been fully paid up.

(b) Share premium reserve

The item Share premium reserve includes the share premium paid as a result of the share capital increase made during the extraordinary Shareholders' Meeting of 18 March 2005 (EUR 3,899 thousand), the share premium recognised as a result of the share capital increase made on 11 June 2007 (EUR 51 thousand), the share premium recognised as a result of the share capital increase made by injection on 14 March 2011 (EUR 5,030 thousand), the share premium paid as a result of the share capital increase on 14 March 2011 (EUR 7,833 thousand), the share premium recognised as a result of the conversion of the bond issue on 26 June 2015 (EUR 700 thousand), and the share premium recognised as a result of the Public Offering of Sale and Subscription made on 3 December 2015 (EUR 16,240 thousand). Moreover, the reserve was reduced by EUR 2,208 thousand for the portion of the listing costs related to the public subscription offering (i.e. costs directly attributable to the latter and portion pro rata of the other listing costs, in proportion to the number of shares related to the public subscription offering, relative to the total number of shares of the initial public offering, including the greenshoe option).

(c) Other reserves

The item Other reserves includes the residual portion of EUR 15,602 thousand of the equity-related reserve of WM S.r.l. originally of EUR 25,959 thousand. This reserve was used in part to cover losses for 2007, and increased following the negative goodwill arising on the merger with Quandoccorre S.p.A.; subsequently, it decreased to cover the 2009 losses carried forward.

As at 31 December 2022, in accordance with IAS 19, the net actuarial gain of EUR 87 thousand - resulting from the difference between the value of expected benefits calculated for the period of reference and the actual benefit resulting from the new measurement assumptions at the end of the period - was accounted for in equity.

As a reduction of equity as at 31 December 2021, the fair value of the derivative contract put in place to hedge the risk of interest rate changes granted to the New Loan was recognised; the closing of the derivative contract in 2022 led to the recognition of the change in fair value in the statement of comprehensive income for the amount of EUR 14 thousand.

The value of Other reserves is net of the negative reserve for the buyback of treasury shares in portfolio, amounting to EUR 6,361 thousand as at 31 December 2022.

Other reserves include the reserve of EUR 421 thousand related to the 2019-2021 Performance Shares Plan and the 2022-2024 Performance Shares Plan, as better specified in Note 21 and the reserve of EUR 257 thousand, originally generated for EUR 468 thousand following the assignment of treasury shares in the "Quanta" purchasing transaction, relating to the difference between the carrying amount of the shares at the various acquisition dates (EUR 4,349 thousand) and their fair value at the acquisition date (EUR 4,817 thousand), and partially utilised during the year for the amount of EUR 211 thousand for the allocation of the first tranche of treasury shares under the 2019-2021 Performance Shares Plan.

The following table summarises the availability and usability of reserves:

(In thousands of EUR)	Amount	Usability	Available portion	Use for coverage of losses over the past three years
Share capital	13,712		-	-
Legal reserve	2,812	B	2,812	-
Share premium reserve	31,545	A, B, C	31,545	-
Other reserves	76,007	A, B, C	75,329	-
Total	124,076			-
Available portion			109,686	

Key to symbols:

A = Share capital increase

B = Loss coverage

C = To be distributed to shareholders

It should be noted that a portion of distributable reserves of EUR 69,583 thousand was subject to the tax suspension regime pursuant to Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis.

19. Revenue

A breakdown of revenue by type of service, all in euro and mainly from Italian customers, is summarised in the following tables:

(In thousands of EUR)	2022	2021	Change
Revenue from contract work	724,434	623,694	100,655
Revenue from personnel recruitment and selection	430	278	152
Revenue from other activities	1,540	373	1,167
Expenses charged to Group companies	691	595	96
Total Revenue	727,095	624,940	102,070

The item "Revenue from other activities" mainly refers to consulting services provided to the public administration in the process of recruiting new personnel, in addition to services provided to start up traineeships, revenue for active labour policies, the sale of ad hoc training and other minor income. For the item "Expenses charged to Group companies", please refer to Note 31 relating to transactions with related parties.

In 2022, the Company's revenue amounted to EUR 727,095 thousand, compared to EUR 624,940 thousand in 2021. The economic and political scenario was characterised by high uncertainty, caused by the continuation of the Russia/Ukraine conflict. Despite the instability, revenue compared to the previous year were substantially constant, excluding the increase due to the merger by incorporation of the subsidiary Quanta S.p.A. with effect for statutory, accounting and tax purposes from 1 January 2022.

20. Other income

The item includes:

(In thousands of EUR)	2022	2021	Change
Recognition of contributions from Forma.Temp	13,005	10,440	2,565
Other sundry income	1,479	2,123	(672)
Total other income	14,484	12,563	1,893

The recognition of contributions from Forma.Temp refers to contributions received from said body for the repayment of the costs incurred for training courses for contract workers, included in the item costs for services. The contributions are recognised by the body on the basis of the specific reporting of costs to organise and carry out the training activities. The relevant revenue recognition occurs in a timely manner on the basis of the reporting of costs incurred for each course.

In 2021, the Other sundry income item mainly included a contribution received from the Agenzia Nazionale Politiche Attive del Lavoro (National Agency for Active Labour Market Policies) in support of professional training activities carried out by contract workers; income not pertaining to the period, such as the collection of previously impaired receivables and adjustments to the allocations of costs related to previous years, various reimbursements and other minor items, are included in the year 2022.

21a. Cost of contract work

The item includes:

(In thousands of EUR)	2022	2021	Change
Wages and salaries of contract workers	462,481	398,292	64,189
Social security charges of contract workers	135,566	115,966	19,600
Post-employment benefits of contract workers	25,752	22,057	3,695
Forma.Temp contributions for contract workers	17,904	14,950	2,954
Other costs of contract workers	6,170	4,073	2,097
Other costs for services provided	209	-	209
Total cost of contract work	648,082	555,338	92,744

Forma.Temp contributions refer to the compulsory payment to the bilateral body of approximately 4% of some elements of gross salaries of contract workers, to be allocated to promoting qualification courses for the workers themselves.

The cost of wages and salaries, as at 31 December 2022, is shown net of the salary supplement (Trattamento di Integrazione Salariale - TIS) amounting to EUR 936 thousand (EUR 2,131 thousand as at 31 December 2021), the value of which is reimbursed by Forma.Temp.

Other costs of contract workers mainly refer to additional charges such as luncheon vouchers and various refunds.

21b. Employee costs

The item includes:

(In thousands of EUR)	2022	2021	Change
Salaries and wages of employees	23,378	20,384	2,994
Social security costs of employees	6,516	5,859	657
Post-employment benefits of employees	1,640	1,356	284
Remuneration to the Board of Directors and committees	1,828	1,964	(136)
Social security costs of the Board of Directors	79	79	-
Long-term incentive	206	663	(457)
Other employee costs	1,728	912	816
Total employee costs	35,375	31,217	4,158

Other employee costs mainly refer to additional charges such as luncheon vouchers and various refunds.

The remuneration of key management personnel is indicated in Note 32.

During 2022, expenses relating to the reorganisation of personnel and extraordinary bonuses totalling EUR 709 thousand were incurred.

The average number of employees is set out below:

Average number of employees	2022	2021	Change
Executives - employees	3	2	1
White-collar staff - employees	645	539	106
Average total	648	541	107

The increase compared to the previous year is mainly due to the incorporation of the subsidiary Quanta S.p.A. with effect from 1 January 2022.

Long-term incentive

On 12 May 2017 and on 15 May 2018, the Board of Directors assigned a number of directors and key management personnel the option, i.e. the right to receive a sum of money corresponding to the increase in the value of the Openjobmetis S.p.A. shares at the end of the three-year vesting period and subject to the occurrence of the conditions contained in the "Information document relating to the incentive plan" based on the attribution of Phantom Stock Options available on the company website (to which explicit reference is made).

Subsequently, with a view to making a concrete contribution to the effort produced by the Company, at all levels, in dealing with the impact of the Covid-19 emergency, on 15 May 2020 all beneficiaries identified for the first tranche have formalised an unconditional and irrevocable waiver to the Board of the right to exercise options accrued for a value of approximately EUR 0.5 million, recognised as a reduction in personnel expense for the period.

The estimated cost for the last tranche of the Phantom Stock Option Plan was EUR 474 thousand (of which EUR 386 thousand is recognised in the previous financial year) and corresponds with the liability measured at fair value, representing the amount to be paid to employees for whom the unconditional right to receive payment accrued in relation to the tranche granted in 2018 under the Plan and the Regulations in force. The option was exercised in its entirety by the beneficiaries in January 2022, and the related liability had already been fully included in employee benefits as at 31 December 2021.

The Shareholders' Meeting of 17 April 2019 approved the adoption of a 2019-2021 Performance Shares Plan which provides for the right of some directors, key management personnel and other key employees to receive, at the end of the three-year vesting period, ordinary shares of the Company Openjobmetis S.p.A. subject to the achievement of certain Performance Objectives as described in the above Plan (to which explicit reference is made).

The Board of Directors identified the beneficiaries of each of the first three tranches of the Plan on 25 June 2019, 15 May 2020 and 14 May 2021.

The assessment of the cost assigned was estimated by considering the performance components related to the achievement of the adjusted, consolidated and cumulative three-year EBITDA targets compared to the plan targets (with 50% weight) and the Company's performance in terms of Total Shareholder Return compared to the companies that make up the FTSE Italia STAR index (with 50% weight), estimated using the Monte Carlo method, which, on the basis of suitable assumptions, made it possible to define a considerable number of alternative scenarios.

In May 2022, the first tranche was allocated to the beneficiaries, as defined by the relevant Plan, the total cost of which amounted to EUR 283 thousand over the three-year reference period.
The EUR 91 thousand estimated cost for the period of the remaining tranches of Performances Shares assigned corresponds to the change in the liability measured at fair value, representative of the value of the shares actually accrued by the beneficiaries in relation to the tranches allocated in 2019, 2020 and 2021. The related liability is included in the Equity item "Other reserves" at the reporting date.
The parameters used in the fair value measurement at the dates of assignment and valuation of the plan are as follows: share price at the valuation date of EUR 5.10 for the second tranche and EUR 8.87 for the third trance, expected dividend rate of 3.5%, discount rate of 0.40% for the second tranche and (0.26)% for the third tranche, vesting right of the "market based" component equal to 55% for the second tranche and 49% for the third tranche, annual volatility 32% for the second tranche and 29% for the third tranche, applying a reasonable estimate on the basis of historical volatility calculated with reference to the valuation date.
The per-unit fair value of the right to receive the bonus shares at the reporting date was EUR 4.76 for the second tranche and EUR 8.28 for the third tranche.

The Shareholders' Meeting of 19 April 2022 approved the adoption of a 2022-2024 Performance Shares Plan which provides for the right of some directors, key management personnel and other key employees to receive, at the end of the three-year vesting period, ordinary shares of the Company Openjobmetis S.p.A. subject to the achievement of certain Performance Objectives as described in the above Plan (to which explicit reference is made).
The Board of Directors, on the same date, identified the beneficiaries of the first tranche of the Plan.
The assessment of the cost assigned was estimated by considering the performance components related to the achievement of the adjusted, consolidated and cumulative three-year EBITDA targets compared to the plan targets (with 50% weight) and the Company's performance in terms of Total Shareholder Return compared to the companies that make up the FTSE Italia STAR index (with 50% weight), estimated using the Monte Carlo method, which, on the basis of suitable assumptions, made it possible to define a considerable number of alternative scenarios, and based on the Group's ESG performance, as determined by Sustainalytics, a leader in the provision of ESG research and ratings.
The EUR 94 thousand estimated cost for the period of the Performance Shares assigned corresponds to the change in the liability measured at fair value, representative of the value of the shares actually accrued by the beneficiaries in relation to the tranche allocated during the year. The related liability is included in the Equity item "Other reserves" at the reporting date.
The parameters used in the fair value measurement at the date of assignment and valuation of the plan are as follows: share price at the valuation date of EUR 11.16, expected dividend rate 4%, discount rate equal to 0.66%, annual volatility of 34%, applying a reasonable estimate based on historical volatility calculated with reference to the valuation date, and ESG rating as determined by Sustainalytics expected to be equal to 10.
The per-unit fair value of the right to receive the free shares as at the reporting date with regard to the first tranche was determined to be EUR 9.92 for the "non-market" component, and EUR 4.80 for the "market" component.

22. Cost of raw materials and consumables

The item mainly includes costs for consumables, stationery and other minor expenses.

23. Costs for services

The item includes:

(In thousands of EUR)	2022	2021	Change
Costs for organising courses for contract workers	13,028	10,466	2,562
Costs for updating skills of contract workers	-	1,157	(1,157)
Costs for tax, legal, IT, business consultancy	6,771	5,355	1,416
Costs for marketing consultancy	2,034	2,218	(184)
Fees to sourcers and professional advisors	4,647	4,549	98
Costs for advertising and sponsorships	2,020	1,909	111
Costs for utilities	1,284	949	335
Remuneration to the Board of Statutory Auditors	88	88	-
Costs for due diligence and consultancy services	142	847	(705)
Other	5,013	3,665	1,348
Total costs for services	35,027	31,203	3,824

Costs for organising courses for contract workers mainly refer to costs charged by training companies, for organising training activities carried out for contract workers, plus other accessory costs. This includes the costs incurred for related parties, as described in greater detail in Note 31. The costs borne by the organisational bodies mainly consist of services invoiced by independent experts. Against the precise and timely reporting of the costs incurred for the courses, Openjobmetis S.p.A. receives a specific refund from Forma.Temp and other bodies.

The item marketing consultancy includes the costs incurred for commercial development projects in certain geographical areas.

The item fees to sourcers and professional advisors refers to costs incurred to promote meetings with potential customers.

Costs for the upgrading of contract worker skills in 2021 were related to a specific professional upgrading programme promoted by the National Agency for Active Labour Market Policies.

Costs for advertising and sponsorships refer to ads, to costs for the dissemination of the corporate image and to the contribution as the main sponsor contribution of a sports company.

Other costs mainly include costs incurred for insurance, information on customer solvency, independent auditors' fees, published notices and sundry rentals.

24. Other operating expenses

The item includes:

(In thousands of EUR)	2022	2021	Change
Other expenses	735	804	(69)
Total other operating expenses	735	804	(69)

Other expenses include stamps, membership fees, other taxes such as waste taxes and advertising, minor taxes and penalties, and capital losses on the disposal of assets.

25. Impairment losses on trade and other receivables

For further details on the loss allowance, refer to the directors' report and note 29 below.

26. Net financial income (expense)

Net financial income and expense are shown in the following table:

(In thousands of EUR)	2022	2021	Change
Bank interest and other income	1	-	1
Interest income on trade receivables	33	33	-
Dividends from subsidiaries	4,911	1,100	3,811
Total financial income	4,945	1,133	3,812
Interest expense on loans	(198)	(242)	44
Interest expense on current accounts	(213)	(68)	(145)
Other interest expense	(217)	(269)	51
Total financial expense	(628)	(579)	(50)
Total financial income (expense)	4,317	554	3,762

Other interest expense mainly refers to the portion of costs attributable to each year deriving from application of the amortised cost method to the loan in accordance with IFRS 9, and the expense relating to the recognition of the right of use pursuant to IFRS 16, amounting to EUR 139 thousand.

Dividends from subsidiaries were received for EUR 2,284 thousand from the subsidiary Openjob Consulting S.r.l. (EUR 1,100 thousand in 2021) and for EUR 2,627 thousand from the subsidiary Seltis Hub S.r.l. (zero in 2021).

27. Income taxes

Income taxes recognised in profit or loss are broken down as follows:

(In thousands of EUR)	2022	2021	Change
Current taxes	4,111	3,491	620
Deferred tax assets	656	151	505
Deferred tax liabilities	(85)	(77)	(8)
Tax from previous years	(354)	(580)	226
Total income taxes	4,328	2,985	1,343

Current taxes as at 31 December 2022 totalling EUR 4,111 thousand refer to IRAP of EUR 1,198 thousand and to IRES of EUR 2,913 thousand.

Current taxes as at 31 December 2021 totalling EUR 3,491 thousand refer to IRAP of EUR 729 thousand and to IRES of EUR 2,762 thousand.

As at 31 December 2020, the Company benefited from the possibility of realigning the tax on the higher amounts of the assets recorded in the financial statements, specifically the amount of goodwill of EUR 71,736 thousand, in accordance with Law Decree 104/2020, Article 110, paragraphs 8 and 8-bis. This decision resulted in the recognition of deferred tax assets of EUR 20,158 thousand on that date against a substitute tax payable of 3% of the realigned value (EUR 2,152 thousand) to be paid in three instalments (two of which have already been paid at the reporting date). In addition, a tax suspension restriction was placed on reserves already existing in the equity for the amount of EUR 69,583 thousand.

Article 1, paragraphs 622-624 of Law 234/2021 (2022 Budget Law) subsequently intervened, retroactively modifying the tax regime of the amortisation of realigned goodwill pursuant to Article 110 of Law Decree 104/2020, providing for the increase of the minimum tax amortisation period from the ordinary 18 years to 50 years. Faced with the novelty of the lengthening of the tax amortisation plan, companies were essentially given three alternatives: (i) accepting such dilution and deducting a portion of amortisation referred to the higher values realigned to an extent not exceeding, for each tax period, one-fiftieth (ii) benefiting from the depreciation in eighteenths originally applicable by integrating the substitute tax to the extent corresponding to that established by Article 176, paragraph 2-ter of the Consolidated Income Tax Act (TUIR) (iii) revoking, even partially, the application of the tax rules of the aforementioned Article 110, in accordance with procedures and terms to be adopted by means of a Provision of the Director of the Italian Tax Authorities.

The Company, taking note of the regulatory change, decided to maintain the goodwill realignment option, thus diluting the tax amortisation period in fifty years. Based on the forecasts of taxable income generations in the 2023-2027 plan approved by the Board of Directors on 23 February 2023 and historical data, deferred tax assets, decreased by EUR 807 thousand as at 31 December 2022, were deemed fully recoverable in consideration of the possibility of absorption through the Company's future taxable income.

The following table shows the items that reconcile the difference between the theoretical tax burden at Italian rate and taxes actually charged to the year:

(In thousands of EUR)	2022	Rate	2021	Rate
Profit (loss) before taxes	16,034		13,525	
Theoretical income taxes (a)	3,848	24.00%	3,246	24.00%
Tax effect of permanent differences including:				
- cars	210		150	
- telephony	83		58	
- prior year income and expense	19		31	
- board and lodging	50		31	
- Other changes	770		(16)	
- ACE (Aiuto alla crescita economica, Aid to economic growth)	(291)		(418)	
- 10% IRAP deduction	(108)		(46)	
- Dividends/income from liquidation	(1,151)		(251)	
Subtotal (b)	(418)		(461)	
Income taxes recorded in the Financial Statements				
(current and deferred) excluding IRAP and realignment effect (a + b)	3,430	21.39%	2,785	20.59%
IRAP (current and deferred, excluding realignment)	1,252	7.81%	780	5.77%
Deferred tax assets on goodwill realignment, Law Decree 104/2020		0.00%	-	0.00%
Substitute tax for goodwill realignment, Law Decree 104/2020	-	0.00%	-	0.00%
Income taxes recorded in the Financial Statements (current and deferred)	4,682	29.20%	3,565	26.36%
Tax from previous years	(354)	(2.21%)	(580)	(4.29%)
Total taxes	4,328	26.99%	2,985	22.07%

Pursuant to Articles 117 to 129 of the Consolidated Income Tax Act (TUIR), agreements were signed between Openjobmetis S.p.A. and its subsidiaries Openjob Consulting S.r.l., Seltis S.r.l., HC S.r.l. and Family Care S.r.l. on the exercise of the option for the domestic tax consolidation scheme, thus benefiting from the possibility of offsetting taxable income against tax losses in a single tax return. The three-year agreements will be tacitly renewed for the following three-year period unless they are revoked.

28. Contingent liabilities

The Company is a party to pending disputes and lawsuits. Based on the opinion of legal and tax advisors, the directors do not expect that the outcome of these ongoing actions will have a significant effect on the financial position of the Company, in addition to what was already allocated in the consolidated financial statements.

During 2020, Quanta S.p.A., now merged by incorporation into Openjobmetis S.p.A. as of 1 January 2022, received a questionnaire from the Italian Tax Authorities concerning the VAT treatment of the financed professional training activities, intended for contract workers in 2015, 2016 and 2017. On 30 November 2020, the Italian Tax Authorities communicated assessment notice no. TMB067O00388/2020, concerning the alleged non-deductibility of VAT for the year 2015, equal to EUR 592,801.18, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest.

On 28 April 2021, Quanta S.p.A. filed an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 15 March 2022, who, in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal.

On 28 October 2021, the Italian Tax Authorities communicated an assessment notice no. TMB067O00227/2021 for 2016 with the same requirements as the previous one, for EUR 595,569.72. On 22 December 2021, Quanta S.p.A. served an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 21 June 2022, who in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal. It cannot be ruled out that, for both of the aforementioned years for which the Company has seen its arguments recognised, the Italian Tax Authorities may appeal against the first instance Tax Commission's rulings.

On 12 April 2022, the Italian Tax Authorities served an additional assessment notice no. TMB061T00096/2022 for 2017 to Openjobmetis S.p.A., as the incorporator of Quanta S.p.A., with the same requirements as the previous ones, for EUR 572,322.77. On 9 June 2022, the Company filed an appeal with a petition for discussion at a public hearing held on 17 January 2023; the outcome of the ruling is currently pending.

Pursuant to the contractual agreements in place, the seller of Quanta S.p.A., FDQ S.r.l., has issued a specific guarantee to cover any liability that may arise in relation to assessment notices concerning the undue deduction of VAT for the year 2015 and onward until 2020.

In 2021, the Italian Tax Authorities - Regional Lombardy Division - Office of Major Taxpayers, initiated a tax audit activity against the Parent, Openjobmetis S.p.A., with reference to the 2016 and 2017 tax periods.

The audit concerned the VAT treatment of financed professional training received by the Company in its capacity as client, aimed at contract workers.

On 23 December 2021, the Italian Tax Authorities communicated assessment notice no. TMB061T00556/2021, concerning the alleged non-deductibility of VAT for the year 2017, equal to EUR 2,727,981.88, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest. On 21 May 2022, the Company filed an appeal with a petition for discussion at a public hearing held subsequently on 29 November 2022, following which the Tax Commission handed down a favourable ruling on 3 January 2023, acknowledging the merits of the reasons set out in the appeal.

On 13 October 2022, the Italian Tax Authorities communicated assessment notice no. TMB061T00552/2021, concerning the alleged non-deductibility of VAT for the year 2016, amounting to EUR 2,072,364.00 with the same assumptions applied with reference to the year 2017.

Openjobmetis S.p.A., after consulting its advisors, believes that it has various reasons to support its actions and the actions of Quanta, for which it has taken over all legal relations and obligations following the merger by incorporation carried out on 1 January 2022 and stresses its firm opposition to the objections raised by the

Italian Tax Authorities and its willingness to proceed with litigation to the extent necessary for the recognition of its reasons.

The objections raised by the Italian Tax Authorities are part of a line of argument that has, to date, involved various Employment Agencies; consequently, the publication of new case law potentially favourable to the Company's defence cannot be ruled out in the coming months. To protect the interests of the category, associations representing Employment Agencies intervened, supporting initiatives directed at the competent institutional venues, including the complaint before the European Commission. Therefore, a favourable legislative intervention should not be excluded.

29. Financial instruments

(a) Credit risk

Exposure to credit risk

The carrying amount of the financial assets represents the Company's maximum exposure to credit risk. At the end of the reporting period, this exposure is set out below:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Held-to-maturity investments	3,263	5,009	(1,746)
Trade receivables	136,300	120,223	16,077
Cash and cash equivalents	1,911	5,095	(3,184)
Total	141,474	130,327	11,147

Trade receivables mainly refer to Italian customers.

There are no particular concentrations of trade receivables in specific sectors.

Exposure to the top ten customers' accounts for approximately 16% of total trade receivables as at 31 December 2022.

Impairment losses

The ageing of trade receivables at the end of the reporting period was as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Falling due	118,078	106,207	11,871
Past due from 0 to 90 days	16,375	12,313	4,062
Past due from 91 to 360 days	2,746	1,780	966
Past due 360 days or more	6,489	6,019	470
Total trade receivables	143,688	126,319	17,369

The changes in the loss allowance for trade receivables during the years were as follows:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Opening balance	6,096	5,455	641
Increase from merger	579	-	579
Impairment losses for the period	1,585	1,554	31
Use during the year	(872)	(913)	41
Closing balance	7,388	6,096	1,292

The Company allocates a loss allowance that reflects the estimate of impairment losses on trade receivables and on other receivables, whose main components are the individual impairment losses on significant exposures and the collective impairment loss on homogeneous groups of assets against losses that have not yet been identified. Collective impairment is determined on the basis of historical losses, adjusted if necessary by scale factors reflecting the differences between the economic conditions of the period during which the historical data was collected and the Company's point of view about the economic conditions over the entire expected life of the receivables. The loss allowance mainly relates to receivables that have been past due for more than 360 days.

The impairment loss for the year refers to the provision for estimated impairment losses on trade receivables as described above.

The Company constantly monitors its exposure to credit risk relating to relations with its customers, and adopts appropriate measures to mitigate them. Specifically, on the basis of the policies adopted by the Company, trade receivables that are past due are the subject of specific reminders and recovery actions, including forced. The result of these actions is considered in determining the loss allowance.

With reference to the potential elements of uncertainty deriving from the Russia-Ukraine conflict, to date there are no particular risk situations relating to the solvency of Openjobmetis customers compared to the period prior to that event. This is demonstrated by the average collection times (DSO), which stood at 67 days as at 31 December 2022, an improvement on the 69 days recorded as at 31 December 2021.

During the year the Company did not recognise expected impairment losses on held-to-maturity investments.

The Company uses loss allowances to recognise the impairment losses on trade receivables and on held-to-maturity investments; however, when there is the certainty that the amount due cannot be recovered, the amount considered irrecoverable is written off directly from the related financial asset.

(b) Liquidity risk

The contractual maturities of financial liabilities, including interest to be paid and excluding the effects of offsetting agreements, are shown in the following table:

Non-derivative financial liabilities	31 December 2022					
(In thousands of EUR)	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-5 years	More than 5 years
Line A Loan	(4,491)	(4,574)	(1,537)	(1,525)	(1,512)	-
Line B2 Loan	(4,284)	(4,345)	(1,460)	(1,449)	(1,436)	-
Loans	(1,000)	(1,000)	(1,000)	-	-	-
Non-guaranteed bank loans and borrowings	(15,774)	(15,774)	(15,774)	-	-	-
Lease liabilities	(12,354)	(12,961)	(1,937)	(1,937)	(8,532)	(555)
Trade payables	(11,931)	(11,931)	(11,931)	-	-	-
Other liabilities	(39,033)	(39,033)	(38,433)	-	(600)	-
Employee benefits *	(59,969)	(59,969)	(59,969)	-	-	-
Total	(148,836)	(149,587)	(132,041)	(4,911)	(12,080)	(555)

Non-derivative financial liabilities	31 December 2021					
(In thousands of EUR)	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-5 years	More than 5 years
Line A Loan	(7,474)	(7,685)	(1,562)	(1,549)	(4,574)	-
Line B2 Loan	(7,142)	(7,294)	(1,479)	(1,470)	(4,345)	-
Loans	(3,000)	(3,001)	(1,001)	(1,000)	(1,000)	-
Non-guaranteed bank loans and borrowings	(16,487)	(16,487)	(16,487)	-	-	-
Lease liabilities	(9,182)	(9,370)	(1,500)	(1,500)	(5,854)	(516)
Trade payables	(10,498)	(10,498)	(10,498)	-	-	-
Other liabilities	(38,484)	(38,484)	(37,584)	-	(900)	-
Employee benefits *	(52,162)	(52,162)	(52,162)	-	-	-
Total	(144,429)	(144,981)	(122,273)	(5,519)	(16,673)	(516)

* the item Employee benefits considers only short-term benefits that will generally be settled periodically.

The cash flows included in the above-mentioned tables are not expected to occur significantly in advance or for considerably different amounts.

Note that for Line B – Revolving of the New Loan outstanding as at 31 December 2022, unused as at the reporting date, contractual cash flows will have a maximum duration of six months.

(c) Interest rate risk

Floating rate financial liabilities are summarised below:

(In thousands of EUR)	31/12/2022	31/12/2021	Change
Non-guaranteed bank loans and borrowings	15,774	16,487	(713)
Line A Loan	4,491	3,000	1,491
Line B2 Loan	4,284	7,474	(3,190)
Loans	1,000	7,142	(6,142)
Total financial liabilities	25,549	34,103	(8,354)

If the interest rates had increased by 1% at the reporting date, the equity and the profit (loss) for the year would have been negatively affected, gross of the related tax effect, by approximately EUR 200 thousand. However, the potential effect of extreme circumstances that cannot be reasonably foreseen remains excluded.

(d) Fair value

Fair value and carrying amount

The following table shows the carrying amount recorded in the statement of financial position and the fair value of each financial asset and liability:

(In thousands of EUR)	31 December 2022		31 December 2021	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Held-to-maturity investments	3,263	3,263	5,009	5,009
Trade receivables and other assets	145,362	145,362	128,653	128,653
Cash and cash equivalents	1,911	1,911	5,095	5,095
Lease liabilities	(12,354)	(12,354)	(9,182)	(9,182)
Line A Loan	(4,491)	(4,491)	(7,474)	(7,474)
Line B2 Loan	(4,284)	(4,284)	(7,142)	(7,142)
Loans	(1,000)	(1,000)	(3,000)	(3,000)
Non-guaranteed bank loans and borrowings	(15,774)	(15,774)	(16,487)	(16,487)
Trade payables and other liabilities	(50,964)	(50,964)	(48,982)	(48,982)
Employee benefits	(60,556)	(60,556)	(52,790)	(52,790)
Total	1,113	1,113	(6,300)	(6,300)

Methods for determining fair value

The methods and main assumptions used for measuring the fair value of the financial instruments are shown below:

- *Non-derivative financial liabilities*

  Bank loans and borrowings and other financial liabilities bear interest at floating rate and therefore, also considering that they are indicated net of the related charges, no significant differences between the carrying amount and fair value were identified.

- *Derivative financial liabilities*

  The fair value of Interest Rate Swaps is equal to the present value of the future cash flows estimated on the basis of observable market parameters, and also compared with the prices of the financial intermediary with whom the contract was signed.
- *Trade and other receivables*

  The fair value of trade and other receivables is estimated based on future cash flows discounted using market interest rates at the reporting date. The fair value matches the carrying amount as it already reflects the impairment loss.

  For information concerning the interest rates used to discount the expected cash flows, where applicable, on the elements listed in the above table, mainly used for calculating the financial liabilities at amortised cost, refer to Note 12.
- *Fair value hierarchy*

  The following table shows the financial instruments recognised at *fair value* based on the valuation technique used. The different levels were defined as follows:

  Level 1: (unadjusted) prices quoted in active markets for identical assets or liabilities;

  Level 2: inputs other than quoted market prices defined in Level 1, which are observable for the asset or the liability, either directly (as in the case of prices), or indirectly (derived from prices);

  Level 3: inputs relating to the asset or liability that are not based on observable market data (data not observable).

(In thousands of EUR)	Hedging IRS	
	31/12/2022	31/12/2021
Level 1	-	-
Level 2	-	(14)
Level 3	-	-
Total	-	(14)

30. Leases

The Company, for the purposes of its business, makes use of several leases, especially for car rental and building lease.

31. Related parties

Some members of the Board of Directors hold a position in other bodies and may be in a position to exercise control or significant influence on the financial and management policies of such bodies.

The relationships entertained between the Company and related parties, as identified on the basis of the criteria defined in IAS 24 – Related Party Disclosures – are mainly commercial in nature.

During the year, the Company carried out transactions with some of the above-mentioned bodies as shown below. The general conditions governing these transactions were carried out in respect of and in line with normal market conditions.

During the meeting of 12 October 2015, the Board of Directors approved and subsequently updated, most recently on 29 June 2021, the related party transactions policy and procedure, in accordance with Article 2391-bis of the Italian Civil Code and with the "Related party transactions regulations" adopted by CONSOB with resolution no. 17221 of 12 March 2010 and subsequent amendments.

The total value of the transactions and residual balances is as follows:

(In thousands of EUR)	Total 2022	Subsidiaries	Other related parties	Total related parties	% weight on financial statement items
Revenue	727,095	557	-	557	0.08%
Other income	14,484	895	-	895	6.18%
Employee costs	35,375	28	3,003	3,031	8.57%
Costs for services	35,027	1,631	-	1,631	4.66%
Financial income	4,945	4,911	-	4,911	99.31%

(In thousands of EUR)	Total 2021	Subsidiaries	Other related parties	Total related parties	% weight on financial statement items
Revenue	624,940	694	-	694	0.10%
Employee costs	31,217	-	3,067	3,067	9.82%
Costs for services	31,203	1,300	-	1,300	4.20%
Financial income	1,133	1,108	-	1,108	97.80%

(In thousands of EUR)	Total 2022	Subsidiaries	Other related parties	Total related parties	% weight on financial statement items
Equity investments	5,152	5,152	-	5,152	100%
Receivables	136,300	177	-	177	0.13%
Other receivables	9,062	705	-	705	7.78%
Trade payables	11,931	1	-	1	0.01%
Other payables	39,033	293	-	293	0.75%

(In thousands of EUR)	Total 2021	Subsidiaries	Other related parties	Total related parties	% weight on financial statement items
Equity investments	36,272	36,272	-	36,272	100%
Receivables	120,223	69	-	69	0.10%
Other receivables	8,430	225	-	225	2.70%
Financial assets (current)	5,008	5,008	-	5,008	100%
Trade payables	10,498	-	-	-	0.00%
Other payables	37,584	385	-	385	1.00%

The items Revenue and Other Income from subsidiaries include amounts charged to Group companies as follows: Openjob Consulting S.r.l. for EUR 911 thousand (EUR 262 thousand in 2021), Seltis Hub S.r.l. for EUR 232 thousand (EUR 210 thousand in 2021), HC S.r.l. for EUR 86 thousand (EUR 94 thousand in 2021), Family care S.r.l. for EUR 178 thousand (EUR 128 thousand in 2021) and Lyve Srl for EUR 45 thousand (zero in 2021). These charges relate mainly to services supplied in favour of the subsidiaries for administrative, management and staff supply tasks and charges for seconded staff. Receivables from Group companies amounted to EUR 177 thousand, and refer for EUR 144 thousand for management and coordination activities (EUR 69 thousand as at 31 December 2021) from the subsidiary HC S.r.l., and EUR 33 thousand from the subsidiary Openjob Consulting S.r.l. (zero as at 31 December 2021) for the provision of personnel in December 2022.

The item Employee costs from Other related parties includes costs equal to EUR 1,828 thousand in 2022 (EUR 1,964 thousand in 2021) for the Board of Directors; EUR 815 thousand in 2022 (EUR 797 thousand in 2021) for key management personnel and EUR 360 thousand in 2022 (EUR 306 thousand in 2021) for salaries paid to close family members of senior managers.

The item Costs for services of Subsidiaries includes the costs charged by the subsidiary Openjob Consulting S.r.l. for EUR 1,631 thousand (EUR 1,276 thousand in 2021) for the processing of contract workers' pay slips and for training, by the subsidiary HC S.r.l. for EUR 13 thousand (EUR 11 thousand in 2021) and by the subsidiary

Lyve S.r.l. for EUR 62 thousand (EUR 13 thousand in 2021), both charged for training projects carried out in 2022, as well as for the chargeback of the rent of a building carried out by the latter and shared with the Parent. The payable to the subsidiary Lyve S.r.l., as at 31 December 2022, amounted to EUR 1 thousand (zero as at 31 December 2021).

The item Financial income from Subsidiaries amounting to EUR 4,911 thousand (EUR 1,108 thousand in 2021) refers to dividends paid by Openjob Consulting S.r.l. for EUR 2,284 thousand (EUR 1,100 thousand in 2021) and by Seltis Hub S.r.l. for EUR 2,627 (zero in 2021); in 2021, also included was interest income, amounting to EUR 8 thousand, accrued on the loan granted to the subsidiary Quanta S.p.A. The income related to dividends granted by both subsidiaries was entirely collected as at 31 December 2022.

The item Other Receivables includes receivables of the Company from Group companies for participation in the national tax consolidation scheme for a total of EUR 705 thousand, of which EUR 220 thousand from the subsidiary Openjob Consulting S.r.l. (EUR 225 thousand as at 31 December 2021) and EUR 485 thousand from the subsidiary Seltis Hub S.r.l. (zero as at 31 December 2021).

The item Other payables includes payables of the Company to Group companies for participation in the national tax consolidation scheme totalling EUR 293 thousand, of which EUR 64 thousand to the subsidiary HC S.r.l. (EUR 20 thousand as at 31 December 2021) and EUR 229 thousand to the subsidiary Family Care S.r.l. (EUR 337 thousand as at 31 December 2021).

The item Financial assets included, as at 31 December 2021, the Company's financial receivable from the subsidiary Quanta S.p.A. for a loan granted during 2021; as at 31 December 2022, there were no financial assets with other Group companies.

For Equity investments, see Note 5 of this document.

In the course of normal business, the Group has provided contract worker supply services and has collaborated with related parties for immaterial amounts and under market conditions.

32. Remuneration of members of the Board of Directors, key management personnel and members of the Board of Statutory Auditors

The general conditions that regulate the transactions with key management personnel and their related parties were not more favourable than those applied, or that could reasonably be applied, in the case of similar transactions with non-key management personnel associated with the same bodies at normal market conditions.

The total remuneration of key management personnel, recorded in the item Personnel expense and costs for services, amounted to EUR 2,643 thousand, of which EUR 1,828 thousand to members of the Board of Directors and EUR 815 thousand to key management personnel (EUR 2,771 thousand in 2021, of which EUR 1,964 thousand to members of the Board of Directors and EUR 807 thousand to key management personnel). In addition to salaries, the Company also offers certain key management personnel benefits in kind according to the ordinary contractual practice for company managers. It should be noted that the Board of Directors has assigned to Directors and key management personnel the option, i.e., the right to receive in the two years following the expiration of the three-year vesting period, which occurred in May of the previous year, a sum of money corresponding to the increase in the value of Openjobmetis S.p.A. shares subject to the occurrence of the conditions contained in the Plan Regulations available on the company website and to which explicit reference is made. It should be noted that the beneficiaries exercised all of their assigned rights in January 2022, and the related liability had already been fully recognised in the previous year's financial statements. The Shareholders' Meeting on 17 April 2019 resolved the adoption of a 2019-2021 Performance Shares Plan, and on 19 April 2022 approved the adoption of a 2022-2024 Performance Shares Plan, which provide for the right of directors, key management personnel and other key employees to receive, at the end of the three-year vesting period, ordinary shares of Openjobmetis S.p.A. subject to the achievement of certain Performance Objectives as described in the above Plan (to which explicit reference is made).

It should also be noted that the remuneration to certain Directors has been paid to their respective companies rather than to individual beneficiaries, according to an agreement between them and the companies in question, for a total of EUR 91 thousand (EUR 74 thousand in 2021).

For more information regarding fees of said managers, reference is made to the 2022-23 Remuneration Report published in the "Corporate Governance" section of the company website.

Remuneration to the Board of Statutory Auditors for 2022 amounted to EUR 88 thousand (EUR 88 thousand in 2021).

The total amount of transactions with said key management personnel and bodies over which they exercise control or significant influence is as follows:

Remuneration *(in thousands of EUR)*	Remuneration for offices held	Non-monetary benefits	Bonuses and other incentives	Total remuneration
Members of the Board of Directors	1,011	None	817*	1,828
Key Management Personnel	462	None	353*	815
Total BoD and Key management personnel	1,473	None	1,170	2,643

Remuneration *(in thousands of EUR)*	Remuneration of the parent	Non-monetary benefits	Bonuses and other incentives	Total remuneration
Board of Statutory Auditors	88	None	-	88
Total Board of Statutory Auditors	88	None	-	88
Total remuneration of key management personnel	1,561	None	1,170	3,384

*The amount includes a portion allocated in the year which will be paid out in 2023 subject to the achievement of specific results in relation to the acquisition of Quanta.

33. Atypical and/or unusual transactions

The separate consolidated financial statements as at 31 December 2022 do not show any income components or capital and financial items, either positive or negative, arising from atypical and/or unusual events and transactions, as defined in Consob communication no. DEM/606493 of 28 July 2006.

34. Subsequent events

On 27 February 2023, the Parent Openjobmetis S.p.A. acquired the minority interest equal to 7.14% of HC S.r.l., becoming the sole shareholder.

On 13 March 2023, the Boards of Directors of Lyve S.r.l. and HC S.r.l. presented and approved the plan for the merger by incorporation of HC S.r.l. into Lyve S.r.l.

35. Significant non-recurring events and transactions

In compliance with Consob communication no. DEM/6064293 of 28 July 2006, regarding events or transactions which are non-recurring or those transactions or events which do not occur frequently in the ordinary course of business, reference should be made to the comments made in Note 23, in relation to due diligence and consultancy services for acquisitions and costs for professional services for transactions on the regulated market for the amount of EUR 142 thousand (about 0.4% of costs for services), and in Note 21 b, in relation to charges referable to the reorganisation of personnel and extraordinary bonuses for the amount of EUR 709 thousand (about 2.0% of employee costs).

36. Information required by Law no. 124/2017, Article 1, paragraphs 125-129

It should be noted that during the year the company did not receive any public grants, subsidies, benefits, contributions or aid, in cash or in kind, which are not general in nature and are not a form of consideration, remuneration or compensation, in addition to what has already been published on the site:
https://www.rna.gov.it/RegistroNazionaleTrasparenza/faces/pages/TrasparenzaAiuto.jspx

37. Proposed allocation of profit for the year

The Board of Directors, taking into account the company's development projects, proposes to resolve as follows with respect to profit for 2022:

- Allocation of a dividend to the shareholders of EUR 0.50 per each entitled share (excluding treasury shares) up to a maximum of EUR 6,513,220.50
- Allocation to other reserves for EUR 5,193,190.13
- There was no allocation to the legal reserve, having reached one fifth of the share capital, as required by Article 2430 of the Italian Civil Code.

Milan, 15 March 2023

On behalf of the Board of Directors
The Chairman
Marco Vittorelli
(signed on the original)

STATEMENT ON THE SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH ARTICLE 154-BIS OF LEGISLATIVE DECREE 58/98 AS AMENDED AND SUPPLEMENTED

1. We the undersigned Rosario Rasizza, Managing Director, and Alessandro Esposti, Manager in charge of financial reporting of Openjobmetis S.p.A., hereby certify, taking into account, inter alia, the provisions of Article 154-bis, paragraphs 3 and 4, of Italian Legislative Decree no. 58 of 24 February 1998:

- the adequacy in relation to the characteristics of the company and
- the actual application of the administrative and accounting procedures for the preparation of the separate financial statements, during the year from 01/01/2022 to 31/12/2022.

2. In this regard, it should be noted that the adequacy of the administrative and accounting procedures used to prepare the separate financial statements as at and for the year ended 31 December 2022 was assessed on the basis of the assessment of the system of internal controls and for the audit of the processes directly or indirectly connected with the preparation of the accounting and financial statement data.

3. We confirm that:

I. The separate financial statements as at and for the year ended 31 December 2022:

- correspond with the information contained in the accounting ledgers and records;
- have been prepared in accordance with applicable international accounting standards recognised by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 as well as the provisions issued in implementation of Legislative Decree no. 38/2005;
- provide a true and fair view of the financial position, results of operations and cash flows of the issuer.

II. The Directors' Report of the separate and consolidated financial statements includes a reliable analysis of the operating performance and results, as well as the situation of the issuer, the events that have occurred during the year and their impact on the separate financial statements, together with the description of the main risks and uncertainties to which the issuer is exposed. The Director's Report also contains information on significant transactions with related parties. Pursuant to the provisions of Article 154-ter of Legislative Decree no. 58/98.

Milan, 15 March 2023

Managing Director	Manager in charge of financial reporting
Rosario Rasizza	Alessandro Esposti
(signed on the original)	(signed on the original)

KPMG

KPMG S.p.A.
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(The accompanying translated separate financial statements of Openjobmetis S.p.A. constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Openjobmetis S.p.A.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Openjobmetis S.p.A. (the "Company"), which comprise the statement of financial position as at 31 December 2022, the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include a summary of the significant accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Openjobmetis S.p.A. as at 31 December 2022 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of Openjobmetis S.p.A. in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of goodwill

Notes to the separate financial statements: 2 "Significant accounting policies" and 4 "Intangible assets and goodwill"

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2022 include goodwill of €95,582 thousand arising from non-recurring transactions and acquisitions carried out. It increased by €23,846 thousand compared to 31 December 2021, due to the merger of Quanta S.p.A. into the Company, which occurred on 1 January 2022. This goodwill is allocated to the cash-generating unit comprising the Company's and its subsidiaries' operating assets and liabilities, excluding Family Care S.r.l. which has been identified as a separate CGU. With the assistance of an external advisor, the directors tested the carrying amount of goodwill for impairment to identify any impairment losses compared to its recoverable amount. The impairment test was approved by the board of directors on 15 March 2023. The directors estimated the recoverable amount based on its value in use, calculated using the discounted cash flow model by discounting the expected cash flows set out in the 2023-2027 business plan approved by the board of directors on 23 February 2023. Impairment testing requires a high level of judgement, especially in relation to: • the expected cash flows, calculated by taking into account the general economic performance and that of the Group's sector and the actual cash flows generated by the cash-generating unit in recent years; • the financial parameters to be used to discount the above cash flows. For the above reasons and considering the materiality of the caption, we believe that the measurement of goodwill is a key audit matter.	Our audit procedures, which also involved our own specialists, included: • updating our understanding of the process adopted to prepare the 2023-2027 business plan and the impairment test and assessing the design and implementation of relevant controls; • checking any discrepancies between previous years forecast and actual figures, in order to check the accuracy of the estimation process; • analysing the reasonableness of the expected cash flows and the key assumptions used by the directors to prepare the business plan used for impairment testing. We also compared the expected cash flows and key assumptions to the CGU's historical figures and external information, where available; • assessing the reasonableness of the impairment testing model and related assumptions, especially in relation to the discount rate, based on the related components, and comparing them to publicly-available data and information; • checking any discrepancies between the most recent actual figures and the business plan forecasts and understanding the underlying reasons; • comparing the value in use arising from the impairment test to the market capitalisation; • checking the sensitivity analysis presented in the notes in relation to the main assumptions used for impairment testing; • assessing the appropriateness of the disclosures provided in the notes about the measurement of goodwill.

Measurement of trade receivables

Notes to the separate financial statements: 2 "Significant accounting policies", 9 "Trade receivables" and 29 (a) "Financial instruments – credit risk"

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2022 include trade receivables of €136,300 thousand, net of the loss allowance of €7,388 thousand. In Italy, the Company has a large number of customers operating in various sectors, especially small to medium sized companies. Accordingly, any worsening in the general market conditions or a negative performance of the credit market could have an adverse impact on the Company's transactions with these customers, affecting its ability to collect its trade receivables and affecting its working capital management. Considering the nature of existing trade receivables, the Company estimated the impairment losses on trade receivables based on a specific assessment of the exposures individually significant or under dispute. It also performed a collective assessment by groups of similar exposures. The loss allowance is based on the lifetime expected credit losses, estimated considering many factors, including: • the age of the trade receivable; • the customer's solvency; • historical figures, possibly adjusted by scalar factors to reflect the expected market conditions over the trade receivables' life. Accordingly, calculating the loss allowance requires a high level of judgement. For the above reasons and considering the materiality of the caption, we believe that the measurement of trade receivables is a key audit matter.	Our audit procedures included: • updating our understanding of the process adopted to monitor and manage credit risk; • assessing the design and implementation of relevant controls, including the Company's checks of its customers' solvency and assignment of a credit rating to them, the regular monitoring of past due exposures and of the implementation of the related recovery measures; • assessing the reasonableness of the trade receivable measurement model adopted by the Company, in relation to the collective and individual assessments, through discussions with the relevant internal departments and considering the Company's past experience and expectations about the market conditions over the trade receivables' life and our knowledge of its sector; • sample-based analysis of collections from customers after the reporting date relating to trade receivables existing at the reporting date; • on a sample basis and with reference to the main past due exposures, discussing the recoverability prospects with the relevant internal departments and checking their consistency, by assessing the reasonableness of estimates based on our understanding of the Company's business, its past experience, the reference environment and publicly-available information about its customers' financial position and performance; • sending written requests for information to the legal advisors assisting the Company with credit recovery and checking the individual assessments made by the Company for consistency with the information obtained; • assessing the appropriateness of the disclosures provided in the notes about the measurement of trade receivables.

Responsibilities of the Company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the Company or ceasing operations exist, or have no realistic alternative but to do so.

The _Collegio Sindacale_ is responsible for overseeing, within the terms established by the Italian law, the Company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to

the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 12 October 2015, the shareholders of Openjobmetis S.p.A. appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2015 to 31 December 2023.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The directors of Openjobmetis S.p.A. are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2022 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2022 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The directors of Openjobmetis S.p.A. are responsible for the preparation of the directors' report and the report on corporate governance and ownership structures at 31 December 2022 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the directors' report and the specific information presented in the report on corporate governance and ownership structures indicated by article 123-bis.4 of Legislative decree no. 58/98 with the Company's separate financial statements at 31 December 2022 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structures referred to above are consistent with the Company's separate financial statements at 31 December 2022 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Milan, 24 March 2023

KPMG S.p.A.

(signed on the original)

Luisa Polignano
Director of Audit

Report of the Board of Statutory Auditors pursuant to Art. 153 of Italian Legislative Decree 58/1998 and Art. 2429, paragraph 3, of the Italian Civil Code to the Shareholders' Meeting of Openjobmetis S.p.A. of 21 April 2023

Dear Shareholders,

The Board of Statutory Auditors, pursuant to Art. 153 of Italian Legislative Decree 58/1998 (TUF, 'Consolidated Law on Finance') and Art. 2429, paragraph 3, of the Italian Civil Code, is required to report to the Shareholders' Meeting, called to approve the financial statements, on the monitoring activity carried out, as well as on any omissions or censurable events recorded.

In particular, the Board of Statutory Auditors reports on the monitoring activity it is required to perform in relation to the obligations set forth in the applicable legislation and taking into account the 'Rules of conduct for Boards of Statutory Auditors of listed companies and according to the methods laid down in Consob Communication No. DEM/1025564 of 06/04/2001 and subsequent updates.

* * *

Appointment of the Board of Statutory Auditors

The Board of Statutory Auditors, in office on the date of this report, was appointed by the Shareholders' Meeting of 30 April 2021 for the three-year period 2021-2022-2023, in compliance with the allocation criterion set out in Art. 148, paragraph 1-*bis* of the Consolidated Law on Finance, and is composed of Chiara Segala (Chairperson), Manuela Paola Pagliarello and Roberto Tribuno (Standing Auditors). Alternate statutory auditors Marco Sironi and Alvise Deganello were appointed.
It should be noted that the Board of Statutory Auditors thus composed was also appointed in the subsidiaries Quanta S.p.A. and Quanta Risorse Umane S.p.A. from the date of their acquisition on 26 May 2021; it lapsed at the same time as the effective date of the merger by incorporation into Openjobmetis S.p.A. (1 January 2022 for Quanta S.p.A.) and the subsidiary Openjob Consulting S.r.l. (1 April 2022 for Quanta Risorse Umane S.p.A.).
From 8 April 2022, the Board of Statutory Auditors, in the same composition as the Parent Company, was appointed in the wholly-owned subsidiary Family Care S.r.l.

Significant events in the year

During the year, the Board of Statutory Auditors monitored observance of the law and of the Articles of Association and compliance with the principles of proper administration and has no observations to make in this regard.

The Board of Statutory Auditors received, from the Managing Director, the executive directors and the boards of directors of the subsidiaries, during meetings of the Board of Directors in which the Board of Statutory Auditors participates, adequate and timely information on the activities carried out, on the general operating performance and on the business outlook, as well as on the transactions of greatest economic, financial and equity importance carried out by the Company and its subsidiaries, also with regard to the frequency established by law. For a description of the most important transactions, please refer to the Board of Directors' Report on Operations, 'Main significant events in 2022' section and 'Main significant subsequent events' section which, as far as the Board of Statutory Auditors is aware, comprehensively summarise the most important events that concerned the Openjobmetis Group in 2022 and early 2023. It is worth mentioning, in addition to the mergers by incorporation mentioned above, the launch of a new program for the purchase of treasury shares carried out through a voluntary and partial Public Tender Offer for a maximum of 325,065 ordinary shares, which had a duration of 15 trading days, i.e. from 14 November 2022 to 2 December 2022.
The Board of Statutory Auditors acknowledges that the transactions of which it acquired knowledge conformed to the law and to the Articles of Association, were not manifestly imprudent or hazardous, did not involve a conflict of interests, and were in keeping with the resolutions adopted by the Shareholders' Meeting and, in any case, were not such as to compromise the integrity of company assets.

Atypical or unusual transactions, including intercompany transactions or transactions with related parties

Atypical and/or unusual transactions, according to Communication No. DEM/6064293 of 28 July 2006, *mean transactions that, owing to their significance/relevance, nature of the counterparties, object of the transaction, methods of determination of transfer pricing and timing of the event (proximity to the close of the year), may raise doubts as regards the accuracy/completeness of the information contained in the financial statements, conflicts of interests, the safeguarding of the company's assets or the protection of non-controlling investors*.

During 2022, as far as this Board of Statutory Auditors is aware, ordinary intercompany transactions were entered into in relation to general management activities, accounting and administrative assistance, management control, HR management, sales management, credit collection, EDP and data processing services, call centre, purchases made by the Parent Company from other Group companies, staff secondments, staff leasing, payslip processing services and subsequent obligations, personnel selection and staff training. Among the companies of the Openjobmetis Group, agreements were signed concerning the exercise of the option for the tax consolidation scheme. For full details, please refer to the section on 'Transactions with subsidiaries and related parties' in the Report on Operations and the 'Related Parties' notes to the Annual and Consolidated Financial Statements, also with regard to the characteristics of the transactions and their economic effects.

Pursuant to Art. 2391-*bis* of the Italian Civil Code and the Regulation on transactions with related parties approved by means of Consob Resolution 17221 of 12 March 2010 and subsequent amendments, the Board of Directors adopted a 'Related party transaction policy and procedure' (most recently updated on 29 June 2021); of activities in the area of related party transactions is vested in the 'Control, Risks and Sustainability Committee' set up on 30 April 2021, the date on which the current Board of Directors took office, which, composed exclusively of independent directors, receives and examines an at least quarterly disclosure on the execution of transactions with related parties and promptly reports on them during the meetings of the Board of Directors.

It is acknowledged that the Board of Statutory Auditors monitored the compliance of the 'Related Party transaction policy and procedure', adopted by the Board of Directors with the provisions of law and regulations, the adequacy of the procedures adopted for identifying related parties and ensuring that the transactions entered into with related parties were carried out in respect of the criteria of transparency and procedural and substantive correctness.
As part of the monitoring activities carried out, based on the information identified and received and, as far as this Board of Statutory Auditors is aware, no atypical or unusual transactions carried out with third parties, with Group Companies or with other related parties came to light. No critical issues emerged regarding adequacy, appropriateness and conformity with the Company's interests. The information contained in the Report on Operations is adequate with regard to intragroup and related party transactions.

Relations with the Auditing Firm

Observations and proposals regarding the findings and information requests contained in the report of the auditing firm; certification of compliance of the Non-Financial Statement; indication of any assignment of additional engagements to the auditing firm and the relevant costs; observations on any significant aspects that emerged during the meetings held with the auditors; independence of the auditing firm.

The Board of Statutory Auditors, also as the Internal Control and Audit Committee, in accordance with the provisions of Art. 19 of Italian Legislative Decree No. 39/2010, carried out the prescribed monitoring activity.

On 24 March 2023, the appointed Auditing Firm, KPMG S.p.A., entrusted with the statutory audit of the Company's annual financial statements and the Group's consolidated financial statements for the period 2015-2023, issued, in accordance with Art. 14 of Italian Legislative Decree No. 39/2010 and Art. 10 of (EU) Regulation 537/2014, its Report in which it expressed, outlining the key aspects of the legal audit of the annual financial statements and/or the consolidated financial statements:

a) a judgement without findings and information requests, showing that they conform to the regulations that govern their drafting and give a true and fair view of the financial and equity position, of the

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economic result and of the cash flows of the Openjobmetis Group as at 31 December 2022;

b) a judgement of consistency with respect to the report on operations and some specific information contained in the Report on Corporate Governance and Ownership Structures with the Consolidated Financial Statements of the Openjobmetis Group;

c) a judgement of compliance with applicable laws with respect to the drafting of the Report on Operations and some specific information contained in the Report on Corporate Governance and Ownership Structures;

d) an opinion of compliance of the consolidated and separate financial statements with the provisions of Delegated Regulation (EU) 2019/815, prepared in XHTML format, marked in all significant aspects in compliance with the provisions of the Delegated Regulation (EU) 2019/85. The separate section of the audit report on the consolidated financial statements containing the opinion of compliance with the aforementioned Delegated Regulation also includes after the opinion paragraph, the following paragraph - 'Certain information contained in the explanatory notes to the consolidated financial statements when extracted from the XHTML format in a XBRL application, due to certain technical limitations may not be reproduced in an identical manner with respect to the corresponding information that can be viewed in the consolidated financial statements in XHTML format'.

On 22 March 2023, the Independent Auditors also discussed with the Board of Statutory Auditors, as the Internal Control and Audit Committee, the contents later formalised in the Additional report set forth in Art. 11 of (EU) Regulation No. 537/2014, issued on 24 March 2023, in which it certifies that no significant deviations were identified in the internal control system in relation to financial disclosure and in the Company's accounting system. In addition, no audit differences were identified to be brought to the attention of the Internal Control and Audit Committee.

The Board of Statutory Auditors, in turn, sends this report to the Board of Directors according to the provisions of Art. 19 of Italian Legislative Decree 39/2010.

The Board of Statutory Auditors periodically met with the Auditing Firm (KPMG S.p.A.), for the purposes of monitoring the process for drawing up the financial disclosure, the legal audit of the annual financial statements and the consolidated financial statements, and to guarantee the prompt exchange of the relevant data and information for the fulfilment of the respective duties. During these meetings, the Board of Statutory Auditors was informed about the key and significant aspects that emerged during the audit and no censurable events or irregularities came to light such as to require reporting pursuant to Art. 155, paragraph 2, of the TUF, nor any aspects that need to be mentioned in this report.

On 24 March 2023, the Auditing Firm issued, as required by Art. 3, paragraph 10, of Italian Legislative Decree No. 254/2016 and Art. 5 of Consob Regulation implementing Italian Legislative Decree 254/2016, the certification of conformity of the information contained in the Consolidated Non-Financial Statement which was approved by the Board of Directors on 15 March 2023 as a separate document from the Report on Operations, accompanying the 2022 Annual Financial Report. The Auditing Firm specifies that the above certification does not extend to the information contained in 'The European Taxonomy' section.

The Auditing Firm declared the fulfilment of the independence requirement, as required by Art. 19 of Italian Legislative Decree 39/2010 and Art. 6 of (EU) Regulation No. 537/2014; the Board of Statutory Auditors also acknowledged the 2022 Transparency Report prepared by KPMG S.p.A., published on its website pursuant to Art. 18 of Italian Legislative Decree 39/2010; as a result of these discussions, it believes that no situations come to light which may compromise its independence.

During 2022, the Board of Statutory Auditors, in its continuous monitoring activities regarding the possible assignment to the Auditing Firm of services other than those pursuant to Art. 5, paragraph 1, of (EU) Regulation 537/2014, carried out the checks provided for in Art. 4, paragraph 2, of (EU) Regulation 537/2014, acknowledging that the company complies with the provisions as provided therein.

With reference to the financial year ended 31 December 2022, KPMG S.p.A. carried out the following services for the Company and for the Group companies for a total amount of EUR 267,396.00, broken down as follows:

a) legal audit of Openjobmetis S.p.A.: EUR 180,000.00;

b) legal audit of the subsidiaries: EUR 51,000.00;

c) activities regarding the Consolidated Non-Financial Statement pursuant to Italian Legislative Decree 254/2016: EUR 16,396.00;

d) activities for the Forma.Temp statement of Openjobmetis S.p.A.: EUR 4,500.00;

e) activities for the Forma.Temp statement of the subsidiary Family Care S.r.l.: EUR 4,500.00;
f) assurance activities relating to the synergy verification in Quanta transaction - last phase, EUR 3,000.00;
g) auditing of the statement of expenses incurred by employees of Openjobmetis S.p.A.: Euro 8,000.00.

It should be noted that the Board of Statutory Auditors, following a specific and in-depth assessment, in compliance with the provisions of EU Regulation 537/2014, gave a favourable opinion to the aforementioned services other than the audit activities already subject to the nine-year assignment and those defined as mandatory for the independent auditors.

During the periodic meetings, the Board of Statutory Auditors also discussed with the Auditing Firm the issues which, according to ESMA, must be the subject of specific focus by the issuing companies and the Supervisory Authorities of the individual countries. During the periodic meetings, the Board of Statutory Auditors monitored, together with the Auditing Firm, the changes related to the publication of the Annual Financial Report in ESEF format in accordance with the Delegated Regulation (EU) 2019/815 and identified the obligations of the Company for 2022 and 2023.

During the 2022 financial year, the Board of Statutory Auditors (one year in advance, as is the practice now widespread among listed companies) started and concluded the procedure for selecting the new entity in charge of the statutory audit for the nine-year period 2024-2032 to pursuant to Art. 13 of Italian Legislative Decree 39/2010 and Art. 16 paragraph 2 of EU Regulation no. 537 of 16 April 2014. The Recommendation for the Shareholders' Meeting was prepared on 7 December 2022 and made available to the public on 21 March 2023.

Any presentation of statements pursuant to Art. 2408 of the Italian Civil Code and complaints; initiatives undertaken and associated outcomes

During the year 2022 and up until today’s date, no statements were received by the Board of Statutory Auditors pursuant to Art. 2408 of the Italian Civil Code, nor any complaints.

Opinions issued by the Board of Statutory Auditors

During 2022, the Board of Statutory Auditors, following examination, expressed, in particular:

- a favourable opinion on the determination of the remuneration of the directors vested with special offices and/or executive roles pursuant to Art. 2389, paragraph 3 of the Italian Civil Code, verifying that the proposals were in line with the remuneration policy;
- a favourable opinion on the approval of the 2022 Audit Plan pursuant to Art. 6, Recommendation 33, letter c), of the Corporate Governance Code;
- a favourable opinion on the correct use of the accounting standards and their homogeneity for the purposes of the drafting of the 2021 consolidated financial statements pursuant to Art. 6, Recommendation 35, letter a) of the Corporate Governance Code;
- a favourable opinion pursuant to Art. 19, paragraph 1, letter e), of Italian Legislative Decree 39/2010 concerning the assignment to the Auditing Firm of tasks other than those provided for in Art. 5 of (EU) Regulation 537/2014;
- a favourable opinion on the co-option of the Director Lucia Giancaspro on 16.03.2022 pursuant to Art. 2386, paragraph 1 of the Italian Civil Code.

In 2023 and up until today’s date, the Board of Statutory Auditors issued the following opinions, in particular:

- a favourable opinion on the approval of the 2023 Audit Plan pursuant to Art. 6, Recommendation 33, letter c), of the Corporate Governance Code;
- a favourable opinion on the correct use of the accounting standards and their homogeneity for the purposes of the drafting of the 2022 consolidated financial statements pursuant to Art. 6, Recommendation 35, of the Corporate Governance Code;
- a favourable opinion on the proposed determination of the remuneration of the directors vested with special offices and/or executive roles pursuant to Art. 2389, paragraph 3 of the Italian Civil Code;
- a favourable opinion pursuant to Art. 19, paragraph 1, letter e), of Italian Legislative Decree 39/2010 concerning the assignment to the Auditing Firm of tasks other than those provided for in Art. 5 of (EU) Regulation 537/2014.

Frequency and number of meetings of the Board of Directors and the Board of Statutory Auditors

In 2022, the Board of Statutory Auditors' supervisory activities, in compliance with emergency regulations, both in audio-video conference and in presence, were carried out over the course of the 28 meetings of the Board of Statutory Auditors, taking part in the 10 meetings of the Board of Directors, as well as through the participation of the Board of Statutory Auditors, jointly or through its Chairperson, in the 9 meetings of the Control, Risk and Sustainability Committee, in the 7 meetings of the Remuneration Committee and in the Shareholders' Meeting of 19 April 2022. The Board of Statutory Auditors also participated in the induction session organised by the Company in 2022. The Board of Statutory Auditors met 9 times in 2023 up until the date of drafting of this Report.

In February 2023, the Board of Statutory Auditors in office carried out the annual self-assessment procedure to verify that its members continued to meet the requirements of independence, professionalism, competence and integrity, including an evaluation of additional qualitative, quantitative and functioning profiles, as required by the reference legislation. With respect to the independence requirements set forth in Recommendation 7), letter E) of the Corporate Governance Code, the Board of Statutory Auditors, in the self-assessment activity, gave an account of having has assessed that the definition 'if he/she has been a director of the company for more than nine financial years, even if not consecutive, out of twelve' is to be understood from the date of commencement of listing, which in this case was in December 2015.

The checks conducted did not highlight any corrective measures to be implemented.

Observations on respect for the principles of proper administration

In exercising its functions, the Board of Statutory Auditors, as required by Art. 2403 of the Italian Civil Code and Art. 149 of the Consolidated Law on Finance, monitored observance of the law and of the Articles of Association and respect for the principles of proper administration.

The Board of Statutory Auditors, also through constant participation in the meetings of the Board of Directors and the meetings of the internal Board committees, monitored the diligent conduct of the directors, the aspects of substantive legitimacy of the management decisions made and the correctness of the decision-making procedure, verifying that the management decisions were based on the principle of correct information and reasonableness and that they were consistent and compatible with the available resources and the risk assumed in the company's interest.

As far as it is aware, the Board of Statutory Auditors believes that no transactions were carried out which were unrelated to the corporate purpose, manifestly imprudent, hazardous or demonstrably suited to prejudicing the integrity of company assets.

Observations of the adequacy of the organisational structure

The Board of Statutory Auditors acquired knowledge of the organisational structure, constantly gathering information during its mandate, verifying the system of delegations, proxies, procedures and company organisational charts, and periodically meeting the managers of the various functions, receiving constant information flows from the Managing Director and from the managers of the identified functions.

The Board of Statutory Auditors, in relation to the dimensions of the Company, the corporate purpose and the characteristics of the company, believes that the company's organisational structure is adequate for the issues under its responsibility.

Adequacy of the Internal Control System

The Board of Statutory Auditors monitored the adequacy and functioning of the internal control system:

- by acquiring the reports and judgements issued by the Managing Director in charge of the Internal Control and Risk Management System;
- by acquiring the reports and judgements issued by the Control, Risks and Sustainability Committee and participating in the meetings of the aforementioned Committee;
- by acquiring the reports prepared and the audits conducted by the Internal Audit department, as well as the Audit Plan proposed; by meeting periodically with the head of the department and obtaining reassurance from said individual regarding the adequacy of the resources assigned for the performance of his/her activities with respect to the 2022 and 2023 Audit Plan; by acquiring information on the

improvements and remediation of any non-conformities/anomalies identified during the audit, also verifying the timeframe for their implementation and remediation;

- by acquiring and receiving information regarding the identification of the risks evaluated for the Company and the associated update;
- by acquiring the reports and judgements issued by the Auditing Firm; by periodically meeting the Auditing Firm;
- by verifying that the Company is equipped with a constantly updated Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001; by acquiring half-yearly and annual reports and periodically meeting the Supervisory Body and receiving confirmation regarding the internal training activities;
- by evaluating the promptness of the flows from the entities involved in the Internal Control and Risk Management System, in the case of anomalies and/or extraordinary events;
- by evaluating the promptness in the request for an additional non-planned audit in the event anomalies are identified by the Director in charge of the Internal Control and Risk Management System;
- by acknowledging the positive judgement of the Board of Directors in relation to the adequacy and effective functioning of the Internal Control and Risk Management System for 2022.

The Board of Statutory Auditors considers the Internal Control and Risk Management System to be essentially adequate, and hopes that it will continue to be strengthened.

Adequacy of the administrative-accounting system and its reliability in correctly representing operating events

The Board of Statutory Auditors monitored the adequacy of the administrative-accounting system and its reliability in correctly representing operating events, as well as the financial disclosure process, through:

- the acquisition of information from the Manager in charge of preparing financial reports;
- the acknowledgement of the certifications issued by the Managing Director and the Manager in charge of preparing financial reports pursuant to Art. 154-*bis* of Italian Legislative Decree 58/1998;
- verifying compliance with the appropriate administrative and accounting procedures prepared by the Manager in charge of preparing financial reports;
- verifying observance of the accounting standards applied in preparing the annual financial statements and the consolidated financial statements;
- the acquisition of the periodic Reports of the head of the Internal Audit department and the results of the tests for the purposes of Italian Law 262/05;
- the substantial and formal verification of the Impairment Test process;
- the acquisition of the reports and constant exchange of information during the periodic meetings with the Auditing Firm;
- the obtainment of corporate documents and of the procedures implemented.

In the opinion of the Board of Statutory Auditors, there are no elements that lead to believe that the administrative-accounting system is not adequate or that it is not reliable in correctly representing operating events, and no deficiencies or facts came to light that need to be reported to the Shareholders' Meeting.

Observations on the adequacy of the provisions handed down by the company to the subsidiaries pursuant to Art. 114, paragraph 2, of Italian Legislative Decree 58/1998

The Board of Statutory Auditors considers as adequate the system of provisions targeted at the subsidiaries pursuant to Art. 114, paragraph 2, of the TUF, to enable the Company to fulfil the public disclosure obligations set forth by law.

Company's adherence to the Corporate Governance Code

The Company has adhered to the Corporate Governance Code.

For the purposes of the requirements of said Code, the Board of Statutory Auditors, among other activities:

- received and examined the Report on Corporate Governance and Ownership Structures, in which it adequately details the Company's compliance with the Code; in the Report on Corporate Governance and Ownership Structures, the Company, in the event in which it does not adhere to the recommendations of the Code, explains the reasons for any non-compliance as requested;

- was able to verify that the Board of Directors, in evaluating the independence of its non-executive members, correctly applied the criteria identified in the Code and the principle of the prevalence of substance over form indicated therein, having applied, to this end, a transparent assessment procedure, the characteristics of which are described in the aforementioned Report on Corporate Governance and Ownership Structures for 2022;
- having acknowledged that the Board of Directors, which met on 23 February 2023, examined the recommendations of the Corporate Governance Committee contained in the letter of 25 January 2023, for the purposes of the necessary decisions in this regard.

Additional activities carried out by the Board of Statutory Auditors

The Board of Statutory Auditors evaluated the separate financial statements and the consolidated financial statements, verifying the promptness and correctness of the drafting of the documents that make up the financial statements as well as the procedure used to prepare said documents, including with reference to the required ESEF format.

The Board of Statutory Auditors verified the reliability of the contents of the Report on Operations prepared by the Board of Directors. In the Report, it is acknowledged that the main risks and uncertainties are summarised, and details are provided on the business outlook of the Company and of the Group.

The Board of Statutory Auditors, as required by Italian Legislative Decree 254/2016 and Consob Regulation 20267/2018, monitored the observance of the provisions established in Art. 3, paragraph 1, of Italian Legislative Decree 254/2016 concerning the Consolidated Non-Financial Statement, and has no observations to make in this regard.

The Board of Statutory Auditors verified that the Report on Corporate Governance and Ownership Structures contains the information required by Art. 123-*bis* of the Consolidated Law on Finance and the considerations reached by the Board of Directors regarding the recommendations formulated in the letter of 25 January 2023 by the Chairperson of the Corporate Governance Committee.

The Board of Statutory Auditors verified the contents of the Remuneration Report and the fees paid pursuant to Art. 123-*ter* of the Consolidated Law on Finance and 84-*quater* of the Issuers' Regulation and the Remuneration Policy for 2023.

The Board of Statutory Auditors has verified that specific information has been provided in the Report on Operations on the possible financial impact of the Russia-Ukraine conflict, on the current macroeconomic context, and has supervised the activities and procedures put in place following the pandemic spread of the COVID-19 virus, including the procedures to ensure the proper management of information flows, constantly monitoring what the company has put in place with reference to the potential economic and financial impact and Esma recommendations.

Closing evaluations regarding the monitoring activities carried out as well as regarding any omissions, censurable events or irregularities identified during said monitoring activities

During the monitoring activity described above, no censurable events, omissions and irregularities were identified that need to be highlighted in this report.

Indication of any proposals to be presented to the Shareholders' Meeting pursuant to Art. 153, paragraph 2, of Italian Legislative Decree 58/1998

The Board of Statutory Auditors does not believe that elements exist such as to require the exercising of the right to formulate proposals to the Shareholders' Meeting pursuant to Art. 153, paragraph 2, of the Consolidated Law on Finance.

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Taking account of the information outlined above and for matters within its competence, the Board of Statutory Auditors, based on the monitoring activities performed, and the information resulting from the certifications issued jointly by the Managing Director and the Manager in charge of preparing financial reports, the report prepared by the Auditing Firm and the relevant judgement on the financial statements, has no objections to the approval of the financial statements for the year ended as at 31 December 2022, in compliance with the proposal by the Board of Directors and regarding the proposals formulated to the Shareholders' Meeting by the Board of Directors for the allocation of profit for 2022 and the disbursement of a dividend.

Milan, 24.03.2023

The Board of Statutory Auditors

Chiara Segala

Manuela Paola Pagliarello

Roberto Tribuno

openjobmetis

Openjobmetis S.p.A
EMPLOYMENT AGENCY – Aut.Prod: N.1111 – SG dated 26/11/2004

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