Consolidated half-yearly financial report

as at June 30, 2023

F.lli Orsero
QUALITÀ

GRUPPO
ORSERO

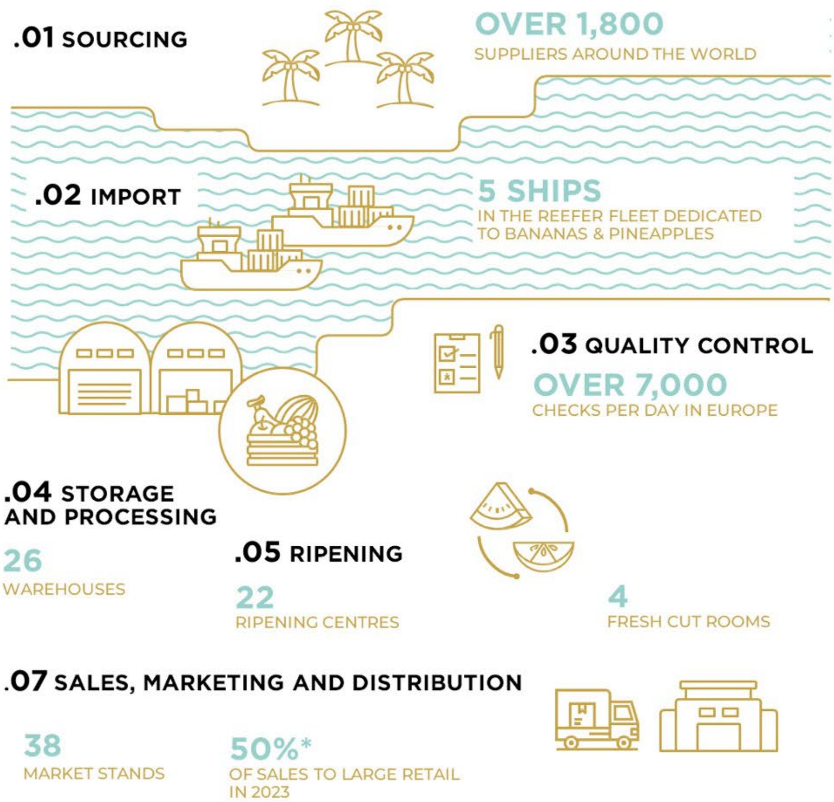
Contents

BUSINESS MODEL

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

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

OUR SUPPLY CHAIN



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

Key economic, equity and financial data

Economic data:

Thousands of Euro	1st Semester 2023	1st Semester 2022
Net sales	763,447	576,196
Adjusted EBITDA	59,217	40,251
% Adjusted EBITDA	7.76%	6.99%
Adjusted EBIT	42,822	25,986
EBIT	41,052	23,986
Profit/loss for the period	32,386	19,794
Profit/loss attributable to non-controlling interests	539	428
Profit/loss attributable to Owners of Parent	31,847	19,366
Adjusted profit/loss for the period	33,372	21,302

Equity data:

Thousands of Euro	06.30.2023	12.31.2022
Net Invested Capital	365,407	268,862
Capital and reserves attributable to Parent Company	227,998	201,090
Non-Controlling Interest	1,376	393
Total Shareholders' Equity	229,374	201,483
Net Financial Position	136,034	67,379

Main indicators:

	1st Semester 2023	Year 2022	1st Semester 2022
Net Financial Position/Total Shareholders' Equity	0.59	0.33	0.41
Net Financial Position/Adjusted EBITDA*	1.43	0.89	1.21
Main indicators without IFRS 16 effect			
Net Financial Position/Total Shareholders' Equity	0.38	0.13	0.19
Net Financial Position/Adjusted EBITDA*	1.09	0.41	0.66

* It should be noted that Adjusted EBITDA for the six-month period is calculated for comparative purposes on a rolling basis, i.e., for Adjusted EBITDA as at 06/30/2023 considering the actual figure from July 1, 2022, to June 30, 2023, and for Adjusted EBITDA as at 06/30/2022, again for comparative purposes, considering the actual figure from July 1, 2021 to June 30, 2022.

Cash flow data:

Thousands of Euro	1st Semester 2023	1st Semester 2022
Profit/loss for the period	**32,386**	**19,794**
Cash flow from operating activities	40,298	25,053
Cash flow from investing activities	(55,770)	(20,084)
Cash flow from financing activities	37,479	(5,835)
Increase/decrease in cash and cash equivalent	22,007	(866)
Net cash and cash equivalents, at beginning of the period	**68,830**	**55,043**
Net cash and cash equivalents, at end of the period	**90,837**	**54,178**

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

Thousands of Euro	1st Semester 2023	Year 2022	1st Semester 2022
Adjusted EBITDA	51,078	62,269	33,163
% Adjusted EBITDA	6.7%	5.2%	5.8%
Financial income and expense (Without exchange rate differences)	(3,527)	(2,637)	(1,218)
Total Shareholders' Equity	230,027	202,120	195,038
Net Financial Position	87,466	25,805	36,802
Main indicators			
Net Financial Position/Total Shareholders' Equity	0.38	0.13	0.19
Net Financial Position/Adjusted EBITDA*	1.09	0.41	0.66

* It should be noted that Adjusted EBITDA for the six-month period is calculated for comparative purposes on a rolling basis, i.e., for Adjusted EBITDA as at 06/30/2023 considering the actual figure from July 1, 2022 to June 30, 2023, and for Adjusted EBITDA as at 06/30/2022, again for comparative purposes, considering the actual figure from July 1, 2021 to June 30, 2022.

The tables above provide initial preliminary details of the Group business trend in the first half of 2023, fully described later on in the dedicated sections of this report.

Orsero S.p.A. corporate information.

Registered Office:

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

Legal data:

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

Composition of Orsero S.p.A. corporate bodies

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

Board of Directors[1]:

Paolo Prudenziati	Non-Executive Chair
Raffaella Orsero	Deputy Chair, Chief Executive Officer (CEO)
Matteo Colombini	Chief Executive Officer (Co-CEO, CFO)
Carlos Fernández Ruiz	Director
Armando Rodolfo de Sanna[2]	Independent Director
Vera Tagliaferri[2]	Independent Director
Laura Soifer[2]	Independent Director
Costanza Musso[2]	Independent Director
Elia Kuhnreich[2][3]	Independent Director
Riccardo Manfrini[2][3]	Independent Director

Board of Statutory Auditors[4]:

Lucia Foti Belligambi	Chair
Michele Paolillo	Statutory Auditor
Marco Rizzi	Statutory Auditor
Monia Cascone	Alternate Auditor
Paolo Rovella	Alternate Auditor

Control and Risks Committee[5]:

Vera Tagliaferri	Chair
Armando Rodolfo de Sanna	Member
Riccardo Manfrini	Member

Remuneration and Appointments Committee[5]:

Armando Rodolfo de Sanna	Chair
Elia Kuhnreich	Member
Paolo Prudenziati	Member

Related Parties Committee[5]:

Laura Soifer	Chair
Constanza Musso	Member
Riccardo Manfrini	Member

Sustainability Committee[5]:

Costanza Musso	Chair
Laura Soifer	Member
Vera Tagliaferri	Member

Independent Auditors:

KPMG S.p.A.

[1] The Board of Directors, consisting of ten members, was appointed by the Shareholders' Meeting on April 26, 2023 and shall remain in office until the date of approval of the financial statements at December 31, 2025.
[2] Declared, on submission of the list for the appointment of the Board of Directors, that he meets the established independence requirements.
[3] Taken from the list submitted jointly by funds managed by Praude Asset Management Limited.
[4] The Board of Statutory Auditors, consisting of three statutory auditors and two alternates, was appointed by the Shareholders' Meeting on April 26, 2023 and shall remain in office until the date of approval of the financial statements at December 31, 2025.
[5] The members of the Remuneration and Appointments, Related Parties and Control, Risks and Sustainability committees were appointed by the Board of Directors on May 5, 2023 and shall remain in office until the date of approval of the financial statements at December 31, 2025.

Group Structure

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

Summary representation of the Group.

Alternative performance indicators

In this consolidated half-yearly financial report, certain economic and financial indicators that are not defined as accounting measures by IAS-IFRS, which, however, allow to discuss the Group's business are presented and analyzed. These figures, explained below, are used to comment on the performance of the Group's business in the sections "Key economic, equity and financial data", "Interim Directors' Report on Operations" and in the "Notes", in compliance with the provisions of the Consob Communication of July 28, 2006 (DEM 6064293) and subsequent amendments and supplements (Consob Communication no. 0092543 of December 3, 2015 implementing the ESMA/2015/1415 guidelines).

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

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

EBIT: the operating result.

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

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

Adjusted profit/loss for the period: used for a comparison in terms of total consolidated result, represents the profit/loss net of non-recurring income and expense, inclusive of the relative taxes. As such, this indicator provides useful and immediate information on the profit trends for the period net of non-recurring components.

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

Net working capital: calculated as the algebraic sum of inventories, trade receivables and trade payables.

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

Net working capital: is calculated as the algebraic sum of trade net working capital and other receivables and payables.

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

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

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

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

INTERIM DIRECTORS' REPORT ON OPERATIONS

Introduction

The Condensed consolidated half-yearly financial statements of Orsero relating to the Group of the same name ("Orsero Group") as at June 30, 2023 were prepared in accordance with international accounting standards (IAS/IFRS) pursuant to Regulation (EC) no. 1606/2002, issued by the International Accounting Standard Board (IASB) and endorsed by the European Union, including all International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretation Committee (IFRIC) and of the previous Standing Interpretations Committee (SIC). Additionally, these financial statements were drafted to comply with what is defined in Art. 154-ter of Italian Legislative Decree no. 58/1998 and in compliance with the provisions issued in implementation of Art. 9 of Italian Legislative Decree no. 38/2005, the indications have been considered as given in Consob Resolution no. 15519 of July 27, 2006, setting out "Provisions on financial statements", Consob Resolution no. 15520 of July 27, 2006, setting out "Amendments and supplements of the Issuers' Regulation adopted by Resolution no. 11971/99", Consob Communication no. 6064293 of July 28, 2006, setting out "Corporate disclosures required in compliance with Art. 114, paragraph 5 of Italian Legislative Decree no. 58/98", communication DEM/7042270 of May 10, 2007 and Bank of Italy/Consob/Isvap document no. 2 of February 6, 2009. This consolidated financial report was drafted according to IAS 34 "Interim financial reporting", applying the same consolidation principles and measurement criteria as adopted in drafting the financial statements at December 31, 2022. This consolidated report was prepared in accordance with Art. 2428 of the Italian Civil Code; it provides the most significant information on the economic, equity, and financial situation as well as the performance of Orsero Group, as a whole and in the various sectors in which it operates.
The disclosure contained in this document also responds to the requests set forth in CONSOB's May 19, 2022 warning notice, which refers back to the ESMA communication of the previous March 14, urging issuers to provide adequate and timely disclosure on the current and foreseeable effects that the conflict in Ukraine is having and/or is expected to have on the economic and financial situation of issuing companies.
Orsero S.p.A. (the "Parent Company" or the "Company" and, together with its subsidiaries, the "Group" or the "Orsero Group") is a company with its shares listed on the STAR segment of the Euronext Milan market (previously the telematic stock exchange (MTA)) since December 23, 2019.
The scope of consolidation for the first half of 2023 has changed compared to the same period in 2022, essentially due to the acquisition of 100% of the share capital of the French company Capexo S.a.S. and 80% of the share capital of the French company Blampin S.a.S., together with its subsidiaries, both of which consolidated on a net line-by-line basis effective January 1, 2023, as part of the strategy of significantly strengthening the Orsero Group's presence in France, a key country for both the Group's history and future growth and development.
Please note that the Group's operations are, by their nature, subject to significant seasonal phenomena linked to campaigns which vary from year to year in terms of volumes and prices, and therefore the results of the first half of the year can be considered only partially indicative of the performance for the entire year.

Significant events during the first half of the year

The following are the most significant events that took place during the first half of 2023, which mainly consist of (i) the completion of the Capexo and Blampin acquisitions in France, the economic and financial effects of which are fully reflected in the results of the first half of 2023, (ii) update on disputes with the Customs Agency, (iii) the appointment of a new Board of Directors, Board Committees and the Board of Statutory Auditors, (iv) the resolutions of the Shareholders' Meeting held on April 26 regarding the distribution of a dividend from the 2022 result, the approval of the Remuneration Policy and the authorization to purchase and dispose of treasury shares, (v) the approval of the 2023-2025 long-term incentive plan, and (vi) the appointment of the new Reporting Officer.

Group management and the Board of Directors constantly monitor the economic and macroeconomic environment, which is still heavily influenced by the macroeconomic effects still deriving from the pandemic and the conflict in Ukraine, which have generated an inflationary scenario with no recent historical precedent to which the world's Central Banks have reacted with a sharp and sudden rise in base interest rates. Adaptation to this new environment is crucial in order to assess the best business strategies to cope with increasingly changing and volatile market scenarios in a timely and effective manner.

Macroeconomic situation

Widespread uncertainty about possible inflationary risks linked to the effects of the pandemic and the continuation of the conflict in Ukraine, which have generated significant impacts on the growth of commodity prices due to the explosion of energy and raw material costs, and on the growth outlooks of world economies, particularly those of Europe, now significantly impacted by rising interest rates and the systemic risk of a credit crunch, continues into the year 2023.
In this context, the Group's activities have not - at least so far - been affected to any significant extent that would cause a business disruption, both because of the absence of direct relations with countries in conflict and because of the nature of its business related to the marketing of essential food products. Without a doubt, during the period, the costs of energy, albeit down compared to the same period of the previous year, and of transportation remained at high levels, however, they were to a large extent been incorporated within the sale prices of our goods and services, thus without affecting the Group's profitability or the successful outcome of operations with respect to the estimates made by the management. The medium/long-term debt structure, for the most part fixed rate, and good operating cash generation are keeping the Group sheltered from the effects of rising interest rates, the impact of which, although marking a significant increase, is mitigated by the reduction in the use of short-term lines, liquidity optimization and the base rate hedges implemented in recent years.
The Group's management carefully monitors operations from the financial, commercial and organizational perspectives, including treasury situations relating to the collection of receivables from customers. In light of the changing global macroeconomic environment, the allocation of financial and capital resources is increasingly central to management decision-making processes.

Capexo and Blampin acquisitions in France

In a press release dated January 10, the Group announced that it executed exclusive agreements to purchase 100% of the company Capexo and 80% of Blampin Groupe, French companies active in the import and distribution of fruit and vegetable products. The former, with a turnover of Euro 66 million (year 07/01/2021-06/30/2022), is very active in the exotic fruits segment; the latter, with a turnover of Euro 195 million in 2022, is the top domestic operator in wholesale markets with 12 sales platforms covering the main French markets.
These transactions were finalized, according to the terms of the respective agreements, with the payment of the amounts agreed upon as “fixed consideration”, equal to Euro 32.7 million for the purchase of 80% of Blampin and “base consideration”, equal to Euro 33 million for 100% of Capexo, respectively. Both of the above payments were made partly through the use of the Group's available financial resources and partly through financing lines supporting M&A activities totaling Euro 56.7 million, which were provided as part of the medium-/long-term ESG-linked loan granted by a pool of banks on August 4, 2022. Both transactions also involve deferred “earn-out” consideration, respectively: (i) with regard to Blampin, up to a maximum of Euro 8 million, broken down into four equal annual tranches, subject to and based on the achievement of profitability targets (Adjusted EBITDA) set for the years 2023, 2024, 2025 and 2026, and (ii) with regard to Capexo, up to a maximum of Euro 11.6 million broken down into three equal annual tranches subject to and based on the achievement of profitability targets (Adjusted EBITDA) set for the financial years ending on June 30, 2023, 2024 and 2025.
It should also be recalled that as part of the Blampin transaction, a shareholding agreement (SHA) was signed concerning post-acquisition governance (for more information, please refer to the December 22, 2022 press

release) and the put & call option for the purchase of the sellers' remaining share of the share capital at the closing date, amounting to approximately 13.3%, to be exercised starting from 1/1/2027 and until 12/31/2028. The consideration for this acquisition can be currently estimated at approximately Euro 6 million. Please note that the remaining approximately 6.7% of Blampin's share capital will remain in the ownership of a group of Blampin Groupe managers.
On 10 January 2023 the Orsero Group assumed control of Capexo and Blampin Groupe, whose economic results are therefore included in full in the Orsero Group's consolidated income statement as at 30 June 2023 and thus consolidated on a line by line basis by Orsero as of January 1, 2023.
Through these acquisitions, which are perfectly in line with the strategic policies announced by the Group, Orsero can significantly accelerate the growth of revenues and profitability of the Distribution Business Unit as a whole, achieving a strong strategic market positioning in France in terms of size, product range and sales channel coverage. Medium-term continuity of the current operational management is expected in both companies thanks to the retention of the selling partners within the companies' leadership teams.
With regard to these acquisitions, which took place in the first days of 2023, a Purchase Price Allocation was carried out when this document was drafted on the basis of available information; consistent with what is set forth in IFRS 3 and in view of the short period of time between the acquisition and the preparation of this document, this allocation is to be considered provisional and susceptible to changes and refinements. More details about the allocation of capital gains and the relative accounting effects have been included in the Notes to the Condensed consolidated half-yearly financial statements, in the Business Combinations section. In this regard, please note that according to IFRS 3, the valuation of assets and liabilities may possibly be subject to changes in the twelve months following the acquisition date.

Update on disputes with the Customs Agency

Regarding the dispute with the Savona Customs Agency for Simba and Fresco, concerning certain banana imports made by the Group in the years 1997 to 2001, decisive steps were taken toward its resolution during the first half of 2023 as explained below. Please recall that with regard to these proceedings, in 2020 Simba S.p.A. took out a Litigation Buy-out Insurance Policy aimed at covering the possible impact of an adverse outcome in the proceedings. Pending the resumption of the case before the Tax Court, the insurance company exercised its right to terminate the insurance contract and denied any coverage for the claim, contravening what is defined in the contract and forcing Simba to take legal action in order to have its insurance coverage obligations under the LBO Policy met. In this situation and taking into account the intervening notification in May 2023 of numerous payment notices relating to the latest procedural developments concerning the referral of the litigation to the Regional Tax Commission, Simba - regardless of the actions against the Insurance Company - took action through its attorneys to try to reach a settlement agreement with the Customs Agency, which was then signed on June 29, 2023, to settle the entire dispute, with the resulting abandonment of all pending litigation. It should be noted that this settlement does not constitute any acknowledgment of liability in terms of conduct, nor does it constitute any admission concerning the merits of the claims and/or demands and/or actions brought against it by the Agency. Under the terms of the agreement, Simba has committed to the payment, for full and final settlement of any further claims by the entity, of the residual tax amounting to Euro 2,732 thousand, substantially referring to customs duties. The agreement establishes the Agency's waiver of the collection of interest on the duties in the amount of Euro 3,022 thousand and the return to Simba of interest collected and paid to the Revenue Agency as a result of the previous execution relating to judgment no. 160/2012 in the amount of Euro 254 thousand.
The settlement turned out to be very positive for the Group, which was thus able to resolve a long-standing dispute with the Customs Agency that had been going on for 20 years with the associated ancillary costs, both internal and legal in nature, and was able to do so against a potential risk that would have exceeded even the limit of the amounts insured through the LBO policy (the total potential risk in the event of losing the case in final judgment at the date of notification of the individual demands for payment in 2009, would have amounted to an initial EUR 4.6 million for duties and VAT (reduced to EUR 2.9 million following the latest developments in the proceedings) plus interest and ancillary costs of approximately EUR 3.5 million, to which further interest

would be added until the settlement of the litigation, thus exceeding the maximum insured amount). Furthermore, as it relates to customs duties, this settlement is fully tax deductible and therefore even more cost effective from the financial perspective.
On the other hand please note, with respect to the provision for risks of Euro 1,600 thousand, as already set forth in the 2022 financial statements, in July 2022 the Joint Divisions of the Court of Cassation partially upheld the appeal, setting aside the appealed judgment and referring the case to the Venice Court of Appeals, in a different composition, and the State's attorney continued the proceedings with vocatio in December 2023. However, in view of the fact that the claim for damages was constructed and based by the Authorities substantially only on the amount of the alleged evaded duties and the ruling of the Joint Divisions, cited above, completely disregarded this reasoning, as of today the possibility for the Authorities to manage to meet the burden of proof incumbent on them even specifically with reference to the quantification of the damages claimed and therefore obtain a judgment of compensation for damages in their favor appears to be remote. During the first half of 2023, following the updated analysis of this judgement with the support of the Group's consultants, the remote risk was confirmed in this regard and therefore the company decided to release the provision. It should also be noted that the release of this provision generated a non-taxable contingent asset for income tax purposes.

FY 2023 Guidance

On February 1, 2023, the Board of Directors, based on the approved Budget projections for this financial year, announced to the financial market and made available on the corporate website its FY 2023 Guidance with reference to the key economic and financial indicators, in continuity with what was done for the previous financial year, in order to ensure increasingly smooth and effective communications with the Group stakeholders. In view of the recent approval of the Strategic Sustainability Plan, for the first time the Board of Directors also disclosed to the financial market the ESG targets for the current year, reflecting the Company's strong commitment to this issue. The implementation of the Strategic Plan and achievement of goals will also be monitored through the establishment of the newly formed Sustainability Committee within the Board of Directors.

Distribution of the ordinary dividend

The Shareholders' Meeting of April 26, 2023 approved the allocation of profit for the year 2022 of Euro 7,261 thousand as proposed by the Board of Directors and in particular the distribution of an ordinary monetary dividend of Euro 0.35 per share, gross of withholding tax, for each existing share entitled to receive a dividend, thus excluding from the calculation 477,514 treasury shares held by the company, for a total dividend of Euro 6,022 thousand. The ex-dividend date was May 8, 2023, the record date was May 9 and payments began on May 10, 2023.

Resolution on the Remuneration Policy

The Shareholders' Meeting of April 26, 2023 approved with a binding vote the Remuneration Policy (Section I) pursuant to Article 123-ter, paragraphs 3-bis and 3-ter of the Consolidated Law on Finance and with an advisory vote pursuant to Article 123-ter, paragraph 6 of the Consolidated Law on Finance the Remuneration Report (Section II) on the compensation paid in 2022.

Election of a Board of Directors

The Shareholders' Meeting of April 26, 2023, after establishing that the Board of Directors would have 10 members (by virtue of the amendment to the Articles of Association approved at the extraordinary session) and that the Board's term of office would last for three years and thus until the Shareholders' Meeting called to approve the 2025 financial statements on the basis of the lists submitted by the Shareholders and the provisions of law and the Articles of Association, approved the appointment of a Board of Directors consisting of 8 Directors taken from the list submitted jointly by the shareholders FIF Holding S.p.A. and Grupo Fernandez S.A., which came first in terms of number of votes, and 2 Directors taken from the list submitted by Hermes Linder Fund Sicav managed by Praude Asset Management Limited. The Shareholders' Meeting also confirmed as Chair of the Board of Directors Mr Paolo Prudenziati, who was a candidate on the list submitted by the shareholders FIF Holding S.p.A. and Grupo Fernandez S.A.
On May 5, 2023, the Board of Directors confirmed Ms Raffaella Orsero as Deputy Chair of Orsero, granting to her and to Director Matteo Colombini the appropriate management proxies, in close continuity with the prior management. In consideration of these proxies, Matteo Colombini was also named Chief Executive Officer appointed to establish and maintain the internal control and risk management system, in compliance with the recommendations contained in art. 6 of the Corporate Governance Code.

Appointment of the Board of Statutory Auditors

The Shareholders' Meeting approved the appointment of the Board of Statutory Auditors, which will remain in office until the approval of the 2025 financial statements, appointing the Chair of the Board of Statutory Auditors, pursuant to the law and the articles of association, who was the first candidate from the list submitted by First Capital S.p.A. and which came in second by number of votes, and 2 standing auditors who were part of the list submitted by the shareholder FIF Holding S.p.A., which came in first by number of votes.

2023-2025 Performance Share Plan

In line with the best market practices adopted by listed companies at national and international level, the Company believes that remuneration plans linked to share value performance are an effective incentive and loyalty tool for key players in order to maintain and improve performance and contribute to the growth and success of companies. The adoption of remuneration plans linked to share performance also responds to the recommendations of the Corporate Governance Code, Art. 5 of which recognizes that these types of plans represent a suitable instrument for aligning the interests of executive directors and managers with strategic responsibilities and key personnel of listed companies with those of shareholders, allowing the priority objective of creating value over the medium to long term. The establishment of incentive remuneration mechanisms is expressly required by the stock exchange regulation for companies belonging to the STAR segment of Euronext Milan market. The “2023-2025 Performance Share Plan” is therefore aimed at fostering the retention of key resources who constitute one of the factors of strategic interest for Orsero and the Group, allowing them to benefit from an incentive correlated with the achievement of financial and Group performance, as well as sustainability performance objectives in the medium to long term, thus having sustainable growth in mind, consistent with widespread and consolidated best practices, also at an international level. In particular, it makes it possible to pursue the following objectives: 1) incentivizing the retention of resources that can make a decisive contribution to the success of Orsero and the Group over a medium/long-term time horizon; 2) developing attraction policies with respect to talented managerial and professional figures, with a view to the continuous development and strengthening of the key and distinctive competencies of the Company and the Group; 3) fostering the retention of Beneficiaries over a medium/long-term time horizon through personnel satisfaction and motivation and by developing their sense of belonging to Orsero and the Group 4) linking the variable remuneration of Beneficiaries to the achievement of performance objectives, also in terms of sustainability goals, to be assessed over a future multi-year time frame, with a view to pursuing the objective of creating value from a long-term perspective; 5) aligning the interests of Beneficiaries with those of the shareholders and investors in a framework of sustainability and sound and prudent risk management. The Plan provides for the free assignment to the Beneficiaries of rights entitling them to receive, again free of charge, Shares, at a ratio of 1 share for each vested right, subject to the achievement in the performance period of predetermined performance and sustainability objectives. The amount of rights granted, represented by up to 320,000 shares, was determined by the Board of Directors following the approval of the Plan itself by the Shareholders' Meeting, subject to the opinion of the Committee. For details about the Plan, please refer to the governance section of the website https://www.orserogroup.it/governance/remunerazione/.

Authorization to purchase and dispose of treasury shares

The Shareholders' Meeting of April 26, 2023 authorized the Board of Directors to purchase and dispose of Orsero ordinary treasury shares, subject to revocation of the previous authorization for the portion not executed, pursuant to the combined provisions of Articles 2357 and 2357-ter of the Italian Civil Code, and Article 132 of Italian Legislative Decree 58/1998 as amended (the "Consolidated Law on Finance") and the relative implementing provisions. The renewal of this authorization is intended to confirm the possibility for the Company to have a useful strategic investment opportunity available for all purposes permitted by the applicable provisions, including therein the purposes set out in Art. 5 of Regulation (EU) no. 596/2014 (Market Abuse Regulation or "MAR"), and in the practices permitted by law under Art. 13 of the MAR, when applicable. In line with the prior authorization, the new authorization is for a period of 18 months for the purchase, also in several tranches, of a maximum number of shares which, taking account of the shares of the Company held in the portfolio from time to time, does not, on the whole, exceed a maximum of Euro 4 million. The authorization to dispose of treasury shares has no time limitation. Purchases can be made at a unit consideration of no more than 20% lower and no more than 10% higher than the arithmetic mean of the official prices recorded by Orsero shares on the MTA market in the 10 open stock market days prior to the individual transaction.
As of today's date, no treasury shares were purchased during the first half of 2023.

Appointment of the reporting officer

Effective May 1, 2023, Mr Edoardo Dupanloup became the Corporate Accounting Reporting Officer, pursuant to Article 154-bis of the Consolidated Law on Finance, as appointed by the Company's Board of Directors, after consultation with the Remuneration and Appointments Committee and with the favorable opinion of the Board of Statutory Auditors, in view of the retirement of Mr Giacomo Ricca.

Analysis of the economic and financial situation of Orsero Group

The condensed consolidated half-yearly financial statements show a profit of Euro 32,386 thousand (at June 30, 2022: Euro 19,794 thousand), of which Euro 31,847 thousand pertains to the shareholders of the parent company (at June 30, 2022: Euro 19,366 thousand), after amortization, depreciation and provisions of Euro 16,394 thousand (at June 30, 2022: Euro 14,265 thousand), net non-recurring expenses of Euro 1,770 thousand (mainly related to the amount accrued for the period of the LTI bonus for the years 2020, 2021 and 2022, the recognition of the settlement agreement with the Customs Agency, the release of the provision for risks noted above and the estimated profit sharing, as required by law, for employees of the French and

Mexican companies), net financial expenses of Euro 4,425 thousand, negative exchange differences of Euro 709 thousand and the pro-rata result of companies consolidated at equity of Euro 1,076 thousand.
Below is a breakdown of the main income statement items, almost all identifiable in the financial statements with the exception of the "Adjusted EBITDA", which is the main performance indicator used by the Group, "Adjusted EBIT" and the "Adjusted profit/loss for the period", defined in the "Alternative performance indicators" section.

Thousands of Euro	1st Semester 2023	1st Semester 2022
Net Sales	763,447	576,196
Adjusted EBITDA	59,217	40,251
Adjusted EBIT	42,822	25,986
Operating result (EBIT)	41,052	23,986
Financial income	502	114
Financial expense and exchange rate differences	(5,636)	(3,212)
Share of profit/loss of associates and joint ventures accounted for using equity method and Other investment income/expense	1,080	1,296
Profit/loss before tax	36,998	22,185
Profit/loss for the period	32,386	19,794
Profit/loss attributable to non-controlling interests	539	428
Profit/loss attributable to Owners of Parent	31,847	19,366
Adjusted profit/loss for the period	33,372	21,302

The Group's performance in the first half of 2023 marks a strong increase over the previous year, both in terms of revenues and profitability due to the excellent performance of the Distribution sector and the confirmed profitability of the Shipping sector, which marked a slight, natural decline.
Moreover, in order to properly interpret the data, it should be noted that in the Distribution sector, the acquired French companies, Capexo and Blampin Groupe, which makes a significant contribution in terms of revenue as well as profitability to the overall result, were consolidated as of January 1, 2023.
Exceptional performance was confirmed for the Shipping sector, albeit slightly lower than the record results registered in the previous year, which was characterized by highly profitable reefer and dry maritime freight rates and excellent levels of volumes transported.
For the Distribution sector, the first half of 2023 is characterized by a macroeconomic environment that is as uncertain as ever, also characterized by phenomena of declining consumption in certain geographical areas. However, the Group's distribution strength and a positive market trend linked specifically to the Banana product made it possible to achieve a result above the historical average performance in the first half of the year, typically the worst performing half during the year due to the more commodity-linked mix of products marketed. However, it should be emphasized that the work carried out by the Group's commercial function in recent years aimed at improving the quality of the product mix toward an increasingly value-added range, together with the carried-out M&A transactions that bring in new products and help to achieve a better balance of sales channels, are steadily contributing towards increasing the Group's operating income and overall profitability.
In this segment, the impact of operating energy costs continued to be significant, albeit lower than the previous year (Euro 4,878 thousand; Euro 4,521 thousand on a like-for-like basis) compared to Euro 6,169 thousand in the first half of 2022 (approx. -20.93%; -26.73% on a like-for-like basis) related to the drop in market prices of energy products. As in 2022, however, this effect was largely passed on to fruit and vegetable product sale prices. We are then beginning to appreciate the effects of the entry into full operation of investments on the Group's refrigeration and ripening facilities that significantly reduce energy consumption and make the Group's operations more efficient in terms of both cost and environmental impact, as set forth in the Group's Strategic Sustainability Plan.

Adjusted EBITDA, totaling Euro 59,217 thousand, marked an increase of Euro 18,966 thousand compared to last June 30, and the profit for the period of Euro 32,386 thousand increased by Euro 12,592 thousand[6].
In terms of sales, there was an increase in revenues compared to June 30, 2022 of Euro 187,251 thousand (32.50%), related to the inclusion of the two new French companies in the Group's scope and the growth recorded in unit sale prices for the Distribution sector, essentially driven by inflation. Net of the change in scope of consolidation, the increase in like-for-like revenues was 8.61%, an excellent result given the overall conditions of the EU area.

Thousands of Euro	1st Semester 2023	1st Semester 2022
"Distribution" Sector	716,365	526,222
"Shipping" Sector	69,029	69,308
"Holding & Services" Sector	5,384	5,674
Net Sales Inter-sector	(27,331)	(25,008)
Net Sales	**763,447**	**576,196**

Geographical information

The analysis of the information by geographical area shows details of the Group's revenues, divided up into the main geographical areas (thereby meaning those in which the company that generated the revenue is based) for the first half of 2023 and 2022, showing the Group's eurocentric nature.

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Europe	**739,080**	**549,211**	**189,869**
*of which Italy**	*281,165*	*267,204*	*13,961*
of which France	*239,195*	*81,026*	*158,170*
of which Peninsula Iberica	*203,049*	*188,327*	*14,722*
Latin America and Central America	**24,367**	**26,985**	**(2,618)**
Total Net sales	**763,447**	**576,196**	**187,251**

* Italy revenues include turnover from Shipping and Holding & Services activities

As shown in the table, Europe represents the center of the Orsero Group's activities, while non-European revenue is linked to activities carried out in Mexico, relating to the production and marketing/export of avocados, and Costa Rica, to support sourcing and logistics activities for the import of bananas and pineapples. The table also shows the increased significance of operations in France following the acquisitions of Capexo and Blampin Groupe.
Finally, please note that for Group revenues, the currency component is insignificant (with the exception, as noted above, of Shipping activities, the revenues of which, moreover, accounts for less than 10% of total revenues), given that the revenues of distributors, apart from the Mexican companies, are all in euros.
The table below provides a reconciliation of the Adjusted EBITDA, used by the Group's management team as a performance indicator monitored on a consolidated level, with the profit/loss for the period presented in the consolidated income statement.

[6] The improvement of Euro 12,592 thousand is due to the better operating performance by Euro 18,966 thousand, higher amortization, depreciation and provisions by Euro 2,130 thousand, higher net financial expenses by Euro 2,717 thousand, lower exchange rate losses by Euro 680 thousand, higher taxes by Euro 2,221 thousand, lower income from investments consolidated with the equity method by Euro 216 thousand and the lower impact of net non-recurring expenses by Euro 229 thousand.

Thousands of Euro	1st Semester 2023	1st Semester 2022
Profit/loss for the period	**32,386**	**19,794**
Income tax expense	4,612	2,391
Financial income	(502)	(114)
Financial expense and exchange rate differences	5,636	3,212
Share of profit/loss of associates and joint ventures accounted for using equity method and Other investment income/expense	(1,080)	(1,296)
Operating result	**41,052**	**23,986**
Amortization, depreciation and Accruals of provision	16,394	14,265
Non-recurring income and expense	1,770	2,000
Adjusted EBITDA*	**59,217**	**40,251**

* It should be noted that the Adjusted EBITDA as at June 30, 2023 of Euro 59,217 thousand (Euro 40,251 thousand at June 30, 2022) incorporates the improvement effect from the application of IFRS 16 "leases" for Euro 8,139 thousand (Euro 7,088 thousand at June 30, 2022). This improvement effect is almost entirely offset by higher depreciation and amortization of Euro 7,256 thousand (Euro 6,222 thousand at June 30, 2022) and financial expenses of Euro 898 thousand (Euro 491 thousand at June 30, 2022).

The table below shows the sector results in terms of Adjusted EBITDA, highlighting the above-mentioned improvement of the Distribution sector by Euro 20,639 thousand (Euro +10,107 thousand "like for like" equal to +56.06%) with a result that goes from Euro 18,030 thousand in H1 2022 to Euro 38,669 thousand in H1 2023. The Shipping sector, although achieving excellent performance, recorded a decrease of Euro 1,012 thousand compared to Adjusted EBITDA in the first half of 2022. Please note that the Adjusted EBITDA of Euro 59,217 thousand was impacted by the IFRS 16 reclassification of Euro 8,139 thousand, while in the first half of 2022, that impact amounted to Euro 7,088 thousand. The difference results for Euro 928 thousand from the impact of the application of IFRS 16 on the newly acquired French companies and for the remainder essentially from adjustments to operating lease payments as a result of inflation.
The Holding & Services sector is mainly represented by the Parent Company Orsero, flanked on a lesser scale by the companies operating in customs services, most of which are provided to third parties, and IT services, mainly inter-company. The result measured by adjusted EBITDA is typically negative, as the Parent Company determines its result according to the dividends collected from the Group companies.

Thousands of Euro	1st Semester 2023	1st Semester 2022
"Distribution" Sector	38,669	18,030
"Shipping" Sector	25,061	26,073
"Holding & Services" Sector	(4,513)	(3,852)
Adjusted EBITDA	**59,217**	**40,251**

The table below, on the other hand, shows the comparison between the adjusted results of the two periods under review, highlighting the components linked to the settlement agreement with the Customs Agency, inclusive of the release of the provision for risks previously recognized, profit sharing by the employees of the French and Mexican companies as well as the first-half share of the LTI bonus payable in 2024 accrued by the top management for the years 2020, 2021, and 2022, while the calculation for the one linked to the current year is carried out only in the final annual financial statements. All items are shown net of relative tax effects.

Thousands of Euro	1st Semester 2023	1st Semester 2022
Profit/loss for the period	**32,386**	**19,794**
Profit sharing established by law for employees	405	165
Top Management incentives	278	421
Settlement Agreement with the Customs Agency	476	-
Other non-recurring profit/loss	(175)	922
Adjusted profit/loss for the period	**33,372**	**21,302**

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

Thousands of Euro	06.30.2023	12.31.2022
Fixed Assets	345,839	254,120
Commercial Net Working Capital	38,420	31,657
Other receivables and payables	(18,852)	(16,915)
Net Invested Capital	365,407	268,862
Total Shareholders' Equity	229,374	201,483
Net Financial Position	136,034	67,379

The main changes in the financial structure as at June 30, 2023 compared to December 31, 2022 are primarily linked to:

- the increase in non-current assets of Euro 91,720 thousand, the main component of which is attributable to the effect of the change in the scope of consolidation in relation to the acquisition of the two French companies and for investments in tangible and intangible assets of Euro 11,918 thousand (including Euro 5,822 thousand for rent adjustments pursuant to IFRS 16 with a counterpart increase in IFRS 16 liabilities), partially offset by depreciation and amortization of Euro 15,420 thousand;
- Euro 6,763 thousand increase in commercial Net Working Capital, of which Euro 9,029 thousand related to the change in scope;
- deterioration of the Net Financial Position by Euro 68,655 thousand, benefiting from the good cash generation during the period, but which also considers the overall investment linked to the above-mentioned French acquisitions.

The summary representation of the Consolidated Financial Statements through the main indicators highlights the good capital and financial structure of the Group, also within an “IFRS 16 compliant” context. It should be noted that the 2023 “rolling” indicators include for H1 only the economic results of the newly acquired companies Capexo and Blampin against the precise balance sheet and debt figures as of June 30, therefore resulting in indicator values that are significantly underestimated compared to reality.

	1st Semester 2023	Year 2022	1st Semester 2022
Group ROE**	24.42%	19.11%	18.09%
ROI**	17.11%	17.00%	14.15%
Earnings per share "base" ***	1.851	1.867	1.116
Earnings per share "Fully Diluted" ***	1.851	1.867	1.116
Net Financial Position/Total Shareholders' Equity	0.59	0.33	0.41
Net Financial Position/Adjusted EBITDA*	1.43	0.89	1.21
Main indicators without IFRS 16 effect			
Net Financial Position/Total Shareholders' Equity	0.38	0.13	0.19
Net Financial Position/Adjusted EBITDA*	1.09	0.41	0.66

* It should be noted that Adjusted EBITDA for the six-month period is calculated for comparative purposes on a rolling basis, i.e., for Adjusted EBITDA as at 06/30/2023 considering the actual figure from July 1, 2022 to June 30, 2023, and for Adjusted EBITDA as at 06/30/2022, again for comparative purposes, considering the actual figure from July 1, 2021 to June 30, 2022.
** Please note that the ratios at June 30, 2023 and June 30, 2022 were calculated by considering economic figures on a rolling basis, i.e., for the figure at June 30, 2023, considering the actual figure from July 1, 2022 to June 30, 2023, and for the figure at June 30, 2022, considering the actual figure from July 1, 2021 to June 30, 2022.
*** Note that the ratios at June 30, 2023 and June 30, 2022 were calculated by considering the profit for the six-month period, while the annual figure for December 31, 2022 uses the net profit for the entire 12-month period.

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

Thousands of Euro		06.30.2023	12.31.2022
A	Cash	90,837	68,830
B	Cash equivalents	11	10
C	Other current financial assets	1,853	1,666
D	**Liquidity (A + B + C)**	**92,701**	**70,506**
E	Current financial debt *	(13,776)	(7,303)
F	Current portion of non-current financial debt **	(40,378)	(29,486)
G	**Current financial indebtedness (E + F)**	**(54,154)**	**(36,789)**
H	**Net current financial indebtedness (G - D)**	**38,546**	**33,717**
I	Non-current financial debt ***	(149,580)	(76,096)
J	Debt instruments	(25,000)	(25,000)
K	Non-current trade and other payables	-	-
L	**Non-current financial indebtedness (I + J + K)**	**(174,580)**	**(101,096)**
M	**Total financial indebtedness (H + L)**	**(136,034)**	**(67,379)**

* Debt instruments are included, but the current portion of non-current financial debt is excluded.
** Includes payables for rental and lease agreements under IFRS 16 for Euro 10,485 thousand at June 30, 2023 and Euro 11,740 thousand at December 31, 2022
*** Debt instruments are excluded. Includes payables for rental and lease agreements under IFRS 16 for Euro 38,082 thousand at June 30, 2023 and Euro 29,834 thousand at December 31, 2022.

The separate, specific indication of the debt component linked to the application of IFRS 16 serves to represent the measurement of the Net Financial Position "prior to IFRS 16" at the reporting date, which amounted to Euro 87,466 thousand (data from Euro 136,034 thousand minus Euro 10,485 thousand short-term minus Euro 38,082 thousand medium/long-term) and 25,805 thousand (data from Euro 67,379 thousand minus Euro 11,740 thousand short-term minus Euro 29,384 thousand medium/long-term), respectively, used in calculating the covenants on long-term bank and bond loan agreements.
For the sake of clarity, it should be noted that the "Other current financial assets" component only shows the positive mark-to-market value of hedging derivatives, while the negative value is shown under item "F" and/or "I" according to the relevant maturities. Medium/long-term payables for bank loans and leases are shown in categories "F" and "I" according to their maturity dates, while payables for residual amounts to be paid on acquisitions are shown in categories "E" and "K". There are no trade payables and/or other overdue payables that fall into the financial classification set forth by ESMA.

Shareholders' equity and Treasury shares

The share capital at June 30, 2023, fully paid in, consists of 17,682,500 shares without par value for a value of Euro 69,163,340; there are no preference shares. Holders of ordinary shares have the right to receive the dividends as they are resolved and, for each share held, have a vote to be cast in the Company's shareholders' meeting. Shareholders' equity at June 30, 2023 increased compared to December 31, 2022 mainly due to the

profit for the period, which more than offset the reduction related to the dividend payment. The statement of changes in shareholders' equity provides all information explaining the changes taking place in the first half of 2023 and 2022.
At June 30, Orsero S.p.A. held 477,514 treasury shares, equal to 2.70% of the share capital, for a value of Euro 4,788 thousand, shown as a direct decrease in shareholders' equity. As at June 30, 2023, the Group does not hold, directly or indirectly, shares in parent companies and it did not acquire or sell shares in parent companies during the year.

Commentary on performance of the business sectors

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

- Distribution Sector
- Shipping Sector
- Holding & Services Sector

The table below provides a general overview of the performance of the different sectors in the reference period 2023-2022. Please note that the data and comments on the sectors given below show the results of only companies that are consolidated on a line-by-line basis; information is given on the performance of associates further on in the notes.

Thousands of Euro	Distribution	Shipping	Holding & Services	Eliminations	Total
Net sales 06.30.2023 [A]	716.365	69.029	5.384	(27.331)	763.447
Net sales 06.30.2022 [B]	526.222	69.308	5.674	(25.008)	576.196
Net sales change [A] - [B]	190.143	(279)	(290)	(2.323)	187.251
Adjusted EBITDA 06.30.2023 [A]	38.669	25.061	(4.513)	-	59.217
Adjusted EBITDA 06.30.2022 [B]	18.030	26.073	(3.852)	-	40.251
Adjusted EBITDA change [A] - [B]	20.639	(1.012)	(661)	-	18.966
NFP 06.30.2023 [A]	n.d.	n.d.	n.d.	n.d.	136,034
NFP 12.31.2022 [B]	n.d.	n.d.	n.d.	n.d.	67,379
NFP change [A]-[B]					68,655

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

Distribution Sector

Thousands of Euro	1st Semester 2023	1st Semester 2022
Net Sales	716,365	526,222
Gross commercial margin *	98,576	61,661
% Gross commercial margin	13,76%	11,72%
Adjusted EBITDA	38,669	18,030
% Adjusted EBITDA	5,40%	3,43%

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

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

The widespread presence in the regions, with specialized platforms in the processing and storage of fresh products, allows the Company to serve both traditional wholesalers/markets and large retail, with different mixes in different Countries depending on the higher or lower incidence of large retail in these markets. Overall, the proportion of sales to large retail was around 50% of the aggregate sales of European distribution companies in the first half of 2023, down roughly 10 percentage points from previous years, benefiting from the entry of the newly acquired company Blampin, which, as noted previously, serves only traditional markets. With reference to large retail, there are framework agreements that govern the main specifications and features of the product being delivered while, as a rule, the volumes and prices of the products are defined on a weekly basis, following the dynamics of the market, without prejudice to certain annual contracts with large retail which are primarily concentrated on the banana product. Suppliers, selected in some of the world’s most important production areas, guarantee the offer of a full range of products available 365 days a year.

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

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

In the first half of 2023, the uncertain geopolitical environment and the inflationary wave that began in 2022 continued, with resulting impacts on the sector's procurement and overhead costs, against which the Group reacted by changing sales prices as well as the marketed mix of products, increasing the incidence of those with higher added value.

With regard to energy costs in particular, they decreased from Euro 6,169 thousand in the first half of 2022 to the current Euro 4,878 thousand, also including costs incurred by the newly acquired companies, due to the decline in energy prices.
Overall, however, profitability as measured by Adjusted EBITDA, at 5.40% of sales, is above average industry profitability thanks to the product and channel mix, also thanks to the contribution of recent new acquisitions, the Group's target markets, and the achieved operational efficiency.

Shipping Sector

Thousands of Euro	1st Semester 2023	1st Semester 2022
Net sales	69,029	69,308
Adjusted EBITDA	25,061	26,073
% Adjusted EBITDA	36,30%	37,62%

The Shipping sector reflects only the activities linked to the maritime transport of bananas and pineapples of Central American production, carried out mainly with owned ships, the four reefer units “Cala Rosse”, and with a fifth ship operated under a freight contract, which connect, on the basis of a 35-day travel schedule, Central America with the Mediterranean, thereby allowing punctual arrival of fresh fruit in European markets on a weekly basis.
The sector confirms positive performance in the first half of 2023, albeit at a lower level than the exceptional results recorded in the first half of 2022, the latter characterized by highly profitable maritime freight rates and good levels of volumes transported. There was also a reduction in the bunker price, partially offset by the unfavorable development of the dollar exchange rate.

Holding & Services Sector

Thousands of Euro	1st Semester 2023	1st Semester 2022
Net sales	5,384	5,674
Adjusted EBITDA	(4,513)	(3,852)

This sector includes the activities related to the Parent Company as well as the activities of providing services in customs and in the IT sector.
The Adjusted EBITDA of the sector typically has a negative sign, because, in view of the Parent Company’s nature as a holding company, the income and ultimately the profit or loss for the year are tied to the dividends received from Group companies.

Other information

Management of financial risk

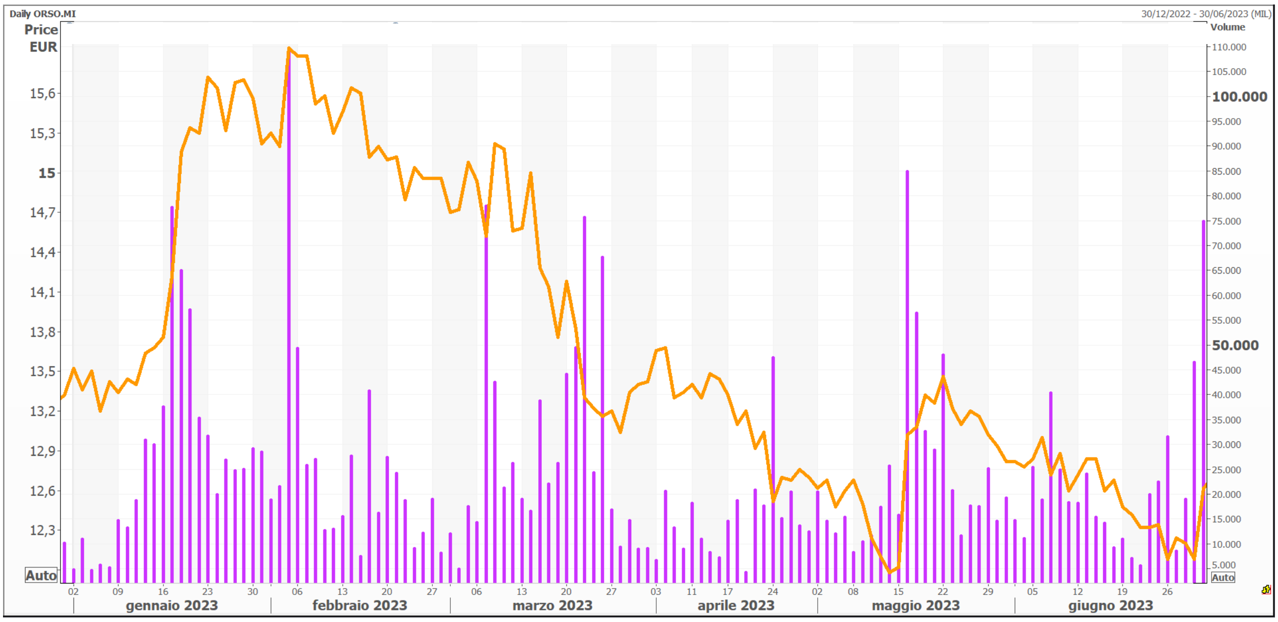
In the first half of 2023, no market risks emerged aside from those described in the Financial Statements closed as at December 31, 2022 and therefore the financial risk management strategy has remained basically unchanged. For more details, refer to the section on financial risks in the notes to the consolidated half-yearly financial report. An even greater focus has continued to be dedicated to credit risk, without however any significant negative situations emerging. Given the nature of the Group's business, which is related to the marketing of basic necessities in Mediterranean European countries, the continued conflict in Ukraine did not have a material impact on the Group's operations.

Main uncertainties and going concern assumption

No problems are noted with regard to the going concern assumption as the Group has adequate own funds and has no situations of uncertainty such so as to compromise its capacity to carry out operating activities.
As already noted, widespread uncertainty about possible inflationary risks linked to the effects of the pandemic and the continued conflict in Ukraine, which have generated significant impacts on the growth of commodity prices due to the explosion of energy and raw material costs, and on the growth outlooks of world economies, particularly those of Europe, now significantly impacted by rising interest rates and the systemic risk of a credit crunch, continues into the year 2023. In this context, the Group's activities have not - at least so far - been affected to any significant extent that would cause a business disruption, both because of the absence of direct relations with countries in conflict and because of the nature of its business related to the marketing of essential food products. During the period, there was a decline compared to the previous year in high energy costs thanks to the more favorable agreements signed with the main electricity companies, in addition to the possibility of partially incorporating them within the sale prices of our goods and services, without however significantly affecting the Group's profitability and thus calling into question the going concern assumption or the successful outcome of operations with respect to the estimates made by management.

Share performance

As at June 30, 2023, the Orsero share recorded a list price of Euro 12.62 per share, down by 6.657 percentage points compared to the beginning of the year (Euro 13.52 per share at January 2, 2023). The stock market capitalization at June 30, 2023 was Euro 223.2 million (Euro 235.5 million at December 30, 2022).



The following table summarizes the main data relating to the shares and stock market at June 30, 2023.

Share and Stock Exchange Data	1st Semester 2023
First price (01/02/2023)	13.52
Maximum annual price	16.22
Minimum annual price	11.80
Closing price (06/30/2023)	12.62
Average daily volume (no. of shares)	23,964
No. of shares in circulation	17,682,500
Stock-Exchange Capitalization	223,153,150

Significant shareholders

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

Shareholder's name (1)	Number of shares	% on the total share capital
FIF Holding S.p.A.	5,899,323	33.36%
Grupo Fernandez S.A.	1,180,000	6.67%
Praude Asset Management Ltd. (3)	1,709,577	9.67%
First Capital S.p.A.	995,010	5.63%
Global Portfolio Investments S.L.(2)	969,231	5.48%

(1) Updated situation at May 10, 2023
(2) The reporting company placed at the top of the chain of control is Indumenta Pueri S.L. .
(3) Includes shareholdings managed by Praude Asset Management Ltd. and held by the following parties: Hermes Linder Fund SICAV Plc.; PRAUDE FUNDS ICAV; Altinum Funds Sicav Plc.; Plavis Gas SRL.

Financial disclosure and relations with Shareholders

In order to maintain a constant dialog with its shareholders, potential investors, and financial analysts, and in adherence with the Consob recommendation, Orsero S.p.A. has established the Investor Relator function. This role ensures continuous information between the Group and financial markets. Economic and financial data, institutional presentations, official press releases, and real-time updates on the share price are available on the Group's website in the Investors section.

Tax consolidation

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

Workforce

The notes provide an indication of the staff employed by the Group in the first half of 2023 and in 2022.

Safety and protection of the health of workers

On the subject of safety and protection of workers' health, in order to cope with the impact of the Covid-19 epidemic, the Group introduced the necessary precautions with regard to employees and third parties in warehouses and markets as well as in offices. The companies implemented the safety protocols outlined by the Authorities to regulate entries and interpersonal contact within their operating platforms and offices, carry out the necessary sanitization activities and provide personal protection equipment.
It should be noted that an excellent result was achieved on injury reduction due to training, supervision and awareness-raising activities, thus raising the focus on the subject.

Environment

In line with a responsible approach, the Group is committed to limiting all of the environmental impacts generated by its activities. During the half-year, the plan of interventions initiated to boost energy efficiency in the warehouses continued to be implemented and the focus on responsible use of resources was confirmed. This approach is expressed through careful monitoring of water consumption, virtuous scrap and waste management and encouraging the use of more circular packaging (favoring recyclable, compostable or recycled materials), with a view to continuous improvement.

Research & Development

Considering the nature of the Orsero Group business, there was no basic or applied research carried out; however, as already indicated in previous Reports, the Group basically completed the engineering and is completing the implementation of the main integrated information and management system for the Italian companies, to meet the specific needs of the distribution sector, with innovative economic/financial planning instruments.

Transactions with related parties

In accordance with the provisions of the Regulation adopted by Consob with resolution no. 17221 of March 12, 2010 and subsequent amendments, Orsero S.p.A. has adopted a Procedure for Transactions with Related Parties, approved by the Board of Directors on February 13, 2017 and most recently amended on May 12, 2021, which is available on the Group’s website https://www.orserogroup.it/governance/procedure-societarie/.
The main Group activities, carried out at market prices with related companies, regard commercial relationships for the supply of fruits and vegetables and port services, as well as office leasing. On the other hand, as concerns related parties that are individuals, these are essentially employment and/or collaboration relationships.
It should be noted that during the first half of 2023, no related party transactions were implemented other than those that are part of the Group's ordinary course of business. With reference to dealings with related parties, please refer to the details provided in the notes.

Investments made in the period

Period Group investments made in intangible assets other than goodwill and in property, plant and equipment amounted to a total of Euro 11,918 thousand, of which Euro 826 thousand was for intangible assets mainly related to completions and upgrades of IT systems and Euro 11,092 thousand was for property, plant and equipment related to specific improvements to the building and equipment at the Rungis (France) and Alverca (Portugal) warehouses together with normal renovation investments at other sites. This Euro 11,092 thousand includes EUR 5,822 thousand for “rights of use” as per IFRS 16, connected with the extension of container rental contracts, renewals and the stipulation of new contracts for stands and sales points in markets, as well as adjustments to rents due to inflation with a counterpart increase in IFRS 16 liabilities.

Description	Country	Thousands of Euro
New ERP	Italy	718
Enlargement and refitting of the Alverca site	Portugal	650
Renovation of the Rungis warehouse	France	1,656
Inverters and solar panels	Spain, Greece	163
Others		2,909
Total investments		**6,097**

Transactions deriving from atypical and/or unusual transactions

In compliance with Consob Communication of July 28, 2006, in the first half of 2023 the Company carried out “atypical and/or unusual” transactions, as defined by such Communication as the two new French companies Capexo and Blampin Groupe have joined the Group, as discussed extensively above.

Transactions deriving from non-recurring transactions

In accordance with the Consob Communication of July 28, 2006, it is specified that in the first half of 2023, the Group incurred costs relating to non-recurring transactions. In accordance with Consob Resolution no. 15519 of July 28, 2006, please note that “Other operating income/expense” includes Euro 1,770 thousand in net non-recurring costs, essentially referring to expenses linked to profit-sharing (element required by French and Mexican laws), the impact of the settlement agreement with the Customs Agency described above (please refer to the Update on disputes with the Customs Agency section), the release of the provision for risks of Euro 1,600 thousand and the accrual of the 2023 portion of the LTI bonus for the years 2020, 2021 and 2022, elements that the Group considers among non-recurring costs, also in order to make it easier to identify them.

Significant events after the first half of 2023

At the date of this Half-Yearly Financial Report of the Orsero Group, there were no significant events in terms of operating activities.
With reference to the latest developments in the international geopolitical situation, the Group’s management continues to monitor their developments with the aim of maintaining an efficient import and distribution logistics chain and preserving its cost-effectiveness and efficiency.

Outlook for the Orsero Group

The Group's priority continues to be the sustainable growth of its business, by both external and internal channels; with regard to the latter, we believe it is important to emphasize that despite the current difficult economic situation, regular procurement from suppliers, as well as logistics and goods transportation activities that ensure business continuity, have been confirmed to date. The Group is well aware of the uncertainty of the general economic landscape linked to the macroeconomic situation resulting from the pandemic and aggravated by the conflict in Ukraine and the ensuing effects already being observed and that may emerge further in the immediate future. However, in the face of the current European context dominated by great uncertainty, the persistence of the energy crisis, the surge in interest rates on debt and the resulting possible impact on the consumption of food which is still difficult to quantify, the Group remains confident in the potential for growth and resilience of its business in the medium to long term thanks to its strong competitive positioning on essential goods and solid financial structure and the management's constant commitment to controlling costs and improving the efficiency of the production organization. Thus, the Group's commitments to the timely reporting of business performance to its stakeholders are confirmed, in addition to those relating to ESG issues to create and develop a sustainable business and operating environment in the medium to long term as outlined in the strategic sustainability plan.

CONDENSED CONSOLIDATED HALF-YEARLY FINANCIAL STATEMENTS AS AT JUNE 30, 2023

Consolidated financial statements

Consolidated statement of financial position[7][8]

Thousands of Euro	NOTES	06.30.2023	12.31.2022
ASSETS			
Goodwill	1	128,164	48,245
Intangible assets other than Goodwill	2	10,258	10,020
Property, plant and equipment	3	174,623	163,967
Investments accounted for using the equity method	4	19,953	19,397
Non-current financial assets	5	6,505	5,626
Deferred tax assets	6	8,009	8,323
NON-CURRENT ASSETS		**347,512**	**255,578**
Inventories	7	53,691	47,357
Trade receivables	8	160,870	119,107
Current tax assets	9	16,859	16,929
Other receivables and other current assets	10	18,745	14,156
Cash and cash equivalents	11	90,837	68,830
CURRENT ASSETS		**341,002**	**266,378**
Non-current assets held for sale		-	-
TOTAL ASSETS		**688,515**	**521,957**
EQUITY			
Share Capital		69,163	69,163
Other Reserves and Retained Earnings		126,987	99,661
Profit/loss attributable to Owners of Parent		31,847	32,265
Equity attributable to Owners of Parent	**12**	**227,998**	**201,090**
Non-controlling interests	**13**	**1,376**	**393**
TOTAL EQUITY		**229,374**	**201,483**
LIABILITIES			
Financial liabilities	14	174,580	101,096
Other non-current liabilities	15	628	735
Deferred tax liabilities	16	4,742	4,593
Provisions	17	4,562	5,759
Employees benefits liabilities	18	7,925	8,297
NON-CURRENT LIABILITIES		**192,436**	**120,479**
Financial liabilities	14	54,154	36,789
Trade payables	19	176,141	134,807
Current tax liabilities	20	7,123	4,730
Other current liabilities	21	29,286	23,669
CURRENT LIABILITIES		**266,705**	**199,995**
Liabilities directly associated with non-current assets held for sale		-	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**688,515**	**521,957**

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

Consolidated income statement[9][10]

Thousands of Euro	NOTES	1st Semester 2023	1st Semester 2022
Net sales	23	763,447	576,196
Cost of goods sold	24	(673,586)	(515,253)
Gross profit		**89,861**	**60,942**
General and administrative expense	25	(48,764)	(36,905)
Other operating income/expense	26	(44)	(51)
Operating result		**41,052**	**23,986**
Financial income	27	502	114
Financial expense and exchange rate differences	27	(5,636)	(3,212)
Other investment income/expense	28	4	5
Share of profit/loss of associates and joint ventures accounted for using the equity method	28	1,076	1,292
Profit/loss before tax		**36,998**	**22,185**
Income tax expense	29	(4,612)	(2,391)
Profit/loss from continuing operations		**32,386**	**19,794**
Profit/loss from discontinued operations		-	-
Profit/loss for the period		**32,386**	**19,794**
Profit/loss attributable to non-controlling interests		**539**	**428**
Profit/loss attributable to Owners of Parent		**31,847**	**19,366**
Earnings per share "base" in euro	**31**	**1.851**	**1.116**
Earnings per share "Fully Diluted" in euro	**31**	**1.851**	**1.116**

Consolidated Statement of Comprehensive Income [9][10]

Thousands of Euro	NOTES	1st Semester 2023	1st Semester 2022
Profit/loss for the period		**32,386**	**19,794**
Other comprehensive income that will not be reclassified to profit/loss, before tax		-	-
Income tax relating to components of other comprehensive income that will not be reclassified to profit/loss		-	-
Other comprehensive income that will be reclassified to profit/loss, before tax	14	581	5,378
Income tax relating to components of other comprehensive income that will be reclassified to profit/loss	29	(131)	(529)
Comprehensive income		**32,836**	**24,644**
Comprehensive income attributable to non-controlling interests		**539**	**428**
Comprehensive income attributable to Owners of Parent		**32.297**	**24.216**

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

Consolidated cash flow statement [11][12][13]

Thousands of Euro	NOTES	1st Semester 2023	1st Semester 2022
A. Cash flows from operating activities (indirect method)			
Profit/loss for the period		**32,386**	**19,794**
Adjustments for income tax expense	29	4,612	2,391
Adjustments for interest income/expense	27	3,527	1,708
Adjustments for provisions	8-17	974	831
Adjustments for depreciation and amortisation expense and impairment loss	2-3	8,164	13,434
Other adjustments for non-monetary elements		16	-
Change in inventories	7	(2,947)	(12,726)
Change in trade receivables	8	(14,022)	(18,590)
Change in trade payables	19	18,660	21,006
Change in other receivables/assets and in other liabilities		(5,383)	327
Interest received/(paid)	29	(3.045)	(1,777)
(Income taxes paid)	27	(2.284)	(1,346)
Cash flow from operating activities (A)		**40,298**	**25,053**
B. Cash flows from investing activities			
Purchase of property, plant and equipment	3	(5,271)	(17,130)
Proceeds from sales of property, plant and equipment	3	294	334
Purchase of intangible assets	1-2	(826)	(1,382)
Proceeds from sales of intangible assets	1-2	3	-
Purchase of interests in investments accounted for using equity method	4	(1,076)	(3,612)
Proceeds from sales of investments accounted for using equity method	4	520	424
Purchase of other non-current assets	5-6	-	-
Proceeds from sales of other non-current assets	5-6	438	1,282
(Acquisitions)/disposal of investments in controlled companies, net of cash[14]		(49,852)	-
Cash Flow from investing activities (B)		**(55,770)**	**(20,084)**
C. Cash Flow from financing activities			
Increase/decrease of financial liabilities	14	(5,868)	(2,585)
Drawdown of new long-term loans	14	56,244	12,649
Pay back of long-term loans	14	(7,088)	(14,921)
Capital increase and other changes in increase/decrease	12-13	1,012	5,169
Disposal/purchase of treasury shares	12-13	-	(940)
Dividends paid	12-13	(6,022)	(5,206)
Cash Flow from financing activities (C)		**37,479**	**(5,835)**
Increase/decrease in cash and cash equivalents (A ± B ± C)		**22,007**	**(866)**
Cash and cash equivalents at 1° January 23-22	**11**	**68,830**	**55,043**
Cash and Cash equivalents at 30th June 23-22	**11**	**90,837**	**54,178**

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

Consolidated statement of changes in shareholders' equity [15][16]

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

[15] The notes commenting on the individual items are an integral part of these Condensed Consolidated Half-Yearly Financial Statements.
[16] In accordance with Consob resolution no. 15519 of July 27, 2006, the effects of related party transactions are given in the explanatory notes to the condensed consolidated half-yearly financial statements and in Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".
(*) Expression of the share capital in compliance with the provisions of IAS 32 net of treasury shares for Euro 3,512 thousand and costs for the acquisition of equity investments of Euro 153 thousand

Thousand of Euro – NOTES 12-13	Share Capital**	Treasury shares**	Reserve of shareholding acquisition costs**	Legal reserve	Share premium reserve	Reserve of exchange diff.es on translation	Reserve of remeasurements of defined benefit plans	Reserve of cash flow hedges	Other reserves	Retained earnings	Profit/loss, attributable to Owners of parent	Equity attributable to Owners of parent	Non-controlling interests	Total equity
December 31, 2022	**69,163**	**(4,788)**	**(153)**	**997**	**77,438**	**(2,784)**	**(425)**	**638**	**(2,378)**	**31,116**	**32,265**	**201,090**	**393**	**201,483**
Allocation of the profit/loss	-	-	-	363	-	-	-	-	876	31,026	(32,265)	-	-	-
Issued of equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase/decrease through transfers equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	(6,022)	-	**(6,022)**	(95)	**(6,116)**
Other comprehensive income net of tax, gains/losses on remeasurements of defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income net of tax, cash flow hedges bunker	-	-	-	-	-	-	-	(90)	-	-	-	**(90)**	-	**(90)**
Other comprehensive income net of tax, cash flow hedges interest rates	-	-	-	-	-	-	-	300	-	-	-	**300**	-	**300**
Other comprehensive income net of tax, cash flow hedges exchange rates	-	-	-	-	-	-	-	115	-	-	-	**115**	-	**115**
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase/decrease through share based payment transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change of consolidation scope	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	125	(3)	-	-	635	-	**758**	538	**1,296**
Profit/loss for the period	-	-	-	-	-	-	-	-	-	-	31,847	**31,847**	539	**32,386**
June 30, 2023	**69,163**	**(4,788)**	**(153)**	**1,360**	**77,438**	**(2,659)**	**(427)**	**963**	**(1,502)**	**56,755**	**31,847**	**227,998**	**1,376**	**229,374**

(**) Expression of the share capital in compliance with the provisions of IAS 32 net of treasury shares for Euro 4,788 thousand and costs for the acquisition of equity investments of Euro 153 thousand

Certification pursuant to Art. 154-bis, par. 5 of the Consolidated Law on Finance of the Condensed Consolidated Half-Yearly Financial Statements pursuant to Art. 81-ter of Consob Regulation no. 11971 of May 14, 1999, as amended

1. The undersigned Edoardo Dupanloup, Corporate Accounting Reporting Officer of the Orsero Group, taking into account the provisions of Art. 154-bis, paragraphs 3 and 4, of Italian Legislative Decree no. 58 of February 24, 1998, hereby certifies:
   - the adequacy, considering the Company's characteristics, and
   - the effective application of administrative and accounting procedures for the preparation of the Condensed Consolidated Half-Yearly Financial Statements during the first half of 2023.
2. It is further certified that:

2.1 The Condensed Consolidated Half-Yearly Financial Statements:
   a) are prepared in accordance with International Financial Reporting Standards as endorsed by the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of July 19, 2002;
   b) coincide with the underlying books and accounting records;
   c) provide a true and correct representation of the financial position of the issuer and the group of companies included in the scope of consolidation.

2.2 The interim directors' report includes a reliable analysis of references to the events occurring in the first six months of the year and their impact on the Condensed Consolidated Half-Yearly Financial Statements, along with a description of the main risks and uncertainties to which the Group is exposed, as well as the significant events occurring after the end of the half year and the business outlook. The interim directors' report also includes a reliable analysis of information on significant transactions with related parties.

Milan, September 13, 2023

Edoardo Dupanloup
Corporate Accounting Reporting Officer

Notes to the condensed consolidated half-yearly financial statements

General information

Orsero S.p.A. (the "Parent company" or the "Company"), together with its subsidiaries (the "Group" or the "Orsero Group") is a company with its shares listed on the Euronext Star Milan segment of the Euronext Milan market since December 23, 2019, with registered office at Corso Venezia 7, Milan. The Orsero Group boasts a consolidated presence both directly and indirectly through its subsidiaries and/or associates in Europe, Mexico and Latin America, although it mainly operates in Europe. As at June 30, 2023, the Company's share capital totals Euro 69,163,340.00, divided up into 17,682,500 ordinary shares with no nominal value. The Group's business is focused on the import and distribution of fruit and vegetables, identifying three business units: Distribution, Shipping and Holding & Services.

Form and content of the Condensed Consolidated Half-Yearly Financial Statements and other general information

Statement of compliance with the IFRS and preparation criteria

These Group Condensed Consolidated Half-Yearly Financial Statements as at June 30, 2023, prepared on the basis that the Parent company and its subsidiaries continue to operate as a going concern, were prepared in accordance with Art. 2, 3 and 9 of Italian Legislative Decree no. 38 of 02/28/2005 and in compliance with the International Financial Reporting Standards (IFRS), the interpretations provided by the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), endorsed by the European Commission as per the procedure envisaged by Regulation (EC) 1606/2002, issued by the European Parliament and Council in July 2002 and in force as at the reporting date, as well as with the previous International Accounting Standards (IAS). Hereinafter in the Consolidated financial statements, to simplify matters, all these standards and interpretations will together be defined as "IFRS". In preparing this document, consideration was given to the provisions of the Italian Civil Code, Consob Resolutions no. 15519 ("Provisions on the financial statements tables to be issued in implementation of Art. 9, paragraph 3 of Italian Legislative Decree no. 38 of February 28, 2005") and no. 15520 ("Amendments and supplements to the regulation setting out provisions implementing Italian Legislative Decree no. 58/1998"), both dated July 27, 2006, and those of Consob communication no. DEM/6064293 of July 28, 2006 ("Corporate disclosure of listed issuers and issuers with financial instruments disseminated amongst the public pursuant to Art. 116 of the TUF") and Art. 78 of the Issuers' Regulation and Art. 154-ter of Italian Legislative Decree no. 58/1998 as amended, including, in particular, that pursuant to CONSOB warning notice 5/21 of April 29, 2021 for the purposes of the disclosure concerning the Group's financial debt exposure. It is specified that with reference to Consob Resolution no. 15519 of July 27, 2006 on the Financial Statements tables, specific additional tables have been added representing the statement of financial position, the income statement, the statement of comprehensive income and the statement of cash flows, highlighting significant related party transactions and the effects of non-recurring income and expense in order to avoid compromising the overall legibility of the Financial Statements tables. This information requested has been included in Notes 26 and 34 and in Annex 1 "Financial Statements tables stated in accordance with Consob Resolution 15519/2006".

The Group Condensed Consolidated Half-Yearly Financial Statements at June 30, 2023 were prepared in summary form in accordance with IAS 34 "Interim financial reporting". In accordance with IAS 34 the Condensed consolidated half-yearly financial statements do not include all the supplementary information required for the Annual financial statements for which, therefore, reference is made to the Group Financial

Statements as at December 31, 2022. Although the Condensed Consolidated Half-Yearly Financial Statements do not include all information required for a complete Financial Statement disclosure pursuant to IFRS, they include all the specific notes to explain the relevant events and transactions in order to understand the changes in the Group's financial position and performance since the last annual Financial Statements. The Condensed Consolidated Half-Yearly Financial Statements consist of the statement of financial position, income statement (in which costs are presented by "destination"), comprehensive income statement, cash flow statement (presented with the indirect method) and the statement of changes in equity. The selected statements allow the Group's equity, economic and financial situation to be represented in a truthful, correct, reliable and more relevant manner, in line with internal reporting and operating procedures. The amounts indicated on the consolidated accounting schedules and the notes are stated in thousands of euros. These Condensed Consolidated Half-Yearly Financial Statements are compared with last year's Consolidated Financial Statements, which were prepared applying the same criteria except for that described in the paragraph entitled "Accounting standards, amendments and IFRS interpretations applied starting January 1, 2023". It should be noted, in fact, that the applied accounting standards are in line with those adopted in preparing the consolidated statement of financial position at December 31, 2022, as well as the income statement for the first half of 2022, in accordance with IFRS. In terms of data comparability, it should be noted that effective January 1, 2023, 100% of the share capital of the French company Capexo S.a.S. and 80% of the share capital of the French company Blampin S.a.S., together with its subsidiaries, have been consolidated on a line-by-line basis, in order to significantly strengthen the Orsero Group's presence in France, a key country for both the Group's history and future growth and development.
The Condensed Consolidated Half-Yearly Financial Statements have been drawn up in accordance with the general historical cost principle, with the exception of financial assets, derivative instruments and inventories of fruit (avocado) stock ripening, measured at fair value. Please also note that the directors have prepared the Consolidated Financial Statements in accordance with paragraphs 25 and 26 of IAS 1 due to the strong competitive position, high profitability, and soundness of the equity and financial structure achieved.
The condensed consolidated half-yearly financial statements at June 30, 2023 were subjected to a limited audit by KPMG S.p.A. and approved by the Board of Directors on September 13, 2023.

Consolidation principles

These Condensed Consolidated Half-Yearly Financial Statements include not only the Financial Statements of the Parent Company but also the line-by-line consolidation of the financial statements of the companies over which it has direct or indirect control. Within the Group, there are also investments in associated companies which, if significant, are recorded by applying the equity method, while other non-significant investments in associated companies, together with minor investments in other companies, are instead recorded under non-current assets based on their purchase/subscription cost, including any accessory costs.
Subsidiaries are consolidated from the date on which the Group effectively acquires control and cease to be consolidated from the date on which control is transferred outside the Group. The consolidated accounting positions are prepared as at June 30, and they are specifically prepared and approved by the Boards of Directors of the individual companies, duly rectified, where necessary, to standardize them with the Parent Company's accounting standards and make them consistent with the international accounting standards IAS/IFRS. The used consolidation method is line-by-line and as regards the consolidation criteria, the same ones are used as those applied to prepare the Financial Statements as at December 31, 2022, which should be referred to for further details.
Equity investments in subsidiaries are detailed in the paragraph on "List of companies consolidated on a line-by-line basis" and "List of other companies", whilst any changes in investment shares are explained in the paragraph on "Changes to the consolidation area made during the first half of the year and thereafter".
The condensed consolidated half-yearly financial statements of Orsero are prepared in Euro as it represents the functional currency of the Parent Company Orsero and of all the companies included in the scope of consolidation, with the exception of:

- the Argentina-based company Rost Fruit S.A.;

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

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

	06.30.2023	1st Semester 2023	12.31.2022	1st Semester 2022
Argentine Peso	278.502	278.502	188.503	129.898
Costa Rican Colon	591.230	595.238	631.449	718.941
Colombian Peso	4,546.24	4,960.43	5,172.47	4,282.19
Mexican Peso	18.5610	19.6460	20.8560	22.1650
Chilean Peso	872.590	871.111	913.820	902.666

Associates are those over which the Group exerts significant influence, which is assumed to exist when the equity investment ranges between 20% and 50%. Associates over which Orsero exercises significant influence have been valued using the equity method and are initially measured at cost. Profit or losses relating to the Group are recognized in the Consolidated Financial Statements from the date on which the significant influence commences until the date on which it ends. For a description of the application of the equity method, please refer to the information already provided in the Financial Statements as at December 31, 2022. Equity investments in associates are detailed in the paragraph on "List of companies consolidated using the equity method" and "List of other companies", whilst any changes in investment shares are explained in the paragraph on "Changes to the consolidation area made during the first half of the year and thereafter". There are no significant restrictions to the capacity of the associates to transfer funds to the investee, to pay dividends and repay loans or advances.
Finally, there is a residual category called "equity investments in other companies" that comprises companies in which the Group holds insignificant investments or, in the case of minor associates, over which no significant influence is exercised. Equity investments are entered at purchase or subscription cost, which is considered representative of the related fair value that is reduced for any impairment losses. The original value is reinstated in subsequent years if the reasons for the write-down no longer apply.

Scope of consolidation

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

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

Name	Head office	Investment percentage			Share Capital	Profit/Loss *	Currency
		Direct	Indirect	Interest held by			
AZ France S.A.S.	Cavaillon (France) - 56, Avenue JP Boitelet	100.00%			3,360,000	142,262	€
Bauza S.A.S.	Rouen - Avenue du Commandant Bicheray		96.36%	Blampin S.A.S.	513,100	727,799	€
Bella Frutta S.A.	Atene (Greece) - 4 Tavrou Str., Ag. Ioannis Rentis	100.00%			1,756,800	429,479	€
Blampin S.A.S.	Marseille - Min Les Arnavaux	93.30%****			3,019,612	7,864,049	€
Blampin Fruit Import	Rungis - 25 rue de Montpellier		97.01%	Blampin S.A.S.	1,335,894	849,336	€
Blampin Nice S.A.S.	Nice - Min Saint Augustin Pal 2		100.00%	Blampin S.A.S.	1,200,000	1,015,183	€
Blampin Service S.A.S.U.	Marseille - Min Les Arnavaux		100.00%	Blampin S.A.S.	10,000	167,211	€
Capexo S.A.S. *****	Chevilly-Larue - 32-34 avenue Georges Guynemer	100.00%			300,000	1,806,392	€
Comercializadora de Frutas S.A.C.V.	Tinguindin (Mexico) - Carretera Zamora-Los Reyes km. 37,5		100.00%	AZ France S.A.S.	3,299,376	(10,812,836)	pesos
Cosiarma S.p.A.	Genova (Italy) - via Operai 20	100.00%			2,600,000	18,059,448	€
Couton S.A.S.	Tours - Marchè de Gros de Rochepinard		98.91%	Blampin S.A.S.	810,080	284,438	€
D'Oriano	Nice - Min Saint Augustin Pal 13		100.00%	Blampin S.A.S.	98,400	208,824	€
Eurofrutas S.A.**	Alverca (Portugal) - Estrada principal Casal das Areias 205	100.00%			1,100,753	(509,835)	€
Fresco Ships' A&F S.r.l.	Vado Ligure (Italy) - Via Trieste, 25	100.00%			258,000	89,734	€
Fruttica S.A.S.***	Cavaillon (France) - 89, Chemin du Vieux Taillades		100.00%	Postifruits S.A.S.	100,000	107,078	€
Fruttital S.r.l.	Milano (Italy) - Via Vezza D'Oglio 7	100.00%			5,000,000	4,429,769	€
Galandi S.r.l.	Firenze (Italy) - Via S. Allende 19 G1	100.00%			500,000	126,990	€
GF Solventa S.L.	Barcelona (Spain) - MERCABARNA, Calle Longitudinal 7, 83		99.96%	Hermanos Fernández López S.A.	50,000	19,943	€
GP Frutta S.r.l.***	Canicattì (Italy) - Via S. Sammartino 37		100.00%	Postifruits S.A.S.	10,000	(1,234)	€
Hermanos Fernández López S.A.	Cox (Alicante) - Avenida de la Industria, s/n P.I. San Fernando	100.00%			258,911	2,791,591	€
Hermanos Fernández Chile S.p.A.	Las Condes (Chile) - Avenida Vitacura 2909		100.00%	Hermanos Fernández López S.A.	10,000,000	29,725,638	pesos
Isa Platanos S.A.	La Laguna - Tenerife (Spain) - Los Rodeos Edificio Star		100.00%	Hermanos Fernández López S.A.	641,430	35,641	€
Kiwisol LDA**	Folgosa (Portugal) - Rua de Santo Ovidio 21		99.75%	Eurofrutas S.A.	523,738	1,902	€
Mighirian Frères S.A.S.	Rungis - 38 Avenue de Lorraine		100.00%	Blampin S.A.S.	497,341	284,902	€

Orsero Costa Rica S.r.l.	San Jose de Costa Rica - Oficientro Ejecutico La Sabana Edificio torre 1		100.00%	Cosiarma S.p.A.	215,001,000	219,863,606	colones
Orsero Produzione S.r.l.	Milano (Italy) - Via Vezza D'Oglio 7	100.00%			100,000	204,502	€
Orsero Servizi S.r.l.	Milano (Italy) - Via Vezza D'Oglio 7	100.00%			100,000	(42,016)	€
Postifruits S.A.S.***	Cavaillon (France) - 89, Chemin du Vieux Taillades		100.00%	AZ France S.A.S.	7,775	923,021	€
Productores Aguacate Jalisco S.A.C.V.	Ciudad Guzman (Mexico) - Constitucion 501 Centro C.P. 49000		70.00%	Comercializadora de Frutas S.A.C.V.	12,646,666	13,959,053	pesos
R.O.S.T. Fruit S.A.	Buenos Aires (Argentine) - Corrientes 330 - 6° 612	80.00%	20.00%	GF Produzione S.r.l.	24,096,320	2,544,408	pesos
Simba S.p.A.	Milano (Italy) - Via Vezza D'Oglio 7	100.00%			200,000	5,505,114	€
Simbacol S.A.S.	Medellin (Colombia) - Carr. 25 1 A SUR 155 OF 1840		100.00%	Simba S.p.A.	50,172,500	16,439,939	pesos
Simbarica S.r.l.	San Jose de Costa Rica - Oficientro Ejecutico La Sabana Edificio torre 1		100.00%	Simba S.p.A.	100,001,000	(2,487,730)	colones
Soulage Favarel S.A.S.	Toulouse - 146-200 Avenue des Etats Unis		100.00%	Blampin S.A.S.	483,104	470,640	€
Thor S.r.l.	Milano (Italy) - Via Vezza D'Oglio 7	100.00%			10,000	8,304	€

* Results of the companies indicated in accordance with international accounting standards
** Companies that are part of the Eurofrutas consolidated group; separate financial statement data indicated in accordance with international accounting standards
*** Companies that are part of the Fruttica consolidated group; separate financial statement data indicated in accordance with international accounting standards
**** Fully diluted taking into account the put/call option on 13.3% accounted for based on the “anticipated method”
***** It should be noted that Capexo has a different year-end date than the Group and will be aligned with the other companies as of 1 January 2024

List of companies valued using the equity method:

Name	Head office	Investment percentage			Share Capital	Currency
		Direct	Indirect	Interest held by		
Agricola Azzurra S.r.l.	Via Salvador Allende 19, Firenze (Italy)	50.0%			200,000	€
Tirrenofruit S.r.l.	Via Salvador Allende 19/G1, Firenze (Italy)		16.0%	Orsero Produzione S.r.l.	500,000	€
Fruport Tarragona S.L.	Moll de Reus Port de Tarragona (Spain)	49.0%			82,473	€
Bonaoro S.L.	Santa Cruz de Tenerife (Spain) Carretera General del Norte, 23, La Vera Orotava (LA)		50.0%	Hermanos Fernández López S.A.	2,000,000	€
Moño Azul S.A.	Moño Azul s.a.c.i y A., Buenos Aires, Tucumàn 117, Piso 8°, Argentine.		19.19%	Fruttital S.r.l.	367,921,764	pesos

List of other companies:

Name	Head office	Investment percentage			Share Capital	Currency
		Direct	Indirect	Interest held by		
Citrumed S.A.	Bouargoub (Tunisian) Borj Hfaïedh - 8040		50.0%	AZ France S.A.S.	1,081,000	dinari
Decofrut Bcn S.L.	Barcellona (Spain) - Calle Sicilia 410		40.0%	Hermanos Fernández López S.A.	20,000	€

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

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

Regarding the changes during the first half of 2023, it should be noted, as already fully described, that as of January 1, 2023 Capexo and the Blampin Groupe were consolidated following the purchase of 100% and 80% of the share capital, respectively, with a total investment of Euro 91,240 thousand. For further details, please refer to the section on Business Combinations.

Below is the company map (in a condensed, but more representative version) of the Group:

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

Business combinations

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

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

If the fair value of the net identifiable asset acquired is greater than the consideration paid, the resulting difference is recognized in the income statement as income deriving from the transaction, on the acquisition date, after verifying if the fair value of the acquired assets and liabilities is correct. If, at the end of the year in which the business combination took place, the initial recognition of a business combination is incomplete, it must be recognized using provisional values. Adjustments to the provisional values recorded at the acquisition date are recognized retroactively to reflect the new information obtained on the facts and circumstances at the acquisition date that, had they been known, would have affected the measurement of the amounts recognized on that date. The measurement period lasts for 12 months from the acquisition date. Any contingent consideration defined in the business combination agreement is measured at the acquisition-date fair value and included in the value of the consideration transferred in the business combination for the purpose of the calculation of goodwill. Any subsequent changes to that fair value, which can be classified as adjustments occurring during the measurement period, are included in goodwill, retrospectively. After the initial recognition, goodwill is measured at cost net of accumulated amortization and write-downs. Subsequent changes in the fair value of contingent consideration are recognized in profit or loss or comprehensive income if the contingent consideration is a financial asset or liability. The methodological process used for the first line-by-line consolidation of the acquired companies as required by the reference accounting standards is provided below. The acquisitions were recorded in compliance with IFRS 3 on the business combinations that envisage conformity in the phases provided for in applying the acquisition method:

- determination of the date control is acquired;
- determination of the total consideration for the acquisition;
- recognition and measurement of the identifiable assets acquired, liabilities assumed, and any non-controlling interests in the acquisition;
- recognition and measurement of goodwill and profit generated by an acquisition at favorable prices;
- definition of the cash-generating units and allocation of goodwill;
- definition of the measurement period, determination of the elements included in the business combination transaction, including ancillary costs to the acquisition.

The transactions reported below qualify as business combinations according to the definition provided by IFRS 3.

Capexo acquisition

On January 10, 2023, the Group finalized an agreement to purchase 100% of Capexo, a French company active in the import and distribution of fruit and vegetable products. This acquisition is perfectly in line with the strategic policies announced by the Group and will make it possible, along with the acquisition of Blampin Groupe, to significantly accelerate the growth of revenues and profitability of the Distribution BU, achieving a strong strategic market positioning in France in terms of size, product range and sales channel coverage. On the same date, the Group assumed control of the operations of Capexo, the economic results of which are therefore fully included in the consolidated income statement of the Orsero Group as at 30 June 2023.

Consideration paid

The following table summarizes the fair value at the acquisition date of the principal components of the consideration paid:

Thousand of Euro	Capexo
Cash and Cash equivalent	33,000
Contingent consideration	11,575
Total consideration transferred	**44,575**

The consideration for the acquisition of Capexo amounted to Euro 44,575 thousand, of which Euro 33,000 thousand was paid with cash and cash equivalents. The Group agreed to pay Capexo's former shareholders a potential consideration of Euro 11,575 thousand attributable to the Earn-out clause, broken down into three equal annual tranches, subordinated and based on profitability targets (Adjusted EBITDA) set for the years 2023, 2024 and 2025.

Identifiable acquired assets and assumed liabilities

The amounts recognized for the assets acquired and liabilities assumed at the date of first consolidation (1st January 2023) of the acquired company expressed in accordance with international accounting standards are summarized below:

Thousand of Euro	Capexo
Goodwill	-
Intangible assets other than Goodwill	48
Property, plant and equipment*	1,813
Investments accounted for using the equity method	-
Non-current financial assets	304
Deferred tax assets	7
Inventories	1,416
Trade receivables	12,526
Current tax assets	(146)
Other receivables and other current assets	775
Cash and cash equivalents	2,820
Financial liabilities*	(3,078)
Other non-current liabilities	-
Deferred tax liabilities	(58)
Provisions	-
Employee benefit liabilities	(30)
Trade payables	(8,179)
Current tax liabilities	(460)
Other current liabilities	(987)
Total identifiable assets acquired and liabilities assumed	**6.772**

*The values do not take into account the IFRS 16 effect, as it is neutral in determining Goodwill

Fair value measurement of identifiable acquired assets and assumed liabilities
A Purchase Price Allocation was carried out by the Orsero Group based on the available information; consistent with what is set forth in IFRS 3 and in view of the short period of time between the acquisition and the preparation of this document, this allocation is to be considered provisional and susceptible to changes and refinements. In this regard, please note that according to IFRS 3, the valuation of assets and liabilities may possibly be subject to changes in the twelve months following the acquisition date. The measurement techniques used to determine the fair value of the principal assets acquired are described below.

Property, plant and equipment
The value was determined based on the book value at the acquisition date, as it was considered to be representative of market prices of similar items, if available, and replacement costs, if appropriate. The estimate of amortized replacement costs reflects the adjustments for physical deterioration and economic and functional obsolescence. Property, plant and equipment consist mainly of storage/ripening equipment, packaging machinery and improvements on warehouses and offices.

Inventories
The fair value of inventories is calculated based on the selling price net of the estimated costs for completion as well as the estimated sales costs.

Trade receivables
These relate to receivables for the sale of fruit and which include contractual amounts excluding any write-downs, for Euro 12,526 thousand.

Other receivables and other current assets
These relate for Euro 646 thousand to the receivable for subsidies to be received for joining the ODEADOM program, with the purpose of supporting the import of products from La Reunion.

Financial liabilities
These relate to four loans, three of which are fixed-rate and one of which is variable-rate, the fair values of which at the acquisition date approximate their nominal values.

Employee benefits
The liability was calculated according to the actuarial methodology, using the calculation of an external consultant (IAS 19).

Trade payables
This liability relates to the purchase of fruit.

Other current liabilities
This liability mainly includes payables to employees for wages, as they are paid at the beginning of the month and the payable for “l'Interessement.”

Determination of Goodwill

Goodwill arising from the acquisition, having verified the conditions for recognition through an analysis of the fair value of the investment based on the discounting of expected cash flows, was recognized as shown in the following table:

Thousand of Euro	Capexo
Fair value of the consideration transferred	44,575
Fair value of the identifiable assets acquired and liabilities assumed	(6,772)
Goodwill	**37,803**

The goodwill generated from the acquisition mainly refers to the technical and commercial skills and experience of the personnel and additional synergies expected to be obtained from integrating the company acquired in the Group Distribution BU.
In terms of Net Financial Position, the acquisition had a net effect on the half-yearly financial statements of Euro 44,834 thousand, due to the difference between the transferred consideration of Euro 44,575 thousand relating to the purchase of 100% of the company and its payable financial position for a total net amount of Euro 259 thousand.

Ancillary costs to the acquisition

The acquisition costs supported by the Group amounted to Euro 249 thousand, expensed in FY 2022.

Blampin Groupe acquisition

On January 10, 2023, the Group finalized an agreement to purchase 80% of Blampin Groupe, a group active in the import and distribution of fruit and vegetable products. This acquisition is perfectly in line with the strategic policies announced by the Group and will make it possible, along with the acquisition of Capexo, to significantly accelerate the growth of revenues and profitability of the Distribution BU, achieving a strong strategic market positioning in France in terms of size, product range and sales channel coverage. On the same date, the Group assumed control of the operations of Blampin Groupe, the economic results of which are therefore fully included in the consolidated income statement of the Orsero Group as at 30 June 2023.

Consideration paid

The following table summarizes the fair value at the acquisition date of the principal components of the consideration paid:

Thousand of Euro	Blampin Groupe
Cash and Cash equivalent	32,747
Contingent consideration	8,000
Put/Call	5,918
Total consideration transferred	**46,665**

The consideration for the acquisition of 80% of Blampin Groupe amounted to Euro 40,747 thousand, of which Euro 32,000 thousand was paid with cash and cash equivalents when the acquisition was made, with an additional Euro 747 thousand paid in July. The Group agreed to pay Blampin Groupe's former shareholders a potential consideration of Euro 8,000 thousand attributable to the Earn-out clause, broken down into four equal annual tranches, subordinated and based on profitability targets (Adjusted EBITDA) set for the years 2023, 2024, 2025 and 2026.
There is also a Put/Call clause for the purchase of 13.3% to be exercised from 01.01.2027 until 12.31.2028, that is actually estimated at Euro 5,918 thousand and by discounting the expected flows until the time when it is deemed that the option will be exercised, in accordance with the relevant accounting principles. This liability is subsequently remeasured at each closing date. The accounting policy adopted by the Group provides for the recognition in equity of any change in the value of this liability.

Identifiable acquired assets and assumed liabilities

The amounts recognized for the assets acquired and liabilities assumed at the date of first consolidation (1st January 2023) of the acquired company expressed in accordance with international accounting standards are summarized below:

Thousand of Euro	Blampin Groupe
Goodwill	-
Intangible assets other than Goodwill	148
Property, plant and equipment*	3,931
Investments accounted for using the equity method	-
Non-current financial assets	476
Deferred tax assets	-
Inventories	1,972
Trade receivables	15,789
Current tax assets	1,038
Other receivables and other current assets	411
Cash and cash equivalents	12,328
Non-controlling interests	(187)
Financial liabilities*	(11,862)
Other non-current liabilities	-
Deferred tax liabilities	(158)
Provisions	(163)
Employee benefit liabilities	-
Trade payables	(14,495)
Current tax liabilities	(897)

Other current liabilities	(3,457)
Total identifiable assets acquired and liabilities assumed	**4,876**

*The values do not take into account the IFRS 16 effect, as it is neutral in determining Goodwill

Fair value measurement of identifiable acquired assets and assumed liabilities
A Purchase Price Allocation was carried out by the Orsero Group based on the available information; consistent with what is set forth in IFRS 3 and in view of the short period of time between the acquisition and the preparation of this document, this allocation is to be considered provisional and susceptible to changes and refinements. In this regard, please note that according to IFRS 3, the valuation of assets and liabilities may possibly be subject to changes in the twelve months following the acquisition date. The measurement techniques used to determine the fair value of the principal assets acquired are described below.

Property, plant and equipment
The value was determined based on the book value at the acquisition date, as it was considered to be representative of market prices of similar items, if available, and replacement costs, if appropriate. The estimate of amortized replacement costs reflects the adjustments for physical deterioration and economic and functional obsolescence. Property, plant and equipment consist mainly of refrigeration systems and improvements on warehouses and offices.

Inventories
The fair value of inventories is calculated based on the selling price net of the estimated costs for completion as well as the estimated sales costs.

Trade receivables
These relate to receivables for the sale of fruit and which include contractual amounts excluding any write-downs, for Euro 15,789 thousand.

Financial liabilities
These relate to twelve loans, all with fixed interest rates, whose fair values at the acquisition date approximate their nominal values.

Employee benefits
The liability was calculated according to the actuarial methodology, using the calculation of an external consultant (IAS 19).

Trade payables
This liability relates to the purchase of fruit.

Other current liabilities
This liability mainly includes payables to employees for holidays and leave and the payable for "l'Interessement".

Determination of Goodwill

Goodwill arising from the acquisition, having verified the conditions for recognition through an analysis of the fair value of the investment based on the discounting of expected cash flows, was recognized as shown in the following table:

Thousand of Euro	Blampin Groupe
Fair value of the consideration transferred	46,665
Fair value of the identifiable assets acquired and liabilities assumed	(4,876)
The non-controlling interests proportionate share of the net assets	327
Goodwill	**42,115**

The goodwill generated from the acquisition mainly refers to the technical and commercial skills and experience of the personnel and additional synergies expected to be obtained from integrating the company acquired in the Group Distribution BU.
In terms of Net Financial Position, the acquisition had a net effect on the half-yearly financial statements of Euro 46,199 thousand, due to the difference between the transferred consideration of Euro 46,665 thousand relating to the purchase of 93.3% of the Group and its receivable financial position for a total net amount of Euro 466 thousand.
With regard to these acquisitions, a Purchase Price Allocation was carried out based on the available information; consistent with what is set forth in IFRS 3 and in view of the short period of time between the acquisition and the preparation of this document, this allocation is to be considered provisional and susceptible to changes and refinements. In this regard, please note that according to IFRS 3, the valuation of assets and liabilities may possibly be subject to changes in the twelve months following the acquisition date.

Ancillary costs to the acquisition

The acquisition costs supported by the Group amounted to Euro 1,304 thousand, expensed in FY 2022.

Contingent consideration

At the acquisition date the purchaser must recognize contingent consideration, which is a contingent liability assumed in a business combination if it is a present obligation arising from past events, the fair value of which can be reliably determined. Therefore, a contingent liability assumed in a business combination at the acquisition date is recognized even if it is unlikely that the use of resources capable of generating economic benefits will be required to meet the obligation. Based on the information currently available and the due diligence carried out in preparation for the acquisitions, no contingent consideration was recorded during the purchase price allocation with respect to the two acquisitions.

Valuation criteria

In the preparation of the Condensed Consolidated Half-Yearly Financial Statements as at June 30, 2023 the same consolidation principles and the same measurement criteria were applied as were used for the preparation of the Consolidated Financial Statements as at December 31, 2022, to which reference is made for the sake of completeness.

Use of estimates, risks and uncertainties

The preparation of the Condensed Consolidated Half-Yearly Financial Statements and related notes in accordance with IFRS requires management to make estimates and assumptions that have an impact on the value of net sales, costs of assets and liabilities in the Financial Statements and on the disclosure of contingent assets and liabilities at the reporting date. The estimates and assumptions used are based on experience, other relevant factors and the information available. Therefore, the actual results achieved may differ from said estimates. The estimates and assumptions may vary from one year to the next and they are therefore reviewed periodically; the effects of any changes made to them are reflected in the income statement in the period in which the estimate is reviewed.
The main estimates for which the use of subjective valuations by the management is most required were used, inter alia, for:

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

Impairment test

IAS 36 specifies that at the end of each reporting period an entity shall assess whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset. In assessing whether the aforesaid indication exists, the Group shall consider the presence of any "impairment indicators", as required by paragraph 12 of IAS 36. An impairment loss shall be recognized in the income statement when the book value of an asset or cash-generating unit exceeds its recoverable amount. The book values of the Company's assets are in any case measured at the reference date of the Annual Financial Statements. Intangible assets with an indefinite useful life are tested at least annually and every time there is an indication of a possible impairment to determine whether impairment exists.
For the Financial Statements as at June 30, 2023, the Group verified that there were no situations/indicators representative of potential impairment of its assets, and so has decided not to carry out the impairment tests. It should be noted that, in the case of the two newly acquired French companies, the Group carried out the Purchase Price Allocation exercise on the date of first consolidation (1 January 2023), which was resolved with a positive outcome with respect to the consideration transferred.

Other information

Segment reporting

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

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

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

Management of financial risk

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

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

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

Liquidity risk

The Group manages liquidity risk with a view to ensuring the presence, on a consolidated level, of a liability structure that matches the composition of Financial Statement assets, in order to maintain a solid level of capital. Credit facilities, even if negotiated on a Group level, are granted for individual companies. The Group has also financed its investments with medium/long-term credit facilities that guarantee a liquidity position that is adequate for its core business. There is plenty of opportunity to use short-term trade credit facilities if trade working capital is needed in connection with organic growth and development.

Please also note that the Group operates in a sector that is relatively protected in terms of liquidity, insofar as there is a specific European regulation (Art. 4 of Decree Law 198/2021), which requires payments of perishable assets to be made within 30 days of the end of the delivery period. This means that collection and payment terms are relatively short, precisely due to the type of assets marketed. If we then also add the fact that inventories have very rapid stock rotation times and, in any case, an average of 1 or 2 weeks, we can see that the working capital cycle is virtuous and does not entail any liquidity risk in normal market operations. In addition, in June 2021 the Group activated a policy with a leading bank for an even better and more flexible management of its working capital.
The table below offers an analysis of deadlines, based on contractual obligations for reimbursement, relative to financial, trade, tax and other payables in place as at June 30, 2023.

Thousands of Euro	Balance at June 30, 2023	Within 1 year	1-5 years	Over 5 years
Bond payables	30,000	5,000	20,000	5,000
Medium- to long- term bank loans (Non-current/Current)	112,734	24,035	86,720	1,980
Other lenders (Non-current/Current)	1,862	858	1,004	-
Other lenders (Non-current/Current) IFRS 16	48,567	10,485	20,041	18,041
Non-current liabilities for derivative (Non-current/Current)	558	558	-	-
Bank overdrafts	6,678	6,678	-	-
Other current lenders short term	1,935	1,935	-	-
Payables for price balance on acquisitions (Non-current/Current)	26,400	4,605	21,794	-
Other non-current liabilities	628	-	628	-
Trade payables	176,141	176,141	-	-
Current tax liabilities	7,123	7,123	-	-
Other current liabilities	29,286	29,286	-	-
Non-current/current liabilities at 30.06.2023	**441,912**	**266,705**	**150,187**	**25,021**

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

Foreign exchange risk

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

Interest rate risk

The Group helps finance its medium/long-term investments and working capital by using credit instruments. The Group mainly uses medium-term credit facilities in euros, part of which at fixed rate and part at variable rate; a suitable partial IRS plain vanilla hedge has been activated on the main ones (2022-2028 pool loan for

a total of Euro 90 million and 2020-2029 pool loan for an original figure of Euro 15 million, in addition to the 2021-2027 Credit-Agricole loan for Euro 5.5 million), with a view to mitigating the risk of fluctuation of the reference rates (Euribor) over time; instead, in the case of the only debenture loan issued, the option was chosen for an entirely fixed rate structure. As at June 30, 2023, the hedges adopted by the Group for the risk in changes to interest rates hedge 46.4% of medium and long-term variable rate bank loans, thereby meaning that approximately 61.7% of the Group's entire medium/long-term bond and bank debt is at fixed rate. It is stressed that, in the Group's opinion, such choices are today very prudent, also in view of the expected medium-term evolution of reference rates in Europe.
Please note that at June 30, 2023, two hedging contracts are in place, stipulated by the Parent Company with two banks in accordance with the Pool Loan Agreement, which contain a cross default clause that entitles the related bank to terminate and/or withdraw from (as applicable) the related hedging contract, in the event of significant default by subsidiaries, parents and/or joint ventures, with the concept of control regulated by the possession of the majority of votes.

Sensitivity analysis on interest rates

In the first half of 2023, the Group's net financial position increased from Euro 67,379 thousand to Euro 136,034 thousand, of which the component recognized according to IFRS 16 is Euro 48,567 thousand. Below is the ratio of debt to equity as at June 30, 2023 and December 31, 2022. Please note that the financial covenants existing on the bond and pool loans must be counted, as envisaged by the related contracts, on a net financial position that excludes the application of IFRS 16 for the entire term of said loans.

Thousands of Euro	06.30.2023	12.31.2022
Net financial debt	136,034	67,379
Total shareholders' equity	229,374	201,483
Ratio	**0.59**	**0.33**
Main indicators without IFRS 16 effect		
Net financial debt	87,466	25,805
Total shareholders' equity	230,027	202,120
Ratio	**0.38**	**0.13**

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

Thousands of Euro	06.30.2023	12.31.2022
Total medium- to long- term bank/bond loans (A)	**142,734**	**86,643**
of which fixed rate	88,049	57,440
Percentage - fixed rate	61.7%	66.3%
of which floating rate	54,686	29,203
Percentage - floating rate	38.3%	33.7%
Total other onerous debt (B)	**10,383**	**7,348**
Total onerous debt (A+B)	**153,118**	**93,991**
Percentage - fixed rate	57.5%	61.1%
Percentage - floating rate	42.5%	38.9%

At June 30, 2023, the amount of interest-bearing debt rose by approx. Euro 59 million due mainly to acquisitions made during the first half of 2023.
At June 30, 2023, within the medium/long-term bank debt the portion of Euro 47,402 thousand is represented by variable rate loans hedged by means of derivatives, amounting to 49.2% of the nominal debt: please note that this hedging is effective against interest rate rises but clearly does not cancel out the effect of any changes in spreads, envisaged contractually if the ratio between Net Financial Position and Adjusted EBITDA should take a turn for the worse. At the same time, variable-rate debt as a proportion of total medium-term bank debt and bonds rose to 38.3%, while variable-rate debt as a proportion of total interest-bearing debt, which in this context does not take into account available liquid funds, was around 42.5%. If there should be an increase on the market in reference rates, the Group should not suffer any particularly serious impacts as compared with the present situation.

Thousands of Euro	06.30.2023	12.31.2022	06.30.2022
Evolution of financial charges*:			
- on fixed rate bond/bank loans	(601)	(1,150)	(583)
- on fixed rate bank loans through derivative	(179)	(573)	(267)
- on floating rate bank loans	(1,739)	(284)	(71)
- on bank overdrafts and other financial liabilities	(885)	(768)	(353)
- Put/Call interests	(160)	-	-
- amortizing interests	(171)	(184)	(59)
Total	**(3,735)**	**(2,959)**	**(1,332)**

* Value inclusive of financial income from hedging derivatives, does not include costs linked to the application of IFRS 16.

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

Thousands of Euro	06.30.2023	12.31.2022	06.30.2022
Actual expense on floating rate bank loans	(1.739)	(284)	(71)
+ 25 bp	(103)	(39)	(18)
+ 50 bp	(207)	(79)	(36)
+ 75 bp	(310)	(122)	(55)
+ 100 bp	(414)	(164)	(73)

Price volatility risk of fruit and vegetable products

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

Risk linked to the evolution of energy prices

The main type of risk and uncertainty is linked to the evolution of energy prices - even though today it is declining compared to the peaks recorded in 2022 - regarding which it is difficult to make an estimate since, although the Group does not operate in an extremely energy-intensive sector and even considering the fact that sale price dynamics in the Distribution BU have to date made it possible to absorb most of the price increases, the future scenario could result in a depletion of the flexibility and elasticity of demand with respect to prices, thus leading to a decline in consumption and/or the inability to recover further energy price increases by means of the product pricing policy. We do not believe that the European energy situation is likely to have a significant impact on the Group's ability to continue to operate as a going concern. However, a further scenario deterioration could have an even significant impact on the profitability of the Group's core businesses. In the current context of severe disruptions, the Group is carefully monitoring energy prices and adopting all tools to optimize its energy purchases and consumption, including by evaluating opportunities for investment in alternative energy sources (photovoltaics) in order to reduce costs. The Group is aware that this risk is largely beyond its ability to control, although it has nevertheless taken steps, by signing new supply agreements with major energy companies at more advantageous rates, to stem its impact.

Price volatility risk of fuels for ships

The bunker (fuel) used for the ships is the main commodity subject to pricing volatility, to which the Group - and more specifically the Shipping Sector - is exposed, with consequent potential fallout (negative or positive) on the Group's economic results. Considering the high degree of volatility of the oil and derivatives (including those used as fuel for the owned ships) market reference indexes, the Group employs two forms of hedging: the first type financial, forward purchasing the bunker over a six-monthly or annual time frame. The second is instead managed through the definition of commercial contracts with third party customers, which include a “BAF” (“Bunker Adjustment Factor”) clause aimed at restoring balance to fluctuations in fuel prices, by adding or taking away from the tariff agreed annually with the shipping service customer, an economic value that neutralizes or in any case mitigates fuel price fluctuations. In thus doing, the fuel price evolution has a less significant impact on the Group’s results and such as to be able to be kept under control. The market context has historically seen the application of BAF clauses in refrigerated shipping and there are no suggestions that the possibility of stipulating such contracts with third party customers should cease to apply nor that it may become difficult to find suitable financial hedges on the oil market. Below is an analysis that shows how the ship fuel price impacts the results of the Shipping Sector in the reference period.

Thousands of Euro	**1st Semester 2023**	**%**	**1st Semester 2022**	**%**
Total bunker's cost	18,709	27.10%	19,161	27.65%
Net sales Shipping sector	**69,029**		**69,308**	

Cyber risk

The Group is exposed to the risk that the IT systems and platforms used by Group companies and by their employees do not guarantee the protection of personal and business data and are not suitable to prevent the violation of the same. In addition, it is exposed to the risk of corporate infrastructures being blocked, damaged or hacked due to accidental events and malicious actions (e.g., hacker attacks) and erroneous/involuntary disclosure of confidential information managed by the Group. The Group has focused on covering cyber risks with risk assessment, analysis and implementation of software systems, staff training, specific procedures, as well as the establishment of the position of Chief Information Officer some time ago and the activation of an ad hoc insurance policy.

Risk related to the regulatory framework for bunker prices

Within the framework of the European package of environmental initiatives aimed at reducing greenhouse gas emissions by 55% by 2030 compared to 1990 and to zero by 2050, the so-called 'EU fit for 55', a number of regulations are being implemented to reduce environmental impacts in relation to shipping: the EU Emission Trading System ('EU-ETS') and Fuel EU. Specifically, the EU-ETS is an emissions cap-and-trade system that aims to reduce greenhouse gas (GHG) emissions by setting a limit, or cap, on GHG emissions for certain sectors of the economy. These rules, which are already applied to other sectors of the economy, will also be applied to the maritime transport sector as of 2024 with regard to traffic in and out of the European Union, as a result of which, on the basis of fossil fuel consumption, the corresponding CO2 emissions will be calculated, which will have to be 'offset' by operators through the purchase of CO2 credits (EU Allowance).

The Group, as a shipping logistic operator, will be obliged to align itself to the regulatory framework that still lacks specific implementation rules.

Credit risk

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

The table below provides a breakdown of trade receivables as at June 30, 2023, grouped by past-due, net of the provision for bad debts:

Thousands of Euro	06.30.2023	Not due	Overdue within 30 days	Overdue between 31-90 days	Overdue between 91-120 days	Overdue over 120 days
Gross Trade receivables	173,592	105,217	42,696	8,601	1,161	15,918
Provision for bad debts	(12,722)	-	-	(32)	(38)	(12,652)
Trade receivables	**160,870**	**105,217**	**42,696**	**8,569**	**1,123**	**3,265**

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

Transactions deriving from non-recurring transactions

In accordance with the Consob Communication of July 28, 2006, it is specified that in the first half of 2023, the Group incurred costs relating to non-recurring transactions. In accordance with Consob Resolution no. 15519 of July 28, 2006, please note that "Other operating income/expense" includes Euro 1,770 thousand in net non-recurring costs, essentially referring to expenses linked to profit-sharing (element required by French and Mexican laws), the impact of the settlement agreement with the Customs Agency, the release of the provision for risks of Euro 1,600 thousand and the accrual of the 2023 portion of the LTI bonus for the years 2020, 2021 and 2022, elements that the Group considers among non-recurring costs, also in order to make it easier to identify them.

Transactions deriving from atypical and/or unusual transactions

In compliance with Consob Communication of July 28, 2006, in the first half of 2023 the Company carried out "atypical and/or unusual" transactions, as defined by such Communication as the two new French companies Capexo and Blampin Groupe have joined the Group, as discussed extensively above.

Accounting standards, amendments and IFRS interpretations applied from January 1, 2023

The following standards, interpretations and amendments to existing standards became applicable at January 1, 2023, with no significant effects on the Condensed Consolidated Half-Yearly Financial Statements:

- Amendments to IAS 1 - Classification of Liabilities as Current or Non-current — Deferral of Effective Date (IASB publication dates January 2020, July 2020);
- Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies (IASB publication date February 2021);
- Amendment to IAS 8 - Definition of Accounting Estimates (IASB publication date February 2021);
- Amendment to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction (IASB publication date May 2021);
- IFRS 17 - Insurance Contracts, including the amendments issued in June 2020 (IASB publication date May 2018). IFRS 17 is a new accounting standard for the recognition, measurement, presentation and disclosure of insurance contracts issued by an entity and/or reinsurance contracts held by an entity.
- Amendments to IFRS 17 and IFRS 9 - Initial Application of IFRS 17 and IFRS 9 - Comparative Information (IASB publication date December 2021);
- International Tax Reform - Pillar Two Model Rules (Amendments to IAS 12). The application of the amended IAS 12 results in disclosure requirements that are applicable to financial statements for annual reporting periods beginning on or after January 1, 2023, but not for any interim periods ending on or before December 31, 2023. The Orsero Group is required to apply the rules under consideration and is therefore potentially impacted by them. Accordingly, the Group constantly monitors the progress of legislation in Italy and in the countries where it has a presence. Analyses, including organizational and procedural ones, aimed at the future proper management of tax, are currently focused on mapping the Group's entities, their characteristics and the relative subjective information relevant to their classification, as well as identifying the main interpretation and application issues, including the examination of any available Safe Harbors. From the initial analyses conducted, by virtue of the application of the specific Safe Harbors and certain objective exemptions to the income presented by certain Group entities, it is reasonable to state that - at the moment - it is not expected that there will be any relevant taxable income to be subjected to the top-up tax as a result of the rules pertaining to Pillar Two coming into effect.

Accounting standards, IFRS and IFRIC amendments and interpretations published, but not yet adopted in advance at June 30, 2023

Below are the new standards or amendments to standards that are applicable for financial years beginning after January 1, 2023 for which early application is permitted. However, the Group decided not to adopt them in advance for the preparation of these Condensed Consolidated Half-Yearly Financial Statements.

As of January 1, 2024, the following will enter into effect:

- Amendments to IFRS 16 Leases - Lease liability in a sale and leaseback;
- Amendments to IAS 1 Presentation of financial statements on classification of non-current assets and liabilities with covenants.

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

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

NOTE 1. Goodwill

Goodwill was recorded for Euro 128,164 thousand (Euro 48,245 thousand at December 31, 2022).

Thousands of Euro	Goodwill
Carrying amount at December 31, 2022	**48,245**
Change of year:	
Investments	79,919
Disposal	-
Reclassification and impairment losses	-
Change of consolidation scope	-
Translation differences	-
Carrying amount at June 30, 2023	**128,164**

This item increased by Euro 79,919 thousand and is related to the effect of acquisitions as described in the "Business Combinations" section, which should be referred to for the details.
In accordance with IAS 36, this item is not subject to amortization, but to an impairment test on annual basis, or more frequently, if specific events and circumstances occur which may indicate impairment (Impairment Testing).
For the Financial Statements as at June 30, 2023, the Group verified that there were no situations/indicators representative of potential impairment of its assets, and so has decided not to carry out the impairment tests. It should be noted that, in the case of the two newly acquired French companies, the Group carried out the

Purchase Price Allocation exercise on the date of first consolidation (1 January 2023), which was resolved with a positive outcome with respect to the consideration transferred.

NOTE 2. Intangible assets other than goodwill

Thousands of Euro	Intellectual property rights	Concessions, licenses and trademarks	Assets in progress and advances	Other intangible assets	Total
Carrying amount	**10,325**	**12,211**	**167**	**924**	**23,627**
Accumulated amortization	**(3,478)**	**(9,249)**	**-**	**(881)**	**(13,607)**
Carrying amount at December 31, 2022	**6,848**	**2,962**	**167**	**43**	**10,020**
Change of year:					
Investments	756	45	22	3	826
Disposal - Carrying amount	(6)	-	-	(14)	(20)
Disposal - accumulated amortization	6	-	-	14	20
Reclassification - carrying amount	-	-	(4)	-	(4)
Reclassification - accumulated amortization	-	-	-	-	-
Changes of consolidated companies - Carrying amount	71	350	-	110	531
Changes of consolidated companies - accumulated amortization	(62)	(270)	-	(2)	(334)
Amortization	(468)	(305)	-	(8)	(780)
Carrying amount	**11,145**	**12,605**	**185**	**1,024**	**24,959**
Accumulated amortization	**(4,002)**	**(9,823)**	**-**	**(876)**	**(14,701)**
Carrying amount at June 30, 2023	**7,144**	**2,782**	**185**	**147**	**10,258**

In the first half of 2023, intangible assets other than goodwill increased by Euro 239 thousand as a result of investments of Euro 826 thousand, the net scope effect of Euro 197 thousand, reclassifications of Euro 4 thousand and amortization of Euro 780 thousand.
It should be noted that in the period in question, no changes in estimates were made in assessing the useful life of intangible assets other than goodwill or in the choice of the amortization method and no internal or external indicators of impairment of intangible assets were identified.
No intangible assets other than goodwill were reclassified as “Assets held for sale”.
The item Industrial patents and intellectual property rights shows costs incurred in connection with the software programs and the licenses the Group has obtained; the positive net change of Euro 296 thousand refers to investments of Euro 756 thousand and the net scope effect of Euro 8 thousand, against amortization of Euro 468 thousand.
The item Concessions, licenses and trademarks essentially reflects the amount paid as concession for the exercise of commercial activities (warehouses and points of sale) located within general markets, amortized based on the duration of the concession; costs of using licensed software programs, amortized on average over a three-year period; and commercial trademarks, amortized over 10 years. The decrease by Euro 180 thousand reflects amortization of Euro 305 thousand, partially offset by investments of Euro 45 thousand and a net scope effect of Euro 80 thousand.
The item Assets in progress and advances reflects the investments made during the year and not yet operational at the reporting date, essentially referring to the upgrades of the ERP systems in order to better meet the Group’s ever-growing needs.
Other intangible assets is a residual category that includes expenses incurred for the development of internal programs, amortized according to the respective periods of use.

NOTE 3. Property, plant and equipment

Thousands of Euro	Lands and buildings	Plantations	Plant and machinery	Industrial and comm. equipment	Other tangible assets	Assets in progress and advances	Total
Carrying amount	**128,776**	**3,275**	**288,931**	**15,231**	**25,062**	**4,246**	**465,521**
Accumulated depreciation	**(49,116)**	**(1,416)**	**(227,153)**	**(6,672)**	**(17,196)**	**-**	**(301,554)**
Balance at December 31,22	**79,660**	**1,859**	**61,778**	**8,559**	**7,866**	**4,246**	**163,967**
Change of year:							
Investments	5,213	-	1,391	197	1,479	2,813	11,092
Disposal - Carrying amount	(2,456)	-	(470)	(234)	(616)	(63)	(3,840)
Disposal - accumulated depreciation	2,437	-	343	234	505	-	3,520
Reclassification - carrying amount	51	-	516	-	5	(568)	3
Reclassification - accumulated depreciation	-	-	-	-	1	-	1
Changes of consolidated companies - Carrying amount	8,496	-	12,161	-	2,500	-	23,157
Changes of consolidated companies - accumulated depreciation	(215)	-	(7,182)	-	(1,578)	-	(8,975)
Translation differences - carrying amount	195	150	347	6	72	-	771
Translation differences - accumulated depreciation	(103)	(65)	(210)	(6)	(50)	-	(434)
Depreciation	(3,893)	(107)	(7,629)	(1,564)	(1,447)	-	(14,639)
Carrying amount	**140,275**	**3,426**	**302,875**	**15,201**	**28,501**	**6,427**	**496,705**
Accumulated depreciation	**(50,890)**	**(1,588)**	**(241,831)**	**(8,008)**	**(19,764)**	**-**	**(322,082)**
Balance at June 30,23	**89,384**	**1,838**	**61,044**	**7,193**	**8,737**	**6,427**	**174,623**

At June 30, 2023, property, plant and equipment totaled Euro 174,623 thousand, up by Euro 10,656 thousand compared to the balance as at December 31, 2022 as a result of:

- investments of Euro 11,092 thousand (of which Euro 5,822 thousand in rights of use), broken down as follows: “Distribution” for Euro 10,143 thousand (of which Euro 5,301 thousand for rights of use due to the scope effect), “Shipping” for Euro 520 thousand (of which Euro 303 thousand for rights of use), “Holding & Services” for Euro 429 thousand (of which Euro 217 thousand for rights of use);
- change in the scope of consolidation for a net Euro 14,182 thousand (including Euro 8,438 thousand in rights of use) following the entry of the two newly acquired French companies;
- depreciation for the period, Euro 14,639 thousand;
- asset disposals for a net amount of Euro 320 thousand;
- increase due to the net exchange rate effect of Euro 337 thousand, for the most part referring to the assets of the Mexico-based companies following the revaluation the Mexican Peso which went from 20.856 Pesos/Euro at December 31, 2022 to 18.561 Pesos/Euro at June 30, 2023.

LAND AND BUILDINGS
The change in the period showed a total net increase of Euro 9,725 thousand, primarily generated by investments for Euro 5,213 thousand (of which Euro 4,841 thousand for rights of use) and the change in the scope of consolidation for a net Euro 8,282 thousand, partially offset by depreciation of Euro 3,893 thousand.

"Basic" investments for the period amounted to Euro 371 thousand and essentially regarded the refurbishment and expansion of the offices in Greece and France, plus Euro 4,841 thousand for new contracts, rather than renewals and/or extensions, for the rental of warehouses and offices subject to IFRS 16. It should be noted that the main investment in the first half of the year linked to accounting according to IFRS 16 relates to the renewal of the Italian concession regarding the Florence warehouse.
Within this category, the value of land amounted to Euro 13,339 thousand, stated on the basis of the original sale and purchase deeds where existing or separated from the general purchase price of the building on the basis of percentages close to 20%.

PLANTATIONS
The item in question saw a decrease of Euro 21 thousand, linked to depreciation for the year of Euro 107 thousand, partially offset by the revaluation of the Mexican peso, for a net amount of Euro 86 thousand.

PLANT AND MACHINERY
This line item includes cold rooms, banana ripening rooms, plants for product calibration and packaging, fruit storage and packaging facilities (Distribution sector) and ships (Shipping sector).
In the first half of the year, this category of assets showed a decrease of Euro 734 thousand due to depreciation of Euro 7,629 thousand, partially offset by the net effect of the change in the scope of consolidation of Euro 4,978 thousand and investments of Euro 1,391 thousand that mainly regarded renewals and improvements at the Italian and Spanish warehouses and at other sites, in addition to the normal investments made to renew the equipment in the various Group warehouses.
Because of their significance, also in this half-year report the management tested the values of the four "Cale Rosse" vessels for impairment, without identifying any need to write down the value of such vessels due to the good business performance mentioned above.

INDUSTRIAL AND COMMERCIAL EQUIPMENT
In this segment, mainly represented by the container fleet of the Shipping Company operated under long-term leases, and therefore subject to IFRS 16, the decrease of Euro 1,366 thousand originates from depreciation of Euro 1,564 thousand, partially offset by investments of Euro 197 thousand.

OTHER TANGIBLE ASSETS
The item includes the assets owned by the Group such as furniture and furnishings, computer and electronic equipment, car fleet, etc.
The increase of Euro 870 thousand for the period primarily reflects investments of Euro 1,479 thousand (of which Euro 817 thousand for IFRS 16 contracts) and the change in the scope of consolidation for Euro 922 thousand, partially offset by depreciation of Euro 1,447 thousand and disposals of Euro 111 thousand.

ASSETS IN PROGRESS AND ADVANCES
This account includes investments "in progress", largely represented by works and plants being completed at the warehouses in Alverca and Rungis.

At June 30, 2023, the Group verified that there were no internal or external indicators of possible impairment for its property, plant and equipment. Consequently, the value of Property, plant and equipment has not been subject to impairment testing.

LEASING – IFRS 16
To complement the information provided in the table above, details are provided below of changes in the amount of rights of use recognized by the Group for the first half of 2023.

Thousands of Euro	Lands and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible assets	Total
Carrying amount	**35,710**	**10,831**	**13,470**	**3,261**	**63,271**
Accumulated depreciation	**(10,361)**	**(5,492)**	**(5,323)**	**(1,158)**	**(22,334)**
Balance at December 31, 2022	**25,348**	**5,339**	**8,147**	**2,102**	**40,937**
Change:					
Perimeter of consolidation	8,282	-	-	156	8,438
Investments	4,841	-	163	817	5,822
Disposal - Carrying amount	(2,456)	(173)	(234)	(198)	(3,061)
Disposal - accumulated depreciation	2,437	173	234	191	3,035
Reclassification - Carrying amount	-	-	-	-	-
Reclassification - accumulated depreciation	-	-	-	-	-
Depreciations	(2,641)	(2,675)	(1,524)	(417)	(7,256)
Carrying amount	**46,376**	**10,657**	**13,399**	**4,037**	**74,469**
Accumulated depreciation	**(10,565)**	**(7,993)**	**(6,613)**	**(1,384)**	**(26,555)**
Balance at June 30, 2023	**35,811**	**2,664**	**6,787**	**2,652**	**47,915**

At June 30, 2023, the financial liability associated with the application of IFRS 16 amounted to Euro 48,567 thousand (compared to Euro 41,574 thousand at December 31, 2022), against a scope effect deriving from the two newly acquired French companies for Euro 8,438 thousand, increases of Euro 5,822 thousand for new contracts entered into in the first half of 2023, and decreases of Euro 7,240 thousand for payments for the period and Euro 26 thousand for reductions due to the suspension of lease/rental contracts.
At June 30, the current weighted average rate on contracts subject to IFRS 16 was 3.98%.
For the Group, the application of IFRS 16 has a significant impact in terms of net financial position and Adjusted EBITDA, given the existence of numerous warehouse and fruit and vegetable market point of sale concession and/or rental agreements, as well as operating leases on the fifth ship and on the reefer container fleet used by the shipping company, with an impact on Adjusted EBITDA at June 30, 2023 of Euro 8,139 thousand compared to Euro 7,088 thousand in the first half of 2022, with the difference essentially resulting from the inflation effect, which increased chartering costs and the scope effect relating to the two newly acquired French companies.

NOTE 4. Investments accounted for using the equity method

Thousands of Euro	Agricola Azzurra S.r.l.	Tirrenofruit S.r.l.	Moño Azul S.A.	Bonaoro S.L.U.	Fruport Tarragona S.L.	Total
Balance at 12.31.2022	**9,742**	**2,594**	**3,429**	**1,575**	**2,056**	**19,397**
Profit/loss	743	121	46	94	73	1,076
Investments	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Dividends	-	-	-	-	(707)	(707)
Other Changes	(11)	-	190	3	5	187
Balance at 06.30.2023	**10,474**	**2,715**	**3,665**	**1,672**	**1,426**	**19,953**

Investments in associates accounted for with the equity method amounted to a total of Euro 19,953 thousand at June 30, 2023, with a net increase of Euro 556 thousand mainly deriving from the positive pro-rata results achieved in the six-month period, especially that of Agricola Azzurra S.r.l., a company acquired, like Tirrenofruit S.r.l., as part of the strategy of strengthening of the Group's strategic positioning in the marketing of domestic fruit and vegetable products to the large retail channel. The overall change in this item under consideration was also caused by the distribution of dividends and other minor changes.
No indication of impairment has been seen for these equity investments.

NOTE 5. Non-current financial assets

Thousands of Euro	06.30.2023	12.31.2022	Change
Investments in other companies	974	723	251
Other non-current financial assets	5,532	4,903	628
Non-current financial assets	**6,505**	**5,626**	**879**

At June 30, 2023, this item includes other minor investments measured at cost which approximates fair value, security deposits as well as other medium-term receivables from third parties and associates.
The increase in the item “Other equity investments” is entirely due to the scope effect from the newly acquired French company Blampin Groupe, while “Other non-current financial assets” increased by Euro 628 thousand, linked mainly, for Euro 395 thousand, to the scope effect (Euro 530 thousand at January 1, 2023) and the higher positive value, amounting to Euro 214 thousand, of the mark-to-markets of interest rate hedging derivatives.
Please refer to Note 34 for details of the changes in transactions with associates included in “Other non-current financial assets.”

NOTE 6. Deferred tax assets

Thousands of Euro	06.30.2023	12.31.2022	Change
Deferred tax assets	**8,009**	**8,323**	**(314)**

Deferred tax assets at June 30, 2023, equal to Euro 8,009 thousand, consist of the items shown in the table below, while as concerns the breakdown and the changes in that item, please refer to the table below and Note 29 “Income Taxes”.

Thousands of Euro	06.30.2023	12.31.2022
Previous tax losses	5,230	5,397
Effect IAS 19	541	567
Depreciation/Goodwill/trademarks	554	571
Reductions in value and provisions	1,016	1,005
Financial derivatives	112	149
Others	555	635
Deferred tax assets	**8,009**	**8,323**

NOTE 7. Inventories

Thousands of Euro	06.30.2023	12.31.2022	Change
Raw materials, supplies and consumables	11,693	12,696	(1,002)
Biological Assets	2,020	54	1,967
Finished products and goods for resale	39,978	34,608	5,370
Inventories	**53,691**	**47,357**	**6,334**

At June 30, 2023, the value of inventories increased by Euro 6,334 thousand compared to December 31, typically due to seasonality and the scope effect from the newly acquired French companies for Euro 2,672 thousand (Euro 3,387 thousand at January 1, 2023). The increase was also caused by the measurement of the biological asset, represented by the Mexican company's production of avocados, still on the plant but now mature and ready for the sales campaign which typically takes place in the second half of the year.

NOTE 8. Trade receivables

Thousands of Euro	06.30.2023	12.31.2022	Change
Trade receivables from third parties	173,263	130,094	43,169
Receivables from subsidiaries and associates of the Group not fully consolidated	120	439	(319)
Receivables from related parties	208	218	(10)
Provision for bad debts	(12,722)	(11,644)	(1,078)
Trade receivables	**160,870**	**119,107**	**41,763**

All trade receivables are due within one year and derive from normal sales conditions. It should be noted that receivables are shown net of the provision for write-downs allocated over the years to cover bad or doubtful debts that are still in the Financial Statements pending the conclusion of the related bankruptcy proceedings or out-of-court settlement attempts. There are no receivables due beyond five years. It is believed that the provision for bad debts is appropriate to cope with the risk of potential non-collection of past due receivables.
At June 30, 2023, the item "Trade receivables" increased by Euro 41,763 thousand linked especially to the increase in the receivables of the distributor companies (also due to the consolidation of the two newly acquired French companies, which contributed Euro 29,556 thousand to the increase (Euro 28,315 thousand at January 1, 2023)), connected with the normal dynamics of the business which sees June 30 as the time of greatest increase in operating working capital along with the increase in unit sale prices as a result of inflation.
The balance of receivables due from related and associated Group companies mainly refers to normal trade receivables; an analysis of the positions is given in Note 34 on related parties.

The change in the provision for bad debts is reported below, which the Group prepares based on a realistic view of the actual recoverability of the individual receivables, as governed by IFRS 9 "Expected losses" and which is also inclusive of an amount of Euro 50 thousand relating to the more generic risk of non-collection of all financial assets posted to the Financial Statements.

Thousands of Euro	Provision for bad debts
Balance at December 31, 2022	**(11,644)**
Change of year	
Accruals	(460)
Utilizations	201
Change of consolidation scope	(782)
Others	(37)
Balance at June 30, 2023	**(12,722)**

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

Thousands of Euro	06.30.2023	12.31.2022	Change
Italy	70,724	57,832	12,892
EU countries	88,193	58,174	30,018
Non-Eu countries	1,953	3,101	(1,148)
Trade receivables	**160,870**	**119,107**	**41,763**

NOTE 9. Current tax assets

Thousands of Euro	06.30.2023	12.31.2022	Change
For value added tax	13,285	12,569	716
For income tax	3,574	4,360	(786)
Current tax assets	**16,859**	**16,929**	**(69)**

At June 30, 2023, tax assets showed an overall decrease of Euro 69 thousand, due to the decline in tax advances, of the effect of which was mitigated by the higher value of the VAT credit.

NOTE 10. Other receivables and other current assets

Thousands of Euro	06.30.2023	12.31.2022	Change
Advances to suppliers	7,372	5,635	1,737
Other receivables	6,876	5,085	1,791
Accruals and pre-payments	4,306	3,219	1,087
Current financial assets	191	217	(26)
Other receivables and other current assets	**18,745**	**14,156**	**4,589**

At June 30, 2023, the item had increased overall by Euro 4,589 thousand mainly due to the increase in advances to suppliers of Euro 1,737 thousand, the increase in other receivables of Euro 1,791 thousand due to an increase in the volume of products marketed which caused, especially in Spain, an increase in receivables from companies that supply packaging for foodstuffs, and an increase in accrued income and prepaid expenses mainly related to the recognition of accrued costs linked to insurances on the fleet of ships.
As already noted in previous reports starting from the 2017 Financial Statements, the balance of "Other receivables" was not affected by the receivable from the related party, Argentina S.r.l., for Euro 8,000 thousand, as it has been entirely written off (Note 34).
The item "Accrued and deferred assets" refers to the normal allocations for the recognition and proper allocation of costs related to the following year, typically insurance expenses, leases, and interest.

NOTE 11. Cash and cash equivalents

Thousands of Euro	06.30.2023	12.31.2022	Change
Cash and cash equivalents	**90,837**	**68,830**	**22,007**

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

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

The share capital at June 30, 2023, fully paid in, consisted of 17,682,500 shares without par value for a value of Euro 69,163,340; there are no preference shares. Holders of ordinary shares have the right to receive the dividends as they are resolved and, for each share held, have a vote to be cast in the Company's shareholders' meeting.
Shareholders' equity at June 30, 2023 increased compared to December 31, 2022, mainly as a result of the profit attributable to the shareholders of the parent company in the first half of 2023, which more than offset the payment of the dividend of Euro 0.35 per share approved by the Shareholders' Meeting on April 26.
At June 30, 2023, Orsero held 477,514 treasury shares, equal to 2.70% of the share capital, for a value of Euro 4,788 thousand, shown as a direct decrease in shareholders' equity. As at June 30, 2023, the Group does not hold, directly or indirectly, shares in parent companies and it did not acquire or sell shares in parent companies during the year.

The share premium reserve comes to Euro 77,438 thousand at June 30, 2023, whilst the legal reserve is Euro 1,360 thousand, after the allocation of Euro 363 thousand from the result for the year 2022 approved by the Shareholders' Meeting.
The exchange rate difference conversion reserve incorporates all the foreign exchange differences resulting from the conversion over time of the financial statements of foreign companies.
It should be noted that the cash flow hedging reserve of Euro 963 thousand (positive) shows the value at June 30, 2023 of the mark-to-market of derivatives, net of the tax effect as indicated in the statement of comprehensive income, on bunker for Euro 90 thousand (negative fair value), on USD exchange rates for Euro 356 thousand (negative fair value) and on interest rates for Euro 1,409 thousand (positive fair value), all accounted for using the cash flow hedging method. The reserve from the revaluation of defined-benefit plans, established in compliance with the application of IAS 19, is in line with December 31, 2023.
The Shareholders' Meeting of April 26, 2023 resolved to allocate the profit for the year of Euro 7,261,081 as proposed by the Board of Directors and in particular to distribute an ordinary monetary dividend of Euro 0.35 per share, gross of withholding taxes, for each existing share entitled to receive a dividend, thus excluding from the calculation 477,514 treasury shares held by the company, for a total dividend of Euro 6,022 thousand. The ex-dividend date was May 8, 2023, the record date was May 9 and payments began on May 10, 2023.
The consolidated statement of changes in shareholders' equity, included in the consolidated financial statements to which reference is made, illustrates the changes between December 31, 2021 and June 30, 2022 and between December 31, 2022 and June 30, 2023, of the individual reserve items.
The following is a reconciliation as at June 30, 2023 between the Parent Company's equity and consolidated equity and between the Parent Company's profit for the period and consolidated profit for the period.

Thousands of Euro	Share capital and reserves 30.06.2023	Profit/loss at 30.06.2023	Shareholders' equity at 30.06.2023
Orsero S.p.A. (Parent company)	**144,554**	**15,201**	**159,755**
The difference between the carrying amount and the corresponding equity	(103,715)	-	(103,715)
Pro-quota gains/losses achieved by subsidiaries	-	37,555	37,555
Pro-quota recognition of associated companies consolidated using the equity method	773	1,076	1,849
Dividends distributed by consolidated companies to the Parent company	22,000	(22,000)	-
Consolidation differences	127,273	-	127,273
Elimination of capital gain and/or other transactions carried out by subsidiaries	5,266	16	5,281
Total Group equity and net profit attributable to Parent company	**196,150**	**31,847**	**227,998**
Minority interests and net profit attributable to non-controlling interests	837	539	1,376
Total shareholders' equity and profit/loss	**196,987**	**32,386**	**229,374**

NOTE 13. Non-controlling interests

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

Companies consolidated (figures in thousands of Euro)	% non-controlling interests	Capital and reserves	Profit/ (Loss)	Non-controlling interests
Productores Aguacate Jalisco S.A.C.V.	30.00%	459	213	672
Blampin Groupe	6.70%	375	326	701
Kiwisol LDA	0.25%	3	-	3

NOTE 14. Financial liabilities

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

Thousands of Euro	06.30.2023	12.31.2022	Change
Bond payables (over 12 months)	25,000	25,000	-
Non-current medium term bank loans (over 12 months)	88,700	44,838	43,862
Non-current other lenders (over 12 months)	1,004	1,424	(420)
Non-current other lenders (over 12 months) IFRS 16	38,082	29,834	8,248
Non-current liabilities for derivative (over 12 months)	-	-	-
Non-current payables for price balance on acquisitions (over 12 months)	21,794	-	21,794
Non - current financial liabilities	**174,580**	**101,096**	**73,484**
Bond payables (current)	5,000	5,000	-
Current medium term bank loans	24,035	11,805	12,230
Bank overdrafts	6,678	3,933	2,745
Current other lenders	858	940	(82)
Current other lenders IFRS 16	10,485	11,740	(1,255)
Other current lenders short term	1,935	1,051	884
Current liabilities for the derivatives	558	619	(61)
Current payables for price balance on acquisitions	4,605	1,700	2,905
Current financial liabilities	**54,154**	**36,789**	**17,366**

The change in the first half of 2023 by a total of Euro 90,850 thousand (between non-current and current) reflects the main components mostly related to medium-term loans as detailed below:

- disbursement on January 10, 2023 of the second and third tranches of the new loan (totaling Euro 90.000 thousand) amounting to Euro 56,244 thousand (including Euro 456 thousand in relation to the amortized cost), intended to support the financial outlay associated with the two French acquisitions. Please note that this loan is subject to covenants calculated as the ratio between the net financial position and Adjusted EBITDA and the net financial position and shareholders' equity at the reporting date, which were fully respected.
- the payment by the Parent Company of the June 30 installment of Euro 2,775 thousand of the new 2022-2028 ESG-linked pool loan, along with Euro 161 thousand accounted for as implicit interest resulting from the recognition of the item with the amortized cost method. Please recall that at June 30, a hedge is in place on 43% of that loan against interest rate fluctuations, for which the mark-to-market value is a positive Euro 772 thousand. This loan is subject to respect for financial covenants, verified on an annual basis;
- the payment of Euro 549 thousand in interest on the debenture loan of Euro 30,000 thousand (recall that the first principal installment will be due in October 2023). Please also note that the debenture loan calls for compliance with the financial covenants, such as the ratio between the net financial position and Adjusted EBITDA and the net financial position and shareholders' equity at the reporting date; as at this date, full compliance was noted;
- the repayment by the Parent Company of the installment for Euro 520 thousand due on the Crédit Agricole loan. It should be noted that an IRS hedge has been activated on this loan for 100% of the loan value (Euro 5,500 thousand), the mark-to-market value of which at June 30, 2023 is a positive Euro 390 thousand;
- the payment of Euro 287 thousand for the installment falling due on the Credem loan;
- the payment of Euro 376 thousand for the installment falling due on the BPER Banca loan;
- the regular repayment by the company Fruttital of maturing loan installments of Euro 1,233 thousand. Please note that at June 30, a hedge is in place on 85% of the pool loan originally for Euro 15,000 thousand

against interest rate fluctuations, for which the mark to market value is a positive Euro 692 thousand. This loan is subject to respect for financial covenants, verified on an annual basis;

- for AZ France S.A.S., the regular repayment of loan installments falling due for a total of Euro 458 thousand;
- the payment by the Company Thor S.r.l. of Euro 253 thousand with the early full repayment of the outstanding loan;
- the regular repayment at maturity of outstanding loans by Hermanos Fernández López S.A. for Euro 299 thousand;
- the repayments at maturity by Cosiarma S.p.A. of loan installments for Euro 252 thousand;
- increase in the payable due to the change in the scope of consolidation after the acquisition of Capexo for Euro 3,078 thousand and the payment of mortgage installments of Euro 503 thousand;
- increase in the payable due to the change in the scope of consolidation after the acquisition of Blampin Groupe for Euro 4,154 thousand and the payment of mortgage installments of Euro 591 thousand;
- payments on finance lease contracts by Hermanos Fernández López S.A. amounting to Euro 441 thousand;
- the payment of finance leases for the company Eurofrutas for Euro 53 thousand;
- the regular repayment of the lease installments of the Mexican company Productores Aguacate Jalisco for Euro 8 thousand;
- within the item other financial payables, the IFRS 16 component is equal to Euro 48,567 thousand, against a scope effect following the acquisition of Blampin Groupe and Capexo of Euro 8,438 thousand, increases totaling Euro 5,822 thousand linked to new contracts, renewals and rent adjustments agreed to in the first half of 2023, payments for Euro 7,240 thousand and write-offs following the early termination of contracts for Euro 26 thousand;
- increase in the item price shares to be paid on acquisitions from Euro 1,700 thousand to the current Euro 26,400 thousand (of which Euro 4,605 thousand is current), mainly related for Euro 26,240 to the recognition of contingent consideration linked to the two acquisitions, the recognition of the liability for the put/call option of 13.3%, partially offset by the payment of the balance of the price for the acquisition of Agricola Azzurra in January 2023 for Euro 1,700 thousand and the recognition of interest of Euro 160 thousand relating to the discounting of the put/call option;
- between December 31, 2022 and June 30, 2023, with reference to mark-to-market on hedging derivatives, there was an improvement by a total of Euro 61 thousand due to the different market situation. The mark-to-market value at June 30, 2023 is negative for Euro 468 thousand for foreign exchange hedging and negative for Euro 90 thousand for bunker hedging.

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

- Orsero debenture loan for an original Euro 30 million, falling due in 2028;
- Orsero pool loan for an original Euro 90 million, falling due in 2028;
- Fruttital pool mortgage loan for an original Euro 15 million, falling due in 2029;
- La Caixa loan in Fruttital for an original Euro 2.6 million, falling due in August 2023;
- Banque Populaire loan in AZ France for an original amount of Euro 0.9 million, falling due in 2024;
- Banque Populaire loan in AZ France for an original amount of Euro 1.4 million, falling due in 2027;
- Credit Lyonnais loan in AZ France for an original Euro 0.8 million, falling due in 2025;
- Credit Lyonnais mortgage loan in AZ France for an original Euro 1.65 million, falling due in 2029;
- La Caixa loan in Hermanos Fernández López originally for Euro 0.5 million, falling due in 2024;
- Comercializadora de Frutas Acapulco regarding the opening of credit facilities on a Banamex revolving mortgage current account for USD 700 thousand, falling due in 2023.

The schedule of medium-term debt to banks and other lenders at December 31, 2022 and June 30, 2023 is detailed in the following table, organized in two columns (due by June 30, 2024 and due beyond June 30, 2024, the latter in turn broken down by amounts due by June 30, 2028 and amount due after said date) to provide a better comparison with the previous table.

Thousands of Euro	Total	30.06.24	> 30.06.24		30.06.24-30.06.28	> 30.06.28
Bond payables (Non-current/current)	30,000	5,000	25,000	as follows	20,000	5,000
Medium term bank loans (Non - current/ current)	112,734	24,035	88,700		86,720	1,980
Other lenders (Non - current/ current)	1,862	858	1,004		1,004	-
Other lenders (Non - current/ current) IFRS 16	48,567	10,485	38,082		20,041	18,041
Liabilities for the derivatives (Non-current/current)	558	558	-		-	-
Bank overdrafts	6,678	6,678	-		-	-
Other current lenders short term	1,935	1,935	-		-	-
Payables for price balance on acquisitions (Non-current/current)	26,400	4,605	21,794		21,794	-
Non-current/current financial liabilities at 06.30.2023	**228,735**	**54,154**	**174,580**		**149,559**	**25,021**

Thousands of Euro	Total	2023	> 31.12.23		2024-2027	> 31.12.27
Bond payables (Non-current/current)	30,000	5,000	25,000	as follows	20,000	5,000
Medium term bank loans (Non - current/ current)	56,643	11,805	44,838		39,430	5,408
Other lenders (Non - current/ current)	2,364	940	1,423		1,423	-
Other lenders (Non - current/ current) IFRS 16	41,574	11,740	29,834		12,793	17,040
Liabilities for the derivatives (Non-current/current)	619	619	-		-	-
Bank overdrafts	3,933	3,933	-		-	-
Other current lenders short term	1,051	1,051	-		-	-
Payables for price balance on acquisitions (Non-current/current)	1,700	1,700	-		-	-
Non-current/current financial liabilities at 12.31.2022	**137,884**	**36,789**	**101,096**		**73,646**	**27,449**

At June 30, 2023, the following are in place: (i) a hedge on part of bunker consumption of the ship-owning company, the mark-to-market of which at the reporting date is negative and equal to Euro 90 thousand; (ii) a hedge on interest rates on the pool loan originally for Euro 90 million, the mark-to-market of which at the reporting date is positive and equal to Euro 772 thousand, one on the loan originally for Euro 5.5 million, the mark-to-market of which was positive and equal to Euro 390 thousand at the reporting date and another hedge on interest rates on the pool loan originally for Euro 15,000 thousand, taken out by Fruttital S.r.l., the mark-to-market of which at the reporting date is positive and equal to Euro 692 thousand; (iii) a hedge on purchases in USD, the mark-to-market of which is negative and equal to Euro 468 thousand.

Please note that in view of the loans granted, as at June 30, 2023, mortgages were posted on corporate assets, as follows:

- Fruttital S.r.l.: mortgage on three former NBI warehouses acquired in January 2020 for an amount equal to the residual value of the loan;
- AZ France S.A.S.: mortgage on the property in the favor of Credit Lyonnais for an amount equal to the residual loan value;
- Comercializadora de Frutas Acapulco mortgage on land and buildings regarding the opening of credit facilities on a Banamex revolving mortgage current account for USD 700 thousand.

Please note that some loan contracts and the debenture loan envisage compliance with financial and equity covenants, summarized in the table below. In most cases, a verification of respect for the covenants is required at the annual reporting date. Please note that the financial covenants existing on the bond and pool loans must be counted, as envisaged by the related contracts, on a net financial position that excludes the application of

IFRS 16 for the entire term of said loans. The debenture loan also calls for respect for the financial parameters at June 30; the latter, at June 30, 2023, were respected in full.

Thousands of Euro	Duration	Period	Parameter	Limit	Respected
Bond payables 30 M€ - Parent company	2018-2028	Annually/ Half-yearly	Net financial position / Total Shareholders' Equity	<1.25	Yes
Bond payables 30 M€ - Parent company	2018-2028	Annually/ Half-yearly	Net Financial Position / Adjusted EBITDA	<3/4*	Yes
Bond payables 30 M€ - Parent company	2018-2028	Annually/ Half-yearly	Adjusted EBITDA/ Net financial expenses	>5	Yes
Pool loan 90 M€ - Parent company	2022-2028	Annually	Net financial position / Total Shareholders' Equity	<1.5	Yes
Pool loan 90 M€ - Parent company	2022-2028	Annually	Net Financial Position / Adjusted EBITDA	<3.25	Yes
Medium term loan 15 M€ - Fruttital	2020-2029	Annually	Net financial position / Total Shareholders' Equity	<1.5	Yes
Medium term loan 15 M€ - Fruttital	2020-2029	Annually	Net Financial Position / Adjusted EBITDA	<3.0	Yes

* The former parameter must be met on annual verification while the latter on a semi-annual basis

In accordance with the new guidelines prepared by ESMA, published in the note dated March 4, 2021, and adopted by CONSOB in warning notice no. 5/21 dated April 29, 2021, the table below shows the Net Financial Position, also "Total Financial Indebtedness", of the Group as at June 30, 2023, compared with December 31, 2022.

Thousands of Euro		06.30.2023	12.31.2022
A	Cash	90,837	68,830
B	Cash equivalents	11	10
C	Other current financial assets	1,853	1,666
D	**Liquidity (A + B + C)**	**92,701**	**70,506**
E	Current financial debt*	(13,776)	(7,303)
F	Current portion of non-current financial debt **	(40,378)	(29,486)
G	**Current financial indebtedness (E + F)**	**(54,154)**	**(36,789)**
H	**Net current financial indebtedness (G - D)**	**38,546**	**33,717**
I	Non-current financial debt ***	(149,580)	(76,096)
J	debt instruments	(25,000)	(25,000)
K	Non-current trade and other payables	-	-
L	**Non-current financial indebtedness (I + J + K)**	**(174,580)**	**(101,096)**
M	**Total financial indebtedness (H + L)**	**(136,034)**	**(67,379)**

* Debt instruments are included, but the current portion of non-current financial debt is excluded.
** includes payables for rental and lease agreements under IFRS 16 for Euro 10,485 thousand at June 30, 2023 and Euro 11,740 thousand at December 31, 2022
*** Debt instruments are excluded. Includes payables for rental and lease agreements under IFRS 16 for Euro 38,082 thousand at June 30, 2023 and Euro 29,834 thousand at December 31, 2022.

The separate, specific indication of the debt component linked to the application of IFRS 16 serves to represent the measurement of the Net Financial Position "prior to IFRS 16" at the reporting date, which amounted to Euro 87,466 thousand (data from Euro 136,034 thousand minus Euro 10,485 thousand short-term minus Euro 38,082 thousand medium/long-term) and 25,805 thousand (data from Euro 67,379 thousand minus Euro 11,740 thousand short-term minus Euro 29,834 thousand medium/long-term), respectively, used in calculating the covenants on long-term bank and bond loan agreements.

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

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

Thousands of Euro	06.30.2023	12.31.2022
Cash flow from operating activities	40,298	54,870
Cash flow from investing activities	(55,770)	(31,073)
Cash flow from financing activities	37,479	(10,012)
Increase/decrease in cash and cash equivalent	22,007	13,786
Net cash and cash equivalents, at beginning of the period	**68,830**	**55,043**
Net cash and cash equivalents, at end of the period	**90,837**	**68,830**

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

Cash flow from financing activities – thousands of Euro	12.31.22	New loans	Repayments	Cash Flow	Derivatives	Changes of consolidation scope	Ex-rate changes/ others	06.30.23
Bond payables (over 12 months)	30,000	-	-	-	-	-	-	30,000
Non-current medium term bank loans	56,643	56,244	(7,386)	-	-	7,233		112,734
Non-current other lenders (over 12 months)	2,364	-	(503)	-	-	-	-	1,862
IFRS 16 Effect	41,574	5,822	(7,266)	-	-	8,438	-	48,567
Factor	1,051	1,843	(1,051)	-	-	-	-	1,843
Current other lenders short term*	-	92	(7,306)	-	-	7,306	-	92
Current liabilities for the derivatives	619	-	-	-	(61)	-	-	558
Bank overdrafts	3,933	-	-	2,744	-	2	-	6,678
Payables for price balance on acquisitions (Non current-current)	1,700	26,240	(1,940)	-	-	400	-	26,400
Current financial assets	(1,676)		-	206	(395)	-		(1,864)
Total	**136,209**	**90,241**	**(25,452)**	**2,950**	**(456)**	**23,378**	**-**	**226,870**

NOTE 15. Other non-current liabilities

Thousands of Euro	06.30.2023	12.31.2022	Change
Other non-current liabilities	**628**	**735**	**(107)**

"Other non-current liabilities" amounted to Euro 628 thousand as at June 30, 2023, with a decrease of Euro 107 thousand relative to December 31, 2022, mainly due to the reduction of deferred income expected to be released to the income statement in future years.

NOTE 16. Deferred tax liabilities

Thousands of Euro	06.30.2023	12.31.2022	Change
Deferred tax liabilities	4,742	4,593	149

At June 30, 2023, the item increased by Euro 149 thousand, for the most part related to the recognition of deferred taxes of the newly acquired company Blampin Groupe. For further details, reference is made to Note 29 "Income taxes".

NOTE 17. Provisions

Thousands of Euro	06.30.2023	12.31.2022	Change
Provision for the return of containers	3,845	3,545	300
Provisions for risks and charges	716	2,213	(1,497)
Provisions	**4,562**	**5,759**	**(1,197)**

The item "Provisions for risks and charges" includes provisions made on the basis of the disputes existing as at June 30, 2023 in the various Group companies, which are the result of accurate estimates made by the Directors, while the "Provision for container returns" includes the provision set up for the expected maintenance costs to be incurred when the containers used in shipping activities are returned at the end of the contract.
The change in the first half of the year in the provision for the return of containers reflects the periodic accrual, while provisions for risks and charges were used for Euro 159 thousand, for the most part linked to the settlement of labor disputes, the release of the provision for Euro 1,600 thousand (as mentioned several times within this report), the change of scope effect for Euro 163 thousand and accruals totaling Euro 100 thousand.
With regard to other risks as highlighted in the December 2022 Financial Statements, please take note of the changes described below.

Customs dispute
Regarding the dispute with the Savona Customs Agency for Simba and Fresco, concerning certain banana imports made by the Group in the years 1997 to 2001, decisive steps were taken toward its resolution during the first half of 2023 as explained below. Please recall that with regard to these proceedings, in 2020 Simba S.p.A. took out a Litigation Buy-out Insurance Policy aimed at covering the possible impact of an adverse outcome in the proceedings. Pending the resumption of the case before the Tax Court, the insurance company exercised its right to terminate the insurance contract and denied any coverage for the claim, contravening what is defined in the contract and forcing Simba to take legal action in order to have its insurance coverage obligations under the LBO Policy met. In this situation and taking into account the intervening notification in May 2023 of numerous payment notices relating to the latest procedural developments concerning the referral of the litigation to the Regional Tax Commission, Simba - regardless of the actions against the Insurance Company - took action through its attorneys to try to reach a settlement agreement with the Customs Agency, which was then signed on June 29, 2023, to settle the entire dispute, with the resulting abandonment of all pending litigation. It should be noted that this settlement does not constitute any acknowledgment of liability in terms of conduct, nor does it constitute any admission concerning the merits of the claims and/or demands and/or actions brought against it by the Agency. Under the terms of the agreement, Simba has committed to the payment, for full and final settlement of any further claims by the entity, of the residual tax amounting to Euro 2,732 thousand, substantially referring to customs duties. The agreement establishes the Agency's waiver of the collection of interest on the duties in the amount of Euro 3,022 thousand and the return to Simba of interest collected and paid to the Revenue Agency as a result of the previous execution relating to judgment no. 160/2012 in the amount of Euro 254 thousand.
The settlement turned out to be very positive for the Group, which was thus able to resolve a long-standing dispute with the Customs Agency that had been going on for 20 years with the associated ancillary costs, both internal and legal in nature, and was able to do so against a potential risk that would have exceeded even the limit of the amounts insured through the LBO policy (the total potential risk in the event of losing the case in

final judgment at the date of notification of the individual demands for payment in 2009, would have amounted to an initial EUR 4.6 million for duties and VAT (reduced to EUR 2.9 million following the latest developments in the proceedings) plus interest and ancillary costs of approximately EUR 3.5 million, to which further interest would be added until the settlement of the litigation, thus exceeding the maximum insured amount). Furthermore, as it relates to customs duties, this settlement is fully tax deductible and therefore even more cost effective from the financial perspective.

On the other hand please note, with respect to the provision for risks of Euro 1,600 thousand, as already set forth in the 2022 financial statements, in July 2022 the Joint Divisions of the Court of Cassation partially upheld the appeal, setting aside the appealed judgment and referring the case to the Venice Court of Appeals, in a different composition, and the State's attorney continued the proceedings with vocatio in December 2023. However, in view of the fact that the claim for damages was constructed and based by the Authorities substantially only on the amount of the alleged evaded duties and the ruling of the Joint Divisions, cited above, completely disregarded this reasoning, as of today the possibility for the Authorities to manage to meet the burden of proof incumbent on them even specifically with reference to the quantification of the damages claimed and therefore obtain a judgment of compensation for damages in their favor appears to be remote. During the first half of 2023, following the updated analysis of this judgement with the support of the Group's consultants, the remote risk was confirmed in this regard and therefore the company decided to release the provision. It should also be noted that the release of this provision generated a non-taxable contingent asset for income tax purposes.

NOTE 18. Employee benefits liabilities

A statement of changes in the liabilities for employee benefits at June 30, 2023 is attached.

Thousands of Euro	Employees benefits liabilities
Balance at December 31, 2022	**8,297**
Change of year:	
Accruals	335
Benefits paid and transferred	(756)
Interest cost	(18)
Gain/losses resulting from changes in actuarial assumptions	-
Change of consolidation scope	30
Other changes	37
Balance at June 30, 2023	**7,925**

The liability relative to the provision for employee benefits refers to the Italian and foreign companies of the Group, in accordance with the various national regulations, and essentially includes employee severance indemnity accrued by employees in service at June 30, net of advances paid to employees. In accordance with IAS 19, the Provision for employee benefits is measured using the actuarial valuation methodology.

The main financial and demographic assumptions utilized in determining the present value of the liability relating to the Provision for employee benefits are described below; for the preparation of the Condensed Consolidated Half-Yearly Financial Statements, the financial and demographic assumptions used for the Financial Statements as at December 31, 2022 were deemed adequate and therefore utilized.

Discount rate	
Italy	Cosiarma, Fresco e Orsero Servizi 3.762%, Fruttital 3.599%, Orsero, Galandi and Simba 3.655%
France, Portugal	3.655%
Spain	Barcellona 3,702%, Alicante and Madrid 3,732%, Siviglia and Tarragona 3,762%,
Greece	3,599%
Mexico	Iboox GEMX Aggregate 5-7 as of 30th December

	2022_Acapulco:9.265%, Jalisco: 10.786%
Inflation rate	
Italy	2023: 3.0%, 2024: 2.5%, 2025 and following: 2.0%
France, Greece, Spain, Portugal	Includes in the salary increases except Mexico
Mexico	n.a.
Mean withdrawal rate	
Italy	Cosiarma and Simba 1.5%, Fresco 2.0%, Fruttital e Orsero Servizi 2.5%, Galandi 3.0% e Orsero 3.5%
Mean withdrawal rate	
Italy	Simba 50.0%, Orsero 55,0%, Cosiarma, Fruttital, Galandi, Orsero Servizi and Fresco 70,0%
Salary increases (included inflation)	
Italy	Equal to inflation
France, Portugal, Spain, Greece	2023: 3.0%, 2024: 2.5%, 2025 and following: 2.0%
Mexico	n.a.
Mortality rate	
Italy	SIMF 2021
Mexico	Mexico Life Table 2019
Spain	Spanish Life Table 2020
Portugal	Portugal Life Table 2021
Greece	Greek Life table 2019
France	France Life Table 2020
Access to retirement	
Italy	Minimum access requirements required by Monti-Forner Law
Portugal, Spain, Mexico, Greece, France	Minimum access requirements required by the actual law
Probability of termination	
Italy	Cosiarma 3.0%, Orsero Servizi 3.5%, Fresco 4.0%, Galandi 5.2%, Fruttital and Orsero 6.5% and Simba 8.0%
France	Blampin Groupe 7.0%, AZ France and Capexo 10.0%
Greece	White Collar 6.50%, Blue Collar 7.50%
Spain	Barcellona 4.5%, Alicante 5.5%, Tarragona 3.5%, Siviglia and Madrid 7.5%
Portugal	7.00%
Mexico	Acapulco 7.0%, Jalisco 6.5%

NOTE 19. Trade payables

Thousands of Euro	06.30.2023	12.31.2022	Change
Payables to suppliers	172,552	131,432	41,120
Payables to subsidiaries and associates of the Group not fully consolidated	3,075	2,448	627
Payables to related parties	513	927	(413)
Trade payables	**176,141**	**134,807**	**41,334**

There are no trade payables with a residual maturity of more than 5 years recognized in the Financial Statements. As at June 30, 2023, there are no past-due payables of significant value.

At June 30, 2023, the net increase of the item amounted to Euro 41,334 thousand nearly entirely as a result of the increase of Euro 41,120 thousand in payables to suppliers (also due to the consolidation of the two newly acquired French companies, which contributed Euro 25,610 thousand to the increase; Euro 22,673 thousand at January 1, 2023) and Euro 627 thousand in payables to associated companies, effects mitigated to a minimal extent by a decrease of Euro 413 thousand in payables to related companies of the Group. In order to make the data easier to understand, payables to natural person related parties for salaries and/or remuneration of company officers are shown in the respective categories.
As in the case of trade receivables, the sharp increase in payables compared to December 31, 2022 reflects the seasonality of the Group's business as well as the increase in the prices of goods and services due to inflation.

The geographic breakdown of the payables is as follows:

Thousands of Euro	06.30.2023	12.31.2022	Change
Italy	85,528	71,230	14,298
EU countries	88,076	58,856	29,220
Non-Eu countries	2,537	4,721	(2,184)
Trade payables	**176,141**	**134,807**	**41,334**

NOTE 20. Current tax liabilities

Thousands of Euro	06.30.2023	12.31.2022	Change
For value added tax (VAT)	1,135	718	416
For income tax of the year	3,071	1,415	1,657
For withholding tax	1,373	1,307	65
For indirect taxes and others	1,544	1,289	255
Current tax liabilities	**7,123**	**4,730**	**2,393**

At June 30, 2023, this item showed a balance of Euro 7,123 thousand, up by a total of Euro 2,393 thousand compared to the balance at December 31, 2022, as a result of the increase in payables for VAT (Euro 416 thousand) and taxes (Euro 1,657 thousand), of which for this last item Euro 698 thousand is associated with the scope effect from the two newly acquired companies.

There are currently no past due amounts related to the item in question.

NOTE 21. Other current liabilities

Thousands of Euro	06.30.2023	12.31.2022	Change
Social security contributions	5,536	3,474	2,062
Payables to personnel	13,146	12,213	933
Payables relating to operations on behalf of third parties	1,137	682	455
Other current payables	8,594	6,211	2,383
Accrued expenses and deferred income	873	1,089	(216)
Other current liabilities	**29,286**	**23,669**	**5,617**

At June 30, 2023, “Other current liabilities” showed an increase of Euro 5,617 thousand, originating primarily from the increase in the items payables to social security institutions, other payables and payables to personnel. The increase in “Public Social Security Institutions” is mainly related to the scope effect from the two newly acquired companies. It should also be noted that in the category “Other payables,” the increase was mainly caused by the payable recorded by the fruit and vegetable importing company as a result of the settlement agreement signed with Customs Agency, paid in early July.
Payables to personnel relate to current items for June, as well as accrued and unused holidays, 13th month accruals and the estimated profit-sharing institutionally due to the workforce of the French and Mexican

companies on the basis of local regulations. The increase compared to December 2022 was due to an increase in headcount, especially in the Distribution sector, as a result of the consolidation of the two newly acquired French companies (238 employees for Blampin Groupe and 54 employees for Capexo), offset by a lower payable as a result of the payment of the 2022 MBO and 2020-2022 LTI bonuses to Top Managers in accordance with the LTI Plan.
It should be noted that as at June 30, 2023 other current liabilities include payables to natural person related parties for a total of Euro 1,774 thousand linked to remuneration for employment, remuneration as members of the Board of Directors and Board of Statutory Auditors of the parent company and provisions for key manager LTI bonuses.

NOTE 22. Segment reporting

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

Thousands of Euro	1st Semester 2023				
	Distribution	Shipping	Holding & Services	Eliminations/ Consolidated adjustments	Total
Net sales to third parties	716,308	45,277	1,862	-	763,447
Inter-segment net sales	57	23,753	3,521	(27,331)	-
Net sales of the sector	**716,365**	**69,029**	**5,384**	**(27,331)**	**763,447**
Adjusted EBITDA	**38,669**	**25,061**	**(4,513)**	**-**	**59,217**
Adjusted EBIT	**29,532**	**18,345**	**(5,055)**	**-**	**42,822**
Amortization and depreciation	(8,463)	(6,416)	(541)	-	(15,420)
Accruals of provision	(674)	(300)	-	-	(974)
Non-recurring income	1,800	723	-	-	2,523
Non-recurring expense	(3,832)	(141)	(321)	-	(4,293)
Financial income	186	58	408	(150)	502
Financial expenses	(1,852)	(228)	(2,997)	150	(4,927)
Exchange rate differences	(765)	51	5	-	(709)
Share of profit from companies consolidated at equity	-	-	-	1,076	1,076
Revaluations of securities and investments	1	-	-	-	1
Devaluations of securities and investments	-	-	-	-	-
Intra-group dividends	-	-	21,000	(21,000)	-
Result of securities and investments negotiation	3	-	-	-	3
Profit/loss before tax	**25,072**	**18,808**	**13,041**	**(19,924)**	**36,998**
Income tax expense	(6,774)	(379)	2,542	-	(4,612)
Profit/loss for the period	**18,298**	**18,429**	**15,583**	**(19,924)**	**32,386**

Thousands of Euro	06.30.2023			
	Distribution	Shipping	Holding & Services	Total
Total assets without investments in associates	434,603	100,261	363,267	898,132
Investments in associates	5,119	-	13,301	18,421
Total aggregate assets	**439,723**	**100,261**	**376,568**	**916,552**
Total aggregate liabilities	**305,625**	**33,639**	**213,179**	**552,442**
Total aggregate shareholders' equity	**134,098**	**66,623**	**163,389**	**364,110**

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

Thousands of Euro	06.30.2022			
	Distribution	Shipping	Holding & Services	Total
Total assets without investments in associates	355,080	99,635	248,065	702,781
Investments in associates	5,119	-	11,801	16,921
Total aggregate assets	**360,200**	**99,635**	**259,866**	**719,701**
Total aggregate liabilities	**259,641**	**42,874**	**100,507**	**403,022**
Total aggregate shareholders' equity	**100,559**	**56,761**	**159,360**	**316,679**

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

MAIN CUSTOMER

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

NOTE 23. Net sales

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Revenues from sale of goods	716,187	526,114	190,074
Revenues from services	47,260	50,082	(2,823)
Net Sales	**763,447**	**576,196**	**187,251**

At June 30, 2023, turnover was Euro 763,447 thousand, an increase of Euro 187,251 thousand, or 32.5%, compared to June 30, 2022. For a detailed analysis of sales, please refer to the interim report on operations, in the section "Commentary on performance of the business sectors". Please note that Group revenues mainly derive from the sale of fresh fruit and vegetables from many of the world's countries, on the territories under its purview.

Revenues from the sale of goods included sales of Euro 209 thousand to associated companies, while services to associated and related companies amounted to Euro 52 and 17 thousand, respectively, as detailed in Note 34 below, all carried out under normal market conditions.

GEOGRAPHICAL INFORMATION

The analysis of the information by geographical area shows details of the Group's revenues, divided up into the main geographical areas (thereby meaning those in which the company that generated the revenue is based) for the first half of 2023 and 2022, showing the Group's basically eurocentric nature.

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Europe	**739,080**	**549,211**	**189,869**
of which Italy	*281,165*	*267,204*	*13,961*
of which France	*239,195*	*81,026*	*158,170*
of which Peninsula Iberic	*203,049*	*188,327*	*14,722*
Latin America and Central America	**24,367**	**26,985**	**(2,618)**
Total net sales	**763,447**	**576,196**	**187,251**

As shown in the table above, the Eurozone constitutes the real heart of the Orsero Group business, whilst the revenues achieved in Latin and Central America derive from the activities carried out mainly in Mexico and Costa Rica. The change in revenues in Europe shows positive signs in all countries/geographical areas, which was possible thanks to the scope effect, the trend in sales prices which increased due to inflation and the mix of products marketed and sometimes also due to a volume effect.
Finally, please note that for Group revenues, the currency component is insignificant, given that the revenues of distributors, apart from the Mexican company, are all in euros.

NOTE 24. Cost of goods sold

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

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Raw materials and finished goods costs	505,672	370,853	134,819
Cost of commissions on purchases and sales	1,359	905	454
Transport and handling costs	92,977	77,509	15,467
Personnel costs	21,075	14,720	6,355
Depreciation and amortization	12,401	10,955	1,446
Accruals of provision	433	300	133
External production and maintenance costs	17,332	15,288	2,044
Energy costs	4,878	6,169	(1,291)
Bunker ‘cost	18,709	19,161	(451)
Rental costs for ships and containers	1,438	1,663	(224)
Leases and rentals	949	368	581
Other costs	450	529	(78)
Other operating revenues and cost recoveries	(4,088)	(3,166)	(922)
Cost of goods sold	**673,586**	**515,253**	**158,333**

The increase in the cost of goods sold consists mainly of the higher purchase cost of fruits and vegetables, which is closely related to the increase in revenue. As set out in the Interim Directors’ Report, please note the general increase in costs due to inflation, which to a large extent we were able to pass on to the selling prices of our goods and services without significantly affecting the Group's profitability. It should be noted that the value of cost of goods sold at June 30, 2023 includes Euro 120,178 thousand due to the effect of change in the scope of consolidation. In addition, it is necessary to highlight a 26.73% reduction in energy costs on a like-for-like basis linked to the decrease in the cost of raw materials compared to last year, the more favorable agreements signed with the main power companies, and a general focus on consumption savings.

For the Shipping sector, there was a decrease in the cost of bunker linked to the lower cost of fuel: it should be noted that a change in the cost of bunker is essentially neutral due to the application of the BAF (Bunker Adjustment Factor) clause, which transfers changes in the cost of fuel to the customer.

Note that the item “Raw material and finished goods costs” comprises Euro 7,644 thousand of costs due to associates, valued at market value and included in the balances indicated in Note 34, to which reference is made.

Similarly, the item “Transportation and handling costs” includes costs of Euro 2,630 thousand from associated companies and Euro 1,699 thousand from related companies, and “Leases and rentals” includes costs of Euro 22 thousand to related companies, while “other operating revenues and cost recoveries” includes Euro 103 thousand in revenues from associated companies.

For further details, reference is made to Note 34.

NOTE 25. Overheads and administrative costs

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

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Personnel costs and external collaborations	29,525	21,063	8,462
Corporate bodies fees	657	595	62
Professional, legal, tax and notary services	2,476	1,968	509
Maintenance costs	3,810	3,583	227
Commercial, advertising, promotional expenses	1,158	1,146	12
Insurance expenses	1,375	1,057	318
Utilities	883	833	50
Service costs with associated and related companies	155	223	(67)
Other costs	4,347	2,984	1,363
Commission and guarantee expenses	683	442	241
Depreciation and amortization	3,019	2,480	540
Provisions	674	531	144
General and administrative expense	**48,764**	**36,905**	**11,859**

The table shows an increase in overheads and administrative costs compared to the previous year, mainly in the internal labor cost components following the entry of employees from the two newly acquired French companies, which have 238 and 54 employees, respectively. There was also an increase in other costs due mainly to an increase in: i) travel expenses of Euro 480 thousand as a result of the post-pandemic recovery, ii) taxes, indirect taxes and non-deductible VAT of Euro 282 thousand, as well as professional, legal, tax and notary consultancy costs.
The increase in costs for maintenance and miscellaneous services is mainly linked to higher hardware and software support costs.
Regarding the item provisions, please refer to what was described previously in Note 17.
There was an increase in depreciation and amortization due to the change in the scope of consolidation with the entry of Blampin Groupe and Capexo, as well as investments made, both operational in nature and related to the application of IFRS 16.

The item “costs to associated and related companies” includes Euro 15 thousand to associated companies and Euro 141 thousand to related companies, while it should be noted that the figures relating to labor costs and compensation to corporate bodies for the first half of 2023 include costs of Euro 1,117 and 298 thousand concerning to related parties who are individuals.

NOTE 26. Other operating income/expense

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Other operating income	6,369	3,174	3,195
Other operating expenses	(6,413)	(3,225)	(3,188)
Total other operating income/expense	**(44)**	**(51)**	**7**

Annexed are details of the items “Other operating income” and “Other operating expenses” for the first half of 2023 and 2022 with a separate indication of ordinary items with respect to “non-recurring” ones.

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Revenues from recovery of costs and insurance reimbursements	323	236	87
Plusvalues and contingent revenues in ordinary course of business	2,195	1,527	668
Others	1,328	1,411	(83)
Other ordinary operating income	**3,846**	**3,174**	**672**
Release of the provision	1,600	-	-
Others	923	-	-
Other non-recurring operating income	**2,523**	**-**	**2,523**

Other ordinary income, like the item "Other ordinary expenses" below, includes cost and revenue elements not already classified in the above sections of the income statement and elements such as contingent assets and liabilities of costs and revenues linked to previous years due to differences in estimates, which as such recur every year (for example, reversals of premiums received from and/or given to customers and suppliers, differences on insurance reimbursements collected compared to forecasts, etc.). They also include any contributions for operating expenses, capital gains and capital losses on current disposals of assets and the capitalization of costs linked to investment initiatives.
In the first half of 2023, in particular, capitalization was recorded with reference to the progress status of the new ERP system implementation for Euro 325 thousand.
During the first half of 2023, there were non-recurring income of Euro 1,600 thousand related to the release of the provision set aside for a customs dispute involving the importing company, as already mentioned in the report (see Note 17). In addition, please note the recognition of non-recurring revenue of Euro 923 thousand relating to the achieved settlement agreements.
Please note that the item "Other operating income" comprises Euro 25 thousand from associated companies and Euro 16 thousand from related companies.

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Penalties, sanctions and costs for damage to third parties	(45)	(32)	(14)
Minusvalues and contingent losses in ondinary course of business	(2,074)	(1,193)	(881)
Profit sharing established by law for employees	(548)	(236)	(313)
Top management incentives	(366)	(554)	188
Settlement Agreement with the Customs Agency	(2,732)	-	(2,732)
Others	(647)	(1,211)	564
Other non-recurring operating expenses	**(4,293)**	**(2,000)**	**(2,293)**

Given what is noted above with respect to the nature of the ordinary costs shown in this table, during the first half of 2023 there were deviations of Euro 895 thousand linked mainly to the recognition of costs for charitable donations of Euro 775 thousand, of which Euro 724 thousand for the approximately 455 tons of fruit and vegetables donated to food banks. With regard to non-recurring items, note the recognition of costs linked to the Settlement Agreement entered into with the Customs Agency by the fruit and vegetable product importing company in the total amount of Euro 2,732 thousand, as already described in detail in the report on operations and in Note 17 regarding provisions.
It should instead be noted that no allocations have been made for Top Management incentives for the current financial year, as these are only assessed and quantified in the annual Financial Statements. The amount of Euro 366 thousand therefore represents the cost of the portion of the bonus accrued in 2020,2021 and 2022, which is recognized, in compliance with IFRS 2, during the 2020-2024 vesting period.
In the item "Others", at June 30, 2022 the most significant component related to the reversal of Euro 489 thousand of tax credits on R&D activities, which did not occur in the first half of 2023.

NOTE 27. Financial income, financial expense and exchange differences

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

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Financial income	502	114	388
Financial expense	(4,927)	(1,823)	(3,104)
Exchange rate differences	(709)	(1,389)	680
Financial income, financial expense, exchange differences	**(5,134)**	**(3,097)**	**(2,037)**

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

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Interest income to third parties	484	92	391
Interest income to associates/related parties	-	1	(1)
Interest for IAS 19	18	21	(2)
Financial income	**502**	**114**	**388**

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Interest expenses from bank/bond	(3,170)	(1,141)	(2,034)
Interest expenses to third parties	(699)	(192)	(503)
Interest expenses on put/call options	(160)	-	(160)
Interest expenses IFRS 16	(898)	(491)	(408)
Financial expense	**(4,927)**	**(1,823)**	**(3,104)**

Interest expense related to the recognition of the put/call option refers to charges due to the release of discounting on the payable for the purchase of 13.3% of Blampin Groupe.

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Realized exchange rate differences	(387)	(1,364)	977
Unrealized exchange rate differences	(322)	(25)	(297)
Exchange rate differences	**(709)**	**(1,389)**	**680**

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

NOTE 28. Other investment income/expense and Share of profit/loss of associates accounted for using the equity method

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Dividends	3	5	(2)
Share of profit from companies consolidated at equity	1,076	1,292	(216)
Revaluations of securities and investments	1	-	1
Devaluations of securities and investments	-	(1)	1
Other investment income/expense and Share of profit/loss of associates accounted for using the equity method	**1,080**	**1,296**	**(216)**

The change in the amount of "Other investment income/expense and in the share of profits/loss of investments accounted for using the equity method" essentially refers to the pro-rata recognition of the results of associated companies consolidated using the equity method, as specified in detail in Note 4.

NOTE 29. Income tax expense

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

Thousands of Euro	1st Semester 2023	1st Semester 2022	Change
Current taxes for the year	(7,192)	(4,139)	(3,052)
Income tax from statutory tax consolidation	2,702	1,594	1,107
Deferred taxes incomes and liabilities	(122)	154	(276)
Income tax expense	**(4,612)**	**(2,391)**	**(2,221)**

The following table shows the intervening increase in the effective tax rate compared to the first half of 2022, caused by the higher pre-tax result, specifically in the Distribution sector, which can be attributed not only to the excellent results obtained on a like-for-like basis but also to the effect of the two newly acquired French companies.

Thousands of Euro	1st Semester 2023		1st Semester 2022	
	Taxable	Tax rate 24%	Taxable	Tax rate 24%
Profit/loss before tax	**36,998**		**22,185**	
Theoretical tax		**(8,880)**		**(5,324)**
Tonnage Tax		4,373		4,427
Share of profit from companies consolidated at equity	(1,076)	258	(1,292)	310
Foreign companies for different tax rate		(185)		(105)
Taxed dividends from Group companies	22,000	(264)	17,839	(214)
Release of the provision	(1,600)	384	-	-
Non imposable items/recoveries		510		(880)
Effective tax		**(3,803)**		**(1,786)**
IRAP/CVAE taxes		(809)		(605)
Income tax expense in the consolidated financial statement		**(4,612)**		**(2,391)**
Effective rate		12.5%		10.8%

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

Thousands of Euro	Statement of financial position		Income statement	Comprehensive Income statement
	06.30.2023	12.31.2022	1st Semester 2023	1st Semester 2023
Previous tax losses	5,230	5,397	(167)	-
Effect IAS 19	541	567	(36)	-
Depreciation/Goodwill/trademarks	554	571	(19)	-
Reductions in value and provisions	1,016	1,005	12	-
Financial derivatives	112	149	-	(36)
Others	555	635	(80)	-
Deferred tax assets	**8,009**	**8,323**	**(290)**	**(36)**

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

Thousands of Euro	Statement of financial position		Income statement	Comprehensive Income statement
	06.30.2023	12.31.2022	1st Semester 2023	1st Semester 2023
Leasing	(1,745)	(1,749)	4	-
On J-entries FV Fernández Warehouse	(1,722)	(1,755)	33	-
Ships depreciation	(298)	(298)	-	-
Financial derivatives	(445)	(350)	-	(95)
Effect IAS 19	(139)	(63)	-	-
Others	(393)	(378)	132	-
Deferred tax liabilities	**(4,742)**	**(4,593)**	**168**	**(95)**

At June 30, 2023, there were no significant tax disputes other than those reported in the 2022 Financial Statements. There are no significant changes in tax regulations between the first half of 2023 and 2022 with the exception of the International Tax Reform - Pillar Two, as already mentioned in the section "Accounting standards, amendments and IFRS interpretations applied from January 1, 2023".

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

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

Thousands of Euro	1st Semester 2023	1st Semester 2022
Profit/loss for the period	**32,386**	**19,794**
Income tax expense	4,612	2,391
Financial income	(502)	(114)
Financial expense and exchange rate differences	5,636	3,212
Share of profit/loss of associates and joint ventures accounted for using equity method and Other investment income/expense	(1,080)	(1,296)
Operating result	**41,052**	**23,986**
Amortization, depreciation and Accruals of provision	16,394	14,265
Non-recurring income and expense	1,770	2,000
Adjusted EBITDA*	**59,217**	**40,251**

* It should be noted that the Adjusted EBITDA as at June 30, 2023 of Euro 59,217 thousand (Euro 40,251 thousand at June 30, 2022) incorporates the improvement effect from the application of IFRS 16 "leases" for Euro 8,139 thousand (Euro 7,088 thousand at June 30, 2022). This improvement effect is almost entirely offset by higher depreciation and amortization of Euro 7,256 thousand (Euro 6,222 thousand at June 30, 2022) and financial expenses of Euro 898 thousand (Euro 491 thousand at June 30, 2022).

NOTE 31. Earnings per share

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

Euro	1st Semester 2023	1st Semester 2022
Profit/loss attributable to Owners of Parent	**31,847,407**	**19,366,290**
Average number of outstanding shares during the period	**17,204,986**	**17,354,365**
Earnings per share "base" in euro	**1.851**	**1.116**
Average number of outstanding shares during the period	17,204,986	17,354,365
Average number of special shares and warrant	-	-
Diluted average number of outstanding shares during the period	**17,204,986**	**17,354,365**
Earnings per share "Fully Diluted" in euro	**1.851**	**1.116**

NOTE 32. Disclosures on financial instruments - additional disclosures

The table below shows a detailed analysis of the assets and liabilities envisaged by IFRS 7, in accordance with the categories envisaged by IFRS 9 for the first half of 2023 and for the year 2022.

Thousands of Euro	Balance at 06.30.2023	Assets at amortized cost	Assets at FV, with changes recognized in PL**	Assets at FV, with changes recognized in CI*	Liabilities measured at amortized cost	Liabilities at FV with changes recognized in the CI *
Financial assets						
Investments in other companies	974	974	-	-	-	-
Other non-current financial assets	5,532	3,859	-	1,673	-	-
Trade receivables	160,870	160,870	-	-	-	-
Current tax assets	16,859	16,859	-	-	-	-
Other receivables and other current assets	18,745	18,554	11	180	-	-
Cash and cash equivalent	90,837	90,837	-	-	-	-
Financial assets	**293,816**	**291,952**	**11**	**1,853**	**-**	**-**
Financial liabilities						
Financial liabilities of which:						
Bond payables	*(25,000)*	-	-	-	*(25,000)*	-
Non-current medium term bank loans (over 12 months)	*(88,700)*	-	-	-	*(88,700)*	-
Non-current other lenders (over 12 months)	*(1,004)*	-	-	-	*(1,004)*	-
Non-current other lenders (over 12 months) IFRS 16	*(38,082)*	-	-	-	*(38,082)*	-
Non-current liabilities for derivative (over 12 months)	-	-	-	-	-	-
Non-current payables for price balance on acquisition (over 12 months)	*(21,794)*	-	-	-	*(21,794)*	-
Current bond payables	*(5,000)*	-	-	-	*(5,000)*	-
Current medium term bank loans	*(24,035)*	-	-	-	*(24,035)*	-
Bank overdraft	*(6,678)*	-	-	-	*(6,678)*	-
Current other lenders	*(858)*	-	-	-	*(858)*	-
Current other lenders IFRS 16	*(10,485)*	-	-	-	*(10,485)*	-
Other current lenders short term	*(1,935)*	-	-	-	*(1,935)*	-
Current liabilities for derivative	*(558)*	-	-	-	-	*(558)*

Current payables for price balance on acquisition	*(4,605)*	-	-	-	*(4,605)*	-
Other non-current liabilities	*(628)*	-	-	-	*(628)*	-
Trade payables	*(176,141)*	-	-	-	*(176,141)*	-
Current tax liabilities	*(7,123)*	-	-	-	*(7,123)*	-
Other current liabilities	*(29,286)*	-	-	-	*(29,286)*	-
Financial liabilities	**(441,912)**	**-**	**-**	**-**	**(441,355)**	**(558)**

* Statement of comprehensive income, ** Income statement

Thousands of Euro	Balance at 12.31.2022	Assets at amortized cost	Assets at FV, with changes recognized in PL**	Assets at FV, with changes recognized in CI*	Liabilities measured at amortized cost	Liabilities at FV with changes recognized in the CI *
Financial assets						
Investments in other companies	723	723	-	-	-	-
Other non-current financial assets	4,903	3,445	-	1,459	-	-
Trade receivables	119,107	119,107	-	-	-	-
Current tax assets	16,929	16,929	-	-	-	-
Other receivables and other current assets	14,156	14,146	10	-	-	-
Cash and cash equivalent	68,830	68,830	-	-	-	-
Financial assets	**224,647**	**223,178**	**10**	**1,459**	**-**	**-**
Financial liabilities						
Financial liabilities of which:						
Bond payables	*(25,000)*	-	-	-	*(25,000)*	-
Non-current medium term bank loans (over 12 months)	*(44,838)*	-	-	-	*(44,838)*	-
Non-current other lenders (over 12 months)	*(1,424)*	-	-	-	*(1,424)*	-
Non-current other lenders (over 12 months) IFRS 16	*(29,834)*	-	-	-	*(29,834)*	-
Non-current liabilities for derivative (over 12 months)	-	-	-	-	-	-
Non-current payables for price balance on acquisition (over 12 months)	-	-	-	-	-	-
Current bond payables	*(5,000)*	-	-	-	*(5,000)*	-
Current medium term bank loans	*(11,805)*	-	-	-	*(11,805)*	-
Bank overdraft	*(3,933)*	-	-	-	*(3,933)*	-
Current other lenders	*(940)*	-	-	-	*(940)*	-
Current other lenders IFRS 16	*(11,740)*	-	-	-	*(11,740)*	-
Other current lenders short term	*(1,051)*	-	-	-	*(1,051)*	-
Current liabilities for derivative	*(619)*	-	-	-	-	*(619)*
Current payables for price balance on acquisition	*(1,700)*	-	-	-	*(1,700)*	-
Other non-current liabilities	(735)	-	-	-	(735)	-
Trade payables	(134,807)	-	-	-	(134,807)	-
Current tax liabilities	(4,730)	-	-	-	(4,730)	-
Other current liabilities	(23,669)	-	-	-	(23,669)	-
Financial liabilities	**(301,825)**	**-**	**-**	**-**	**(301,206)**	**(619)**

* Statement of comprehensive income, ** Income statement

It should be noted that among financial assets only "Other receivables and other current assets" include securities, i.e. financial instruments measured at fair value through profit or loss, and they also include the positive fair value of hedging derivatives through other comprehensive income. Trade and other receivables are measured at the nominal value that, considering the speed of collection, coincides with the value determined by the application of amortized cost, in compliance with IFRS 9. Among financial liabilities, trading derivatives fall within the category "Liabilities measured at fair value", while hedging derivatives are recorded at fair value, with the relative change accounted for in a shareholders' equity reserve, as shown in the comprehensive income statement. In this regard, it is noted that the Group has derivative contracts outstanding as at June 30, 2023 related to interest rate and exchange rate hedges and the bunker hedge as already reported in Notes 5, 10 and 14.

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

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

Fair value of financial instruments:

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

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

Fair value of non-financial instruments:

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

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

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

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

FINANCIAL INSTRUMENTS

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

Thousands of Euro	06.30.2023			12.31.2022		
Financial assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Current financial assets	11	-	-	10	-	-
Hedging derivatives	-	1,853	-	-	1,459	-
Financial liabilities						
Speculative derivatives	-	-	-	-	-	-
Hedging derivatives	-	(558)	-	-	(619)	-

Level 1 valuation was used for non-significant securities.

Level 2 valuation, used for financial instruments measured at fair value, is based on parameters such as bunker, exchange rates and interest rates that are quoted in active or observable markets on official rate curves. The financial asset measured with Level 2 at June 30, 2023 relates to the positive fair value of the medium/long-term loan interest rate derivative.

NON-FINANCIAL INSTRUMENTS

It is noted that there are non-financial instruments measured at fair value as at June 30, 2023, represented by biological assets of the Mexican production company.

NOTE 34. Transactions with related parties

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

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

In addition, there is a fiscal relationship with the Parent Company Orsero, following the option exercised for the national tax consolidation regime, governed by Articles 117 et seq. of the TUIR, for nearly all of the Italian companies, and a similar system has been activated in France by AZ France together with its French subsidiaries. Receivables and payables arising from such fiscal relationships are not interest-bearing. Transactions between the companies included in the scope of consolidation have been eliminated from the Consolidated Financial Statements and have not been highlighted. It should be noted that during the first half of 2023, no related party transactions were carried out other than those that are part of the Group's ordinary course of business. Below is a summary of the items in the statement of financial position and income statement for transactions between the Group and related parties (other than those with respect to the consolidated subsidiaries) in the first half of 2023. Transactions with the companies shown in the table are essentially of a commercial nature and relate to specific sectors of activity, while those with natural person related parties relate to existing employment relationships and remuneration due in their capacity as Directors and Statutory Auditors of the Parent Company.

Related parties as at June 30, 2023

Thousands of Euro	Non-current receivables*	Trade receivables	Trade payables	Other current liabilities
Associates				
Moño Azul S.A.	84	-	383	-
Citrumed S.A.	-	4	336	-
Bonaoro S.L.	-	-	95	-
Decofruit S.L.	-	2	53	-
Fruport S.A.	-	51	496	-
Agricola Azzurra S.r.l.	-	42	1,712	-
Tirrenofruit S.r.l.	-	9	-	-
Total vs Associates	**84**	**108**	**3,075**	**-**
Related companies				
Nuova Beni Imm.ri	-	29	43	-
Business Aviation[1]	-	18	-	-
Immobiliare Ranzi	-	89	-	-
Argentina S.r.l.	-	13	-	-
Fif Holding S.p.A.	-	54	-	-
Trasp Frigo solocanarias	-	-	107	-
Rocket Logistica SL	-	-	289	-
Fersotrans	-	-	75	-
Natural related parties	-	-	-	1,774
Total vs related parties	**-**	**203**	**513**	**1,774**
Total associates and related parties	**84**	**311**	**3,589**	**1,774**
Financial Statement	**6,505**	**160,870**	**176,141**	**29,286**
% of Financial Statement	**1.3%**	**0.2%**	**2.0%**	**6.1%**

* Within the item Non-current financial assets
** Within the item Cost of goods sold
[1] Referring to the set of companies GF Aviation S.r.l., K-Air S.p.A.

Related parties as at June 30, 2023

Thousands of Euro	Net sales	Other revenues/cost recoveries *	Other operating income /expense	Financial expense and exchange rate differences	Trade expense *	General & admin.ve expense
Associates						
Moño Azul S.A.	51	-	-	-	(1,133)	-
Citrumed S.A.	-	43	-	(8)	(977)	-
Bonaoro S.L.	172	-	-	-	(640)	(9)
Decofruit S.L.	-	-	18	-	(219)	-
Fruport S.A.	-	-	-	-	(1,798)	(6)
Agricola Azzurra S.r.l.	9	59	7	-	(5,498)	-
Tirrenofruit S.r.l.	29	-	-	-	(8)	-
Total vs Associates	**261**	**103**	**25**	**(8)**	**(10,274)**	**(15)**
Related companies						
Nuova Beni Imm.ri	5	-	-	-	-	(1)
Business Aviation[1]	1	-	-	-	-	-
Immobiliare Ranzi	1	-	-	-	-	-
Argentina S.r.l.	1	-	-	-	-	-
Fif Holding S.p.A.	8	-	-	-	-	-
Trasp Frigo solocanarias	-	-	-	-	(563)	-
Rocket Logistica SL	-	-	-	-	(587)	-
Grupo Fernández	-	-	16	-	-	(140)
Immobiliaria Pacuare	-	-	-	-	(22)	-
Fersotrans	-	-	-	-	(548)	-
Related parties' natural persons	-	-	(259)	-	-	(1,415)
Total vs related parties	**17**	**-**	**(243)**	**-**	**(1,721)**	**(1,556)**
Total associates and related parties	**278**	**103**	**(218)**	**(8)**	**(11,995)**	**(1,571)**
Financial Statement	**763,447**	**(673,586)**	**(44)**	**(5,636)**	**(673,586)**	**(48,764)**
% of Financial Statement	**0.0%**	**0.0%**	**496.7%**	**0.1%**	**1.8%**	**3.2%**

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

Note that the item "Other receivables and other current assets" includes receivables from Argentina S.r.l. for Euro 8,000 thousand, fully written off.
Transactions with related parties are governed by specific contracts, the conditions of which are in line with those of the market.
"Fixed receivables" due from associated companies come to Euro 84 thousand, down by Euro 186 thousand compared to last December 31, and refer to Moño Azul, representing the discounted value of the residual receivable payable in accordance with the agreements entered into as part of the contract for the disposal of assets in Argentina, signed in 2018.

The items of trade payables and receivables refer to normal transactions for the supply of goods and the provision of services in the context of commercial relations with these companies.
As mentioned above, costs to natural person related parties concern the employees job performances and the remuneration as Directors and Statutory auditors of the Parent Company. It should be noted that the item "Other operating income/expense" includes the amount of Euro 259 thousand related to provisions for key managers LTI incentives. For more details, refer to Annex 1 "Financial statements tables stated in accordance with Consob Resolution 15519/2006".

NOTE 35. Share-based payments

As already noted previously, in line with the best market practices adopted by listed companies at national and international level, the Company believes that remuneration plans linked to share value performance are an effective incentive and loyalty tool for key players in order to maintain and improve performance and contribute to the growth and success of the companies. The adoption of remuneration plans linked to share performance also responds to the recommendations of the Corporate Governance Code, Art. 5 of which recognizes that these types of plans represent a suitable instrument for aligning the interests of executive directors and managers with strategic responsibilities and key personnel of listed companies with those of shareholders, allowing the priority objective of creating value over the medium to long term. The establishment of incentive remuneration mechanisms is expressly required by the stock exchange regulation for companies belonging to the STAR segment of Euronext Milan market. The "2023-2025 Performance Share Plan" is therefore aimed at fostering the retention of key resources who constitute one of the factors of strategic interest for Orsero and the Group, allowing them to benefit from an incentive correlated with the achievement of financial and Group performance, as well as sustainability performance objectives in the medium to long term, thus having sustainable growth in mind, consistent with widespread and consolidated best practices, also at international level. In particular, it makes it possible to pursue the following objectives: 1) incentivizing the retention of resources that can make a decisive contribution to the success of Orsero and the Group over a medium/long-term time horizon; 2) developing attraction policies with respect to talented managerial and professional figures, with a view to the continuous development and strengthening of the key and distinctive competencies of the Company and the Group; 3) fostering the retention of Beneficiaries over a medium/long-term time horizon through personnel satisfaction and motivation and by developing their sense of belonging to Orsero and the Group 4) linking the variable remuneration of Beneficiaries to the achievement of performance objectives, also in terms of sustainability goals, to be assessed over a future multi-year time frame, with a view to pursuing the objective of creating value from a long-term perspective; 5) aligning the interests of Beneficiaries with those of the shareholders and investors in a framework of sustainability and sound and prudent risk management. The Plan provides for the free assignment to the Beneficiaries of rights entitling them to receive, again free of charge, Shares, at a ratio of 1 share for each vested right, subject to the achievement in the performance period of predetermined performance and sustainability objectives. The amount of rights granted, represented by up to 320,000 shares, was determined by the Board of Directors following the approval of the Plan itself by the Shareholders' Meeting, subject to the opinion of the Committee. For details about the Plan, please refer to the governance section of the website https://www.orserogroup.it/governance/remunerazione/.

It should be noted that the profit for the first half of both years was not affected by the bonus component for Top Management, which the Group typically recognizes only in its annual Financial Statements on an actual basis.

NOTE 36. Employees

The following table shows the number of employees as at June 30, 2023 and as at December 31, 2022.

	06.30.2023	12.31.2022	Change
Distribution Sector			
Number of employees	1,854	1,470	384
Shipping Sector			
Number of employees	147	150	(3)
Holding & Services Sector			
Number of employees	82	89	(7)
Number of employees	**2,083**	**1,709**	**374**

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

The guarantees provided by the Company are as follows:

Thousands of Euro	06.30.2023	12.31.2022	Change
Guarantees issued in the interest of the Group	3,580	3,585	(5)
Guarantees issued to third parties	3,397	2,627	770
Total guarantees	**6,977**	**6,212**	**765**

Compared to the end of the previous year, there was an increase of Euro 765 thousand mainly related to the scope effect.

NOTE 38. Significant events after June 30, 2023

At the date of this Half-Yearly Financial Report of the Orsero Group, there were no significant events in terms of operating activities.
With reference to the latest developments in the international geopolitical situation, the Group's management continues to monitor their developments with the aim of maintaining an efficient import and distribution logistics chain and preserving its cost-effectiveness and efficiency.

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

Consolidated statement of financial position as at June 30, 2023 and as at December 31, 2022

Thousands of Euro	06.30.2023	of which related parties Associates	Related	Total	%
ASSETS					
Goodwill	128,164	-	-	-	-
Intangible asset other than Goodwill	10,258	-	-	-	-
Property, plant and equipment	174,623	-	-	-	-
Investments accounted for using the equity method	19,953	19,953	-	19,953	100%
Non-current financial assets	6,505	400	-	400	6%
Deferred tax assets	8,009	-	-	-	-
NON-CURRENT ASSETS	**347,512**	**20,353**	**-**	**20,353**	**6%**
Inventories	53,691	-	-	-	-
Trade receivables	160,870	108	203	311	-%
Current tax assets	16,859	-	-	-	-
Other receivables and other current assets	18,745	-	-	-	-
Cash and cash equivalents	90,837	-	-	-	-
CURRENT ASSETS	**341,002**	**108**	**203**	**311**	**-%**
Non-current assets held for sale	**-**	**-**	**-**	**-**	**-**
TOTAL ASSETS	**688,515**	**20,461**	**203**	**20,663**	**3%**
EQUITY					
Share Capital	69,163	-	-	-	-
Other Reserves and Retained Earnings	126,987	-	-	-	-
Profit/loss attributable to Owners of Parent	31,847	-	-	-	-
Equity attributable to Owners of Parent	**227,998**	-	-	-	-
Non-controlling interests	**1,376**	-	-	-	-
EQUITY	**229,374**	-	-	-	-
LIABILITIES					
Financial liabilities	174,580	-	-	-	-
Other non-current liabilities	628	-	-	-	-
Deferred tax liabilities	4,742	-	-	-	-
Provisions	4,562	-	-	-	-
Employees benefits liabilities	7,925	-	-	-	-
NON-CURRENT LIABILITIES	**192,436**	-	-	-	-
Financial liabilities	54,154	-	-	-	-
Trade payables	176,141	3,075	513	3,589	2%
Current tax liabilities	7,123	-	-	-	-
Other current liabilities	29,286	-	1,774	1,774	6%
CURRENT LIABILITIES	**266,705**	**3,075**	**2,287**	**5,362**	**2%**
Liabilities directly associated with assets held for sale	**-**	**-**	**-**	**-**	**-**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**688,515**	**3,075**	**2,287**	**5,362**	**1%**

Thousands of Euro	12.31.2022	Of which related parties			
		Associates	Related	Total	%
ASSETS					
Goodwill	48,245	-	-	-	-
Intangible asset other than Goodwill	10,020	-	-	-	-
Property, plant and equipment	163,967	-	-	-	-
Investments accounted for using the equity method	19,397	19,397	-	19,397	100%
Non-current financial assets	5,626	586	-	586	10%
Deferred tax assets	8,323	-	-	-	-
NON-CURRENT ASSETS	**255,578**	**19,983**	**-**	**19,983**	**8%**
Inventories	47,357	-	-	-	-
Trade receivables	119,107	427	218	645	1%
Current tax assets	16,929	-	-	-	-
Other receivables and other current assets	14,156	-	-	-	-
Cash and cash equivalents	68,830	-	-	-	-
CURRENT ASSETS	**266,378**	**427**	**218**	**645**	**-%**
Non-current assets held for sale	**-**	**-**	**-**	**-**	**-**
TOTAL ASSETS	**521,957**	**20,409**	**218**	**20,627**	**4%**
EQUITY					
Share Capital	69,163	-	-	-	-
Other Reserves and Retained Earnings	99,661	-	-	-	-
Profit/loss attributable to Owners of Parent	32,265	-	-	-	-
Equity attributable to Owners of Parent	**201,090**	**-**	**-**	**-**	**-**
Non-controlling interests	**393**	**-**	**-**	**-**	**-**
EQUITY	**201,483**	**-**	**-**	**-**	**-**
LIABILITIES					
Financial liabilities	101,096	-	-	-	-
Other non-current liabilities	735	-	-	-	-
Deferred tax liabilities	4,593	-	-	-	-
Provisions	5,759	-	-	-	-
Employees benefits liabilities	8,297	-	-	-	-
NON-CURRENT LIABILITIES	**120,479**	**-**	**-**	**-**	**-**
Financial liabilities	36,789	-	-	-	-
Trade payables	134,807	2,448	927	3,375	3%
Current tax liabilities	4,730	-	-	-	-
Other current liabilities	23,669	-	3,431	3,431	14%
CURRENT LIABILITIES	**199,995**	**2,448**	**4,358**	**6,806**	**3%**
Liabilities directly associated with assets held for sale	**-**	**-**	**-**	**-**	**-**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**521,957**	**2,448**	**4,358**	**6,806**	**1%**

Consolidated income statement and consolidated statement of comprehensive income as at June 30, 2023 and June 30, 2022

Thousands of Euro	1st Semester 2023	Of which related parties			
		Associates	Related	Total	%
Net sales	763,447	261	17	**278**	-%
Cost of sales	(673,586)	(10,171)	(1,721)	**(11,892)**	2%
Gross profit	**89,861**	-	-	-	-
General and administrative expense	(48,764)	(15)	(1,556)	**(1,571)**	3%
Other operating income/expense	(44)	25	(243)	**(218)**	497%
- of which non-recurring operating income	2,523	-	-	-	-
- of which non-recurring operating expense	*(4,293)*	-	*(259)*	-	-
Operating result	**41,052**	-	-	-	-
Financial income	502	-	-	-	-
Financial expense and exchange rate differences	(5,636)	(8)	-	-	-%
Other investment income/expense	4	-	-	-	-
Share of profit/loss of associates accounted for using the equity method	1,076	-	-	-	-
Profit/loss before tax	**36,998**	-	-	-	-
Income tax expense	(4,612)	-	-	-	-
Profit/loss from continuing operations	**32,386**	-	-	-	-
Profit/loss from discontinued operations	-	-	-	-	-
Profit/loss for the period	**32,386**	-	-	-	-
Profit/loss attributable to non-controlling interests	**539**	-	-	-	-
Profit/loss attributable to Owners of Parent	**31,847**	-	-	-	-

Thousands of Euro	1st Semester 2023	Of which related parties			
		Associates	Related	Total	%
Profit/loss for the period	**32,386**	-	-	-	-
Other comprehensive income that will not be reclassified to profit/loss, before tax	-	-	-	-	-
Income tax relating to components of other comprehensive income that will not be reclassified to profit/loss	-	-	-	-	-
Other comprehensive income that will be reclassified to profit/loss, before tax	581	-	-	-	-
Income tax relating to components of other comprehensive income that will be reclassified to profit/loss	(131)	-	-	-	-
Comprehensive income	**32,836**	-	-	-	-
Comprehensive income attributable to non-controlling interests	**539**	-	-	-	-
Comprehensive income attributable to Owners of Parent	**32,297**	-	-	-	-

Thousands of Euro	1st Semester 2022	Of which related parties			
		Associates	Related	Total	%
Net sales	576.196	615	58	**674**	0%
Cost of sales	(515.253)	(10.619)	(508)	**(11.127)**	2%
Gross profit	**60.942**	-	-	-	-
General and administrative expense	(36.905)	(11)	(1.470)	**(1.481)**	4%
Other operating income/expense	(51)	4	(373)	**(369)**	723%
- of which non-recurring operating income	-	-	-	-	-
- of which non-recurring operating expense	*(2.000)*	-	*(389)*	-	-
Operating result	**23.986**	-	-	-	-
Financial income	114	1	-	**1**	1%
Financial expense and exchange rate differences	(3.212)	-	-	-	-
Other investment income/expense	5	-	-	-	-
Share of profit/loss of associates accounted for using the equity method	1.292	-	-	-	-
Profit/loss before tax	**22.185**	-	-	-	-
Income tax expense	(2.391)	-	-	-	-
Profit/loss from continuing operations	**19.794**	-	-	-	-
Profit/loss from discontinued operations	-	-	-	-	-
Profit/loss for the period	**19.794**	-	-	-	-
Profit/loss attributable to non-controlling interests	**428**	-	-	-	-
Profit/loss attributable to Owners of Parent	**19.366**	-	-	-	-

Thousands of Euro	1st Semester 2022	Of which related parties			
		Associates	Related	Total	%
Profit/loss for the period	**19,794**	-	-	-	-
Other comprehensive income that will not be reclassified to profit/loss, before tax	-	-	-	-	-
Income tax relating to components of other comprehensive income that will not be reclassified to profit/loss	-	-	-	-	-
Other comprehensive income that will be reclassified to profit/loss, before tax	5,378	-	-	-	-
Income tax relating to components of other comprehensive income that will be reclassified to profit/loss	(529)	-	-	-	-
Comprehensive income	**24,644**	-	-	-	-
Comprehensive income attributable to non-controlling interests	**428**	-	-	-	-
Comprehensive income attributable to Owners of Parent	**24,216**	-	-	-	-

Consolidated statement of cash flows as at June 30, 2023 and June 30, 2022

Thousands of Euro	1st Semester 2023	Of which related parties		
		Associates	Related	Total
A. Cash flows from operating activities (indirect method)				
Profit/loss for the period	**32,386**			
Adjustments for income tax expense	4,612	-	-	-
Adjustments for interest income/expense	3,527	(8)	-	**(8)**
Adjustments for provisions	974	-	-	-
Adjustments for depreciation and amortization expense and impairment loss	8,164	-	-	-
Other adjustments for non-monetary elements	16	-	-	-
Change in inventories	(2,947)	-	-	-
Change in trade receivables	(14,022)	319	16	**334**
Change in trade payables	18,660	627	(413)	**214**
Change in other receivables/assets and in other liabilities	(5,383)	-	-	-
Interest received/(paid)	(3,405)	-	-	-
(Income taxes paid)	(2.284)	-	-	-
Cash flow from operating activities (A)	**40,298**			
B. Cash flows from investing activities				
Purchase of property, plant and equipment	(5,271)	-	-	-
Proceeds from sales of property, plant and equipment	294	-	-	-
Purchase of intangible assets	(826)	-	-	-
Proceeds from sales of intangible assets	3	-	-	-
Purchase of interests in investments accounted for using equity method	(1,076)	(1,076)	-	**(1,076)**
Proceeds from sales of investments accounted for using equity method	520	520	-	**520**
Purchase of other non-current assets	-	-	-	-
Proceeds from sales of other non-current assets	438	186	-	**186**
(Acquisitions)/disposal of investments in controlled companies, net of cash	(49,852)	-	-	-
Cash Flow from investing activities (B)	**(55,770)**			
C. Cash Flow from financing activities				
Increase/decrease of financial liabilities	5,868	-	-	-
Drawdown of new long-term loans	56,244	-	-	-
Pay back of long-term loans	(7,888)	-	-	-
Capital increase and other changes in increase/decrease	1,012	-	-	-
Disposal/purchase of treasury shares	-	-	-	-
Dividends paid	(6,022)	-	-	-
Cash Flow from financing activities (C)	**37,479**			
Increase/decrease in cash and cash equivalents (A ± B ± C)	**22,007**			
Cash and cash equivalents at 1° January 23-22	**68,830**			
Cash and Cash equivalents at 30th June 23-22	**90,837**			

Thousands of Euro	1st Semester 2022	Of which related parties		
		Associates	Correlate	Total
A. Cash flows from operating activities (indirect method)				
Profit/loss for the period	**19,794**			
Adjustments for income tax expense	2,391	-	-	-
Adjustments for interest income/expense	1,708	1	-	**1**
Adjustments for provisions	831	-	-	-
Adjustments for depreciation and amortization expense and impairment loss	13,434	-	-	-
Change in inventories	(12,726)	-	-	-
Change in trade receivables	(18,590)	903	120	**1,023**
Change in trade payables	21,006	326	346	**672**
Change in other receivables/assets and in other liabilities	327	-	-	-
Interest received/(paid)	(1,777)	-	-	-
(Income taxes paid)	(1,346)	-	-	-
Cash flow from operating activities (A)	**25,053**			
B. Cash flows from investing activities				
Purchase of property, plant and equipment	(17,130)	-	(292)	**(292)**
Proceeds from sales of property, plant and equipment	334	-	-	-
Purchase of intangible assets	(1,382)	-	-	-
Proceeds from sales of intangible assets	-	-	-	-
Purchase of interests in investments accounted for using equity method	(3,612)	(3,612)	-	**(3,612)**
Proceeds from sales of investments accounted for using equity method	424	424	-	**424**
Purchase of other non-current assets	-	-	-	-
Proceeds from sales of other non-current assets	1,282	1,460	-	**1,460**
(Acquisitions)/disposal of investments in controlled companies, net of cash	-	-	-	-
Cash Flow from investing activities (B)	**(20,084)**			
C. Cash Flow from financing activities				
Increase/decrease of financial liabilities	(2,585)	-	-	-
Drawdown of new long-term loans	12,649	-	-	-
Pay back of long-term loans	(14,921)	-	-	-
Capital increase and other changes in increase/decrease	5,169	-	-	-
Disposal/purchase of treasury shares	(940)	-	-	-
Dividends paid	(5,206)	-	-	-
Cash Flow from financing activities (C)	**(5,835)**			
Increase/decrease in cash and cash equivalents (A ± B ± C)	**(866)**			
Cash and cash equivalents at 1° January 23-22	**55,043**			
Cash and cash equivalents at 30th June 23-22	**54,178**			

INDEPENDENT AUDITOR'S REPORT

KPMG

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

Report on review of condensed interim consolidated financial statements

To the shareholders of
Orsero S.p.A.

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of the Orsero Group comprising the consolidated statement of financial position, the consolidated income statement and the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity and notes thereto as at and for the six months ended 30 June 2023. The directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of review

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

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the Orsero Group as at and for the six months ended 30 June 2023 have not been prepared, in all material respects, in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union.

Genoa, 13 September 2023

KPMG S.p.A.

(signed on the original)

Andrea Fumagallo
Director of Audit