Esprinet Group

Half-year Financial Report as at 30 June 2023

Approved by the Board of Directors on 12 September 2023

Parent Company:

Esprinet S.p.A.
VAT Number: IT 02999990969
Companies' Register of Milan, Monza and Brianza, Lodi and Tax Number: 05091320159
R.E.A. (economic and administrative index) 1158694
Registered Office and Administrative HQ: Via Energy Park, 20 - 20871 Vimercate (MB)
Subscribed and paid-in share capital as at 30/06/2023: Euro 7,860,651

www.esprinet.com - info@esprinet.com

Company Officers

Board of Directors:

(Mandate expiring with approval of the financial statements for the year ending 31 December 2023)

Chairman	Maurizio Rota	
Deputy Chairman	Marco Monti	
Chief Executive Officer	Alessandro Cattani	(CSC)
Director	Chiara Mauri	(InD) (CSC)
Director	Angelo Miglietta	(InD) (RNC) (CRC)
Director	Lorenza Morandini	(InD) (CSC)
Director	Emanuela Prandelli	(InD) (RNC)
Director	Renata Maria Ricotti	(InD) (RNC) (CRC)
Director	Angela Sanarico	(InD) (CRC)
Secretary	Manfredi Vianini Tolomei	Studio Chiomenti

Key:
InD: Independent Director
CRC: Member of the Control and Risks Committee
RNC: Member of the Remuneration and Nomination Committee
CCS: Member of the Competitiveness and Sustainability Committee

Board of Statutory Auditors:

(Mandate expiring with approval of the financial statements for the year ending 31 December 2023)

Chairman	Maurizio Dallocchio
Standing auditor	Maria Luisa Mosconi
Standing auditor	Silvia Muzi
Alternate auditor	Vieri Chimenti
Alternate auditor	Riccardo Garbagnati

Independent Auditors:

(Mandate expiring with approval of the financial statements for the year ending 31 December 2027)

PricewaterhouseCoopers S.p.A.

Waiver of obligation to provide information on extraordinary transactions

Pursuant to Article 70, paragraph 8, and Article 71, paragraph 1-bis, of the Issuers' Regulation issued by CONSOB, on 21 December 2012 the Board of Directors of Esprinet S.p.A. resolved to make use of the right to waive the obligation to publish the information documents stipulated for significant transactions relating to mergers, demergers, increases in capital by the contribution of goods in kind, acquisitions and transfers.

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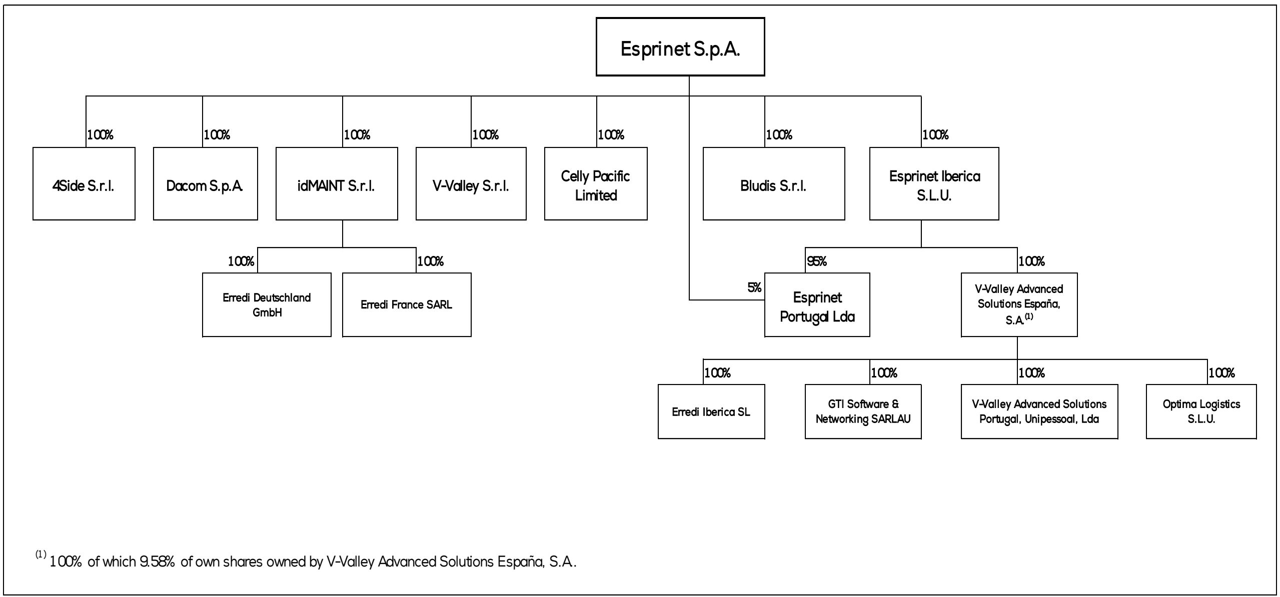
Activities and structure of the Esprinet Group

1. General information about the Esprinet Group

The structure of the Esprinet Group as at 30 June 2023 is as follows:



From a legal standpoint, the parent company Esprinet S.p.A. was founded in September 2000 following the merger of two leading Italian distributors, Comprel S.p.A. and Celomax S.p.A.
The Esprinet Group later assumed its current composition as a result of the carve-out of micro-electronic components from the parent company and of various business combinations and establishment of new companies.

This report will refer to the 'Italian Subgroup' and the 'Iberian Subgroup'.
At period end, the Italian Subgroup includes not only the parent company Esprinet S.p.A., but also the companies it directly controls, V-Valley S.r.l., Celly Pacific LTD., 4Side S.r.l., Bludis S.r.l., Dacom S.p.A. and idMAINT S.r.l..
For the purposes of the representation under the Italian Subgroup, the subsidiary idMAINT S.r.l. is also understood to include its wholly-owned subsidiaries Erredi Deutschland GmbH, Erredi France SARL, (collectively the "idMAINT Group"), merely companies for procuring sales in service of Dacom S.p.A..

At the same date, the Iberian Subgroup is instead made up of the Spanish operating sub-holding Esprinet Iberica S.L.U. and its subsidiaries Esprinet Portugal Lda and V-Valley Advanced Solutions España, S.A (formerly GTI Software Y Networking S.A.). For the purposes of representation within the Iberian Subgroup, the subsidiary V-Valley Advanced Solutions España, S.A. is understood to also include its wholly-owned subsidiaries V-Valley Advanced Solutions Portugal Unipessoal Lda, GTI Software & Networking SARLAU, Optima Logistics S.L.U. and Erredi Iberica SL. (acquired from the company idMAINT S.r.l. on 29 May 2023).

Esprinet S.p.A. has its legal and administrative headquarters in Vimercate, Italy (Monza and Brianza) and has its own logistic sites in Cambiago (Milan) and Cavenago (Monza and Brianza).
Esprinet S.p.A. uses the services provided by Intesa Sanpaolo S.p.A. for specialist activities.

2. Target Market Trend

The technology distribution industry

Europe

In the first half of 2023, the IT and electronics distribution industry, measured by the research company Context (June 2023), with reference to a panel of distributors largely representative of the general trend, generated sales of around 41.1 billion euro, down (-2.9%) compared with the same period of the previous year (sales in the first half of 2022 came to roughly 42.3 billion euro).
Delving into the breakdown by quarter, the April-June 2023 period recorded a negative performance compared to the previous year (-6.3%), after the flat result in the first three months (+0.3%).

Germany, the main European market with approximately 8.4 billion euro in sales, decreased by 3.4% while the United Kingdom and Ireland, second in terms of importance, recorded sales of 7.1 billion euro, marking a -5.4% decrease over last year.
Italy, confirmed third in terms of the volume of sales - roughly 4.4 billion euro -, recorded a reduction of 2.5% in turnover. By contrast, Spain and Portugal recorded an increase of +5.9% (with sales of 3.3 billion euro) and a decrease of -4.8% (sales came to roughly 761 billion euro) respectively.

The table below summarises the distribution trend in the first two quarters:

	1Q 2023 vs 2022	2Q 2023 vs 2022	1H 2023 vs 2022
Total	**0.3%**	**-6.3%**	**-2.9%**
Germany	1.8%	-9.0%	-3.4%
UK-Ireland	-2.3%	-8.7%	-5.4%
Italy	**-1.0%**	**-4.1%**	**-2.5%**
France	2.5%	-4.2%	-0.8%
Spain	**9.1%**	**2.7%**	**5.9%**
Poland	-7.1%	-11.9%	-9.5%
Netherlands	-0.8%	-10.2%	-5.4%
Switzerland	1.0%	-0.2%	0.5%
Sweden	-3.3%	-3.8%	-3.6%
Belgium	2.9%	-10.0%	-3.4%
Czech Republic	6.7%	-2.2%	2.4%
Austria	-2.0%	-9.2%	-5.4%
Denmark	-1.1%	-11.9%	-6.2%
Portugal	**-3.1%**	**-6.7%**	**-4.8%**
Norway	-0.7%	3.7%	1.4%
Finland	-3.9%	-3.1%	-3.5%
Baltics	2.5%	-8.8%	-3.1%
Slovakia	19.9%	14.3%	17.1%

Source: Context, June 2023

Italy

In the first half of 2023, the Italian technology distribution market mapped in the Context Panel declined by 2.5% compared with the same period in 2022.
Following a decrease of 1.0% in the first quarter, the second quarter recorded a drop of -4.1% compared to the second quarter of the previous year.

Mobile Computing (notebooks and tablets) and Desktop Computing had the biggest impact on Italy's negative performance: accounting for roughly 18% of the total turnover, together they registered a decrease of 19.1%.
Smartphones, the second most important category (18% of total sales in Italy), recorded growth (+5.8%) compared to the first six months of 2022.
Printers and consumables also recorded a slight increase: +1.7%.
By contrast, the monitors category showed a drop of 35.2%. Televisions, whose demand was no longer sustained by Government concessions, reported a decrease of -13.6%.
Lastly, it is important to note that, thanks in particular to investments by companies and the Public Administration connected with the National Recovery and Resilience Plan, the product categories connected with Software and the world of Data centres recorded increases of +8.9% and +15.1% respectively.
In Italy, the Group on the whole recorded a downturn in sales of 9%, underperforming the market.
"Business" customers in the distribution market was substantially in line with last year (-0.6%) and the Group's sales in this segment followed an essentially similar trend to the variation shown by the market.
The "retail" market segment fell by 6.3%, in this case the Group underperformed, registering a decrease of -25.0%.

Spain

In the first half of 2023, the Spanish technology distribution market recorded growth of 5.9% compared to the same period of the previous year, with the quarter just closed up +2.7%, with growth slowing from 9.7% registered in the first three months.
Albeit with a lower impact, also in Spain, the Mobile Computing (notebooks and tablets) and Desktop Computing categories, which together account for 19% of total sales, saw their turnover decline (-8.8%).
Smartphones, the second most important category (15% of total sales in Spain), recorded growth (+3.6%) compared to the first six months of 2022.
A trend very similar to the Italian market was also recorded for printers and consumables, whose incidence on total sales stood at 8.7% and growth came to 1.2%.
The monitors category reported a reduction of 4.0%. Also worthy of note is the decrease in sales of televisions: -19.1% compared to the same period last year.
The investments of companies and the public administration connected to NextGenEU were the driver of growth in the *Infrastructure* domain, where Software recorded an increase of 18.7% and products linked to the Data centre increased by +28.5%.
The Group in Spain recorded an overall decrease in sales of 19%, reducing its market share.
"Business" customers in the distribution market grew by 13.1% while the Group recorded a negative trend (-14.3%). The "retail" customer segment fell by 7.6% and in this segment the Group's sales decreased by -32.9%.

Portugal

In the first half of 2023, the Portuguese technology distribution market mapped in the Context Panel declined by 4.8% compared with the same period in 2022, with the quarter just ended down -6.7%. The first quarter had recorded a decrease of 3.1%.
Similar to what happened in Italy and in Spain, in Portugal, the Mobile Computing (notebooks and tablets) and Desktop Computing categories, which together account for 23.5% of total sales, also saw their turnover fall by 22.5%.
Smartphones, which accounted 21.2% of the total sales of the Portuguese distribution market, recorded an increase of 6.5%.
In the *Infrastructure* domain, Software grew at a rate of 6.9%, Hardware (servers, storage, networking and other products) increased by +11.5%.
In Portugal, the Group recorded overall growth of 14.3% in sales, further increasing its market share.

Distribution "business" customers decreased by 6.6% while the Group outperformed the market (+35.1%). The "retail" customer segment, on the other hand, fell by 2.3% while the Group, whose sales grew by 3.9%, outperformed the market by increasing its market share.

Group's results for the period

1. Summary of the Group's economic and financial results for the period

(euro/000)	6 months*							Q2**					
	notes	2023	%	2022	notes	%	% var. 23/22	2023	%	2022	notes	%	% var. 23/22
Profit & Loss													
Sales from contracts with customers		1,905,839	100.0%	2,178,625		100.0%	-13%	887,241	100.0%	1,039,190		100.0%	-15%
Gross profit		104,366	5.5%	114,179		5.2%	-9%	50,467	5.7%	56,882		5.5%	-11%
EBITDA	(1)	(1,425)	-0.1%	37,551	(1)	1.7%	-104%	(16,852)	-1.9%	17,817		1.7%	-195%
Operating result (EBIT)		(10,947)	-0.6%	29,069		1.3%	-138%	(21,737)	-2.4%	13,452		1.3%	-262%
Result before income tax		(24,160)	-1.3%	24,796		1.1%	-197%	(32,241)	-3.6%	11,017		1.1%	-393%
Net result		(26,907)	-1.4%	18,032		0.8%	-249%	(32,807)	-3.7%	7,958		0.8%	-512%
Financial data													
Cash flow	(2)	(17,385)		26,514	(2)								
Gross investments		10,042		5,259									
Net working capital	(3)	342,317		258,371	(3)								
Operating net working capital	(4)	334,304		261,593	(4)								
Fixed assets	(5)	267,637		258,453	(5)								
Net capital employed	(6)	560,776		492,250	(6)								
Net equity		353,612		409,217									
Tangible net equity	(7)	234,245		289,262	(7)								
Net financial debt	(8)	207,164		83,033	(8)								
Main indicators													
Net financial debt / Net equity		0.6		0.2									
Net financial debt / Tangible net equity		0.9		0.3									
EBIT / Finance costs - net		(0.8)		6.8									
EBITDA / Finance costs - net		(0.1)		8.8									
Net financial debt/ EBITDA	(9)	4.2		1.0	(9)								
ROCE	(10)	8.0%		12.9%	(10)								
Operational data													
N. of employees at end-period		1,778		1,759									
Avarage number of employees	(11)	1,793		1,740	(11)								
Earnings per share (euro)													
- Basic		-0.54		0.36			-250%	-0.66		0.16			-513%
- Diluted		-0.54		0.36			-250%	-0.66		0.16			-513%

(*) Comparative financial data indicators are calculated on 31 December 2022 figures.
(**) Not subject to limited scope audit.

(1) EBITDA is equal to the operating profit (EBIT) gross of amortisation/depreciation and write-downs.
(2) Sum of consolidated net income and amortisation/depreciation.
(3) Sum of current assets, non-current assets held for sale and current liabilities, gross of short-term financial liabilities.
(4) Sum of trade receivables, inventory and trade payables.
(5) Equal to non-current assets net of non-current derivative financial assets.
(6) Equal to capital employed as of period end, calculated as the sum of net working capital plus fixed assets net of non-current non-financial liabilities.
(7) Equal to shareholders' equity less goodwill and intangible assets.
(8) Sum of financial liabilities, lease liabilities, cash and cash equivalents, assets/liabilities for derivative instruments and financial receivables from factoring companies.
(9) 12-month rolling EBITDA.
(10) Calculated as the ratio between (i) operating profit (EBIT) net of "non-recurring" components, the effects of IFRS 16 and taxes calculated at the effective tax rate of the latest set of annual consolidated financial statements published and, (ii) average invested capital (calculated as the sum of net working capital and fixed capital) at the closing date of the period under review and the four preceding quarters.
(11) Calculated as the average of opening balance and closing balance of consolidated companies.

The earnings and financial results in the first half of 2023 and those of the relative periods of comparison have been drawn up according to International Financial Standards ('IFRS'), endorsed by the European Union and in force during the period.
These results were subject to a limited scope audit by the company PricewaterhouseCoopers S.p.A. with the exception of figures relating only to the second quarter.

In the chart above, in addition to the conventional economic and financial indicators laid down by IFRSs, some 'alternative performance indicators', although not defined by the IFRSs, are presented. These 'alternative performance indicators', consistently presented in previous periodic Group reports, are not intended to substitute IFRSs' conventional indicators; they are used internally by the management for measuring and controlling the Group's profitability, performance, capital structure and financial position since they are considered particularly significant.
As required by the ESMA/2015/1415 Guidelines issued by ESMA (European Securities and Market Authority) under Article 16 of the ESMA Regulation, updating the previous recommendation CESR/05-178b of the CESR (Committee of European Securities Regulators) and adopted by CONSOB with Communication No. 0092543 of 03/12/2015, the basis of calculation adopted is defined below the table.

2. Review of economic and financial results of the period

A) Esprinet Group's financial highlights

The Group's financial highlights as at 30 June 2023 are hereby summarised:

(€/000)	H1 2023	H1 2022	% Var.	Q2 2023	Q2 2022	% Var.
Sales from contracts with customers	**1,905,839**	**2,178,625**	**-13%**	**887,241**	**1,039,190**	**-15%**
Cost of goods sold excl. factoring/securitisation	1,793,087	2,062,038	-13%	832,092	981,104	-15%
Financial cost of factoring/securisation(1)	7,305	1,801	>100%	4,114	892	>100%
Gross Profit(2)	**105,447**	**114,786**	**-8%**	**51,035**	**57,194**	**-11%**
Gross Profit %	*5.53%*	*5.27%*		*5.75%*	*5.50%*	
Personnel costs	46,991	44,914	5%	23,588	22,592	4%
Other operating costs	33,511	31,934	5%	17,929	16,398	9%
EBITDA adjusted(3)	**24,945**	**37,938**	**-34%**	**9,518**	**18,204**	**-48%**
EBITDA adjusted %	*1.31%*	*1.74%*		*1.07%*	*1.75%*	
Depreciation and amortisation	3,287	2,763	19%	1,702	1,399	22%
IFRS 16 Right of Use depreciation	6,234	5,719	9%	3,182	2,966	7%
Goodwill impairment	-	-	n/s	-	-	n/s
EBIT adjusted(3)	**15,424**	**29,456**	**-48%**	**4,634**	**13,839**	**-67%**
EBIT adjusted %	*0.81%*	*1.35%*		*0.52%*	*1.33%*	
Non recurring costs(4)	26,371	387	>100%	26,371	387	>100%
EBIT	**(10,947)**	**29,069**	**<100%**	**(21,737)**	**13,452**	**<100%**
EBIT %	*-0.57%*	*1.33%*		*-2.45%*	*1.29%*	
IFRS 16 interest expenses on leases	1,708	1,646	4%	863	844	2%
Other financial (income) expenses	11,841	1,265	>100%	9,510	626	>100%
Foreign exchange (gains) losses	(336)	1,362	<100%	131	965	-86%
Result before income taxes	**(24,160)**	**24,796**	**<100%**	**(32,241)**	**11,017**	**<100%**
Income taxes	2,747	6,764	-59%	566	3,059	-81%
Net result	**(26,907)**	**18,032**	**<100%**	**(32,807)**	**7,958**	**<100%**
- of which attributable to non-controlling interests	-	-	n/s	-	-	n/s
- of which attributable to the Group	(26,907)	18,032	<100%	(32,807)	7,958	<100%

(1) Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring, confirming and securitisation programmes.
(2) Gross of amortisation/depreciation that, by function, would be included in the cost of sales.
(3) Adjusted given gross of non-recurring items.
(4) Of which 26.4 million euro otherwise included in "Other operating costs" and, with reference to 2022, of which 0.4 million euro otherwise included in "Other operating costs".

Sales from contracts with customers amounted to 1,905.8 million euro, marking a decrease of -13% compared to 2,178.6 million euro recorded in the first half of 2022. In the second quarter of 2023, it recorded a decrease of -15% compared with the same period of the previous year. Both changes are also confirmed net of the contribution made in 2023 by Bludis S.r.l. (8.2 million euro in six months and 4.5 million euro in the second quarter alone), acquired in November 2022.

Gross profit stood at 105.4 million euro, marking a decrease of -8% compared to 114.8 million euro recorded in the first half of 2022, heavily influenced by the sales performance. In fact, the percentage margin shows an improvement from 5.27% to 5.53%, thanks to the greater incidence of high-margin product categories which offset the quadrupled cost of the non-recourse receivable

assignment programmes following the growth in the interest rates set by the European Central Bank. Excluding the positive contribution of 2.8 million euro deriving from the aforementioned acquisition of Bludis S.r.l. from the result for the first half of 2023, the change in the percentage margin is estimated to have amounted to -11%, with the percentage margin growing from 5.27% to 5.41%.
In the second quarter alone, gross profit, amounting to 51.0 million euro, recorded a decrease of -11% (-14% excluding the business combination) compared to the same period of the previous year, with a percentage margin up from 5.50% to 5.75% (5.60% net of the contribution of Bludis S.r.l.).

Adjusted EBITDA, equal to 24.9 million euro (-34% compared to 37.9 million euro in the first half of 2022), including the contribution of 1.0 million euro from the aforementioned business combination of Bludis S.r.l., is calculated gross of 26.4 million euro of non-recurring costs incurred by the parent company following the signing with the Revenue Agency, in the second quarter of 2023, of agreements aimed at settling VAT disputes relating to the tax periods from 2013 to 2017. The incidence on sales, down from 1.74% to 1.31% in the first half of 2022, was affected not only by the lower gross profit, but also by the generalised increase in operating costs as a result of inflation and the adjustment of national collective bargaining agreements.
In the second quarter alone, Adjusted EBITDA, amounting to 9.5 million euro, recorded a reduction of -48% (-51% excluding the business combination) compared to the corresponding period of the previous year, with a percentage incidence on sales of 1.07% compared to 1.75% recorded in the second quarter of 2022.

Adjusted EBIT, gross of 26.4 million euro of non-recurring expenses mentioned above, came to 15.4 million euro (14.5 million euro if we exclude the positive contribution of Bludis S.r.l. from the result), -48% compared to 29.5 million euro recorded in the first half of 2022, with an incidence on sales standing at 0.81%, down from 1.35% in the first half of 2022. In the second quarter of 2023 alone, Adjusted EBIT amounted to 4.6 million euro, compared to 13.8 million euro recorded in the same period of the previous year, with a percentage incidence on sales of 0.52% compared to 1.33% in the second quarter of 2022.

EBIT, negative by 10.9 million euro due to the aforementioned non-recurring expenses, contrasts with the positive result of 29.1 million euro recorded in the first half of 2022, with a percentage incidence on sales standing at -0.57%, down from 1.33% in the first half of 2022. In the second quarter of 2023 alone, EBIT amounted to -21.7 million euro, also reflecting the 26.4 million euro of non-recurring expenses incurred in the quarter.

Result before income taxes amounted to -24.2 million euro compared to an income of 24.8 million euro in the first half of 2022, a further decrease compared to EBIT due to a worsening in finance costs which, in the first half 2023, include 6.9 million euro of interest accrued by the Tax Authorities as part of the aforementioned agreements signed with the Revenue Agency, as well as the higher costs resulting from the increase in interest rates set by the European Central Bank.

The Net Result amounted to -26.9 million euro (18.0 million euro in the first half of 2022); in the second quarter it stood at -32.8 million euro (8.0 million euro in the second quarter of 2022).

The Group’s main financial and equity position as at 30 June 2023 are hereby summarised:

(euro/000)	30/06/2023	31/12/2022
Fixed assets	267,637	258,453
Operating net working capital	334,304	261,593
Other current assets/liabilities	8,013	(3,222)
Other non-current assets/liabilities	(49,178)	(24,574)
Total uses	**560,776**	**492,250**
Short-term financial liabilities	164,001	82,163
Lease liabilities	11,583	10,740
Current financial (assets)/liabilities for derivatives	(1)	24
Financial receivables from factoring companies	(139)	(3,207)
Current debts for investments in subsidiaries	834	2,455
Other current financial receivables	(9,359)	(10,336)
Cash and cash equivalents	(130,259)	(172,185)
Net current financial debt	36,660	(90,346)
Borrowings	66,068	71,118
Lease liabilities	103,836	101,661
Non - current debts for investments in subsidiaries	600	600
Net financial debt (A)	207,164	83,033
Net equity (B)	353,612	409,217
Total sources of funds (C=A+B)	**560,776**	**492,250**

The distribution of technology is characterised by a high degree of seasonality and consequently the invested capital, in support of the business, is also subject to significant fluctuations between quarters and when compared to the situation as at 31 December.

Net Invested Capital as at 30 June 2023 amounted to 560.8 million euro and was financed by:

- shareholders' equity, amounting to 353.6 million euro (409.2 million euro as at 31 December 2022);
- a negative net financial position of 207.2 million euro, worsening when compared to 31 December 2022 (negative for 83.0 million euro), but an improvement compared to 30 June 2022 (negative for 256.9 million euro) and with respect to 31 March 2023 (negative for 341.0 million euro).

The value of the exact net financial position is influenced by technical factors like the seasonality of the business, the trend in 'non-recourse' assignment of trade receivables (factoring, confirming and securitisation), the trend in the behavioural models of customers and suppliers in the different periods of the year, the support plans of the main suppliers in the seasonal peak periods. Therefore, it is not representative of the average levels of net financial indebtedness noted during the period. The aforementioned factoring and securitisation programmes, which define the complete transfer of risks and benefits to the assignees and therefore involve the derecognition of receivables from the statement of financial position assets in compliance with IFRS 9, determine an overall effect on the level of consolidated net financial payables as at 30 June 2023 of 364.2 million euro (540.2 million euro as at 31 December 2022 and 382.3 million euro as at 30 June 2022).

Equity and financial indicators nonetheless confirm the strength of the Group.

B) <u>Financial highlights by geographical area</u>

B.1) Italian Subgroup

The Italian Subgroup's financial highlights as at 30 June 2023 are hereby summarised:

(€/000)	H1 2023	H1 2022	% Var.	Q2 2023	Q2 2022	% Var.
Sales from contracts with customers	**1,206,770**	**1,335,913**	**-10%**	**568,549**	**627,343**	**-9%**
Cost of goods sold excl. factoring/securitisation	1,133,479	1,261,372	-10%	532,110	589,926	-10%
Financial cost of factoring/securisation(1)	4,776	902	>100%	2,792	381	>100%
Gross Profit(2)	**68,515**	**73,639**	**-7%**	**33,647**	**37,036**	**-9%**
Gross Profit %	*5.68%*	*5.51%*		*5.92%*	*5.90%*	
Personnel costs	30,243	28,347	7%	15,083	14,349	5%
Other operating costs	25,194	24,473	3%	13,773	12,548	10%
EBITDA adjusted(3)	**13,078**	**20,819**	**-37%**	**4,791**	**10,139**	**-53%**
EBITDA adjusted %	*1.08%*	*1.56%*		*0.84%*	*1.62%*	
Depreciation and amortisation	2,266	1,776	28%	1,174	890	32%
IFRS 16 Right of Use depreciation	4,582	4,216	9%	2,308	2,164	7%
Goodwill impairment	-	-	n/s	-	-	n/s
EBIT adjusted(3)	**6,230**	**14,827**	**-58%**	**1,309**	**7,085**	**-82%**
EBIT adjusted %	*0.52%*	*1.11%*		*0.23%*	*1.13%*	
Non recurring costs(4)	26,371	387	>100%	26,371	387	>100%
EBIT	**(20,141)**	**14,440**	**<100%**	**(25,062)**	**6,698**	**<100%**
EBIT %	*-1.67%*	*1.08%*		*-4.41%*	*1.07%*	

(1) Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring, confirming and securitisation programmes.
(2) Gross of amortisation/depreciation that, by function, would be included in the cost of sales.
(3) Adjusted given gross of non-recurring items.
(4) Of which 26.4 million euro otherwise included in "Other operating costs" and, with reference to 2022, of which 0.4 million euro otherwise included in "Other operating costs".

Sales from contracts with customers amounted to 1,206.8 million euro, marking a decrease of -10% compared to 1,335.9 million euro achieved in the first half of 2022; the change is in line with the previous year even after excluding the contribution of 8.2 million euro from Bludis S.r.l., acquired in November 2022, from the value of sales. In the second quarter of 2023, it recorded a decrease of -9% compared with the same period of the previous year (-13% net of the contribution of 4.5 million euro from Bludis S.r.l.).

Gross profit stood at 68.5 million euro, marking a decrease of -7% compared to 73.6 million euro recorded in the first half of 2022, heavily influenced by the sales performance. However, the percentage margin shows an improvement, from 5.51% to 5.68%, thanks both to the greater incidence of high-margin product categories and to the business combination carried out in line with the Group's strategy. In fact, this transaction generated a positive result of 2.8 million euro (1.6 million euro in the second quarter alone), which almost entirely offset the cost of the non-recourse receivable assignment programmes as a result of the growth in interest rates set by the European Central Bank. In the second quarter alone, gross profit, amounting to 33.6 million euro, recorded a decrease of -9% (-13% excluding the business combination) compared to the same period of the previous year, with a percentage margin up from 5.90% to 5.92%.

Adjusted EBITDA, equal to 13.1 million euro (-37% compared to 20.8 million euro in the first half of 2022) and including the contribution of 1.0 million euro from the aforementioned business combination, is calculated gross of non-recurring costs, amounting to 26.4 million euro, incurred by the parent company following the signing with the Revenue Agency, in the second quarter of 2023, of agreements aimed at settling VAT disputes relating to the tax periods from 2013 to 2017. The incidence on sales, down from 1.56% to 1.08% in the first half of 2022, was affected not only by the lower gross profit, but also by the generalised increase in operating costs as a result of inflation and the adjustment of national collective labour agreements. In the second quarter alone, Adjusted EBITDA, amounting to 4.8 million euro, recorded a reduction of -53% (-59% excluding the business combination) compared to the corresponding period of the previous year, with a percentage incidence of 0.84%, compared to 1.62% recorded in the second quarter of 2022.

Adjusted EBIT, gross of 26.4 million euro of non-recurring expenses mentioned above, came to 6.2 million euro (5.3 million euro net of the operating result generated by Bludis S.r.l.), -58% compared to 14.8 million euro recorded in the first half of 2022, with an incidence on sales of 0.52%, down from 1.11% in the first half of 2022. In the second quarter of 2023 alone, Adjusted EBIT recorded a decrease of -82%, amounting to 1.3 million euro, with an incidence on sales of 0.23% (50% without the contribution of Bludis S.r.l.) compared to 1.13% in the second quarter of 2022.

EBIT, amounting to -20.1 million euro, recorded a negative result compared to Adjusted EBIT, as a result of the aforementioned non-recurring expenses.

The Italian Subgroup's main financial and equity position as at 30 June 2023 are hereby summarised:

(euro/000)	**30/06/2023**	**31/12/2022**
Fixed assets	223,544	214,826
Operating net working capital	225,729	78,531
Other current assets/liabilities	25,390	15,592
Other non-current assets/liabilities	(34,791)	(11,011)
Total uses	**439,872**	**297,938**
Short-term financial liabilities	137,463	53,733
Lease liabilities	8,273	7,656
Current debts for investments in subsidiaries	834	2,455
Financial receivables from factoring companies	(139)	(3,207)
Financial (assets)/liab. from/to Group companies	-	(27,500)
Other current financial receivables	(9,359)	(10,336)
Cash and cash equivalents	(44,787)	(127,916)
Net current financial debt	92,285	(105,115)
Borrowings	38,115	34,568
Lease liabilities	84,878	82,924
Non - current debts for investments in subsidiaries	600	600
Net Financial debt (A)	215,878	12,977
Net equity (B)	223,994	284,961
Total sources of funds (C=A+B)	**439,872**	**297,938**

The net financial position is negative by 215.9 million euro and shows a worsening both compared to the negative net financial position of 13.0 million euro as at 31 December 2022, and with respect to the negative net financial position of 135.6 million euro as at 30 June 2022; however, there was a trend reversal compared to 31 March 2023 when it was negative by 222.9 million euro.
These changes are mainly the result of the higher level of operating net working capital accumulated starting from the second quarter of 2022 and which, as a result of the actions implemented by management, kicked off the planned process of a return to more sustainable volumes in 2023.
Albeit considering that the value of the exact net financial position is influenced by technical factors like the seasonality of the business, the trend in 'non-recourse' assignment of trade receivables (factoring, confirming and securitisation), the trend in the behavioural models of customers and suppliers in the different periods of the year, the support plans of the main suppliers in the seasonal peak periods. Therefore, it is not representative of the average levels of net financial indebtedness noted during the half.
The aforementioned programmes for the factoring and securitisation of trade receivables, which define the complete transfer of risks and benefits to the assignees and therefore allow their derecognition from the statement of financial position assets, determine an overall effect on the level of consolidated net financial payables as at 30 June of 216.1 million euro (255.8 million euro as at 31 December 2022 and 193.3 million euro as at 30 June 2022).

B.2) Iberian Subgroup

The Iberian Subgroup's financial highlights as at 30 June 2023 are hereby summarised:

(€/000)	H1 2023	H1 2022	% Var.	Q2 2023	Q2 2022	% Var.
Sales from contracts with customers	**712,909**	**860,611**	**-17%**	**325,195**	**419,956**	**-23%**
Cost of goods sold excl. factoring/securitisation	673,441	818,607	-18%	306,524	399,284	-23%
Financial cost of factoring/securisation(1)	2,529	899	>100%	1,322	511	>100%
Gross Profit(2)	**36,939**	**41,105**	**-10%**	**17,349**	**20,161**	**-14%**
Gross Profit %	*5.18%*	*4.78%*		*5.33%*	*4.80%*	
Personnel costs	16,747	16,567	1%	8,504	8,242	3%
Other operating costs	8,586	7,654	12%	4,308	3,962	9%
EBITDA adjusted(3)	**11,606**	**16,884**	**-31%**	**4,537**	**7,957**	**-43%**
EBITDA adjusted %	*1.63%*	*1.96%*		*1.40%*	*1.89%*	
Depreciation and amortisation	764	821	-7%	383	418	-8%
IFRS 16 Right of Use depreciation	1,652	1,503	10%	874	802	9%
Goodwill impairment	-	-	n/s	-	-	n/s
EBIT adjusted(3)	**9,190**	**14,560**	**-37%**	**3,280**	**6,737**	**-51%**
EBIT adjusted %	*1.29%*	*1.69%*		*1.01%*	*1.60%*	
Non recurring costs	-	-	n/s	-	-	n/s
EBIT	**9,190**	**14,560**	**-37%**	**3,280**	**6,737**	**-51%**
EBIT %	*1.29%*	*1.69%*		*1.01%*	*1.60%*	

(1) Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring, confirming and securitisation programmes.
(2) Gross of amortisation/depreciation that, by function, would be included in the cost of sales.
(3) Adjusted given gross of non-recurring items.

Sales from contracts with customers stood at 712.9 million euro, a decrease of -17% compared with 860.6 million euro recorded in the first half of 2022. In the second quarter alone, sales recorded a decrease of -23% compared with the same period of the previous year.

The gross profit amounted to 36.9 million euro, marking a decrease of -10% compared to the 41.1 million euro recorded in the first half of 2022, with an improvement in the percentage margin, from 4.78% to 5.18%, also favoured by the greater incidence of high-margin product categories and despite an increased cost of the non-recourse receivable assignment programmes following the growth in interest rates set by the European Central Bank. In the second quarter of 2023 alone, gross profit, with a value amounting to 17.3 million euro, recorded a drop of -14% compared to the same period of the previous year, with a percentage margin improving from 4.80% to 5.33%.

Adjusted EBITDA, which coincides with EBITDA given that no non-recurring costs were recorded in the two periods being compared, amounted to 11.6 million euro, marking a decrease of -31% compared to 16.9 million euro in the first half of 2022, driven by the improvement in gross profit despite the greater incidence of operating costs connected with inflation. In the second quarter, a decrease of -43% was recorded compared with the corresponding quarter of the previous year.

Adjusted EBIT and EBIT, which coincide, amounted to 9.2 million euro, showing a decrease of -37% compared to the first half of 2022; the incidence on sales fell from 1.69% to 1.29% in the first half of 2022. In the second quarter alone, values declined by -51% compared with the second quarter of the previous year.

The Iberian Subgroup's main financial and equity position as at 30 June 2023 are hereby summarised:

(euro/000)	30/06/2023	31/12/2022
Fixed assets	118,815	118,416
Operating net working capital	108,640	183,130
Other current assets/liabilities	(17,377)	(18,815)
Other non-current assets/liabilities	(14,387)	(13,563)
Total uses	**195,691**	**269,168**
Short-term financial liabilities	26,538	28,430
Lease liabilities	3,310	3,084
Current financial (assets)/liabilities for derivatives	(1)	24
Financial (assets)/liab. from/to Group companies	-	27,500
Cash and cash equivalents	(85,472)	(44,269)
Net current financial debt	(55,625)	14,769
Borrowings	27,953	36,550
Lease liabilities	18,958	18,737
Net Financial debt (A)	(8,714)	70,056
Net equity (B)	204,405	199,112
Total sources of funds (C=A+B)	**195,691**	**269,168**

The net financial position is positive by 8.7 million euro compared to a debt position of 70.1 million euro as at 31 December 2022, 121.2 million euro as at 30 June 2022 and 118.1 million euro as at 31 March 2023.
The improvement is a result of the reduction in the level of operating net working capital, albeit considering that the value of the exact net financial position is influenced by technical factors like the seasonality of the business, the trend in 'non-recourse' assignments of trade receivables (factoring and confirming), the trend in the behavioural models of customers and suppliers in the different periods of the year, the support plans of the main suppliers in the seasonal peak periods. Therefore, it is not representative of the average levels of net financial indebtedness noted during the half.
The aforementioned programmes for the factoring and confirming of trade receivables, which define the complete transfer of risks and benefits to the assignees and therefore allow their derecognition from the statement of financial position assets, determine an overall effect on the level of consolidated net financial payables as at 30 June of 148.2 million euro (284.5 million euro as at 31 December 2022 and 189.0 million euro as at 30 June 2022).

C) Esprinet Group's financial highlights pre-IFRS 16

The Group's financial highlights are shown below using the adjusted figures following the application of IFRS 16:

(€/000)	H1 2023 Pre-IFRS16	H1 2022 Pre-IFRS16	**% Var.**
Sales from contracts with customers	**1,905,839**	**2,178,625**	**-13%**
Cost of goods sold excl. factoring/securitisation	1,793,087	2,062,038	-13%
Financial cost of factoring/securisation(1)	7,305	1,801	>100%
Gross Profit(2)	**105,447**	**114,786**	**-8%**
Gross Profit %	*5.53%*	*5.27%*	
Personnel costs	46,991	44,914	5%
Other operating costs	40,995	38,777	6%
EBITDA adjusted(3)	**17,461**	**31,095**	**-44%**
EBITDA adjusted %	*0.92%*	*1.43%*	
Depreciation and amortisation	3,287	2,763	19%
IFRS 16 Right of Use depreciation	-	-	n/s
Goodwill impairment	-	-	n/s
EBIT adjusted(3)	**14,174**	**28,332**	**-50%**
EBIT adjusted %	*0.74%*	*1.30%*	
Non recurring costs(4)	26,371	387	>100%
EBIT	**(12,197)**	**27,945**	**<100%**
EBIT %	*-0.64%*	*1.28%*	
IFRS 16 interest expenses on leases	-	-	n/s
Other financial (income) expenses	11,841	1,265	>100%
Foreign exchange (gains) losses	(336)	1,362	<100%
Result before income taxes	**(23,702)**	**25,318**	**<100%**
Income taxes	2,819	6,855	-59%
Net result	**(26,521)**	**18,463**	**<100%**
- of which attributable to non-controlling interests	-	-	n/s
- of which attributable to the Group	**(26,521)**	**18,463**	**<100%**

(1) Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring, confirming and securitisation programmes.
(2) Gross of amortisation/depreciation that, by function, would be included in the cost of sales.
(3) Adjusted given gross of non-recurring items.
(4) Of which 26.4 million euro otherwise included in "Other operating costs" and, with reference to 2022, of which 0.4 million euro otherwise included in "Other operating costs".

The Group's main financial and equity results are shown below using the adjusted figures following the application of IFRS 16:

(euro/000)	30/06/2023 Pre - IFRS 16	31/12/2022 Pre - IFRS 16
Fixed assets	157,595	151,044
Operating net working capital	332,871	260,266
Other current assets/liabilities	9,075	(2,266)
Other non-current assets/liabilities	(49,178)	(24,574)
Total uses	**450,363**	**384,470**
Short-term financial liabilities	164,001	82,163
Lease liabilities	-	-
Current financial (assets)/liabilities for derivatives	(1)	24
Financial receivables from factoring companies	(139)	(3,207)
Current debts for investments in subsidiaries	834	2,455
Other financial receivables	(9,359)	(10,336)
Cash and cash equivalents	(130,259)	(172,185)
Net current financial debt	25,077	(101,086)
Borrowings	66,068	71,118
Lease liabilities	-	-
Non-current debts for investments in subsidiaries	600	600
Net Financial debt	91,745	(29,368)
Net equity	358,618	413,838
Total sources of funds	**450,363**	**384,470**

3. Sales trends by product family and customer type

(euro/million)	H1 2023	%	H1 2022	%	Var.	% Var.	Q2 2023	%	Q2 2022	%	Var.	% Var.
Retailers & E-Tailers	621.6	32.6%	845.8	38.8%	(224.2)	*-27%*	271.8	30.6%	363.2	34.9%	(91.4)	*-25%*
IT Resellers	1,359.2	71.3%	1,454.4	66.8%	(95.2)	*-7%*	661.6	74.6%	730.1	70.3%	(68.5)	*-9%*
IFRS15 and other adjustments *	(75.0)	-3.9%	(121.6)	-5.6%	46.6	*-38%*	(46.2)	-5.2%	(54.1)	-5.2%	7.9	*-15%*
Sales from contracts with customers	**1,905.8**	**100.0%**	**2,178.6**	**100.0%**	**(272.8)**	***-13%***	**887.2**	**100.0%**	**1,039.2**	**100.0%**	**(152.0)**	***-15%***

(*) Accounting adjustments for representation of principal vs agent, revenue recognition, future adjustments etc.

In the first six months of 2023, the market in southern Europe recorded growth of 4% in the Business Segment (IT Reseller) and a decrease of 6% in the Consumer Segment (Retailer, E-tailer). On the other hand, the Group's sales showed the following trends: the Business Segment was down -7% to 1,359.2 million euro and the Consumer Segment fell by 27% amounting to 621.6 million euro.

(euro/million)	H1 2023	%	H1 2022	%	Var.	% Var.	Q2 2023	%	Q2 2022	%	Var.	% Var.
PC (notebook, tablet, desktop, monitor)	515.9	27.1%	765.8	35.2%	(249.9)	*-33%*	249.1	28.1%	364.8	35.1%	(115.7)	*-32%*
Printing devices and supplies	178.6	9.4%	180.3	8.3%	(1.7)	*-1%*	85.7	9.7%	88.7	8.5%	(3.0)	*-3%*
Other IT products	136.4	7.2%	170.9	7.8%	(34.5)	*-20%*	68.7	7.7%	84.2	8.1%	(15.5)	*-18%*
Total IT Clients	**830.9**	**43.6%**	**1,117.0**	**51.3%**	**(286.1)**	***-26%***	**403.5**	**45.5%**	**537.7**	**51.7%**	**(134.2)**	***-25%***
Smartphones	487.0	25.6%	553.6	25.4%	(66.6)	*-12%*	218.2	24.6%	241.7	23.3%	(23.5)	*-10%*
White goods	24.4	1.3%	46.2	2.1%	(21.8)	*-47%*	11.0	1.2%	23.5	2.3%	(12.5)	*-53%*
Gaming hardware and software	33.0	1.7%	12.0	0.6%	21.0	*175%*	16.7	1.9%	6.1	0.6%	10.6	*174%*
Other consumer electronics products	77.8	4.1%	115.4	5.3%	(37.6)	*-33%*	33.2	3.7%	51.6	5.0%	(18.4)	*-36%*
Total Consumer Electronics	**622.2**	**32.6%**	**727.2**	**33.4%**	**(105.0)**	***-14%***	**279.1**	**31.5%**	**322.9**	**31.1%**	**(43.8)**	***-14%***
Hardware (networking, storage, server & others)	349.6	18.3%	318.0	14.6%	31.6	*10%*	162.7	18.3%	162.2	15.6%	0.5	*0%*
Software, Services, Cloud	178.1	9.3%	138.0	6.3%	40.1	*29%*	88.1	9.9%	70.5	6.8%	17.6	*25%*
Total Advanced Solutions	**527.7**	**27.7%**	**456.0**	**20.9%**	**71.7**	***16%***	**250.8**	**28.3%**	**232.7**	**22.4%**	**18.1**	***8%***
IFRS15 and other adjustments *	(75.0)	-3.9%	(121.6)	-5.6%	46.6	*-38%*	(46.2)	-5.2%	(54.1)	-5.2%	7.9	*-15%*
Sales from contracts with customers	**1,905.8**	**100.0%**	**2,178.6**	**100.0%**	**(272.8)**	***-13%***	**887.2**	**100.0%**	**1,039.2**	**100.0%**	**(152.0)**	***-15%***

(*) Accounting adjustments for representation of principal vs agent, revenue recognition, future adjustments etc.

An analysis of the details of the product categories shows that the *IT Clients* segment recorded a decrease of -26% for the Group, where all categories reported a decline: PCs (-33%), Printers and consumables (-1%) and Other products, i.e. components and accessories (-20%). According to Context data, in the first half of 2023, the IT Clients market in southern Europe also reported a decrease (-11%), where PCs, due in particular to weak demand in the consumer area, recorded a decline of -16%, while Printers and consumables reported a performance almost in line with the previous year (+1%).
By contrast, the Group recorded a decrease of 14% in the *Consumer Electronics* segment, due to the effect of the following results: Smartphones (-12%), Household Appliances (-47%), Other products, whose perimeter also incorporates televisions (-33%). According to Context data, the Consumer Electronics segment in the distribution panel decreased by 1% in the first six months of 2023; the growth of Smartphones (+5%) and Gaming (+41%) does not offset the slowdown recorded by Household Appliances (-11%) and Other products (-14%), whose perimeter, it should be remembered, also incorporates televisions.
In the *Advanced Solutions* segment, the Group, outperforming the market growth (+15%), again according to the data of the UK research company Context, registered an increase of 16% in sales, rising to 527.7 million euro compared to 456.0 million euro in the January-June 2022 period. Note should also be taken of Esprinet's performance in the XaaS ('Everything as a Service') area, whose sales stood at 101.2 million euro in the first six months of 2023 (+31%).
In line with the Group's strategy of focusing on high-margin business lines, the incidence of the Advanced Solutions sales rose to 28% (21% in the first half of 2022).

Significant events occurring in the period

The significant events that occurred during the period are briefly described as follows:

Binding agreement for the acquisition of 100% of Lidera Networks S.L. through the wholly-owned subsidiary V-Valley Advanced Solutions España S.L.

On 20 March 2023, a binding agreement was entered into for the purchase through the Spanish subsidiary V-Valley Advanced Solutions España S.L., of 100% of the share capital of Lidera Networks S.L., a Spanish company with a branch in Portugal, active in the two countries in the field of Advanced Solutions in the distribution of software solutions in the Cybersecurity domain.

The execution of the agreement is subject to the fulfilment of certain conditions, which include obtaining the authorisation from the Spanish Anti-Trust Authority.

In 2022, on the basis of preliminary results provided, Lidera Networks S.L. achieved a turnover of 23.0 million euro, with an EBITDA of 0.9 million euro. Shareholders' equity as at 31 December 2022 amounted to 5.1 million euro, with a debt net financial position of 0.4 million euro.
The acquisition will take place at an estimated value of 5.6 million euro, subject to adjustments mainly resulting from the calculation of the effective shareholders' equity at the reference date and the credit position of the company, to be verified at the end of one year from the date of the transaction.

Signing of the Shareholders' agreement for the protection and guarantee of the business continuity of the Esprinet Group
On 24 March 2023, a shareholders' agreement was signed between Montinvest S.r.l. and Axopa S.r.l., respectively holders of 16.33% and 9.90% of the share capital of Esprinet S.p.A., with a duration until 23 March 2026.
The agreement replaces the previous agreement entered into on 6 July 2020 between Axopa S.r.l. and the shareholder Francesco Monti, who, together with Marco Monti and Stefano Monti, transferred all of their shares to Montinvest S.r.l., the company they control.

The shareholders' agreement concerns a total of 13,222,559 shares, equal to 26.23% of the share capital, and has the objective of providing continuity in the management and stability of the capital structure of Esprinet S.p.A. and, among the things agreed, requires the parties to propose a common list for the appointment of Esprinet's Board of Directors, which includes the confirmation of Mr. Maurizio Rota as a non-executive Chairperson of the Board of Directors, the appointment of Mr. Marco Monti as Deputy Chairperson and the confirmation of Mr. Alessandro Cattani as the Chief Executive Officer.

Annual Shareholders' Meeting of the parent company Esprinet S.p.A.

The Ordinary Shareholders' Meeting of Esprinet S.p.A. was held on 20 April 2023, which, as regards the various items on the agenda:

- approved the financial statements for the year ended 31 December 2022, allocating 16.1 million euro of the net income realised to increase the Reserves;
- resolved the distribution of a dividend of 0.54 euro per share, excluding own shares in the portfolio as at 26 April 2023;
- reviewed the Consolidated Financial Statements and the Sustainability Report as at 31 December 2022;
- approved the Report on Remuneration;
- authorised the purchase and disposal of treasury shares, for a period of 18 months from the date of the resolution, within the maximum limit of 2,520,870 ordinary shares of Esprinet S.p.A. without indication of face value and fully paid up, equal to 5% of the Company's share capital.

Approval of the plan for the merger by incorporation of the subsidiary 4Side S.r.l. in Esprinet S.p.A.

On 11 May 2023, Esprinet S.p.A.'s Board of Directors approved the plan for the merger by incorporation of the wholly-owned subsidiary 4Side S.r.l..
The transaction is part of the planned process to maximise commercial and operational synergies with the subsidiary, started with the purchase on 15 November 2021 of the remaining shares held by the minority shareholders, company managers or who, in the meantime, became managers of Esprinet S.p.A., and continued with the signing on 6 March 2023 of a business lease agreement.
By virtue of this lease agreement, Esprinet S.p.A. took over all legal relationships with the customers and suppliers of 4Side S.r.l., with the exception of receivables and payables already in place at the date of signing of the lease agreement which, until the date of the merger, will continue to be owned by the subsidiary.

As this is a merger by incorporation of a wholly-owned subsidiary, the transaction will take place in "simplified" form, for which the resolution is not passed by the Shareholders' Meetings but by the Boards of Directors of the two companies through a public deed, based on the statements of financial position of both companies as at 31 December 2022, as resulting from the financial statements approved by their Shareholders' Meetings.

The legal effects of the merger will take effect from the first day of the month after the one on which the last of the registrations at the relevant Chamber of Commerce of the two companies is completed, with the accounting and tax effects backdated to the first day of the financial year in progress at the merger date.
From the date of completion of the merger transaction, Esprinet S.p.A. will take over all the legal relationships of 4Side S.r.l., including those prior to the date of the business lease, taking on all rights and obligations in place prior to the merger.

Launch of a Euro Commercial Paper programme

On 21 June 2023, the Board of Directors of Esprinet S.p.A. resolved to approve a Euro Commercial Paper ("ECP") programme for a maximum amount of 300.0 million euro, with a duration of 3 years, compliant with the provisions envisaged by the Short-Term European Paper (STEP) Market Convention of 19 May 2015.

The ECPs consist of unsecured bearer debt securities intended for qualified investors and, within each individual issue, into which the maximum value of 300.0 million euro may be divided, with a variable duration but in any case less than one year.

The implementation of the ECP programme, formally launched on 5 July 2023, will allow for a differentiation of funding sources, will ensure flexibility as there are no constraints in terms of value or duration of individual issues, and will enable the Group to access a capital market and new investors.

At the draft date of this Half-year financial report, no securities have yet been issued.

Developments in tax disputes

Esprinet S.p.A. has several lawsuits in progress, all pending before the Supreme Court of Cassation, involving the requests for the payment of indirect taxes brought against the Company, in relation to transactions undertaken between 2011 and 2013. Since several customers had filed declarations of intent but, subsequent to tax audits, failed to fulfil the requirements needed to qualify as a frequent exporter, the Tax Authorities are now claiming VAT from the Company on those sales transactions.

On 22 May and 30 June 2023, Esprinet S.p.A., for the mere purposes of avoiding further potential long-term tax disputes, signed agreements with the Revenue Agency aimed at the out-of-court settlement of the further disputes formulated regarding VAT in relation to the tax periods from 2013 to 2017.

Against a total risk of more than 220.0 million euro, the Company has signed agreements for 32.9 million euro to be paid in instalments, net of 1.2 million euro already paid in accordance with the provisions of the administrative procedure, over five years with interest-bearing quarterly payments estimated at 3.8 million euro.

By signing these agreements, the Company has also definitively averted the risk of having to put aside, in the coming years, the amounts covered by the claim originally made by the Revenue Agency, which would have been added to the 38.4 million euro already paid on 30 June 2023, and recorded in the financial statements under the item "Other tax receivables", in relation to the already mentioned ongoing legal disputes of the same case.

Subsequent events

Relevant events occurred after period end are briefly described below:

Developments in tax disputes

On 5 July 2023, the subsidiary Esprinet Ibérica S.L.U. signed an agreement with the Spanish Tax Authorities relating to direct and indirect taxes for the period 2017-2020.
The total amount, paid on 31 July 2023 and inclusive of interest, was equal to 0.4 million euro and does not include penalties, as the absence of fraudulent behaviour on the part of the company has been recognised.

Merger of Erredi Iberica S.L. into V-Valley Advanced Solutions España S.L.

On 31 July 2023, the company Erredi Iberica S.L., active in the procurement of sales at the service of Dacom S.p.A., was merged by incorporation into the Spanish subsidiary V-Valley Advanced Solutions España S.L..
The merger will take effect from 1 January 2023 for accounting and tax purposes.

The merger represents the conclusion of a process to rationalise resources and entities within the Group which, in relation to Erredi Iberica S.L., was started on 29 May 2023 with the transfer of 100% of the share capital from idMAINT S.r.l. to V-Valley Advanced Solutions España S.L., both wholly-owned, directly or indirectly, by Esprinet S.p.A..

Purchase of 100% of Lidera Networks S.L.

On 1 August 2023, following the stipulation of a binding agreement on 20 March 2023, Esprinet S.p.A., through its wholly-owned Spanish subsidiary V-Valley Advanced Solutions España S.L., purchased 100% of the share capital of Lidera Networks S.L., a Spanish company with a branch in Portugal, active in the distribution of software solutions in the Cybersecurity domain since 1999.

The transaction is consistent with Esprinet's strategy of consolidating its leadership in Southern Europe in the Advanced Solutions sector, cementing its role as value-added tech enabler.

In 2022, the company generated turnover of 23.0 million euro with an EBITDA of 0.9 million euro. Shareholders' equity as at 31 December 2022 amounted to 5.1 million euro, with a debt net financial position of 0.4 million euro.
The agreed consideration, amounting to 5.6 million euro and subject to adjustment mechanisms that can be activated within one year, was paid in full on the relevant date in cash and using available resources.

Lidera Network S.L., within the Esprinet Group, will be maintained as a separate legal entity. In order to guarantee an orderly transition, the governance requires the previous shareholders Messrs. José Carlos Jimeno Diez and José Manuel Albiñana to remain in office for one year on the Board of Directors of the Company acquired, which took on 38 employees, with the same commercial and financial functions respectively.

Acquisition of 100% of Sifar Group S.r.l.

On 2 August 2023, Esprinet S.p.A., following a binding agreement signed on 18 July 2023, acquired 100% of the share capital of Sifar Group S.r.l., an Italian company active since 2012 in the B2B distribution of spare parts, components and accessories of mobile phone and tablet products.
The transaction was carried out in compliance with both the strategy of focusing on high-margin business lines and the ESG principles of the Group which, to this end, intends to seize all opportunities that are integrated into a sustainability framework, including investments in *environmentally-friendly* products and services.

In 2022, the company generated turnover of 21.6 million euro with an EBITDA of 2.3 million euro. Shareholders' equity as at 31 December 2022 amounted to 8.0 million euro, showing a liquidity surplus of 3.0 million euro.

The acquisition will take place at an estimated value of 16.0 million euro (Provisional Price) and subject to adjustment mechanisms needed to determine the Final Price, linked to the calculation of the effective shareholders' equity at the execution date, the quality of the stocks and the credit position of the company, to be verified at pre-established dates up to the end of the ten-month

period from the date of the transaction. These adjustment items, as well as the usual guarantees provided for these types of transactions, will be guaranteed by a portion of the Provisional Price that will be retained by Esprinet S.p.A. and released gradually upon the verification of agreed time-scales and events.
The portion of the consideration agreed upon at the closing, equal to 9.3 million euro, was paid in full on the relevant date in cash using available resources.

Sifar Group S.r.l., within the Esprinet Group, will be maintained as a separate legal entity and the two selling partners, Messrs. Giovanni and Andrea Sibilla, will hold managerial roles and continue to carry out management functions so as to ensure business continuity, together with the maintenance of the headquarters and other 23 staff members employed by the company.

Appointment of the Manager responsible for preparing the accounting and corporate documents pursuant to law 262/2005

Esprinet S.p.A., announces that Mr. Pietro Aglianò, Group Chief Administration & Risk Officer and Manager in charge of preparing the accounting and corporate documents pursuant to Law 262/2005, has resigned with effect from 1 October 2023, having achieved pension requirements.

The Board of Directors of Esprinet S.p.A. has therefore resolved, subject to the favorable opinion of the Board of Statutory Auditors, the appointment of Mr. Stefano Mattioli, former manager of Esprinet, as Manager in charge of preparing the accounting and corporate documents pursuant to Law 262/2005 and Group Chief Administration & Risk Officer, with effect from 1 October 2023.

Relationships with related parties

Group operations with related parties, as defined by IAS 24, were effected in compliance with current laws and according to mutual economic advantage.
Any products sold to individuals were sold under the same conditions as those usually applied to employees.
Transactions between the parent company Esprinet S.p.A. and its subsidiaries included in the scope of consolidation were de-recognised in the interim consolidated financial statements and therefore do not appear in this section.

During the period, relationships with related parties consisted essentially in the sale of products and services under market conditions between Group's entities and companies where the key management personnel or shareholders of Esprinet S.p.A. play important roles.
Relationships with key managers consisted in the compensation awarded for services rendered by the same.
Sales realised are related to the sales of consumer electronic products to business and private customers under normal market conditions.

It should be noted that, in the first half of this year, there were no transactions of 'greater importance' as defined by the 'Procedure for the discipline of Transactions with Related Parties', approved by the Board of Directors of Esprinet S.p.A. in compliance with CONSOB resolution no. 17221 of 12 March 2010, as amended and supplemented, which came into force on 1 January 2011.

Relationships with 'other related parties'

(euro/000)	Type	H1 2023				H1 2022			
		Sales	Cost	Receivable	Payable	Sales	Cost	Receivable	Payable
Sales									
Key managers and family	Sales of goods	4	-	3	-	2	-	2	-
Subtotal		**4**	**-**	**3**	**-**	**2**	**-**	**2**	**-**
Overheads and administrative cost									
Key managers and family	Overheads	-	(2)	-	-	-	(2)	-	-
Subtotal		**-**	**(2)**	**-**	**-**	**-**	**(2)**	**-**	**-**
Total		**4**	**(2)**	**3**	**-**	**2**	**(2)**	**2**	**-**

* Gross values.

The aforementioned table details operations occurred between Group companies and companies where Esprinet S.p.A. directors and shareholders play important roles, as well as Group key managers and their close family members.
Sales relate to consumer electronics products sold under normal market conditions.

The total value of the aforementioned transactions is not material compared with the total volume of the Group's activities.

Main risks and uncertainties

Esprinet Group activities are exposed to several risk factors that may influence its economic, equity and financial situation.
The Group identifies, assesses and manages risks in compliance with internationally recognised models and techniques such as the Enterprise Risk Management - Integrated Framework ("CoSO").
The identification of key risks has enabled their classification in the following categories:

- strategic risks;
- operational risks;
- compliance risks;
- financial risks.

A brief description of the main risks follows for each category identified, along with the response actions implemented to keep residual risk levels within acceptable thresholds for the Group.

Strategic risks include mainly the following: criticality in the ability to plan and implement strategic actions in a systematic and coordinated manner, and inadequacies as regards the following: the response to unfavourable macroeconomic scenarios, the response to changes in the needs of customers and suppliers, the management of the process of analysis/reaction to price trends (deflationary trends), the evaluation of M&A transactions and processes of integration with acquired companies, the reaction to the market initiatives of competitors and new entrants and the vulnerability in the ability to recognise and respond to competitive threats.
Protection against strategic risks is usually linked to the quality of strategic planning processes and to the generation of new ideas and/or the validation of existing management models, to the frequency and effectiveness of business reviews and to the availability of competitive analysis methods and tools and the ability to correctly identify, analyse and interpret the sector, economic and market macro-trends.

Operating risks include primarily: the interruption of logistics, storage and transport services, the dependence on IT and "web" systems, cybersecurity, the dependence on key suppliers with their possible failure to comply with contractual and non-contractual agreements, inefficient management of stock and inventory turnover and of the "pricing" and discount policies with a subsequent reduction in the company margin. This category also incorporates risks linked to

criticalities relating to management of international trade, customers and the inability to provide them with adequate service/support levels.
Operational risks are typically defended against by a mixture of rules and procedures aimed at guaranteeing adequate prevention from risky events, as well as by insurance tools and business continuity and disaster recovery plans aimed at minimising any possible financial impact of the risky events. The Group has also invested considerable resources in order to prevent and monitor the risks associated with dependence on information systems and improve the level of information security, defining, among other things, new key roles within the Internal Control System with specific skills in the IT field such as the Chief Information Security Officer.
The stipulation of contracts to protect the Group, its assets and profitability also represent tools for controlling operating risks. Furthermore, in order to maximise "Customer Satisfaction" and optimise the customer relationship, a special work group continues to operate, whose job is to analyse the matter and define new measures/tools to be introduced to reach said objectives. Lastly, the Group possesses internal personnel, external advisors and dedicated software in order to best manage the aspects related to international trade, in compliance with the legislation in force.

Compliance risks: this type of risks concerns the possible violation of legislation, laws and regulations, including of a tax nature, which are applicable to the Group and the business in which it operates (please see paragraph '*Development of disputes involving Esprinet S.p.A. and the Group*', point 26 '*Non-current provisions and other liabilities*' in the '*Notes to the condensed consolidated half-year financial statements*').
These risks are mainly guarded against by an external structure made up of professionals who also guarantee that internal administrative resources are updated on new laws and regulations of any possible interest to the Group. Other mitigation tools include the drafting of the appropriate procedures and the implementation of specific control activities.

Financial risks incorporate: credit, liquidity and market risk. Credit risk management strategies are as follows:

- in the case of financial counterparties (cash and cash equivalents and financial derivatives), by the choice of leading national and international banks;
- in the case of trade receivables, within the limits of the ceiling negotiated and with the aim of optimising the balance of costs and benefits, by the transfer of the risk to leading insurance and/or factoring firms, as well as the application of special checking procedures regarding the assignment and periodical revision of lines of credit to customers, and the requirement of collateral in the case of customers whose ratings are insufficient to guarantee operations.

Liquidity risk management hinges on cash-flow planning and also on the maintenance of consistent amounts of unused lines of credit in Italy, Spain and Portugal of a mainly self-liquidating nature, and is aided by a conservative financial policy favouring stable financing sources including that for financing working capital.

Market risk (composed primarily of currency and interest rate risk), less relevant for the Group with respect to credit and/or liquidity risk, is mitigated, as regards the currency aspect, through spot hedges of individual purchases in foreign currency, and in relation to interest rates via hedging instruments like "IRS-Interest Rate Swap", however not used today in consideration of the extremely low risk deriving from the largely fixed-rate composition of medium/long-term financial indebtedness.

Macroeconomic context

The first half of 2023 continued with a stalemate in the conflict in Ukraine, with subsequent territorial conquests and reconquests by both warring parties, which maintained a climate of uncertainty, characterised by significant tensions from both a political and economic point of view.
In the meantime, the adoption by the main global central banks (including the European Central

Bank) of restrictive monetary policies also continued, aimed at reducing inflation, which took a heavy toll and continues to characterise the current international economic context.

However, despite the reduction in the prices of energy raw materials which began at the end of winter 2023, and the aforementioned policies adopted by the main world central banks which resulted in several hikes in interest rates, resulting in a significant increase in the cost of borrowing, inflation, albeit decreasing, remained quite high during the first half of 2023 and, in any case, above the target level set by the main world central banks.

Therefore, with the ongoing conflict that appears to be far from being resolved, and in light of the more gradual decline in inflation compared to expectations, over the rest of the year it is estimated that the international macroeconomic context, including the European one, may continue to be influenced by the same (downward) tensions already reported in this paragraph, leading to a likely deceleration in the GDP growth of the main western economies, due to a presumed slowdown in consumption and investments. The inflation rate, on the other hand, is expected to decrease further in the second half of the year and more markedly in 2024.

The direct impact of the aforementioned tensions on the Esprinet Group in the six months under review was generally bearable, as it was not present on the markets of the countries currently directly involved in the conflict, and in consideration of the composition of its medium/long-term financial indebtedness, mainly at fixed rates. However, these restrictive conditions could have a greater impact in the future on the Group's financial stability, should it resort to new loans, or to a renegotiation of those currently in place.

Other significant information

1. Research and development activities

The research and development of EDP and 'Web' activities are related to the definition and planning of new processes and services relating to the IT platform used by the Group, which is at customers' and suppliers' disposal for information communication as well as for the management of sales and purchase orders. These costs were entirely recorded in the income statement in this financial year, mainly among the personnel costs of the respective departments.

2. Number and value of own shares

At the date of the close of this interim directors' report on operations, Esprinet S.p.A. holds 1,011,318 own ordinary shares, equal to 2.01% of share capital, fully to fulfil the obligations stemming from the "Long-Term Incentive Plan 2021-2023", approved by the Shareholders' Meeting on 7 April 2021.

The programme involving the buying and subsequent cancellation of own shares in issue therefore represents an opportunity for the Company to award its shareholders extra compensation on top of dividend distribution.

3. Atypical and/or unusual operations

The management does not believe that any transactions were atypical or unusual according to the definition provided by CONSOB in communication No. DEM 6064293 of 28 July 2006.

4. Share incentive plans

Within the scope of share incentive policies aimed at strengthening the loyalty of executives deemed essential for the purpose of achieving the Group operating targets, on 7 April 2021 Esprinet S.p.A. Shareholders' Meeting approved a new Compensation Plan ('Long-Term Incentive

Plan') for the benefit of the members of the Board of Directors and executives of Group companies, as proposed by the Remuneration Committee. Such plan will apply for the 2021-2023 three-year period with the purpose of granting a maximum of 1,150,000 rights of free stock grants of Esprinet S.p.A. ordinary shares.

This "Compensation Plan" is structured into two components:
- "Basic" component, whose conditions for exercise relate to the attainment of the Economic-Financial Performance and ESG (Environmental, Social, Governance) Performance targets in the 2021-2023 three-year period;
- "Double Up" component, whose conditions for exercise relate to the achievement of value growth targets of Esprinet S.p.A. in terms of stock market capitalisation at the end of the 2021-2023 three-year period.

Also, for both components to be exercised, the beneficiary must remain in the Group until the date of presentation of the consolidated financial statements for 2023.

On 22 April 2021, in execution of the aforementioned resolution of the Shareholders' Meeting, 1,011,318 rights were assigned free of charge, of which 191,318 relating to the "Basic" component and 820,000 to the "Double Up" component.

Further information can be found in the '*Notes to the condensed consolidated half-year financial statements*', paragraph '*Labour costs and number of employees*'.

5. Reconciliation of equity and Group result and corresponding values of the parent company

In compliance with CONSOB communication No. DEM/6064293 of 28 July 2006 the reconciliation between Group equity and result of the period together with the relative data of the parent company, Esprinet S.p.A., is illustrated in the table below:

(euro/000)	Net Result		Equity	
	30/06/23	30/06/22	30/06/23	31/12/22
Esprinet S.p.A. separate financial statements	**(32,856)**	**6,195**	**207,764**	**269,290**
Consolidation adjustments:				
Net equity and result for the year of consolidated companies net of minorit	6,091	11,914	236,897	230,222
Esprinet S.p.A. 's investments in consolidated subsidiaries carryng amount	-	-	(101,378)	(101,881)
Goodwill from Esprinet Iberica S.L.U. business combination	-	-	1,039	1,039
Goodwill from 4Side S.r.l. business combination	-	-	121	121
Goodwill from Dacom S.p.A. business combination	-	-	113	113
Goodwill from Bludis S.r.l. business combination	-	-	8,069	8,103
Deletion of non-realised (profit)/loss on inventory, net of fiscal effect	2	49	(35)	(37)
Subsidiaries's risk provision deletion	-	-	-	825
Investments in subsidiaries write-down deletion	-	-	155	555
Other movements	(144)	(126)	867	867
Consolidated net equity and net result	**(26,907)**	**18,032**	**353,612**	**409,217**

Business outlook, risks and uncertainties in the second half of the year

In a decidedly challenging macroeconomic scenario for households and businesses, which has not improved as quickly as expected, and on the basis of the first signs of weak demand recorded also in the third quarter of 2023, the ICT market is expected to remain under pressure also in the second half year, with better recovery prospects starting from the beginning of next year.

Consistently high inflation, interest rates on loans, as well as the uncertainty of the economic context continue to impact consumer demand.
Furthermore, companies are starting to be more cautious in information technology purchases, deferring expenses that are not strictly necessary in the immediate future and keeping long-term strategic projects active.
The reduction in the growth rate in the Infrastructure segment expected by analysts for the third and fourth quarters is due not only to the slowdown in demand, but also to the challenging comparison with previous year (the second half of 2022 was particularly robust thanks to the fulfilment of orders in the backlog following the previous product shortage situations).
Based on the above considerations, industry analysts predict a flat or even slightly negative trend in sales in the second half of 2023.
Therefore, considering the challenging context and the pressure on sales volumes only partially offset by the constant focus on the progressive improvement of product margins, the Group revises the 2023 guidance of the EBITDA Adj. in the range between Euro 70 and 80 million.
Esprinet remains confident, as do the industry analysts, in the projections of future and long-term growth of the ICT sector and in the ability of distribution to direct it.
Over the next three years, the digital transformation trend will continue to drive a sharp increase in technology spending, especially in IT services. At the same time, the overall demand for vertical solutions is expected to boom until 2026.

Vimercate, 12 September 2023

On behalf of the Board of Directors
The Chairman

Maurizio Rota

Consolidated statement of financial position

The table below shows the consolidated statement of financial position drawn up according to IFRS principles, together with the information required pursuant to CONSOB Resolution No. 15519 of 27 July 2006:

(euro/000)	Notes	30/06/2023	related parties*	31/12/2022	related parties*
ASSETS					
Non-current assets					
Property, plant and equipment	1	27,370		20,199	
Right-of-use assets	4	109,420		106,860	
Goodwill	2	110,269		110,303	
Intangible assets	3	9,098		9,652	
Deferred income tax assets	6	9,143		9,091	
Receivables and other non-current assets	9	2,337	-	2,348	-
		267,637	**-**	**258,453**	**-**
Current assets					
Inventory	10	533,742		672,688	
Trade receivables	11	476,446	3	701,071	3
Income tax assets	12	3,132		1,113	
Other assets	13	71,342	-	68,908	-
Derivative financial assets	14	1		-	
Cash and cash equivalents	17	130,259		172,185	
		1,214,922	**3**	**1,615,965**	**3**
Total assets		**1,482,559**	**3**	**1,874,418**	**3**
EQUITY					
Share capital	19	7,861		7,861	
Reserves	20	372,658		354,010	
Group net income	21	(26,907)		47,346	
Group net equity		**353,612**		**409,217**	
Non-controlling interests		-		-	
Total equity		**353,612**		**409,217**	
LIABILITIES					
Non-current liabilities					
Borrowings	22	66,068		71,118	
Lease liabilities	31	103,836		101,661	
Deferred income tax liabilities	24	17,363		16,646	
Retirement benefit obligations	25	5,386		5,354	
Debts for investments in subsidiaries	49	600		600	
Provisions and other liabilities	26	26,429		2,574	
		219,682		**197,953**	
Current liabilities					
Trade payables	27	675,884	-	1,112,166	-
Short-term financial liabilities	28	164,001		82,163	
Lease liabilities	36	11,583		10,740	
Income tax liabilities	29	1,556		1,058	
Derivative financial liabilities	30	-		24	
Debts for investments in subsidiaries	51	834		2,455	
Provisions and other liabilities	32	55,407	-	58,642	-
		909,265	**-**	**1,267,248**	**-**
Total liabilities		**1,128,947**	**-**	**1,465,201**	**-**
Total equity and liabilities		**1,482,559**	**-**	**1,874,418**	**-**

(*) For further details on related parties, see the related section in the '*Interim Directors' Report on Operations*'.

Consolidated separate income statement

Below is the consolidated separate income statement, showing items by *'function'* drawn up in accordance with the IFRS and supplemented with the disclosure required under CONSOB Resolution No. 15519 of 27 July 2006, whose figures relating solely to the second quarter are not subject to a limited scope audit:

(euro/000)	**Notes**	**H12023**	non - recurring	related parties*	**H12022**	non - recurring	related parties*
Sales from contracts with customers	**33**	**1,905,839**	**-**	4	**2,178,625**	**-**	2
Cost of sales		(1,801,473)	-	-	(2,064,446)	-	-
Gross profit	**35**	**104,366**	**-**		**114,179**	**-**	
Sales and marketing costs	**37**	(38,934)	-	-	(36,341)	-	-
Overheads and administrative costs	**38**	(76,250)	(26,371)	2	(48,802)	(387)	2
Impairment loss/reversal of financial assets	**39**	(129)	-		33	-	
Operating result (EBIT)		**(10,947)**	**(26,371)**		**29,069**	**(387)**	
Finance costs - net	**42**	(13,213)	(6,946)	-	(4,273)	-	-
Result before income taxes		**(24,160)**	**(33,317)**		**24,796**	**(387)**	
Income tax expenses	**45**	(2,747)	-	-	(6,764)	108	-
Net result		**(26,907)**	**(33,317)**		**18,032**	**(279)**	
- of which attributable to non-controlling interests		-			-		
- of which attributable to Group		(26,907)	(33,317)		18,032	(279)	
Earnings per share - basic (euro)	**46**	(0.54)			0.36		
Earnings per share - diluted (euro)	**46**	(0.54)			0.36		

(euro/000)	**Notes**	**Q2 2023**	non - recurring	related parties*	**Q2 2022**	non - recurring	related parties*
Sales from contracts with customers	**33**	**887,241**	**-**	4	**1,039,190**	**-**	(11)
Cost of sales		(836,774)	-	-	(982,308)	-	-
Gross profit	**35**	**50,467**	**-**		**56,882**	**-**	
Sales and marketing costs	**37**	(19,899)	-	-	(18,561)	-	-
Overheads and administrative costs	**38**	(52,212)	(26,371)	1	(24,689)	(387)	1
Impairment loss/reversal of financial assets	**39**	(93)	-		(180)	-	
Operating result (EBIT)		**(21,737)**	**(26,371)**		**13,452**	**(387)**	
Finance costs - net	**42**	(10,504)	(6,946)	-	(2,435)	-	-
Result before income taxes		**(32,241)**	**(33,317)**		**11,017**	**(387)**	
Income tax expenses	**45**	(566)	-	-	(3,059)	108	-
Net result		**(32,807)**	**(33,317)**		**7,958**	**(279)**	
- of which attributable to non-controlling interests		-	-		-	-	
- of which attributable to Group		(32,807)	(33,317)		7,958	(279)	
Earnings per share - basic (euro)	**46**	(0.66)			0.16		
Earnings per share - diluted (euro)	**46**	(0.66)			0.16		

(*) Emoluments to key managers are excluded. Further information on operation with related parties can be found in the relevant section in the 'Interim Directors' Report on Operations'.

Consolidated statement of comprehensive income

(euro/000)	H12023	H12022	Q2 2023	Q2 2022
Net result	**(26,907)**	**18,032**	**(32,807)**	**7,958**
Other comprehensive income:				
- Changes in translation adjustment reserve	12	(4)	20	8
Other comprehensive income not to be reclassified in the separate income statement				
- Changes in 'TFR' equity reserve	34	421	83	413
- Taxes on changes in 'TFR' equity reserve	(8)	(101)	(20)	(99)
Other comprehensive income	**38**	**316**	**83**	**322**
Total comprehensive income	**(26,869)**	**18,348**	**(32,724)**	**8,280**
- of which attributable to Group	(26,869)	18,348	(32,724)	8,280
- of which attributable to non-controlling interests	-	-	-	-

Consolidated statement of changes in equity

(euro/000)	Share capital	Reserves	Own shares	Profit for the period	Total net equity	Minority interest	Group net equity
Balance at 31 December 2021	**7.861**	**354.440**	**(20.263)**	**44.080**	**386.118**	**-**	**386.118**
Total comprehensive income/(loss)	-	316	-	18.032	**18.348**	-	**18.348**
Allocation of last year net income/(loss)	-	44.080	-	(44.080)	**-**	-	**-**
Dividend payment	-	(26.679)	-	-	**(26.679)**	-	**(26.679)**
Acquisition and deletion of Esprinet own shares	-	(6.933)	6.933	-	**-**	-	**-**
Transactions with owners	**-**	**10.468**	**6.933**	**(44.080)**	**(26.679)**	**-**	**(26.679)**
Currently active Share plans	-	1.058	-	-	**1.058**	-	**1.058**
Other variations	-	32	-	-	**32**	-	**32**
Balance at 30 June 2022	**7.861**	**366.314**	**(13.330)**	**18.032**	**378.877**	**-**	**378.877**
Balance at 31 December 2022	**7.861**	**367.340**	**(13.330)**	**47.346**	**409.217**	**-**	**409.217**
Total comprehensive income/(loss)	-	38	-	(26.907)	**(26.869)**	-	**(26.869)**
Allocation of last year net income/(loss)	-	47.346	-	(47.346)	**-**	-	**-**
Transactions with owners	**-**	**20.667**	**-**	**(47.346)**	**(26.679)**	**-**	**(26.679)**
Equity plans in progress	-	(2.057)	-	-	**(2.057)**	-	**(2.057)**
Balance at 30 June 2023	**7.861**	**385.988**	**(13.330)**	**(26.907)**	**353.612**	**-**	**353.612**

Consolidated statement of cash flows[1]

(euro/000)	H1 2023	H1 2022
Cash flow provided by (used in) operating activities (D=A+B+C)	**(76,580)**	**(447,544)**
Cash flow generated from operations (A)	**20,288**	**38,409**
Operating income (EBIT)	(10,947)	29,069
Depreciation, amortisation and other fixed assets write-downs	9,521	8,481
Net changes in provisions for risks and charges	(120)	(122)
Provision for taxes in instalment	23,919	-
Net changes in retirement benefit obligations	(28)	(77)
Stock option/grant costs	(2,057)	1,058
Cash flow provided by (used in) changes in working capital (B)	**(90,314)**	**(474,833)**
Inventory	138,946	(251,479)
Trade receivables	224,625	79,125
Other current assets	(8,498)	6,115
Trade payables	(436,301)	(309,003)
Other current liabilities	(9,086)	409
Other cash flow provided by (used in) operating activities (C)	**(6,554)**	**(11,120)**
Interests paid	(5,706)	(2,063)
Received interests	401	62
Foreign exchange (losses)/gains	355	(1,095)
Income taxes paid	(1,604)	(8,024)
Cash flow provided by (used in) investing activities (E)	**(9,894)**	**(5,137)**
Net investments in property, plant and equipment	(9,761)	(5,006)
Net investments in intangible assets	(144)	(225)
Net investments in other non-current assets	11	94
Cash flow provided by (used in) financing activities (F)	**44,548**	**3,147**
Medium/long term borrowing	15,000	13,000
Repayment/renegotiation of medium/long-term borrowings	(24,038)	(14,778)
Leasing liabilities reimbursement	(6,057)	(5,487)
Net change in financial liabilities	84,127	35,285
Net change in financial assets and derivative instruments	4,021	1,453
Deferred price acquisition	(1,587)	(1,739)
Dividend payments	(26,918)	(24,587)
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	**(41,926)**	**(449,534)**
Cash and cash equivalents at year-beginning	**172,185**	**491,471**
Net increase/(decrease) in cash and cash equivalents	**(41,926)**	**(449,534)**
Cash and cash equivalents at year-end	**130,259**	**41,937**

[1] Effects of relationships with related parties are omitted as not significant.

Notes to the condensed consolidated half-year financial statements

1. Contents and format of the consolidated financial statements

1.1 Regulations, accounting principles and valuation criteria

The Esprinet Group consolidated half-yearly financial report as at 30 June 2023 was drawn up in accordance with Article 154-ter (Financial Reports), paragraph 2, of Legislative Decree no. 58/1998 (T.U.F. - *Finance Consolidation Act)*, as well as CONSOB Communication no. DEM/6064293 of 28 July 2006 (*"Disclosure requirements of Italian listed companies pursuant to Article 114, paragraph 5, Legislative Decree no. 58/98"*) and includes:

- the interim directors' report on operations;
- the condensed consolidated half-year financial statements;
- the declaration provided by Article 154-bis, paragraph 5 of the T.U.F.

The condensed consolidated half-year financial statements have been drawn up in compliance with IFRS - International Financial Reporting Standards -, using the same standards used in the preparation of the consolidated financial statements as at 31 December 2022 and with special reference to the provisions of IAS 34 'Interim Financial Reporting', pursuant to which they have been drafted in condensed form.
They do not include all the supplementary information required in the annual financial statements, therefore, they should be read together with the consolidated financial statements of the Esprinet Group as at 31 December 2022.

These condensed consolidated half-year financial statements as at 30 June 2023 were subject to a limited scope audit by the company PricewaterhouseCoopers S.p.A. with the exception of figures relating only to the second quarter.

1.2 Consolidation scope

The consolidated financial statements are prepared on the basis of the interim accounts of the parent company and its direct and/or indirect subsidiaries or associated companies, approved by their respective Boards of Directors[2].
Wherever necessary, the interim accounts of subsidiaries have been suitably adjusted to ensure consistency with the accounting principles used by the parent company, and all relate to financial years with same closing date as the parent company.

The table below lists companies included in the consolidation scope as at 30 June 2023, all consolidated on a line-by-line basis.

[2] With the exception of Celly Pacific LTD, Erredi Deutschland GmbH, Erredi France SARL, Erredi Iberica S.L. as they do not possess said Body.

Company name	Head Office	Share Capital (euro)*	Group Interest	Shareholders	Interest held
Holding company:					
Esprinet S.p.A.	Vimercate (MB)	7,860,651			
Subsidiaries directly controlled:					
Celly Pacific LTD	Honk Kong (Cina)	935	100.00%	Esprinet S.p.A.	100.00%
Esprinet Iberica S.L.U.	Saragozza (Spagna)	55,203,010	100.00%	Esprinet S.p.A.	100.00%
Bludis S.r.l.	Roma (RM)	600,000	100.00%	Esprinet S.p.A.	100.00%
V-Valley S.r.l.	Vimercate (MB)	20,000	100.00%	Esprinet S.p.A.	100.00%
Dacom S.p.A.	Milano (MI)	3,600,000	100.00%	Esprinet S.p.A.	100.00%
idMAINT S.r.l.	Milano (MI)	42,000	100.00%	Esprinet S.p.A.	100.00%
4Side S.r.l	Legnano (MI)	100,000	100.00%	Esprinet S.p.A.	100.00%
Subsidiaries indirectly controlled:					
Esprinet Portugal Lda	Porto (Portogallo)	2,500,000	100.00%	Esprinet Iberica S.L.U. Esprinet S.p.A.	95.00% 5.00%
Erredi Deutschland GmbH	Eschborn (Germania)	50,000	100.00%	idMAINT S.r.l.	100.00%
Erredi France SARL	Roissy-en-France (Francia)	50,000	100.00%	idMAINT S.r.l.	100.00%
Erredi Iberica S.L.	Santa Coloma de Cervellò (Spagna)	5,000	100.00%	V-Valley Advanced Solutions España, S.A.	100.00%
V-Valley Advanced Solutions España, S.A. **	Madrid (Spagna)	1,202,000	100.00%	Esprinet Iberica S.L.U.	90.42%
Optima Logistics S.L.U.	Madrid (Spagna)	3,005	100.00%	V-Valley Advanced Solutions España, S.A.	100.00%
V-Valley Advanced Solutions Portugal, Unipessoal, Lda	Sacavém (Portogallo)	10,000	100.00%	V-Valley Advanced Solutions España, S.A.	100.00%
GTI Software & Networking SARLAU	Casablanca (Marocco)	707,252	100.00%	V-Valley Advanced Solutions España, S.A.	100.00%

(*) Share capital values, with reference to the companies publishing financial statements in a currency other than euro, are displayed at historical value.
(**) 100% by virtue of 9.58% of treasury shares held by V-Valley Advanced Solutions España, S.A.

Compared to 31 December 2022 and 30 June 2022, we note the exit from the scope of consolidation of the wholly-owned subsidiary Nilox Deutschland GmbH, liquidated in May 2023. With respect to 30 June 2022, note should also be taken of the entry into the scope of consolidation of the company Bludis S.r.l., effective from 3 November 2022.

On the other hand, in relation to individual companies, although without any impact on the overall scope, compared to 30 June 2022, note should be taken of the merger by incorporation of Vinzeo Technologies S.A.U. into Esprinet Iberica S.L.U., effective from September 2022. Finally, with respect to both 30 June and 31 December 2022, note should be taken of the sale in May 2023 of the 100% investment in Erredi Iberica S.L. from idMAINT S.r.l. to V-Valley Advanced Solutions España S.A..

1.3 Principal assumptions, estimates and rounding

Within the scope of preparing these condensed consolidated half-year financial statements, several estimates and assumptions have been made on the values of sales, costs, assets and liabilities in the financial statements and the disclosure relating to the contingent assets and liabilities at the interim reporting date. Unless otherwise stated, they have been consistently applied to all the years presented.

Due to the uncertainty associated with the current tensions that characterise the global economic context, in preparing these condensed consolidated half-year financial statements, the Group carefully evaluated and considered the possible impacts on the half-year data and provided an update of the specific disclosure in the paragraph “Macroeconomic context” in the previous section “Main risks and uncertainties”, to which reference should be made for further details.

A detailed description of the assumptions and estimates adopted can be found in the Notes to the Consolidated Financial Statements of the Esprinet Group as at 31 December 2022, but where the evaluation has led to particular conclusions, additional specific information is provided in the notes.

If these estimates and assumptions, which are based on the best valuation by the management, should differ from actual circumstances in the future, they will be suitably amended during the period in which those circumstances will arise.

In this interim period, as permitted by IAS 34, income taxes were calculated based on the best estimate of the tax burden expected for the entire financial year. On the contrary, in the annual consolidated financial statement, current taxes have been calculated specifically based on the tax rates in force at the closing date of the financial statements.
Prepaid and deferred taxes have been instead estimated based on the tax rates expected to be in force at the time when the relevant assets or liabilities will be realised or settled.

Figures in this document are expressed in thousands of euro, unless otherwise indicated.
Furthermore, in some cases the tables might have some inaccuracies due to the rounding-up to thousands.

1.4 Amendments of accounting standards

No reclassification or changes in the critical accounting estimates regarding previous periods, pursuant to IAS 8, have been made in this interim management report.

1.5 New or revised accounting standards and interpretations adopted by the Group

The accounting policies adopted in the preparation of the condensed consolidated half-year financial statements as at 30 June 2023 are consistent with those used in the drafting of the consolidated financial statements as at 31 December 2022, except for the accounting standards and amendments described below and obligatorily applied with effect from 1 January 2023 after being endorsed by the competent authorities.

The main changes are as follows:

IFRS 17 – Insurance Contracts - Issued in May 2017 by IASB, the new standard will replace IFRS 4 and will be effective from 1 January 2023.

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2): The amendments issued by the IASB on 12 February 2021 aim to assist drafters of financial statements in deciding which accounting standards to disclose as more significant in their financial statements. In addition, the IFRS Practice Statement 2 was modified by adding guidelines and examples to explain and demonstrate the application of the "four-step materiality process" to the information on accounting standards, in order to support the amendments to IAS 1. The amendments will be applied prospectively and are effective for years starting on or after 1 January 2023. The application of the amendments to the IFRS Practice Statement 2 will be applicable only after the application of those envisaged in IAS 1.

Amendments to IAS 8 - Definition of accounting estimates - On 12 February 2021, the IASB issued the document *'Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates'* with the aim of clarifying the difference between accounting policies and estimates. The amendments apply to financial statements for years starting on 1 January 2023.

Amendments to IAS 12 (Income Taxes), Deferred Tax related to Assets and Liabilities arising from a Single Transaction: Published by the IASB on 7 May 2021 with the objective of clarifying the method of accounting of deferred taxes on specific accounting cases such as, for example, leases or "decommissioning obligations". The amendments apply to financial statements for years starting on or after 1 January 2023.

Initial Application of IFRS 17 and IFRS 9 - Comparative Information (Amendment to IFRS 17): Published in December 2021, aims to indicate the transition options relating to comparative information on financial assets presented upon initial application of IFRS 17. The amendments apply to financial statements for years starting on 1 January 2023.

These amendments had no significant impact on the condensed consolidated half-year financial statements.

At the date of these condensed consolidated half-year financial statements, moreover, the competent bodies of the European Union had not completed the approval process necessary for the application of the following accounting standards and amendments:

Amendments to IAS 1 - Presentation of financial statements: classification of liabilities as current or non-current – Issued by IASB on 23 January 2020, the document requires a liability to be classified as current or non-current according to the existing rights at the reporting date. In addition, it establishes that the classification is not impacted by expectations about whether an entity will exercise its right to defer the settlement of the liability. Lastly, it is clarified that this settlement refers to the transfer of cash, equities, other assets or services to the counterparty. The amendments apply to financial statements for years starting on 1 January 2024. Early application is permitted.

Amendments to IAS 1- Presentation of financial statements: Non-Current Liabilities with Covenants - Issued by the IASB on 31 October 2022, the document clarifies the necessary conditions to be met within twelve months from the reference year that may affect the classification of a liability, especially in cases where it is subject to Covenants. The amendments apply to financial statements for years starting on 1 January 2024. Early application is permitted.

Amendments to IFRS 16 - Lease Liability in a sale and leaseback - Issued by the IASB on 22 September 2022, the document provides some clarifications regarding the valuation of lease and leaseback transactions which consequently also meet IFRS 15 criteria for the accounting of the sale. The amendments apply to financial statements for years starting on 1 January 2024. Early application is permitted.

Amendments to IAS 12 - Income taxes: International Tax Reform - Pillar Two Model Rules - Issued by the IASB on 23 May 2023 with immediate and retroactive effective date for the annual financial statements relating to years starting on 1 January 2023. The amendments provide: (i) an exception that allows companies subject to the OECD tax reform, which has defined a new two-pillar model (the Pillar Two Model) to limit tax competition by introducing a global minimum rate of 15% in each jurisdiction in which large multinationals operate, a "temporary relief" regarding the accounting of deferred taxation deriving from the implementation of the model itself; (ii) to clarify the additional disclosure requirements to be provided on the annual financial statements to help stakeholders better understand the companies' exposure to taxes following the introduction of the model. To better allow comparability between financial reporting, the exception will be mandatory and no expiry date is specified, in consideration of the fact that, for the rules to be applicable, they will need to be transposed into national legislation on the basis of each country's approach. These condensed consolidated half-year financial statements as at 30 June 2023 make use of the above temporary exception. The information requested, which is still being determined, will be provided in the Group's Annual Financial Report as at 31 December 2023.

Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements - Issued by the IASB on 25 May 2023, the document provides for the addition of disclosure obligations relating to financial agreements with suppliers. The amendments apply to financial statements for years starting on 1 January 2024. Early application is permitted.

The Group will adopt these new standards, amendments and interpretations, based on the application date indicated, and will evaluate their potential impacts, when these standards, amendments and interpretations are endorsed by the European Union.

2. Business combinations

The Group did not carry out any business combinations during the reference half year.

3. Segment information

3.1 Introduction

An operating segment is a component of the Group:

a) that engages in business activities from which it may earn sales and incur expenses (including sales and expenses relating to transactions with other components of the same Group);

b) whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance;

c) for which financial information is separately available.

The Esprinet Group is organised in the geographical business areas of Italy and the Iberian Peninsula (operating segments) where it performs the business-to-business (B2B) distribution of Information Technology (IT) and consumer electronics.

The B2B IT and consumer electronics distribution is aimed at professional resellers, including large-scale distributors/retailers, and regards traditional IT products (desktop PCs, PC notebooks, printers, photocopiers, servers, standard software, etc.), advanced products (datacentres, networking, cybersecurity software, cloud solutions, support services), consumables (cartridges, tapes, toners, magnetic media), networking products (modems, routers, switches), tablets, mobile telephone devices (smartphones) and related accessories, and state-of-the-art digital and entertainment products such as cameras, video cameras, videogames, LCD TVs and MP3 readers.

A 'geographical segment' is involved in investments and transactions aimed at providing products or services within a particular economic environment that is subject to risks and returns that are different from those achievable in other geographical segments.

The organisation by geographical segments represents the main form of management and analysis of Group results by the CODMs (Chief Operating Decision Makers).

3.2 Financial statements by operating segments

The separate income statement, statement of financial position and other significant information regarding each of the Esprinet Group's operating segments are as follows:

Separate income statement and other significant information by operating segments

(euro/000)	H12023			
	Italy	Iberian Pen.	Elim. and other	Group
	Distr. IT & CE B2B	Distr. It & CE B2B		
Sales to third parties	1,192,929	712,909	-	1,905,839
Intersegment sales	13,841	-	(13,841)	-
Sales from contracts with customers	**1,206,770**	**712,909**	**(13,841)**	**1,905,839**
Cost of sales	(1,139,336)	(675,970)	13,833	(1,801,473)
Gross profit	**67,434**	**36,939**	**(8)**	**104,366**
Gross Profit %	*5.59%*	*5.18%*		*5.48%*
Sales and marketing costs	(27,587)	(11,350)	3	(38,934)
Overheads and admin. costs	(60,063)	(16,194)	7	(76,250)
Impairment loss/reversal of financial assets	75	(205)	1	(129)
Operating result (EBIT)	**(20,141)**	**9,190**	**3**	**(10,947)**
EBIT %	*-1.67%*	*1.29%*		*-0.57%*
Finance costs - net				(13,213)
Result before income tax				**(24,160)**
Income tax expenses				(2,747)
Net result				**(26,907)**
- of which attributable to non-controlling interests				-
- of which attributable to Group				(26,907)
Depreciation and amortisation	**6,848**	**2,416**	257	**9,521**
Other non-cash items	**(318)**	**97**	-	**(221)**
Investments	**9,305**	**737**	-	**10,042**
Total assets	**1,027,928**	**532,953**	(78,322)	**1,482,559**

(euro/000)	H12022			
	Italy	Iberian Pen.	Elim. and other	Group
	Distr. IT & CE B2B	Distr. IT & CE B2B		
Sales to third parties	1,318,014	860,611	-	2,178,625
Intersegment sales	17,899	-	(17,899)	-
Sales from contracts with customers	**1,335,913**	**860,611**	**(17,899)**	**2,178,625**
Cost of sales	(1,262,881)	(819,506)	17,941	(2,064,446)
Gross profit	**73,032**	**41,105**	**42**	**114,179**
Gross profit %	*5.47%*	*4.78%*		*5.24%*
Sales and marketing costs	(24,737)	(11,604)	-	(36,341)
Overheads and admin. costs	(33,982)	(14,847)	27	(48,802)
Impairment loss/reversal of financial assets	127	(94)	-	33
Operating result (EBIT)	**14,440**	**14,560**	**69**	**29,069**
EBIT %	*1.08%*	*1.69%*		*1.33%*
Finance costs - net				(4,273)
Result before income tax				**24,796**
Income tax expenses				(6,764)
Net result				**18,032**
- of which attributable to non-controlling interests				-
- of which attributable to Group				18,032
Depreciation and amortisation	**5,991**	**2,324**	166	**8,481**
Other non-cash items	**2,581**	**67**	-	**2,648**
Investments	**4,391**	**868**	-	**5,259**
Total assets	**1,116,106**	**633,359**	(109,178)	**1,640,287**

(euro/000)	Q2 2023			
	Italy	Iberian Pen.	Elim. and other	Group
	Distr. IT & CE B2B	Distr. It & CE B2B		
Sales to third parties	562,045	325,195		887,241
Intersegment sales	6,504	-	(6,504)	-
Sales from contracts with customers	**568,549**	**325,195**	**(6,504)**	**887,241**
Cost of sales	(535,470)	(307,846)	6,542	(836,774)
Gross profit	**33,079**	**17,349**	**38**	**50,467**
Gross Profit %	*5.82%*	*5.33%*		*5.69%*
Sales and marketing costs	(14,116)	(5,786)	3	(19,899)
Overheads and admin. costs	(44,172)	(8,042)	2	(52,212)
Impairment loss/reversal of financial assets	147	(241)	1	(93)
Operating result (EBIT)	**(25,062)**	**3,280**	**44**	**(21,737)**
EBIT %	*-4.41%*	*1.01%*		*-2.45%*
Finance costs - net				(10,504)
Result before income tax				**(32,241)**
Income tax expenses				(566)
Net result				**(32,807)**
- of which attributable to non-controlling interests				-
- of which attributable to Group				(32,807)
Depreciation and amortisation	**3,483**	**1,257**	144	**4,884**
Other non-cash items	**878**	**70**	-	**948**
Investments	**5,593**	**379**	-	**5,972**
Total assets	**1,027,928**	**532,953**	(78,322)	**1,482,559**

(euro/000)	Q2 2022			
	Italy	Iberian Pen.	Elim. and other	Group
	Distr. IT & CE B2B	Distr. It & CE B2B		
Sales to third parties	619,234	419,956		1,039,190
Intersegment sales	8,109	-	(8,109)	-
Sales from contracts with customers	**627,343**	**419,956**	**(8,109)**	**1,039,190**
Cost of sales	(590,619)	(399,795)	8,106	(982,308)
Gross profit	**36,724**	**20,161**	**(3)**	**56,882**
Gross profit %	*5.85%*	*4.80%*		*5.47%*
Sales and marketing costs	(12,980)	(5,581)	-	(18,561)
Overheads and admin. costs	(17,076)	(7,633)	20	(24,689)
Impairment loss/reversal of financial assets	30	(210)	-	(180)
Operating result (EBIT)	**6,698**	**6,737**	**17**	**13,452**
EBIT %	*1.07%*	*1.60%*		*1.29%*
Finance costs - net				(2,435)
Result before income tax				**11,017**
Income tax expenses				(3,059)
Net result				**7,958**
- of which attributable to non-controlling interests				-
- of which attributable to Group				7,958
Depreciation and amortisation	**3,054**	**1,220**	**91**	**4,365**
Other non-cash items	**1,276**	**(31)**	**-**	**1,245**
Investments	**1,516**	**286**	**-**	**1,802**
Total assets	**1,116,106**	**633,359**	**(109,178)**	**1,640,287**

Statement of financial position by operating segments

(euro/000)	30/06/2023			
	Italy	Iberian Pen.		
	Distr. IT & CE B2B	Distr. IT & CE B2B	Elim. and other	Group
ASSETS				
Non-current assets				
Property, plant and equipment	23,734	3,636	-	27,370
Right-of-use assets	88,391	21,029	-	109,420
Goodwill	27,452	81,778	1,039	110,269
Intangible assets	2,337	6,761	-	9,098
Investments in others	75,789	-	(75,789)	-
Deferred income tax assets	4,013	5,102	28	9,143
Receivables and other non-current assets	1,828	509	-	2,337
	223,544	**118,815**	**(74,722)**	**267,637**
Current assets				
Inventory	382,497	151,310	(65)	533,742
Trade receivables	305,614	170,832	-	476,446
Income tax assets	2,778	354	-	3,132
Other assets	68,708	6,169	(3,535)	71,342
Derivative financial assets	-	1	-	1
Cash and cash equivalents	44,787	85,472	-	130,259
	804,384	**414,138**	**(3,600)**	**1,214,922**
Total assets	**1,027,928**	**532,953**	**(78,322)**	**1,482,559**
EQUITY				
Share capital	7,861	54,693	(54,693)	7,861
Reserves	248,239	144,202	(19,783)	372,658
Group net income	(32,106)	5,378	(179)	(26,907)
Group net equity	**223,994**	**204,273**	**(74,655)**	**353,612**
Non-controlling interests	-	132	(132)	-
Total equity	**223,994**	**204,405**	**(74,787)**	**353,612**
LIABILITIES				
Non-current liabilities				
Borrowings	38,115	27,953	-	66,068
Lease liabilities	84,878	18,958	-	103,836
Deferred income tax liabilities	3,403	13,960	-	17,363
Retirement benefit obligations	5,386	-	-	5,386
Debts for investments in subsidiaries	600	-	-	600
Provisions and other liabilities	26,002	427	-	26,429
	158,384	**61,298**	**-**	**219,682**
Current liabilities				
Trade payables	462,382	213,502	-	675,884
Short-term financial liabilities	137,463	26,538	-	164,001
Lease liabilities	8,273	3,310	-	11,583
Income tax liabilities	180	1,376	-	1,556
Derivative financial liabilities	-	-	-	-
Debts for investments in subsidiaries	834	-	-	834
Provisions and other liabilities	36,418	22,524	(3,535)	55,407
	645,550	**267,250**	**(3,535)**	**909,265**
Total liabilities	**803,934**	**328,548**	**(3,535)**	**1,128,947**
Total equity and liabilities	**1,027,928**	**532,953**	**(78,322)**	**1,482,559**

EMARKET SDIR CERTIFIED

(euro/000)	31/12/2022			
	Italy	Iberian Pen.		
	Distr. IT & CE B2B	Distr. IT & CE B2B	Elim. and other	Group
ASSETS				
Non-current assets				
Property, plant and equipment	16,875	3,324	-	20,199
Right-of-use assets	86,245	20,615	-	106,860
Goodwill	27,487	81,777	1,039	110,303
Intangible assets	2,558	7,094	-	9,652
Investments in others	75,857	-	(75,857)	-
Deferred income tax assets	3,949	5,113	29	9,091
Receivables and other non-current assets	1,855	493	-	2,348
	214,826	**118,416**	**(74,789)**	**258,453**
Current assets				
Inventory	409,558	263,198	(68)	672,688
Trade receivables	428,784	272,287	-	701,071
Income tax assets	1,026	87	-	1,113
Other assets	89,666	11,869	(32,627)	68,908
Cash and cash equivalents	127,916	44,269	-	172,185
	1,056,950	**591,710**	**(32,695)**	**1,615,965**
Total assets	**1,271,776**	**710,126**	**(107,484)**	**1,874,418**
EQUITY				
Share capital	7,861	54,693	(54,693)	7,861
Reserves	256,160	118,000	(20,150)	354,010
Group net income	20,940	26,250	156	47,346
Group net equity	**284,961**	**198,943**	**(74,687)**	**409,217**
Non-controlling interests	-	169	(169)	-
Total equity	**284,961**	**199,112**	**(74,856)**	**409,217**
LIABILITIES				
Non-current liabilities				
Borrowings	34,568	36,550	-	71,118
Lease liabilities	82,924	18,737	-	101,661
Deferred income tax liabilities	3,359	13,287	-	16,646
Retirement benefit obligations	5,354	-	-	5,354
Debts for investments in subsidiaries	600	-	-	600
Provisions and other liabilities	2,298	276	-	2,574
	129,103	**68,850**	**-**	**197,953**
Current liabilities				
Trade payables	759,811	352,355	-	1,112,166
Short-term financial liabilities	53,733	55,930	(27,500)	82,163
Lease liabilities	7,656	3,084	-	10,740
Income tax liabilities	352	706	-	1,058
Derivative financial liabilities	-	24	-	24
Debts for investments in subsidiaries	2,455	-	-	2,455
Provisions and other liabilities	33,705	30,065	(5,128)	58,642
	857,712	**442,164**	**(32,628)**	**1,267,248**
Total liabilities	**986,815**	**511,014**	**(32,628)**	**1,465,201**
Total equity and liabilities	**1,271,776**	**710,126**	**(107,484)**	**1,874,418**

4. Notes to statement of financial position items

Non-current assets

1) Property, plant and equipment

Changes occurring during the period are as follows:

(euro/000)	Plant and machinery	Ind. & Comm. Equipment & other assets	Assets under construction & Advances	Total
Historical cost	18,432	46,207	2,635	**67,274**
Accumulated depreciation	(15,235)	(31,840)	-	**(47,075)**
Balance at 31/12/2022	**3,197**	**14,367**	**2,635**	**20,199**
Historical cost increase	391	3,911	5,596	**9,898**
Historical cost decrease	(7)	(1,778)	-	**(1,785)**
Historical cost reclassification	20	303	(323)	**-**
Increase in accumulated depreciation	(334)	(2,255)	-	**(2,589)**
Decrease in accumulated depreciation	5	1,642	-	**1,647**
Total changes	**75**	**1,823**	**5,273**	**7,171**
Historical cost	18,836	48,643	7,908	**75,387**
Accumulated depreciation	(15,564)	(32,453)	-	**(48,017)**
Balance at 30/06/2023	**3,272**	**16,190**	**7,908**	**27,370**

Investments in *"Industrial and commercial equipment and other assets"* essentially refer to the periodic renewal and upgrading of the technology suite and plants as well as the purchase of products intended for rental.

Correspondingly, the decreases in the same item refer to decommissioned electronic office machines.

Investments pursuant to the item "*Assets under construction*" refer primarily to plant and machinery being installed in warehouses located in Italy as part of their automation projects.

There are no other temporarily unused property, plant and equipment intended for sale.

The amortisation rates applied to each asset category are unchanged compared with those as at 31 December 2022.

2) Goodwill

Goodwill amounted to 110.3 million euro, essentially aligned with the value as at 31 December 2022.

The following table summarises the goodwill allocations to the 2 CGUs (Cash Generating Units) identified, in accordance with the combination of the operating segments used for Segment Information purposes required by the international accounting standards. The same table also shows the relationships between the operating segments and the legally autonomous entities, which form the Group:

(euro/000)	30/06/2023	31/12/2022	Var.		
Esprinet S.p.A.	27,453	27,487	(34)	CGU 1	Distribution B2B of Information Technology and Consumer Electronics (Italy)
Esprinet Iberica S.l.u.	82,816	82,816	-	CGU 2	Distribution B2B of Information Technology and Consumer Electronics (Iberian Peninsula)
Total	110,269	110,303	(34)		

The reduction of 34 thousand euro recorded by the goodwill attributable to the CGU1 refers to the adjustment of the goodwill provisionally determined as at 31 December 2022, in accordance with IFRS 3, following the definition of the purchase price of Bludis S.r.l. (acquired and consolidated from 3 November 2022).

The annual impairment test, required by IAS 36, was carried out in reference to the financial statements as at 31 December 2022 and no impairment loss was identified with reference to the CGUs existing at that date.

IAS 36 also requires that the impairment test on the goodwill be carried out more frequently in the presence of indicators of impairment loss ('triggering events'), which may be both external and internal as regards the company.
IAS 34 clarifies that, at the time of drafting of interim financial statements, where the presence of said triggering events is identified, the impairment test must be carried out with the same methods as the annual impairment test.

For the purposes of the drafting of these condensed consolidated half-year financial statements, the Esprinet Group evaluated the existence and, if necessary, examined the actual implications, for each CGU, of the following impairment loss indicators:
- any deterioration in the macroeconomic and macro-financial conditions;
- any deterioration in the economic environment and market of operations;
- operating discontinuity;
- discontinuity in cost factors;
- unfavourable trend in market rates or other capital remuneration rates as such to affect the discount rate used in calculating the value in use;
- any verification of negative operating events;
- reduction in the value of the stock market capitalisation with respect to reported shareholders' equity.

During the first half of 2023, declining sales were recorded in the markets where the Group operates, The reduction is attributable to both the peaks in demand that occurred in 2022, still favoured by smart working, distance learning, incentives in Italy on televisions, and to the high level of inflation measured in all countries between the end of 2022 and 2023 which, not only reduced consumers' spending capacity but contributed to the replacement of the demand for IT and electronic products with more immediate necessities.
The two CGUs replicated these trends, in particular in the segments listed, achieving instead a growth in the Advanced Solutions segment, with higher margins.

The mentioned contraction in sales is considered a temporary phenomenon susceptible to a partial recovery by the end of the year, in consideration of the seasonality of the business which sees the last quarter of the year being particularly affected, and to a more significant recovery in the following year or a bit later, when it is expected that the normal volumes of items bought/sold will return.
This unfavourable situation will be contrasted with the prospect of turnover expansion favoured by the process of technological modernization and cybersecurity by private companies and Public Administrations (the latter financed by the National Plans adopted by the various Governments as part of the NextGenEU programme) initiated, but to a much lesser extent than expected times.

It is therefore believed that the medium-long term trends of the 2023-2027 Business Plan are confirmed and that the update will usually take place at the end of the financial year.

Evaluations were also carried out regarding possible changes in the WACCs used to quantify the value in use of the CGUs given the increases in the reference interest rates in the period. The measurements highlighted modest increases for both CGUs and well below the minimum growth ranges considered in the analysis carried out at 31 December 2022.

On the other hand, with regard to the stock market capitalisation value compared to the reported shareholders' equity, it is shown that, regardless of the theoretical observations and technical factors that can generate differences between the two quantities, the stock market value as at 30 June 2023, amounting to 280.3 million euro, was lower than the reported shareholders' equity at the same date and amounting to 353.6 million euro but, the average stock market capitalisation value in the six months 2023 amounted to 367.9 million euro, so higher than the shareholders' equity previously indicated. This consistency of the value of the stock compared to the exact price at the closing date of the first half of 2023 is confirmed by the analysts, who express a target price higher than the quotation as at 30 June 2023.

It is concluded that none of the indicators analysed were indicative of an impairment, therefore the need to proceed with an impairment test of goodwill was not found, the results emerging from the impairment test carried out at 31 December 2022 were maintained and consequently, the value of goodwill at 30 June 2023 was confirmed compared to what was recorded at the end of the previous financial year.

For more detailed information on goodwill and the impairment test performed as at 31 December 2022, please refer to the explanatory notes reported under item *'Goodwill'* in the *Notes to the Consolidated Financial Statements* as at 31 December 2022.

3) Intangible assets

Changes occurring during the period are as follows:

(euro/000)	Start-up and expansion costs e ampliam.	Industrial and other patent rights	Licences, concessions, brand names and similar rights	Assets under construction and advances ed acconti	Other intagible assets	Total
Historical cost	3	14,317	787	99	8,477	23,683
Accumulated depreciation	(3)	(12,446)	(112)	-	(1,470)	(14,031)
Balance at 31/12/2022	**-**	**1,871**	**675**	**99**	**7,007**	**9,652**
Historical cost increase	-	79	-	65	-	144
Historical cost reclassification	-	99	-	(99)	-	-
Increase in accumulated depreciation	-	(352)	(20)	-	(326)	(698)
Total changes	**-**	**(174)**	**(20)**	**(34)**	**(326)**	**(554)**
Historical cost	3	14,495	787	65	8,477	23,827
Accumulated depreciation	(3)	(12,798)	(132)	-	(1,796)	(14,729)
Balance at 30/06/2023	**-**	**1,697**	**655**	**65**	**6,681**	**9,098**

The investments pursuant to the item "*Industrial and other patent rights*" refer essentially to the software licences for long-term renewal and the upgrading of the management information system.

The item "*Other intangible assets*" refers to the Customer Relationship that emerged with the acquisition of V-Valley Advanced Solutions España S.A. and its subsidiaries (formerly the "GTI Group").

The amortisation rates applied to each item are unchanged compared with those as at 31 December 2022.

4) Right-of-use assets

(euro/000)	30/06/2023	31/12/2022	Var.
Right-of-use assets	109,420	106,860	2,560

Changes occurred in the period are as below:

(euro/000)	Rental Property	Cars	Ind. & Comm. Equipment & other assets	Total
Historical cost	142,314	5,687	459	**148,460**
Accumulated depreciation	(37,578)	(3,633)	(389)	**(41,600)**
Balance at 31/12/2022	**104,736**	**2,054**	**70**	**106,860**
Historical cost increase	7,830	645	318	**8,793**
Historical cost decrease	(257)	(415)	-	**(672)**
Increase in accumulated depreciation	(5,682)	(498)	(53)	**(6,233)**
Decrease in accumulated depreciation	257	415	-	**672**
Total changes	**2,148**	**147**	**265**	**2,560**
Historical cost	149,887	5,917	777	**156,581**
Accumulated depreciation	(43,003)	(3,716)	(442)	**(47,161)**
Balance at 30/06/2023	**106,884**	**2,201**	**335**	**109,420**

In the Group, the contracts that fall within the scope of IFRS 16 refer to the use of:

- office and operating buildings;
- company vehicles;
- industrial and commercial equipment and other assets.

The changes that occurred during the first six months of 2023 are attributable mainly to the renewal of some of the parent company's contracts, the adjustment of lease payments, and the amortisation for the period, determined on the basis of the residual duration of the contracts.

The Group has not applied IFRS 16 to leases of intangible assets.
As regards the lease term, for properties, the Group analyses the effects of any extension or early termination clauses, whose exercise is deemed reasonably certain, while for the other categories of assets, mainly company cars, the exercise of said options is generally considered unlikely in view of the Group's usual practice.

6) Deferred income tax assets

(euro/000)	30/06/2023	31/12/2022	Var.
Deferred income tax assets	9,143	9,091	52

The balance of this item is represented by temporary differences between carrying amounts and values recognised for tax purposes that the Group expects to recover in future years following the realisation of taxable profits.

9) Receivables and other non-current assets

(euro/000)	30/06/2023	31/12/2022	Var.
Guarantee deposits receivables	2,337	2,348	(11)
Receivables and other non-current assets	**2,337**	**2,348**	**(11)**

The item '*Guarantee deposits receivables*' refers mainly to guarantee deposits for utilities and existing lease contracts.

Current assets

10) Inventory

(euro/000)	30/06/2023	31/12/2022	Var.
Finished products and goods	537,426	677,274	(139,848)
Provision for obsolescence	(3,684)	(4,586)	902
Inventory	**533,742**	**672,688**	**(138,946)**

The net amount of inventories, equal to 533.7 million euro and including 77.9 million euro in products in transit from suppliers or to customers (133.3 million euro as at 31 December 2022), recorded a decrease of 138.9 million euro compared to the existing stock as at 31 December 2022.

The reduction in the level of the stock is the result of the focus actions of the management, also supported by the suppliers, with a reduction in the average number of days stock remains in the warehouse.

A total of 3.7 million euro allocated to the *Provision for obsolescence* is intended to address the risks associated with the presumed lower realisable value of obsolete and slow-moving stock.

The change in the provision during the period is as follows:

(euro/000)	30/06/2023	31/12/2022	Var.
Provision for obsolescence: year beginning	**4,586**	**5,836**	**(1,250)**
Uses/Releases	(1,717)	(2,364)	647
Accruals	815	1,114	(299)
Provision for obsolescence: period-end	**3,684**	**4,586**	**(902)**

The item *'Accruals'* is the management's best estimate of the recoverability of the inventory value as at 30 June 2023.

11) Trade receivables

(euro/000)	30/06/2023	31/12/2022	Var.
Trade receivables - gross	481,030	705,687	(224,657)
Bad debt provision	(4,584)	(4,616)	32
Trade receivables - net	**476,446**	**701,071**	**(224,625)**

'*Trade receivables*' arise from normal sales transactions engaged in by the Group in the context of ordinary marketing activities. These transactions are entered into primarily with customers resident in the countries where the Group operates, are denominated almost entirely in euro and are settled from a monetary perspective in the short-term.

Trade receivables - gross, which include 0.9 million euro (3.3 million euro as at 31 December 2022) of receivables assigned with recourse to factoring companies, adjusted by credit notes to be issued to customers for a value of 76.2 million euro (105.5 million euro at the end of 2022) and include 116.7 million euro of receivables measured at fair value (150.5 million euro as at 31 December 2022).

The change in gross receivables is determined not only by the overall volumes of turnover and their trend over time, in turn also influenced by seasonal factors, but also by the impact of the revolving programmes for the disinvestment of trade receivables (i.e. approx. 364.2 million euro as at 30 June 2023 compared to 540.2 million euro as at 31 December 2022 and 382.3 million euro as at 30 June 2022).

The receivables are adjusted to their presumed realisable value through the recognition of an appropriate bad debt provision, which is replenished by allocations determined on the basis of an analytical valuation process for each individual customer, in relation to the related past due receivables and outstanding commercial disputes, taking into account insurance coverage. The change in the provision is represented below:

(euro/000)	30/06/2023	31/12/2022	Var.
Bad debt provision: year-beginning	**4,616**	**4,768**	**(152)**
Uses/Releases	(1,988)	(2,831)	843
Accruals	1,956	2,665	(709)
Acquisition in business combination	-	14	(14)
Bad debt provision: period-end	**4,584**	**4,616**	**(32)**

12) Income tax assets

(euro/000)	30/06/2023	31/12/2022	Var.
Income tax assets	3,132	1,113	2,019

Income tax assets refer to the prevalence of income tax advances calculated on taxes of the previous year but, in consideration of the seasonality of the business which normally sees a performance peak in the fourth quarter of the year, resulted as exceeding the current taxes accrued in the half year. Receivables are mainly claimed by the parent company Esprinet S.p.A. (2.3 million euro) and by the subsidiaries Dacom S.p.A. (0.4 million euro) and Esprinet Portugal Lda (0.3 million euro).

13) Other assets (current)

(euro/000)	30/06/2023	31/12/2022	Var.
Receivables from associates companies (A)	**-**	**-**	**-**
Witholding tax assets	14	23	(9)
VAT receivables	2,752	2,451	301
Other tax assets	38,806	35,775	3,031
Other receivables from Tax authorities (B)	**41,572**	**38,249**	**3,323**
Receivables from factoring companies	139	3,207	(3,068)
Other financial receivables	9,359	10,336	(977)
Receivables from insurance companies	389	424	(35)
Receivables from suppliers	12,691	9,890	2,801
Receivables from employees	-	6	(6)
Receivables from others	127	126	1
Other receivables (C)	**22,705**	**23,989**	**(1,284)**
Prepayments (D)	**7,065**	**6,670**	**395**
Other assets (E= A+B+C+D)	**71,342**	**68,908**	**2,434**

VAT receivables refer to VAT receivables accrued for approximately 1.2 million euro by the Italian subsidiary V-Valley S.r.l. and for roughly 1.5 million euro by the subsidiaries of the Iberian Subgroup which, according to the tax rules of the local authorities, cannot be offset with debt positions.

The *'Other tax assets'* figure refers almost entirely to the receivable of the parent company Esprinet S.p.A. from the Tax Authorities following the payment, made on a provisional basis, of tax collection files relating to indirect taxes in relation to which disputes are in progress, details of which are provided in the section *'Development of disputes involving Esprinet S.p.A. and the Group'* under the notes to item *'26) Non-current provisions and other liabilities'*. The change compared to the outstanding receivables as at 31 December 2022 is related to the combination between further payments made in 2023 according to an instalment plan recognised during 2022, and payments made up to May 2023 and considered, as a reduction, within the agreements signed with the Revenue Agency during the first half of 2023.

Receivables from factoring companies, referring entirely to the parent company, relate to the residual amount still uncollected of 'non-recourse' assignments of trade receivables made at the end of June 2023. At the time this report was drafted, the receivables due had been collected in full. The change compared with the previous year-end balance, is due to the volume of transfers as well as the different timing in the collection of transferred receivables compared to 31 December 2022.

Other financial receivables, referring entirely to the parent company, refer to a guarantee deposit provided to the buyer of the receivables assigned in the securitisation transaction executed by the Group to cover any dilution that may occur in the course of this activity or in the months following the transaction closing.

Receivables from insurance companies include the insurance compensation – after deductibles – recognised by the insurance companies for claims of various kinds not yet paid, but which are reasonably expected to be collected within the next financial year.

Receivables from suppliers, as at 30 June 2023, refer to credit notes received exceeding the amount owed at the end of June due to a mismatch between the timing of their quantification and the payment of suppliers. They also include receivables from suppliers for advance payments requested by suppliers before purchase orders are executed, as well as receivables from hauliers for advance VAT payments and customs duties pertaining to imports.

Prepayments are costs (mainly maintenance and assistance fees, insurance premiums, interest expenses on loans) whose accrual is deferred with respect to that of the cash movement.

14) Derivative financial assets

(euro/000)	30/06/2023	31/12/2022	Var.
Derivate financial assets	1	-	1

The balance refers to the positive fair value of the instruments used by V-Valley Advanced Solutions España, S.A. to mitigate the exchange risk related to payables in foreign currency due to suppliers.

17) Cash and cash equivalents

(euro/000)	30/06/2023	31/12/2022	Var.
Bank and postal deposit	130,238	172,167	(41,929)
Cash	21	18	3
Total cash and cash equivalents	**130,259**	**172,185**	**(41,926)**

Cash and cash equivalents are almost entirely made up of bank balances, all immediately available. They are partly temporary in nature as they originate from the normal short-term financial cycle of collections/payments which sees payments from customers concentrated at the end and middle of each month, whereas financial outflows linked to payments to suppliers have a more linear trend.

For further details relating to the composition of cash flows please refer to the *Statement of cash flows* and to the following paragraph '*Cash flow analysis*'.

Shareholders' equity

(euro/000)	30/06/2023	31/12/2022	Var.
Share Capital (A)	**7,861**	**7,861**	**-**
Reserves and profit carried over (B)	385,988	367,340	18,648
Own shares (C)	(13,330)	(13,330)	-
Total reserves (D=B+C)	**372,658**	**354,010**	**18,648**
Net income for the year (E)	**(26,907)**	**47,346**	**(74,253)**
Net equity (F=A+D+E)	**353,612**	**409,217**	**(55,605)**
Non-controlling interests (G)	-	(0)	0
Total equity (H=F+G)	**353,612**	**409,217**	**(55,605)**

19) Share capital

The *Share capital* of Esprinet S.p.A., fully subscribed and paid-in as at 30 June 2023, is 7,860,651 euro and comprises 50,417,417 shares without indication of face value.
The number of shares remaining with respect to the cancellations that took place in 2020 and 2022, as envisaged by the resolutions of the relevant Shareholders' Meetings, for a total of 1,986,923 shares.

20) Reserves

Reserves and profit carried over

The balance of *Reserves and profit carried over* increased by 18.7 million euro, mainly due to combined effect of the allocation of profits from the previous year and the distribution of dividends to shareholders.

Reserves also includes the value of the Esprinet stock grant rights to Group Directors and executives in relation to the 2021-2023 Share incentive plan approved by Esprinet S.p.A.'s Shareholders' Meeting on 7 April 2021.
The value of said rights was recognised in the income statement under the costs of employees and the costs of the directors, and was quantified on the basis of the elements described in detail in the section "Share incentive plans" in the following chapter 6. "Comments on income statement items" to which reference should be made.
For more details, please refer to the *Consolidated statement of changes in equity*.

Own shares on hand

The amount refers to the total purchase price of 1,011,318 Esprinet S.p.A. shares owned by the Company in service of the 2021-2023 Share incentive plan.

21) Group net income

The net result for the first half of 2023, entirely attributable to the Group, is negative and amounts to 26.9 million euro (positive for 18.0 million euro in the first half of the previous year and for 47.3 million euro as at 31 December 2022).

Non-current liabilities

22) Borrowings

(euro/000)	30/06/2023	31/12/2022	Var.
Borrowings	66,068	71,118	(5,050)

Borrowings refer to the valuation at the amortised cost of the portion of the medium/long-term loans granted to the Group companies falling due beyond 12 months.

The change compared with the previous year is due to the combined effect of the signing of new loans during the first half of 2023 and the reclassification of instalments falling due within 12 months under item Short-term financial liabilities, in accordance with the loan amortisation plans.

Details relating to the outstanding loans can be found in the paragraph '*Net financial indebtedness and loan covenants*'.

24) Deferred income tax liabilities

(euro/000)	30/06/2023	31/12/2022	Var.
Deferred income tax liabilities	17,363	16,646	717

The balance is represented by higher taxes that the Group has to pay in the next financial years due to temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding values recognised for tax purposes. The amount relates primarily to the derecognition of the tax amortisation of goodwill.

25) Retirement benefit obligations

Retirement benefit obligations reflect the staff severance indemnities ('TFR') and other benefits accruing to salaried staff at the close of the period, assessed in accordance with actuarial criteria, pursuant to IAS 19.

The entire provision amount is attributable to the Italian companies, since a similar system does not exist in other Group companies operating abroad.

Changes occurred during the period are shown in the table below:

(euro/000)	30/06/2023	31/12/2022	Var.
Balance at year-beginning	**5,354**	**5,232**	**122**
Acquisition in business combination	-	657	(657)
Service cost	77	171	(94)
Interest cost	92	53	39
Actuarial (gain)/loss	(32)	(428)	396
Pensions paid	(105)	(334)	229
Other movements	-	3	(3)
Total variation	**32**	**122**	**(90)**
Retirement benefit obligations	**5,386**	**5,354**	**(58)**

The change in the 'actuarial (gain)/loss' compared with last fiscal year is essentially due to the misalignment between the forward-looking assumptions used in the valuation as at 31 December 2022 and the actual development of the provision as at 30 June 2023 (members, payments made, benefit revaluation). The discount rate used reflects the market returns, at the financial statements date, of a panel of primary company bonds with a maturity date connected with the employee average residual employment in the Group's companies (higher than 10 years)[3].

The 'Projected Unit Credit Method' was used to account for employee benefits, based on demographic assumptions and on the following economic-financial assumptions:

	30/06/2023	31/12/2022
Cost of living increase (1)	5.70%	5.90%
Discouting rate (2)	3.67%	3.63%
Remuneration increase	Inflation + 1,5%	Inflation + 1,5%
Staff severance indemnity (TFR) - annual rate increase (3)	7.58%	5.93%

[3] Please note that the iBoxx Eurozone Corporates AA7-10 index has been used as the reference parameter.

(1) Please note that the iBoxx Eurozone Corporates AA7-10 index has been used as the reference parameter.
(*) 5.7% for 2023, 2.7% for 2024, 2.0% from 2025.
(**) 5.78% for 2023, 3.53% for 2024, 3.0% from 2025.

31) Lease liabilities (non-current)

(euro/000)	30/06/2023	31/12/2022	Var.
Lease liabilities (non-current)	103,836	101,661	2,175

The liability is related to the Rights of use existing at the reference balance sheet dates.
The variation can be detailed as follows:

(euro/000)	30/06/2023	31/12/2022	Var.
Lease liabilities (non-current)	**101,661**	**102,253**	**(592)**
Acquisition in business combination	-	1,098	(1,098)
Increase from subscribed contracts	7,300	9,683	(2,383)
Reclassification non current liabilities	(5,125)	(11,373)	6,248
Lease liabilities (non-current)	**103,836**	**101,661**	**2,175**

The following table analyses the maturity dates of the financial liabilities booked as at 30 June 2023:

(euro/000)	Within 5 year	After 5 year	30/06/2023
Lease liabilities (non current)	54,434	49,402	103,836

49) Debts for investments in subsidiaries (non-current)

(euro/000)	30/06/2023	31/12/2022	Var.
Debts for investments in subsidiaries (non-current)	600	600	-

The item *'Debts for investments in subsidiaries (non-current)'* as at 30 June 2023 refers to the consideration to be paid, falling due after the next 12 months, for the purchase made in January 2021 by the parent company Esprinet S.p.A. of the companies Dacom S.p.A. (0.5 million euro) and idMAINT S.r.l. (0.1 million euro).

26) Non-current provisions and other liabilities

(euro/000)	30/06/2023	31/12/2022	Var.
Long-term liabilities for cash incentives	8	135	(127)
Long term Tax payables in installments	23,975	-	23,975
Provisions for pensions and similar obligations	1,749	1,879	(130)
Other provisions	697	560	137
Non-current provisions and other liabilities	**26,429**	**2,574**	**23,855**

The item '*Liabilities for cash incentives*' refers to the portion of the variable consideration payable to beneficiaries from the second year onwards with respect to that of accrual conditional, among others, on the beneficiary's employment within the Group until the payment date.

The item *Tax payables in instalments* refers to the portion due beyond 12 months after 30 June 2023 of the debt which arose following the signing of agreements with the Revenue Agency in the second quarter of 2023, by the parent company Esprinet S.p.A., aimed at settling VAT disputes relating to the tax periods from 2013 to 2017. Further details are described in the "*Significant events occurring in the period*" of the Interim Directors' Report on Operations to which reference is made.

The item '*Provisions for pensions and similar obligations*' includes the supplementary customer indemnity provision payable to agents based on current regulations governing the subject. The changes in the period in this provision were as follows:

(euro/000)	**30/06/2023**	**31/12/2022**	**Var.**
Provisions for pensions: year-beginning	**1,879**	**1,694**	**185**
Uses/Releases	(198)	(101)	(97)
Accruals	68	286	(218)
Total variation	**(130)**	**185**	**(315)**
Provisions for pensions: period-end	**1,749**	**1,879**	**(130)**

The amount entered under *Other provisions* is intended to cover risks relating to current legal and tax-related disputes. Changes occurred in the period are as below:

(euro/000)	**30/06/2023**	**31/12/2022**	**Var.**
Other provisions: year-beginning	**560**	**619**	**(59)**
Uses/Releases	(28)	(374)	346
Accruals	165	262	(97)
Acquisition in business combination	-	53	(53)
Other provisions: period-end	**697**	**560**	**137**

Development of disputes involving Esprinet S.p.A. and the Group

The main disputes involving the Group are provided below, along with developments in the first half of 2023 (and thereafter, until the date this interim financial report was drafted), for which the Group has conducted the pertinent risk assessments, with the support of its legal and/or tax consultants, and, where deemed appropriate, recognised the ensuing allocations to the provision for risks.

The following list summarises the development of the main tax disputes in progress for which it has not been considered that the elements for making provisions exist, since the risk of each is assessed as unlikely.

Actebis Computer S.p.A. (now Esprinet S.p.A.) indirect taxes for the year 2005

In the tax disputes involving Actebis Computer S.p.A. relating to periods prior to the acquisition of the company (subsequently merged into Esprinet S.p.A.), all outstanding disputes have been resolved, with the exception of that pertaining to the year 2005, for which Esprinet, at the

recommendation of the seller of Actebis and supported by the latter's advisors, after the failure of a tax settlement proposal, lodged an appeal at the various stages of legal proceedings, with the enforcement of all payments due based on prior receipt of the funds from the seller.
Following the negative ruling of the Regional Tax Commission on 23 September 2014, the seller's advisors also filed an appeal before the Court of Cassation where the same is pending and the hearing has not yet been set.

Esprinet S.p.A. indirect taxes for the year 2011

On 30 November 2016, the Company was served a notice relating to an assessment through which the Revenue Agency requested the recovery of VAT of 1.0 million euro, plus penalties and interests. The failure to apply VAT on taxable transactions carried out in 2011 on a business customer is being disputed; the latter presented a declaration of intent but the subsequent tax audits to which it was subject revealed that the business customer could not have submitted it, as it does not qualify as a habitual exporter.
The Company filed an appeal and received an unfavourable sentence on 24 November 2017 before the Provincial Tax Commission, and on 12 February 2019 before the Regional Tax Commission.
As set forth in the administrative proceedings, payments totalling 2.5 million euro were made during the judicial process which, as all stages of the legal proceedings are yet to be concluded, was recognised in the financial statements under the item "Other tax receivables".
On 4 December 2019, an appeal was filed with the Court of Cassation; the date of the hearing for the discussion of the case has not yet been set.

Esprinet S.p.A. indirect taxes for the year 2012

On 2 October 2017, the Company received an assessment notice through which the Revenue Agency requested the recovery of VAT of 3.1 million euro, plus penalties and interest. The failure to apply VAT on taxable transactions carried out in 2012 on three business customers is being disputed; the latter presented declarations of intent but the subsequent tax audits to which they were subject revealed that the business customers could not have submitted these, as they do not qualify as habitual exporters.
The Company filed an appeal and received a favourable ruling on 21 September 2018 before the Provincial Tax Commission, but an unfavourable one on 17 February 2020 before the Regional Tax Commission.
As set forth in the administrative proceedings, February 2021 saw the payment of 5.1 million euro which, as all stages of legal proceedings are yet to be concluded, was recognised in the financial statements under the item "Other tax receivables".
On 25 September 2020, the Company filed an appeal with the Court of Cassation and the Revenue Agency filed a counter-appeal; the date of the hearing to discuss the case has not yet been set.

Esprinet S.p.A. indirect taxes for the year 2013

On 31 July 2018, the Company received an assessment notice through which the Revenue Agency requested the recovery of VAT of 66 thousand euro, plus penalties and interest. The failure to apply VAT on taxable transactions carried out in 2013 on a business customer is being disputed; the latter presented a declaration of intent but the subsequent tax audits to which it was subject revealed that the business customer could not have submitted it, as it does not qualify as a habitual exporter.
The Company filed an appeal and received an unfavourable ruling on 29 January 2019 before the Provincial Tax Commission, but a favourable one on 29 January 2020 before the Regional Tax Commission.
On 19 March 2021, the Revenue Agency filed an appeal with the Court of Cassation and the Company filed a counter-appeal; the date of the hearing to discuss the case has not yet been set.

Esprinet S.p.A. indirect taxes for the year 2013 bis

On 20 December 2018, the Company received an assessment notice through which the Revenue Agency requested the recovery of VAT of 14.5 million euro, plus penalties and interest. The failure to apply VAT on taxable transactions carried out in 2013 on other seven business customers is being disputed; the latter presented declarations of intent but the subsequent tax audits to which they were subject revealed that these business customers could not have submitted these, as they do not qualify as habitual exporters.
The Company filed an appeal and received an unfavourable ruling on 23 September 2020 before the Provincial Tax Commission and an unfavourable one on 14 February 2022 before the Regional Tax Commission (sentence filed on 28 February 2022).
On 23 May 2022, the Company filed an appeal with the Court of Cassation and the Revenue Agency filed a counter-appeal; the date of the hearing to discuss the case has not yet been set.
On 5 October 2022, the Revenue Agency-Collection granted the instalment in no. 18 months' salary, with a unit value of 0.7 million euro and starting from the same month of October 2022, of the residual amounts due provided for in the administrative procedure.
Therefore, payments totalling 30.8 million euro were made during the judicial process (of which 4.2 million euro in the first half of 2023) which, as all stages of the legal proceedings are yet to be concluded, were recognised in the financial statements under the item "Other tax receivables".

Esprinet S.p.A. indirect taxes for the year 2013 ter

On 13 September 2021, the Company received an assessment notice through which the Revenue Agency requested the recovery of VAT of 6.5 million euro, plus penalties and interest. The failure to apply VAT on taxable transactions carried out in 2013 on other business customers is being disputed; the latter presented declarations of intent but the subsequent tax audits to which they were subject revealed that the business customers could not have submitted these, as they do not qualify as habitual exporters.
The Company filed an appeal before the Provincial Tax Commission, whose date of the hearing for the discussion of the case, initially set for 18 October 2022, has been postponed to a date to be set.
In the meantime, on 21 July 2022, the Revenue Agency-Collection granted the instalment in no. 18 months' salary, with a unit value of almost 0.2 million euro and starting from August 2022, of the amounts envisaged by the administrative procedure.
On 30 June 2023, the company, for the mere purposes of avoiding tax claims, signed an out-of-court agreement with the Revenue Agency which provides for the payment of 4.5 million euro, already net of 1.2 million euro previously paid in accordance with the administrative procedure, over five years in interest-bearing quarterly instalments, the first instalment of which was paid on the same date.
As at 30 June 2023, therefore, in addition to the amounts deriving from this agreement, 0.5 million euro of interest paid prior to the signing of the agreement was therefore recognised in the income statement and in the liabilities.

Esprinet S.p.A. indirect taxes for the years 2014, 2015 and 2016

On 23 December 2022, the Company received three assessment notices through which the Revenue Agency requested the recovery of VAT totalling 70.2 million euro, plus penalties and interest. The failure to apply VAT on taxable transactions carried out in the 2014-2016 three-year period on a list of business customers is being disputed; the latter presented declarations of intent but the subsequent tax audits to which they were subject revealed that the business customers could not have submitted these, as they do not qualify as habitual exporters.
On 22 May 2023, although the Company believes it has operated correctly and merely for the purposes of avoiding any dispute, it signed deeds of acceptance with the Revenue Agency for a total of 27.2 million euro to be paid over five years with interest-bearing quarterly instalments, the first instalment of which was paid on 31 May 2023.

As at 30 June 2023, the amounts deriving from these deeds of acceptance are therefore recognised in the income statement and under liabilities.

Monclick S.r.l. Direct taxes for the year 2012

On 20 July 2016, upon conclusion of a tax audit to which it was subject, the company received an assessment notice through which the Revenue Agency requested the recovery of direct taxes for 82 thousand euro, as well as penalties and interest. The deduction or non-taxation of income components relating to 2012 (the year in which the company was still part of the Esprinet Group) has been contested.
The company firstly filed a tax settlement proposal but, after its rejection by the Revenue Agency, filed an appeal and won said appeal on 26 June 2017 before the Provincial Tax Commission, but lost the appeal on 3 July 2018 before the Regional Tax Commission.
As envisaged by the administrative procedure, payments for a total of 162 thousand euro were made during the course of the judicial procedure, recorded in the income statement in 2018.
On 16 July 2019, the Company lodged an appeal before the Court of Cassation.

Edslan S.r.l. Registration tax for the year 2016

On 4 July 2017, the company, merged by incorporation into Esprinet S.p.A. in 2018, received an assessment notice through which the Revenue Agency requested the recovery of the registration tax for 182 thousand euro, as well as penalties and interest. The determination of the business unit acquired on 8 June 2016 by the selling company Edslan S.p.A. (now I-Trading S.r.l.) has been contested.
The company firstly filed a tax settlement proposal but, after its rejection by the Revenue Agency, filed an appeal and won said appeal on 19 June 2018 before the Provincial Tax Commission, and on 22 January 2020 before the Regional Tax Commission.
On 8 January 2021, the company filed a counter-appeal before the Court of Cassation, whose date of the hearing for the discussion of the case has not yet been set, after appeal by the Revenue Agency.

Current liabilities

27) Trade payables

(euro/000)	30/06/2023	31/12/2022	Var.
Trade payables - gross	833,314	1,263,687	(430,373)
Credit notes to be received	(157,430)	(151,521)	(5,909)
Trade payables	**675,884**	**1,112,166**	**(436,282)**

The balance of *Trade payables - gross*, compared to 31 December 2022, is largely influenced by the overall volumes of purchases and their trend over time. The two variables depend on the seasonal nature of the distribution business and, with specific reference to the balance as at 30 June 2023, on management actions, also with the support of suppliers, to reduce purchases as a result of the actions to dispose of excess stock in the warehouse.

The item '*Credit notes to be received*' refers mainly to the rebates for the achievement of commercial targets, to various incentives, to reimbursement of joint marketing activities with suppliers and to stocks contractual protections.

There are no trade payables with collaterals on corporate assets nor with a residual duration longer than 5 years.

28) Short-term financial liabilities

(euro/000)	30/06/2023	31/12/2022	Var.
Bank loans and overdrafts	146,760	66,744	80,016
Other financing payables	17,241	15,419	1,822
Short - term financial liabilities	**164,001**	**82,163**	**81,838**

Short-term financial liabilities refer to the valuation at the amortised cost of the short-term financing lines and the portion falling due within the next 12 months of the medium/long-term loans granted to the Group companies (43.5 million euro and 47.5 million euro as principal, as at 30 June 2023 and as at 31 December 2022 respectively).
Details relating to the outstanding medium/long-term loans can be found in the paragraph '*Net financial indebtedness and loans covenants*', to which reference should be made.

The change compared with the previous year is due to the combined effect of the greater or lesser use of short-term forms of funding, the signing of new loans, the reclassification of instalments falling due within 12 months from item borrowings, in accordance with the loan amortisation plans, and the payment of the instalments falling due in the period.

Other financing payables are mainly advances obtained from factoring companies deriving from the usual with-recourse assignment of receivables, and from payments received in the name and on behalf of clients under the non-recourse factoring agreement. The change in payables is closely related to the volume of transfers and the timing of their financial settlement.

29) Income tax liabilities

(euro/000)	30/06/2023	31/12/2022	Var.
Income tax liabilities	1,556	1,058	498

Income tax liabilities refer primarily to Spanish subsidiaries and result mainly from the prevalence of current taxes accrued with respect to the advances paid, given the different method of calculating the latter with respect to the method used in Italy.

30) Derivative financial liabilities

(euro/000)	30/06/2023	31/12/2022	Var.
Derivative financial liabilities	-	24	(24)

The balance of *Derivative financial liabilities* recorded in the previous year referred to the negative fair value of instruments used by V-Valley Advanced Solutions España, S.A. to mitigate the exchange risk related to payables in foreign currency due to suppliers.

36) Lease liabilities (current)

(euro/000)	30/06/2023	31/12/2022	Var.
Lease liabilities (current)	11,583	10,740	843

The liability is related to the Rights of use existing at the reference balance sheet dates.
The variation can be detailed as follows:

(euro/000)	30/06/2023	31/12/2022	Var.
Lease liabilities (current)	**10,740**	**9,829**	**911**
Acquisition in business combination	1,493	107	1,386
Reclassification non current liabilities	5,125	11,373	(6,248)
Lease interest expenses	1,708	3,241	(1,533)
Payments	(7,483)	(13,810)	6,327
Lease liabilities (current)	**11,583**	**10,740**	**843**

32) Provisions and other liabilities

Provisions and other liabilities solely includes payables whose maturity is within the following 12 months.

(euro/000)	30/06/2023	31/12/2022	Var.
Social security liabilities (A)	**5,720**	**5,366**	**354**
Associates companies liabilities (B)	**-**	**-**	**-**
VAT payables	23,108	29,281	(6,173)
Short term Tax payables in installments	6,115	-	6,115
Withholding tax liabilities	531	522	9
Other tax liabilities	1,784	1,809	(25)
Other payables to Tax authorities (C)	**31,538**	**31,612**	**(74)**
Payables to personnel	9,137	10,005	(868)
Payables to customers	6,923	9,193	(2,270)
Payables to others	1,659	2,040	(381)
Total other creditors (D)	**17,719**	**21,238**	**(3,519)**
Accrued expenses and deferred income related to:			
- Accrued expenses for insurance costs	116	227	(111)
- Other accrued expenses	8	-	8
- Deferred income - advanced receivables	124	75	49
- Other deferred income	182	124	58
Accrued expenses and deferred income (E)	**430**	**426**	**4**
Provisions and other liabilities (F=A+B+C+D+E)	**55,407**	**58,642**	**(3,235)**

Social security liabilities mainly refer to payables to welfare institutions linked to wages and salaries paid in June and to social contributions accrued on deferred compensation, including monetary incentives.

VAT payables refer to the VAT payable accrued during the month of June by almost all Group companies.

The item *Tax payables in instalments* refers to the portion due within 12 months from the reference date of the condensed consolidated half-year financial statements, of the debt which arose following the signing of agreements with the Revenue Agency in the second quarter of 2023, by the parent company Esprinet S.p.A., aimed at settling VAT disputes relating to the tax periods from

2013 to 2017. Further details are described in the "*Significant events occurring in the period*" of the Interim Directors' Report on Operations to which reference is made.

Other tax liabilities are mainly taxes withheld on wages and salaries paid to employees during the month of June. The item also includes a payable of 0.4 million euro which arose in the subsidiary Esprinet Iberica S.L.U. following a tax audit regarding direct and indirect taxes for the years from 2017 to 2020, fully repaid in July 2023.

Payables to personnel refer to deferred monthly compensation (holidays not taken, year-end bonuses, monetary incentives included) accrued in total at the reference balance sheet date.

Payables to customers refer mainly to credit notes issued and not yet paid relating to current trading relationships.

Payables to others mainly include remunerations accrued by directors and fees accrued and not paid to the Group's network of agents. The balance as at 30 June 2023 also includes 0.9 million euro relating to the payable that arose to shareholders for dividends resolved in 2023 but still not collected by the latter.

Accrued expenses and deferred income are income and/or expenses whose accrual date is deferred/anticipated compared with the cash collection/expenditure.

51) Debts for investments in subsidiaries (current)

(euro/000)	30/06/2023	31/12/2022	Var.
Debts for investments in subsidiaries (current)	834	2,455	(1,621)

The item '*Debts for investments in subsidiaries (current)*' as at 30 June 2023 refers for 0.1 million euro to the consideration to be paid in October 2023 in relation to the price for the purchase by the parent company Esprinet S.p.A. of the residual 15% of the share capital in the subsidiary Celly S.p.A. (purchase completed in October 2020), and for 0.7 million euro to the consideration paid in July 2023 in relation to the price for the purchase of all the shares of the company Bludis S.r.l., acquired in November 2022.

5. Notes to income statement items

Having previously stated both the Group financial results and the sales by product family and customer type in the '*Interim Directors' Report on Operations*', sales and costs analyses of the period under review are reported as follows:

33) Sales from contracts with customers

Sales by geographic area

(euro/million)	H1 2023	%	H1 2022	%	% *Var.*	Q2 2023	%	Q2 2022	%	% Var.
Italy	1,177.8	61.8%	1,298.0	59.6%	-9%	554.5	62.5%	607.6	58.5%	-9%
Spain	652.4	34.2%	807.2	37.1%	-19%	294.4	33.2%	391.3	37.7%	-25%
Portugal	55.8	2.9%	48.8	2.2%	14%	28.3	3.2%	25.8	2.5%	10%
Other EU countries	10.4	0.5%	15.3	0.7%	-32%	5.0	0.6%	8.9	0.9%	-44%
Extra EU countries	9.4	0.5%	9.3	0.4%	1%	5.0	0.6%	5.6	0.5%	-11%
Sales from contracts with clients	**1,905.8**	**100.0%**	**2,178.6**	**100.0%**	**-13%**	**887.2**	**100.0%**	**1,039.2**	**100.0%**	**-15%**

The Group, both in Italy and in Spain, recorded a decline in sales greater than that recorded in the distribution market: Italy -9% against a market that fell by 3%, Spain -19% compared to a market that grew by 6%, in both cases mainly due to the negative performance of sales in the consumer area. Portugal, with sales amounting to 55.8 million euro and growth of 14%, outperformed the market, which posted a decrease of -5%.

Sales by products and

services

(euro/million)	H1 2023	%	H1 2022	%	% Var.	Q2 2023	%	Q2 2022	%	% Var.
Product sales	1,188.4	62.4%	1,309.8	60.1%	-9%	559.8	63.1%	615.3	59.2%	-9%
Services sales	4.5	0.2%	8.2	0.4%	-45%	2.2	0.2%	3.9	0.4%	-44%
Sales - Subgroup Italy	**1,192.9**	**62.6%**	**1,318.0**	**60.5%**	***-9%***	**562.0**	**63.3%**	**619.2**	**59.6%**	***-9%***
Product sales	712.2	37.4%	859.9	39.5%	-17%	325.4	36.7%	420.4	40.5%	-23%
Services sales	0.7	0.0%	0.7	0.0%	0%	(0.2)	0.0%	(0.4)	0.0%	-50%
Sales - Subgroup Spain	**712.9**	**37.4%**	**860.6**	**39.5%**	***-17%***	**325.2**	**36.7%**	**420.0**	**40.4%**	***-23%***
Sales from contracts with customers	**1,905.8**	**100.0%**	**2,178.6**	**100.0%**	***-13%***	**887.2**	**100.0%**	**1,039.2**	**100.0%**	***-15%***

Sales of services actually show minimal growth; the values of the comparison periods expressed in the table are in fact prior to a better identification activity implemented in 2023.

The turnover analysis by product family and customer type is presented under the relative paragraph in the '*Interim Directors' Report on Operations*' to which reference should be made for further details.

Sales as 'Principal' or 'Agent'

In accordance with the IFRS 15 accounting standard, the Esprinet Group has identified the distribution of the hardware and software products, the distribution of its own-brand products and the provision of non-intermediated services as the activities in which its role requires it to represent the sales as 'principal'. Conversely, the distribution of cloud software and the brokerage of services were detected as business lines to be disclosed as 'agent'. The following table illustrates this distinction:

(euro/million)	H1 2023	%	H1 2022	%	% Var.	Q2 2023	%	Q2 2022	%	% Var.
Sales from contracts with customers as 'principal'	1,897.0	*99.5%*	2,171.5	*99.7%*	*-13%*	883.0	*99.5%*	1,035.7	*99.7%*	*-15%*
Sales from contracts with customers as 'agent'	8.8	*0.5%*	7.1	*0.3%*	*24%*	4.2	*0.5%*	3.5	*0.3%*	*20%*
Sales from contracts with customers	**1,905.8**	**100.0%**	**2,178.6**	**100.0%**	***-13%***	**887.2**	**100.0%**	**1,039.2**	**100.0%**	***-15%***

35) Gross profit

(euro/000)	H1 2023	%	H1 2022	%	% Var.	Q2 2023	%	Q2 2022	%	% Var.
Sales from contracts with customers	1,905,839	100.0%	2,178,625	100.0%	-13%	887,241	100.0%	1,039,190	100.0%	-15%
Cost of sales	1,801,473	94.5%	2,064,446	94.8%	-13%	836,774	94.3%	982,308	94.5%	-15%
Gross profit	**104,366**	**5.48%**	**114,179**	**5.24%**	***-9%***	**50,467**	**5.69%**	**56,882**	**5.47%**	***-11%***

Gross profit stood at 104.4 million euro, marking a decrease of -9% compared to 114.2 million euro recorded in the first half of 2022, heavily influenced by the sales performance. In fact, the percentage margin shows an improvement from 5.24% to 5.48%, thanks to the greater incidence of

high-margin product categories which offset the quadrupled cost of the non-recourse receivable assignment programmes following the growth in interest rates set by the European Central Bank.
In the second quarter alone, the gross profit, equal to 50.5 million euro, shows a drop of -11%.

As it is prevalent in the sectors where the Group operates, the cost of sales is adjusted downwards to take into account the premiums/rebates for the achievement of targets, development and co-marketing provisions, cash discounts ('prompt payment discounts' or 'cash discounts') and other incentives. It is further reduced by the credit notes issued by vendors in relation to protection agreed for the value of stock.

Finally, gross profit is affected by the difference between the amount of receivables assigned without recourse as part of the usual revolving programme and the amounts collected. In the half year under review, the latter effect was quantified at approximately 7.3 million euro (1.8 million euro in the corresponding period in the previous year).

37-38-39)Operating costs

(euro/000)	H1 2023	%	H1 2022	%	% Var.	Q2 2023	%	Q2 2022	%	% Var.
Sales from contracts with customers	**1,905,839**		**2,178,625**		***-13%***	**887,241**		**1,039,190**		***-15%***
Sales and marketing costs	38,934	2.04%	36,341	1.67%	*7%*	19,899	2.24%	18,561	1.79%	*7%*
Overheads and administrative costs	76,250	4.00%	48,802	2.24%	*56%*	52,212	5.88%	24,689	2.38%	*>100%*
Impairment loss/reversal of financial assets	129	0.01%	(33)	0.00%	*<100%*	93	0.01%	180	0.02%	*-48%*
Operating costs	**115,313**	**6.05%**	**85,110**	**3.91%**	***35%***	**72,204**	**8.14%**	**43,430**	**4.18%**	***66%***
- of which non recurring	26,371	1.38%	387	0.02%	*>100%*	26,371	2.97%	387	0.04%	*>100%*
'Recurring' operating costs	**88,942**	**4.67%**	**84,723**	**3.89%**	***5%***	**45,833**	**5.17%**	**43,043**	**4.14%**	***6%***

In the first half of 2023, the amount of operating costs, equal to 115.3 million euro, shows an increase of 30.2 million euro compared to the same period of 2022 mainly as a consequence of non-recurring expenses amounting to 26.4 million euro.

These non-recurring expenses were incurred by the parent company during the second quarter of 2023 in relation to the signing with the Revenue Agency of agreements aimed at settling VAT disputes relating to the tax periods from 2013 to 2017.
Net of these items, operating costs in the first half of 2023 increased by 4.2 million euro (+5%) compared to the corresponding period of the previous year, of which 1.9 million euro incurred by the company Bludis S.r.l. acquired in November 2022; the incidence on sales increased to 4.67% from 3.89%. Net of non-recurring items, similar trends were recorded in the second quarter alone.

Reclassification by nature of some categories of operating costs

For the purposes of providing more information, some categories of operating costs allocated by '*function*' have been reclassified by '*nature*'.

Amortisation, depreciation, write-downs and provisions

(euro/000)	H1 2023	%	H1 2022	%	% Var.	Q2 2023	%	Q2 2022	%	% Var.
Sales from contracts with customers	**1,905,839**		**2,178,625**		***-13%***	**887,241**		**1,039,190**		***-15%***
Depreciation of tangible assets	2,589	0.14%	2,228	0.10%	*16%*	1,358	0.15%	1,130	0.11%	*20%*
Amortisation of intangible assets	698	0.04%	534	0.02%	*31%*	344	0.04%	269	0.03%	*28%*
Depreciation of right-of-use assets	6,233	0.33%	5,719	0.26%	*9%*	3,181	0.36%	2,966	0.29%	*7%*
Amort . & depreciation	**9,520**	**0.50%**	**8,481**	**0.39%**	***12%***	**4,883**	**0.55%**	**4,364**	**0.42%**	***12%***
Accruals for risks and charges (B)	233	0.01%	89	0.00%	*>100%*	88	0.01%	(12)	0.00%	*<-100%*
Amort. & depr., write-downs, accruals for risks (C=A+B)	**9,753**	**0.51%**	**8,570**	**0.39%**	***14%***	**4,971**	**0.56%**	**4,352**	**0.42%**	***14%***

Labour costs and number of employees

The labour cost analysis for the period under review is detailed as follows:

(euro/000)	H1 2023	%	H1 2022	%	% Var.	Q2 2023	%	Q2 2022	%	% Var.
Sales from contracts with customers	**1,905,839**		**2,178,625**		***-13%***	**887,241**		**1,039,190**		***-15%***
Wages and salaries	34,648	182%	32,542	149%	*6%*	17,390	196%	16,433	158%	*6%*
Social contributions	10,424	0.55%	9,452	0.43%	*10%*	5,215	0.59%	4,792	0.46%	*9%*
Pension obligations	1,526	0.08%	1,427	0.07%	*7%*	763	0.09%	740	0.07%	*3%*
Other personnel costs	904	0.05%	843	0.04%	*7%*	268	0.03%	289	0.03%	*-7%*
Employee termination incentives	324	0.02%	325	0.01%	*0%*	146	0.02%	176	0.02%	*-17%*
Share incentive plans	(418)	-0.02%	326	0.01%	*<-100%*	12	0.00%	163	0.02%	*-93%*
Total labour costs (1)	**47,408**	2.49%	**44,915**	2.06%	***6%***	**23,794**	2.68%	**22,593**	2.17%	***5%***

(1) Cost of temporary workers excluded.

As at 30 June 2023, labour costs amounted to 47.4 million euro, up by 2.5 million euro compared to the first half of 2022.
The change is due for 1.3 million euro to the personnel costs of the company Bludis S.r.l., acquired in November 2022, and for the remainder to the timing over the period of the dynamics of personnel turnover and the adjustment of national collective bargaining agreements.

The item "Share incentive plans" refers to the pro-tempore costs of the "Long-Term Incentive Plan" approved in April 2021 by the Shareholders' Meeting of Esprinet S.p.A.
In the first half of 2023, the value is negative due to the estimated non-maturation of share rights as a result of the failure to achieve the performance targets underlying the "Double Up" component and the early termination of employment by some beneficiaries.

The change in the number of Group employees, also broken down by contractual qualification, is shown in the table below:

	Executives	Clerks and middle manager	Workers	Total	Average*
Esprinet S.p.A.	24	895	-	**919**	
Bludis S.r.l.	1	42	-	**43**	
Celly Pacific LTD	-	3	-	**3**	
Dacom S.p.A.	-	28	5	**33**	
idMAINT S.r.l.	-	14	-	**14**	
Erredi Deutschland GmbH	-	2	-	**2**	
Erredi France SARL	-	1	-	**1**	
4Side S.r.l.	-	-	-	**-**	
V-Valley S.r.l.	-	-	-	**-**	
Subgroup Italy	**25**	**985**	**5**	**1,015**	**1,011**
Esprinet Iberica S.L.U.	-	430	67	**497**	
Erredi Iberica SL	-	9	-	**9**	
Esprinet Portugal Lda	-	54	-	**54**	
V-Valley Advanced Solutions España, S.A.	-	185	-	**185**	
Optima Logistics S.L.U.	-	-	-	**-**	
V-Valley Advanced Solutions Portugal, Unipessoal, Lda	-	-	-	**-**	
GTI Software & Networking SARLAU	-	18	-	**18**	
Subgroup Spain	**-**	**696**	**67**	**763**	**782**
Group as at 30 June 2023	**25**	**1,681**	**72**	**1,778**	**1,793**
Group as at 31 December 2022	**24**	**1,705**	**77**	**1,806**	**1,763**
Var 30/06/2023 - 31/12/2022	1	(24)	(5)	(28)	30
Var %	4%	-1%	-6%	-2%	2%
Group as at 30 June 2022	**23**	**1,652**	**84**	**1,759**	**1,740**
Var 30/06/2023 - 30/06/2022	2	29	(12)	19	53
Var %	9%	2%	-14%	1%	3%

(*) Equal to the average of the balance at period-beginning and period-end.

Share incentive plans

On 22 April 2021, the rights to free assignment of the ordinary shares of Esprinet S.p.A. provided for in the 'Long-Term Incentive Plan' approved by the Shareholders' Meeting of the same on 7 April 2021 were assigned.
The Company currently owns only 63,655 of the ordinary shares underlying the above-mentioned Plan. Therefore, it will need to acquire the remaining amount relating to the 1,011,318 rights effectively granted.

The aforementioned plan was subject to "fair value" accounting determined by applying the "Black-Scholes" model, taking account of the dividend yield, of the volatility of the Esprinet share, of the risk-free interest rate level envisaged at the respective rights assignment dates and, in relation to the "Double Up" component, the probability of the trend in the share in the vesting period of the Compensation Plan.

The main elements of information and parameters used for the purposes of valuing the free allotment rights of the shares for the aforementioned Compensation Plan are summarised in the following table.

(euro/000)	Plan 2021-2023 "Base" component	Plan 2021-2023 "Double Up" component
Allocation date	22/04/2021	22/04/2021
Vesting date	30/04/2024	30/04/2024
Expiry date	30/06/2024	30/06/2024
Total number of stock grant allocated	191,318	820,000
Total number of stock grant allowed	182,018 (1)	- (1)
Unit fair value (euro)	11.29	5.16
Total fair value (euro)	2,054,983	-
Rights subject to look-up (2 years)	25.0%	25.0%
Duration lock-up	2 years	2 years
Risk free interest rate	-0.4% (2)	-0.4% (2)
Implied volatily	40.6% (3)	40.6% (3)
Duration (years)	3	3
Spot price (4)	13.59	13.59
"Dividend yield"	3.8%	3.8%

(1) Decrease due to employment termination of some beneficiaries and/or the estimated achievement of performance targets
(2) 3-year IRS (source: Bloomberg, 21 April 2021)
(3) 3-year volatility calculated on the basis of the official prices at the close of the stock market in the previous three-year period as at 22 April 2021
(4) Equal to the official price of Esprinet S.p.A. shares at grant date

The total values booked to the income statement in the first half of 2023 in relation to the Share incentive plan, with a contra-entry in the item '*Reserves*' in the statement of financial position, were represented by a positive component of 418 thousand euro in relation to employees (expenses of 326 thousand euro in the first half of 2022) and 1.6 million euro with reference to directors (expenses of 732 thousand euro in the first half of 2022).

42) Finance costs - net

(euro/000)	H1 2023	%	H1 2022	%	% Var.	Q2 2023	%	Q2 2022	%	% Var.
Sales from contracts with customers	**1,905,839**		**2,178,625**		***-13%***	**887,241**		**1,039,190**		***-15%***
Interest expenses on borrowings	961	0.05%	855	0.04%	*12%*	532	0.06%	421	0.04%	*26%*
Interest expenses to banks	3,927	0.21%	149	0.01%	*>100%*	1,947	0.22%	109	0.01%	*>100%*
Other interest expenses	7,012	0.37%	36	0.00%	*>100%*	7,010	0.79%	32	0.00%	*>100%*
Upfront fees amortisation	244	0.01%	263	0.01%	*-7%*	123	0.01%	126	0.01%	*-2%*
Financial charges for actualization	6	0.00%	-	0.00%	*100%*	2	0.00%	-	0.00%	*100%*
IAS 19 expenses/losses	93	0.00%	25	0.00%	*>100%*	47	0.01%	13	0.00%	*>100%*
IFRS financial lease interest expenses	1,708	0.09%	1,646	0.08%	*4%*	863	0.10%	844	0.08%	*2%*
Derivatives ineffectiveness	-	0.00%	-	0.00%	*NA*	(3)	0.00%	2	0.00%	*<100%*
Total financial expenses (A)	**13,951**	**0.73%**	**2,974**	**0.14%**	***>100%***	**10,521**	**1.19%**	**1,547**	**0.15%**	***>100%***
Interest income from banks	(361)	-0.02%	(2)	0.00%	*>100%*	(129)	-0.01%	(1)	0.00%	*>100%*
Interest income from others	(40)	0.00%	(61)	0.00%	*-34%*	(17)	0.00%	(76)	-0.01%	*-78%*
Derivatives ineffectiveness	(1)	0.00%	-	0.00%	*100%*	(1)	0.00%	-	0.00%	*100%*
Total financial income(B)	**(402)**	**-0.02%**	**(63)**	**0.00%**	***>100%***	**(147)**	**-0.02%**	**(77)**	**-0.01%**	***91%***
Net financial exp. (C=A+B)	**13,549**	**0.71%**	**2,911**	**0.13%**	***>100%***	**10,374**	**1.17%**	**1,470**	**0.14%**	***>100%***
Foreign exchange gains	(831)	-0.04%	(738)	-0.03%	*13%*	(76)	-0.01%	(447)	-0.04%	*-83%*
Foreign exchange losses	495	0.03%	2,100	0.10%	*-76%*	206	0.02%	1,412	0.14%	*-85%*
Net foreign exch. (profit)/losses (D)	**(336)**	**-0.02%**	**1,362**	**0.06%**	***<100%***	**130**	**0.01%**	**965**	**0.09%**	***-87%***
Net financial (income)/costs (E=C+D)	**13,213**	**0.69%**	**4,273**	**0.20%**	***>100%***	**10,504**	**1.18%**	**2,435**	**0.23%**	***>100%***

The total balance between finance costs - net, negative for 13.2 million euro, increased by 8.9 million euro compared to the corresponding period of the previous year mainly as a result of: (i) 6.9 million euro of interest accrued by the Tax Authorities as part of the agreements signed by the parent company Esprinet S.p.A. with the Revenue Agency and aimed at settling VAT disputes relating to the tax periods from 2013 to 2017; (ii) the escalation of interest rate growth ordered by the European Central Bank to stem the inflationary pressures that have been witnessed since the end of 2021.

In the second quarter of 2023 alone, the balance between finance costs - net, negative for 10.5 million euro, showed an increase compared to 2.4 million euro in the corresponding period of the previous year, as a result of the above-mentioned trends.

An opposite trend was noted in exchange management, with an improvement over the previous year, as a result of the stability of the euro against the dollar in the face of a progressive weakening of the single European currency during 2022.

45) Income tax expenses

(euro/000)	H1 2023	%	H1 2022	%	% Var.	Q2 2023	%	Q2 2022	%	% Var.
Sales from contracts with customers	1,905,839		2,178,625		-13%	887,241		1,039,190		-15%
Current and deferred taxes	2,747	0.14%	6,764	0.31%	-59%	566	0.06%	3,059	0.29%	-81%
Result before taxes	(24,160)		24,796			(32,241)		11,017		
Tax rate	-11%		27%			-2%		28%		

Estimated income taxes for the first half, equal to 2.7 million euro, decreased by 59% compared with the same period of 2022 due to a lower taxable base.
The tax rate is negative as a result of a taxable base that includes 33.3 million euro of non-recurring expenses generated by agreements signed with the Revenue Agency and aimed at settling tax disputes and considered irrelevant for the purposes of calculating taxes.

46) Net income and earnings per share

(euro/000)	H1 2023	H1 2022	Var.	% Var.	Q2 2023	Q2 2022	Var.	% Var.
Net result attributable to Group	(26,907)	18,032	(44,939)	-249%	(32,807)	7,958	(40,765)	-512%
Weighed average no. of shares in circulation: basic	49,406,099	49,406,099			49,406,099	49,406,099		
Weighed average no. of shares in circulation: diluted	49,504,995	50,011,922			49,517,925	50,021,563		
Earnings per share in euro - basic	-0.54	0.36	(0.90)	-250%	-0.66	0.16	(0.82)	-513%
Earnings per share in euro - diluted	-0.54	0.36	(0.90)	-250%	-0.66	0.16	(0.82)	-513%

For the purposes of calculating "basic" earnings per share, the 1,011,318 own shares on hand were excluded (1,011,318 rights as at 31 December 2022).

For the purposes of calculating the "diluted" earnings per share, the 182,018 own shares on hand were considered, potentially serving the Stock Grant Plan approved on 7 April 2021 by the Shareholders' Meeting of Esprinet S.p.A. The number of shares was reduced compared to the initial amount of 1,011,318 titles in relation to the estimated level of achievement of the targets set in the Long-Term Compensation Plan and the estimated probability of continuation of the professional relationship by the individual beneficiaries.

6. Other significant information

6.1 Cash flow analysis in the period

As shown in the following table, due to the trends in cash flows development reported in the *Consolidated statement of cash flows*, as at 30 June 2023, the Esprinet Group recorded a negative net financial indebtedness of 207.2 million euro, compared with a negative 256.9 million euro as at 30 June 2022.

(euro/000)	H12023	H12022
Net financial debt at year-beginning	**83,033**	**(227,177)**
Cash flow provided by (used in) operating activities	(76,580)	(447,544)
Cash flow provided by (used in) investing activities	(9,894)	(5,137)
Cash flow provided by (used in) changes in net equity	(26,918)	(24,587)
Total cash flow	**(113,392)**	**(477,268)**
Unpaid interests	(1,698)	(615)
Unpaid leasing interests	(282)	(270)
Lease liabilities posting	(8,793)	(5,900)
Deferred price acquisitions	34	-
Net financial debt at year-end	**207,164**	**256,876**
Short-term financial liabilities	164,001	101,320
Lease liabilities	11,583	10,297
Customers financial receivables	(9,359)	(10,450)
Current financial (assets)/liabilities for derivatives	(1)	-
Financial receivables from factoring companies	(139)	(1,080)
Current Debts for investments in subsidiaries	834	1,015
Cash and cash equivalents	(130,259)	(41,937)
Net current financial debt	**36,660**	**59,165**
Borrowings	66,068	94,528
Lease liabilities	103,836	102,468
Non current Debts for investments in subsidiaries	600	715
Net financial debt at year-beginning	**207,164**	**256,876**

6.2 Net financial indebtedness and loan covenants

As set forth in "Warning notice no. 5/21" issued by CONSOB on 29 April 2021, the following table provides information relating to the "*financial indebtedness*"(or also "net financial position") determined in substantial compliance with the criteria indicated by the European Securities and Markets Authority ("ESMA") in the document called "Guidelines on disclosure obligations" of 4 March 2021.
With reference to the same table, it should be underlined that financial indebtedness, measured according to the ESMA criteria, coincides with the notion of 'Net financial payables' for the Group.

(euro/000)	30/06/2023	31/12/2022	30/06/2022
A. Bank deposits and cash on hand	130,259	172,184	41,935
B. Cheques	-	-	3
C. Other current financial assets	9,499	13,544	11,529
D. Liquidity (A+B+C)	139,758	185,728	53,467
E. Current financial debt	132,907	47,871	66,646
F. Current portion of non current debt	43,511	47,511	45,986
G. Current financial indebtedness (E+F)	176,418	95,382	112,632
H. Net current financial indebtedness (G-D)	**36,660**	**(90,346)**	**59,165**
I. Non-current financial debt	170,504	173,379	197,711
J. Debt instruments	-	-	-
K. Trade payables and other non-current payables	-	-	-
L. Non-current financial indebtedness (I+J+K)	**170,504**	**173,379**	**197,711**
M. Net financial indebtedness (H+L)	**207,164**	**83,033**	**256,876**
Breakdown of net financial indebtedness:			
Short-term financial liabilities	164,001	82,163	101,320
Lease liabilities	11,583	10,740	10,297
Current debts for investments in subsidiaries	834	2,455	1,015
Current financial (assets)/liabilities for derivatives	(1)	24	-
Other current financial receivables	(9,359)	(10,336)	(10,450)
Financial receivables from factoring companies	(139)	(3,207)	(1,080)
Cash and cash equivalents	(130,259)	(172,185)	(41,937)
Net current financial debt	**36,660**	**(90,346)**	**59,165**
Non - current debts for investments in subsidiaries	600	600	715
Borrowings	66,068	71,118	94,528
Lease liabilities	103,836	101,661	102,468
Net financial debt	**207,164**	**83,033**	**256,876**

The Group's net financial position, negative for 207.2 million euro, corresponds to a net balance of gross financial liabilities of 230.1 million euro, debts for investments in subsidiaries of 1.4 million euro, financial receivables of 9.5 million euro, lease liabilities of 115.4 million euro and cash and cash equivalents equal to 130.3 million euro.

Cash and cash equivalents consist mainly of free and unrestricted bank deposits of a transitional nature as they are formed temporarily at the end of the month as a result of the Group's distinctive financial cycle.
A feature of this cycle is the high concentration of funds received from customers and factoring companies – the latter in the form of net income from the non-recourse assignments of trade receivables – normally received at the end of each calendar month, while payments to suppliers, also tending to be concentrated at the end of the period, are usually spread more equally throughout the month. For this reason, the spot figure at the end of a period does not represent the net financial indebtedness or the average treasury resources for the same period.

The non-recourse receivable assignment revolving programme focusing on selected customer segments, especially in GDO, continued during the first half of 2023 in both Italy and Spain as part of the processes aimed at the structural optimisation of the management of working capital. In addition to this, the securitisation programme for additional trade receivables also continued during the period, launched in Italy in July 2015 and renewed uninterruptedly every three years, most recently in July 2021. Considering the fact that the aforementioned programmes entail the full transfer of risks and benefits to the assignees, the receivables subject to assignment are eliminated from the statement of financial position assets in compliance with IFRS 9. The overall effect on the level of net financial payables as at 30 June 2023 is quantified at roughly 364.2 million euro (around 540.2 million euro as at 31 December 2022 and 382.3 million euro as at 30 June 2022).

With regard to medium/long-term financial liabilities, the table below shows, separately for each lender, the principal amount of loans due within and beyond the next financial year, broken down into 'Italian Subgroup' and 'Iberian Subgroup'. It should be noted that the amounts shown may differ from the individual carrying amounts because the latter are representative of the amortised cost calculated by applying the effective interest rate method.

(euro/000)	30/06/2023			31/12/2022			Var.		
	Curr.	Non-curr.	Tot.	Curr.	Non-curr.	Tot.	Curr.	Non-curr.	Tot.
Banco Desio	2,667	2,696	5,363	2,652	4,033	6,685	15	(1,337)	(1,322)
BCC Carate	2,480	6,287	8,767	2,470	7,530	10,000	10	(1,243)	(1,233)
Banca popolare di Sondrio	3,897	13,653	17,550	5,080	-	5,080	(1,183)	13,653	12,470
Cassa depositi e prestiti	7,000	10,500	17,500	7,000	14,000	21,000	-	(3,500)	(3,500)
BPER Banca	8,002	5,036	13,038	7,972	9,044	17,016	30	(4,008)	(3,978)
Unicredit	-	-	-	502	-	502	(502)	-	(502)
Total Subgroup Italy	**24,046**	**38,172**	**62,218**	**25,676**	**34,607**	**60,283**	**(1,630)**	**3,565**	**1,935**
Banco Sabadell	3,004	4,696	7,700	4,084	6,074	10,158	(1,080)	(1,378)	(2,458)
Ibercaja	2,793	637	3,430	3,282	1,778	5,060	(489)	(1,141)	(1,630)
Bankinter	1,882	4,384	6,266	1,862	5,329	7,191	20	(945)	(925)
La Caixa	6,283	8,195	14,478	6,762	11,083	17,845	(479)	(2,888)	(3,367)
Kutxabank	-	-	-	375	-	375	(375)	-	(375)
Cajamar	1,786	2,218	4,004	1,783	2,602	4,385	3	(384)	(381)
BBVA	2,478	5,183	7,661	2,458	6,429	8,887	20	(1,246)	(1,226)
Santander	1,239	2,643	3,882	1,229	3,265	4,494	10	(622)	(612)
Total Subgroup Iberica	**19,465**	**27,956**	**47,421**	**21,835**	**36,560**	**58,395**	**(2,370)**	**(8,604)**	**(10,974)**
Total Group	**43,511**	**66,128**	**109,639**	**47,511**	**71,167**	**118,678**	**(4,000)**	**(5,039)**	**(9,039)**

The table below shows the carrying amounts in principal of the loans reported above, which include those guaranteed by the Spanish State through the Instituto de Crédito Oficial ("ICO") as part of the measures adopted by the Spanish Government to help businesses tackle COVID-19.

(euro/000)	30/06/2023	31/12/2022	Var.
Unsecured loan (agent: Banco Desio) to Esprinet S.p.A. repayable in six-monthly instalments by June 2025	5,363	6,685	(1,322)
Unsecured loan (agent: BCC Carate) to Esprinet S.p.A. repayable in six-monthly instalments by December 2026	8,767	10,000	(1,233)
Unsecured loan (agent: BPER Banca) to Esprinet S.p.A. repayable in six-monthly instalments by May 2025	4,013	5,000	(987)
Unsecured loan (agent: BPER Banca) to Esprinet S.p.A. repayable in six-monthly instalments by December 2024	9,025	12,016	(2,991)
Unsecured loan (agent: Banca Popolare di Sondrio) to Esprinet S.pA repayable in quarterly instalments by November 2023	2,550	5,080	(2,530)
Unsecured loan (agent: Banca Popolare di Sondrio) to Esprinet S.pA repayable in six-monthly instalments by June 2028	15,000	-	15,000
Unsecured loan (agent: Cassa Depositi e Prestiti S.p.A.) to Esprinet S.p.A. repayable in six-monthly instalments by December 2025	17,500	21,000	(3,500)
Unsecured loan (agent: Unicredit) to Dacom S.p.A. repayable in monthly instalments by May 2023	-	502	(502)
Unsecured loan (agent: Banco Sabadell) to Esprinet Iberica repayable in quarterly instalments by March 2024	774	1,281	(507)
Unsecured loan (agent: La Caixa) to Esprinet Iberica repayable in quarterly instalments by February 2024	1,551	2,565	(1,014)
Unsecured loan (agent: Ibercaja) to Esprinet Iberica repayable in quarterly instalments by February 2024	1,529	2,533	(1,004)
Secured loan "ICO" (agent: Banco Sabadell) to Esprinet Iberica repayable in monthly instalments by June 2026	2,270	2,636	(366)
Secured loan "ICO" (agent: La Caixa) to Esprinet Iberica repayable in monthly instalments by June 2026	3,778	4,391	(613)
Secured loan "ICO" (agent: BBVA) to Esprinet Iberica repayable in monthly instalments by June 2026	3,782	4,394	(612)
Secured loan "ICO" (agent: La Caixa) to Esprinet Iberica repayable in six-monthly instalments by July 2026	2,187	2,500	(313)
Secured loan "ICO" (agent: Bankinter) to Esprinet Iberica repayable in quaterly instalments by July 2026	3,484	3,996	(512)
Unsecured loan (agent: Cajamar) to Esprinet Iberica repayable in yearly instalments by December 2024	2,027	2,027	-
Unsecured loan (agent: Ibercaja) to Esprinet Iberica repayable in six-monthly instalments by November 2024	1,900	2,527	(627)
Unsecured loan (agent: Banco Sabadell) to Esprinet Iberica repayable in six-monthly instalments by June 2023	-	848	(848)
Unsecured loan (agent: Banco Sabadell) to Esprinet Iberica repayable in monthly instalments by July 2026	4,657	5,392	(735)
Unsecured loan (agent: La Caixa) to Esprinet Iberica repayable in quarterly instalments by May 2024	1,000	1,500	(500)
Unsecured loan (agent: Banco Kutxabanka) to Esprinet Iberica repayable in six-monthly instalments by March 2023	-	375	(375)
Unsecured loan (agent: Cajamar) to Esprinet Iberica repayable in six-monthly instalments by July 2025	1,978	2,359	(381)
Secured loan "ICO" (agent: La Caixa) to Esprinet Iberica repayable in monthly instalments by June 2026	3,774	4,389	(615)
Secured loan "ICO" (agent: Bankinter) to Esprinet Iberica repayable in quaterly instalments by July 2026	2,781	3,195	(414)
Secured loan "ICO" (agent: Banco Santander) to Esprinet Iberica repayable in monthly instalments by July 2026	3,881	4,494	(613)
Secured loan "ICO" (agent: BBVA) to Esprinet Iberica repayable in monthly instalments by July 2026	3,880	4,493	(613)
Secured loan "ICO" (agent: La Caixa) to Esprinet Iberica repayable in six-monthly instalments by July 2026	2,188	2,500	(312)
Total book value	**109,639**	**118,678**	**(9,039)**

We note the signing on 29 May 2023 by Esprinet S.p.A., with Banca Popolare di Sondrio, of an amortising five-year loan agreement at a floating rate, for a principal value of 15.0 million euro, disbursed on 31 May 2023.

Some of the medium/long-term loans listed above are secured by typical economic-financial covenant structures for transactions of said kind, that contain standard acceleration clauses for reimbursements in the event they are not respected.

Two unsecured "amortising" 5-year loans expiring in February 2024, granted to the subsidiary Esprinet Iberica S.L.U. for a total value of 3.1 million euro in principal as at 30 June 2023, require the annual commitment of observance of (i) a given ratio of extended net financial position to EBITDA at consolidated level and (ii) a maximum value of medium/long-term loans in favour of Esprinet Iberica.

The unsecured amortising 5-year loan granted to Esprinet S.p.A. by Cassa Depositi e Prestiti S.p.A., expiring in December 2025, for a total of 17.5 million euro in principal as at 30 June 2023, also provides for the annual commitment of observance of a given ratio of net financial position to EBITDA at consolidated level, but also half-yearly observance of a given ratio of consolidated net financial position to consolidated shareholders' equity.

In addition to medium/long-term loans, an unsecured 3-year RCF-Revolving Credit Facility, amounting to 180.0 million euro and drawn down for 20.0 million euro as at 30 June 2023, taken out by Esprinet S.p.A. on 31 August 2022 with a pool of leading domestic and international banks, is also secured by the following structure of financial covenants, to be verified annually and every six months on the basis of the data of the consolidated and certified financial statements:
- ratio of net financial position to EBITDA (only to be verified annually);
- ratio of extended net financial position to shareholders' equity;
- ratio of EBITDA to net finance costs;
- absolute amount of gross financial position.

As at 30 June 2023 all covenants to which the above-mentioned loans are subject, including the Revolving Credit Facility, according to management estimates (as the same must be verified in the consolidated financial statements certified by the independent auditors), were respected.

The various medium/long-term loan agreements, including those that do not make provision for financial covenants and the above-mentioned Revolving Credit Facility, also contain the usual "negative pledge", "pari passu" and similar clauses that, at the date of drafting of this report, were respected.

6.3 Relationships with related entities

The details of the number and type of operations with related parties, the total value of which however is insignificant in relation to the overall volume of the Group's business operations, can be found under '*Relationships with related parties*' to which reference should be made.

6.4 Non-recurring significant events and transactions

In the first half of 2023, the following non-recurring items were identified:

- expenses of 33.3 million euro (26.4 million euro for taxes and fines and 6.9 million euro for interest) incurred following the signing with the Revenue Agency, during the second quarter of 2023, of agreements aimed at settling VAT disputes relating to the tax periods from 2013 to 2017.

In the corresponding period of 2022, non-recurring transactions and events were identified:

- miscellaneous costs, totalling 0.4 million euro, relating primarily to advisory services, incurred by the parent company Esprinet S.p.A in relation to the start of the process targeted at the launch of the voluntary Public Tender Offer for all of the ordinary shares of the Italian company Cellularline S.p.A..

The following table shows the impact of the above events and transactions on the income statement (including the related tax effects):

(euro/000)	Non - Recurring Charge Type	H1 2023	H1 2022	Var.	Q2 2023	Q2 2022	Var.
Overheads and administrative costs	Business combination	-	(387)	387	-	(387)	387
Overheads and administrative costs	Taxes and duties from previous years	(26,371)	-	(26,371)	(26,371)	-	(26,371)
Total SG&A	**Total SG&A**	**(26,371)**	**(387)**	**(25,984)**	**(26,371)**	**(387)**	**(25,984)**
Operating result (EBIT)	**Operating result (EBIT)**	**(26,371)**	**(387)**	**(25,984)**	**(26,371)**	**(387)**	**(25,984)**
Finance costs - net	Interest payable to tax authorities	(6,946)	-	(6,946)	(6,946)	-	(6,946)
Result before income taxes	**Result before income taxes**	**(33,317)**	**(387)**	**(32,930)**	**(33,317)**	**(387)**	**(32,930)**
Income tax expenses	Non -recurring events impact	-	108	(108)	-	108	(108)
Net result	**Net result**	**(33,317)**	**(279)**	**(33,038)**	**(33,317)**	**(279)**	**(33,038)**

6.5 Seasonal nature of business

The table below highlights the impact of sales per calendar quarter in the two-year period 2022-2021:

	2022			2021		
	Group	Italy	Iberica	Group	Italy	Iberica
Sales Q1	24.3%	25.0%	23.4%	24.9%	25.7%	23.6%
Sales Q2	22.2%	22.1%	22.3%	22.8%	23.4%	21.9%
Sales H1	**46.5%**	**47.2%**	**45.6%**	**47.7%**	**49.1%**	**45.5%**
Sales Q3	22.2%	22.5%	21.7%	20.8%	20.6%	21.3%
Sales Q4	31.3%	30.4%	32.6%	31.6%	30.4%	33.3%
Sales H2	**53.5%**	**52.8%**	**54.4%**	**52.3%**	**50.9%**	**54.5%**
Sales for the year	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

The IT and consumer electronic markets both in Italy and in Spain are traditionally characterised by highly seasonal sales, which involve an increase in demand in the fourth quarter of the calendar year, essentially in terms of purchases concentrated in the pre-Christmas and the 'back-to-school' seasons to consumers, and by the spending dynamics of budgets dedicated to IT investments, which are statistically concentrated around the months of November and December.

The seasonal nature of IT and electronics sales has an influence both on the business volumes of the distribution industry and, consequently, on the sales volumes of the Esprinet Group.
The winter trend provides a contrast to the drop in demand in the summer months, in August, in particular. As a result of the increasing reluctance to suspend work during the summer months, this last trend also appears to be re-dimensioning, particularly in the business sector.

In addition to the above, operating results are also seasonal, but even more so than those of sales since the absolute profit margin levels track the seasonal nature of sales, while overheads tend to be more regular during the year.
The seasonal nature of sales described above also has an influence on the portion of borrowings that is closely linked to working capital needs, which peak in the last part of each calendar year.

The level of net borrowings fluctuates dramatically not only throughout the calendar year but also during each month, due for the most part to the concentration of payments received from customers at the end and middle of each month, while the maturities of payments to suppliers are distributed more evenly over the month.
For this reason, the figure resulting at the end of the period, or at the end of each month, is not particularly representative of the average net financial indebtedness customarily observable during the same period.

The circumstances described above give rise to higher financial and commercial risk levels for the Group compared with businesses, which are less subject to seasonal fluctuations.

6.6. Financial instruments pursuant to IFRS 9: classes of risk and fair value

The following table illustrates together the financial instrument items in the statement of financial position and the financial assets and liabilities categories in accordance with accounting standard IFRS 9:

Assets	**30/06/2023**				**31/12/2022**			
(euro/000)	Carrying amount	Financial FVTPL assets (1)	Financial assets amortised cost	Out of scope IFRS 9	Carrying amount	Financial FVTPL assets (1)	Financial assets amortised cost	Out of scope IFRS 9
Guarantee deposits	*2,337*		*2,337*		*2,348*		*2,422*	
Receiv and other non-curr. Assets	2,337		2,337	-	2,348		2,422	-
Non-current assets	**2,337**	**-**	**2,337**	**-**	**2,348**	**-**	**2,422**	**-**
Trade receivables	476,446	116,690	359,756		701,071	150,453	550,618	
Receivables from factors	*139*		*139*		*3,207*		*3,207*	
Financial receivables from customers	*9,359*		*9,359*		*10,336*		*10,336*	
Other tax receivables	*41,572*			*41,572*	*38,249*		*-*	*38,249*
Receivables from suppliers	*12,691*		*12,691*		*9,890*		*9,890*	
Receivables from insurance	*389*		*389*		*424*		*424*	
Receivables from employees	*-*		*-*		*6*		*6*	
Receivables from others	*127*		*127*		*126*		*126*	
Prepayments	*7,065*			*7,065*	*6,670*			*6,670*
Rec. and other curr. Assets	71,342		22,705	48,637	68,908		23,989	44,919
Derivative financial assets	1	1			-	-		
Cash and cash equivalents	130,259		130,259		172,185		172,185	
Current assets	**678,048**	**116,691**	**512,720**	**48,637**	**942,164**	**150,453**	**746,792**	**44,919**

Liabilities	**30/06/2023**				**31/12/2022**			
(euro/000)	Carrying amount	Financial FVTPL liabilities (1)	Financial liabilities amortised cost	Out of scope IFRS 9	Carrying amount	Financial FVTPL liabilities (1)	Financial liabilities amortised cost	Out of scope IFRS 9
Borrowings	66,068		66,068		71,118		71,118	
Lease liabilities	103,836		103,836		101,661		101,661	
Debts for investments in subsidiaries	600		600		600		600	
Provisions of pensions	*1,749*			*1,749*	*1,879*			*1,879*
Other provisions	*697*			*697*	*560*			*560*
Long term tax payable in instalments	*23,975*			*23,975*	*-*			
Cash incentive liabilities	*8*		*8*		*135*		*135*	
Provis. and other non-curr. Liab	26,429		8	26,421	2,574		135	2,439
Non-current liabilities	**196,933**	**-**	**170,512**	**26,421**	**175,953**	**-**	**173,514**	**2,439**
Trade payables	675,884		675,884		1,112,166		1,112,166	
Short-term financial liabilities	164,001		164,001		82,163		82,163	
Lease liabilities	11,583		11,583		10,740		10,740	
Derivate financial liabilities	-	-			24	24		
Debts for investments in subsidiaries	834		834		2,455		2,455	
Social security liabilities	*5,720*		*5,720*		*5,366*		*5,366*	
Other tax liabilities	*31,538*			*31,538*	*31,612*			*31,612*
Payables to others	*17,719*		*17,719*		*21,238*		*21,238*	
Accrued expenses	*124*		*124*		*227*		*227*	
Deferred income	*306*			*306*	*199*			*199*
Provisions and other liabilities	55,407	-	23,563	31,844	58,642	-	26,831	31,811
Current liabilities	**907,709**	**-**	**875,865**	**31,844**	**1,266,190**	**24**	**1,234,355**	**31,811**

(1) 'FVTPL': Fair Value Through Profit and Loss includes derivatives at fair value through profit and loss.

For further details about the contents of individual balance sheet items please see the analyses provided in the specific sections in the paragraph '*Notes to the statement of financial position items*'. The fair value measurement of financial assets and liabilities reported in the financial statements as provided for by IFRS 9 and as governed by IFRS 7 and IFRS 13, grouped by classes of risk, and the methods and the assumptions applied in their determination, are as follows:

Assets	30/06/2023						31/12/2022					
		Fair value						Fair value				
(euro/000)	Carrying amount	Trade receiv.	Financial receiv.	Receiv. from others	Receiv. from insurance	Receiv. from employees	Carrying amount	Trade receiv.	Financial receiv.	Receiv. from others	Receiv. from insurance	Receiv. from employees
Guarantee deposits	*2,337*		*-*	*1,955*			*2,348*		*-*	*1,829*		
Receiv and other non-curr. Assets	2,337	-	-	1,955	-	-	2,348	-	-	1,829	-	-
Non-current assets	**2,337**	**-**	**-**	**1,955**	**-**	**-**	**2,348**	**-**	**-**	**1,829**	**-**	**-**
Trade receivables	476,446	476,446					701,071	701,071				
Receiv. from factors	*139*		*139*				*3,207*		*3,207*			
Financial receivables from customers	*9,359*		*9,359*				*10,336*		*10,336*			
Receiv. from suppliers	*12,691*			*12,691*			*9,890*			*9,890*		
Receiv. from insurance	*389*				*389*		*424*				*424*	
Receiv. from employees	*-*					*-*	*6*					*6*
Receiv. from others	*127*			*127*			*126*			*126*		
Rec. and other curr. Assets	22,705	-	9,498	12,818	389	-	23,989	-	13,543	10,016	424	6
Derivative financial assets	1		1				-		-			
Cash and cash	130,259		130,259				172,185		172,185			
Current assets	**629,411**	**476,446**	**139,758**	**12,818**	**389**	**-**	**897,245**	**701,071**	**185,728**	**10,016**	**424**	**6**

Liabilities	30/06/2023					31/12/2022				
		Fair value					Fair value			
(euro/000)	Carrying amount	Trade payables	Financial payables	FVTPL derivatives	Other payables	Carrying amount	Trade payables	Financial payables	FVTPL derivatives	Other payables
Borrowings	66,068		54,953			71,118		60,944		
Debts for investments in subsidiaries	600		555			600		608		
Cash incentive liabilities	*8*				*8*	*135*				*135*
Provis. and other non-curr. Liab.	8	-	-	-	8	135	-	-	-	135
Non-current liabilities	**66,676**	**-**	**55,508**	**-**	**8**	**71,853**	**-**	**61,552**	**-**	**135**
Trade payables	675,884	675,884				1,112,166	1,112,166			
Short-term financial liabilities	164,001		164,914			82,163		81,725		
Derivate financial liabilities	-			-		24			24	
Debts for investments in subsidiaries	834		834			2,455		2,445		
Social security liabilities	5,720				5,720	5,366				5,366
Payables to others	17,719				17,719	21,238				21,238
Accrued expenses	124				124	227				227
Provis. and other Liab.	23,563				23,563	26,831				26,831
Current liabilities	**864,282**	**675,884**	**165,748**	**-**	**23,563**	**1,223,639**	**1,112,166**	**84,170**	**24**	**26,831**

IFRS 13 identifies a hierarchy of assessment techniques based on three levels:

- Level 1: the data used in the assessments is represented by prices quoted on markets where assets and liabilities identical to those being assessed are traded;
- Level 2: the data used in the assessments, other than listed prices referred to in Level 1, are observable for the financial asset or liability, both directly (prices) and indirectly (derived from prices);
- Level 3: non-observable data; where observable data is not available and, therefore, there is little or no market activity for the assets and liabilities being assessed.

Assets and liabilities recorded in the financial statements at fair value, as specified in greater detail below, corresponds to a level 2 in the hierarchy with the exception of 'Trade receivables (portion not measured at amortised cost)', which corresponds to level 3.

Given their short-term maturity, the gross carrying value of current assets and liabilities (excluding items specially measured) is deemed a reasonable approximation of their fair value.

The fair value of non-current assets and borrowings, including debts for investment in subsidiaries, was estimated by discounting expected future cash flows from principal and interest, according to the terms and the maturity dates of each agreement, and using the interest rate curve at the balance sheet date, as adjusted for the effects of the DVA (Debit Value Adjustment) and the CVA (Credit Value Adjustment).

The interest rate curves used were obtained from the 'Forward' and the 'Spot' Curve as at 30 June, as published by financial providers, the second one plus any spread provided for by the agreement (such spread was not taken into account in applying the market interest curve for discounting cash flows). Since all inputs entered in the valuation model were based on observable market data instruments are classified at hierarchy level 2.

As shown in the preceding tables, no reclassifications among hierarchic levels were made. Please refer to the paragraph 'Derivatives analysis' for more information relating to existing derivative instruments.

Adjustments to the value of financial assets, estimated following a precise assessment of the solvency of each debtor and, at mass level, of the estimates of Expected Credit Losses recorded on existing loans and receivables at the annual or interim reporting date, were shown under the item 'Impairment loss/reversal of financial assets' in the Separate income statement. These adjustments totalled 0.1 million euro in the first half of 2023 (33 thousand euro in releases in the first half of 2022).

6.7 Hedging derivatives analysis

Introduction

The Esprinet Group enters into derivative contracts in order to hedge certain loan agreements against fluctuating interest rates by means of a cash flow hedging strategy.
The aim of these transactions hedging against interest rate risk is to fix the funding cost of medium/long-term floating-rate loans by entering into derivative contracts enabling receipt of a floating rate in return for payment of a fixed rate.
Hedging operations are therefore reported in the financial statements according to the instructions of the IFRS 9 accounting principle regarding 'hedge accounting' and in order to verify the hedge effectiveness, the Group periodically carries out effectiveness tests.

Derivative instruments as at the closing date of 30 June 2023

At the end of the first half of 2023, the Group did not have any hedging derivatives in place.

Derivative instruments extinguished as at the closing date of 30 June 2023

At the end of the first half of 2023, the Group did not extinguish any hedging derivatives.

6.8 Non-hedging derivatives analysis

During the period, like as at 31 December 2022, some transactions involving an insignificant volume and economic impact were entered into, with non-hedging derivative instruments for the forward purchase of foreign currency (USD) in response to the supplier payment forecasts.

6.9 Subsequent events

Relevant events occurred after period end are described in the paragraph 'Subsequent events' of the Interim Directors' Report on Operations, to which reference should be made for further details.

6.10 Emoluments to the board members, statutory auditors and key managers

Information regarding emoluments both of Esprinet S.p.A. Board of Directors and Statutory Auditors, and of the Group key managers are described as follows in relation to positions held in Group companies.

As defined by accounting standard IAS 24 and quoted by CONSOB Resolution no. 17221 of 12 March 2010, 'key managers are those persons having authority and responsibility for directly or indirectly planning, directing and controlling the activities of the entity preparing the financial statements, including any director (whether executive or otherwise) of that entity'.

The Board of Directors, the Board of Statutory Auditors and the Group Chief Operating Officer are deemed to be key managers in the Esprinet Group.

The amounts below presented include all employee benefits on accrual basis, non-monetary benefits and the emoluments received as board members and statutory auditors of the Group companies.

(euro/000)	**H1 2023**			**H1 2022**		
	Emolument	**Fringe benefit**	**Total**	**Emolument**	**Fringe benefit**	**Total**
Board of Directors	852	4	856	855	4	859
Board of Directors LTIP	(1,570)	-	(1,570)	666		666
Other key managers	374	-	374	373	-	373
Other key managers LTIP	(144)		(144)	132		132
Subtotal	**(489)**	**4**	**(485)**	**2,026**	**4**	**2,030**
Board of Statutory Auditors	65	-	65	65	-	65
Total	**(424)**	**4**	**(420)**	**2,091**	**4**	**2,095**

The portions of remuneration identified with the term "LTIP" refer to the fair value of the share rights assigned under the Long-Term Incentive Plan (LTIP) approved by the Shareholders' Meeting of Esprinet S.p.A. on 7 April 2021 and valid for the 2021-2023 three-year period.
These values are negative as they represent the release of provisions previously made given the estimated non-accrual of share rights by the beneficiaries, as a result of the estimated failure to achieve the performance targets underlying the "Double Up" component.

Vimercate, 12 September 2023

On behalf of the Board of Directors
The Chairman

Maurizio Rota

Statement on the 'Condensed consolidated half-year financial statements' pursuant to Article 154-bis Legislative Decree no. 58/98

1. The undersigned Alessandro Cattani, Chief Executive Officer of Esprinet S.p.A and Pietro Aglianò, executive charged with drawing up the Esprinet S.p.A. accounting documents, hereby declare, also taking into account the provisions of Article 154-bis, paragraphs 3 and 4 of Legislative Decree no. 58 of 24 February 1998:

- the adequacy in relation to the characteristics of the Company; and
- the effective application

of the administrative and accounting procedures used in drawing up the condensed consolidated half-year financial statements as at 30 June 2023, in the first half of 2023.

2. The assessment of the adequacy of the administrative and accounting procedures used for the preparation of the condensed consolidated half-year financial statements as at 30 June 2023 was effected in accordance with the Internal Control - Integrated Framework model issued by the Committee of Sponsoring Organisations of the Treadway Commission, a generally internationally-accepted reference framework.

3. We further declare that:

3.1 The condensed consolidated half-year financial statements:

a) have been prepared in accordance with International Financial Reporting Standards, as endorsed by the European Union through Regulation (EC) no. 1606/2002 of the European Parliament and Council, dated 19 July 2002;
b) correspond to the amounts shown in the Company's accounts, books and records;
c) provide a fair and correct representation of the financial position, results of operations and cash flows of the issuer and the companies included in the scope of consolidation.

3.2 The Interim Directors' Report on Operations includes a reliable analysis of the significant events that affected the Group during the first six months of the year and their impact on the condensed consolidated half-year financial statements, as well as a description of the main risks and uncertainties for the remaining six months of the year. The Interim Directors' Report on Operations also includes reliable information regarding significant operations with related parties.

Vimercate, 12 September 2023

Chief Executive Officer of Esprinet S.p.A.	Executive charged with drawing up the company accounting documents of Esprinet S.p.A.
(Alessandro Cattani)	(Pietro Aglianò)

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REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders of
Esprinet SpA

Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of Esprinet SpA and its subsidiaries (the Esprinet Group) as of 30 June 2023, comprising the consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flow statement and related notes. The directors of Esprinet SpA are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the International Accounting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of Review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution No. 10867 of 31 July 1997. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated condensed interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements of the Esprinet Group as of 30 June 2023 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, 13 September 2023

PricewaterhouseCoopers SpA

Signed by

Andrea Martinelli
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers

PricewaterhouseCoopers SpA

Sede legale: **Milano** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240 Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035 229691 - **Bologna** 40126 Via Angelo Finelli 8 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 010 29041 - **Napoli** 80121 Via dei Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 349737 - **Parma** 43121 Viale Tanara 20/A Tel. 0521 275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06 570251 - **Torino** 10122 Corso Palestro 10 Tel. 011 556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422 696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 040 3480781 - **Udine** 33100 Via Poscolle 43 Tel. 0432 25789 - **Varese** 21100 Via Albuzzi 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001 - **Vicenza** 36100 Piazza Pontelandolfo 9 Tel. 0444 393311

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