PORTOBELLO

Consolidated financial statements 2023

INDEX

Vision

We are working to strengthen our circular, ethical and innovative business model and to extend our sales network throughout the country. We want to ensure the accessibility of quality products to the greatest number of customers and enhance the potential of our partners within a framework of sustainable development.
Creating development opportunities is our vision, but above all our passion.

Our values

INTEGRITY

We always keep our promises and commitments. Our work is characterised by responsibility, ethics, fairness and inclusion. Our operations comply with applicable regulations and the highest standards of sustainability.

INNOVATION

We develop a circular and highly innovative business model. Our Divisions are vertically integrated for efficient use of resources and to create shared value in an alternative and sustainable way.

PASSION

we have a strong passion for our work. Thanks to the enthusiasm, curiosity and dedication of each of us, we are able to find the best solutions and create added value in all our operations.

OPPORTUNITIES

We see every challenge as an opportunity. Our ambition is always to offer our customers and partners the opportunity to access the goods, services and resources they need for their well-being and growth in a spirit of joint development.

SOCIAL OFFICES AND GENERAL INFORMATION

Board of Directors

Pietro Peligra	*Chairman*
Simone Prete	*Managing Director*
Mirco Di *Giuseppe*	*Councillor*
Roberto Bacchi	*Councillor*
Ciro Esposito	*Independent councillor*

Board of Auditors

Vincenzo Rappoli	*President*
Franco Federici	*Effective*
Gianluca Pellegrino	*Effective*
Luigi Troiani	*Alternate*
Massimo Anticoli	*Alternate*

Auditing Company

Audirevi S.p.A.

Euronext Growth Advisor

Integrae Sim S.p.A.

Company Name and Registered Office

Portobello S.p.A.
Piazzale della Stazione Snc 00071 Pomezia (RM)
Tax code and VAT no. 13972731007
Registered in the Company Register of Rome under no. 13972731007
Share capital Euro 1,017,191.40 fully paid-up

The Board of Directors and the Board of Statutory Auditors were appointed on 19 April 2021 and will remain in office for three successive financial years, i.e. until the date of approval of the financial statements as of the 31st of December 2023.
The auditing company was appointed on the 19th of April 2021 and will remain in office until the date of approval of the financial statements as of the 31st of December 2023.

LETTER TO THE SHAREHOLDERS

***Pietro Peligra**, Chairman*

***Roberto Panfili**, Chief Operating Officer*

Dear Shareholders,

2023 has been a very challenging year for Portobello due to a series of external events that have made the ordinary management of business activities problematic. The main problem stemmed mainly from the agreement that the company entered into with the Revenue Agency aimed at extrajudicially resolving disputes concerning VAT and direct taxes for the tax periods from 2017 to 2020. This agreement has on the one hand led to a drastic reduction in available working capital, capital that is needed to meet the daily needs of both the retail area and barter activities, which consequently have significantly contracted. On the other hand, it has created a problem of commercial credibility that has taken months to resolve and, again, has exacerbated the contraction of commercial activities.

Despite these challenges, Portobello has managed to carry out two capital increases, also thanks to the support of the shareholder Expandi Srl, which injected new liquidity and allowed the company to restart even if only in the last weeks of 2023.

Portobello, despite these major complexities, has demonstrated all its resilience, the result of a solid and well-established business model, thanks to which it has managed to cope, albeit with difficulties, with ordinary needs and to open, during 2023, six new stores within large shopping centers throughout the national territory, reaching a total commercial area of approximately 27,000 square meters. During 2023, we continued with the turnaround of the leading Italian marketplace ePRICE, with the aim of becoming a top-tier omnichannel player.

Sustainability at Porto
bello is increasingly integrated into business strategies and processes. We have joined the Forever Zero CO2 carbon offsetting project, through which we have eliminated the polluting emissions of our chain of stores. Furthermore, we have strengthened the partnership with the Telethon Foundation with which we have carried out various Corporate Social Responsibility initiatives, also thanks to the involvement of our employees, collaborators, and customers.

In the sports field, we have confirmed the existing sponsorships with the Italian Rugby Federation (FIR), MotoGP™ rider Fabio Di Giannantonio, and the Roma women's Volley Club, demonstrating our support for national and local excellence.

Our commitment has been rewarded for the fourth consecutive year with the "Champions of Growth" award by ITQF in collaboration with the newspaper La Repubblica, awarded to companies that have achieved the highest three-year growth.

It has been a difficult year but we have come out of it with tenacity and determination. A heartfelt thank you goes to the women and men of Portobello who, thanks to their professionalism, passion, and team spirit, demonstrate every day to concretely promote our values and to be the best interpreters of our mission.

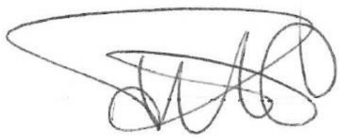
29 March 2024

Pietro Peligra

Chairman

Roberto Panfili

Chief Operating Officer



Report on the Consolidated Financial Statements as at 31 December 2023

FOREWORD

This Management Report on the Consolidated Financial Statements of Portobello S.p.A. as at 31 December 2023 (the "Report") has been prepared in accordance with Article 2428 of the Italian Civil Code, as well as in accordance with the Italian Accounting Principles formulated by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili and the Organismo Italiano di Contabilità (OIC). This report, drafted with values expressed in Euro units, is presented to accompany the Consolidated Financial Statements in order to provide the Group's income, equity, financial and management information accompanied, where possible, by historical elements and prospective evaluations.

THE PORTOBELLO GROUP

The company was founded at the end of 2016 following many months of analysis by the founding partners regarding the evolution of the competitive scenario of the retail market, the needs and buying habits of modern consumers, and the opportunities related to the management of media space aimed at barter operations.
Portobello's business is structured in highly integrated Strategic Business Units ('SBUs') to achieve maximum margins. This integration allows, in addition to an efficient and fast administration of the structure, a strong scalability of the business model, very high customer growth rates and customer appreciation, and margins on a par with the best competitors in the industry.
Also, part of the Portobello Group is the marketplace ePRICE, one of Italy's leading ecommerce, specializing in the sale of high-tech products and a leader in the large household appliances segment.

THE BUSINESS MODEL

Portobello has created a business model scientifically designed to capture product acquisition opportunities at extremely competitive prices and provide, through an appealing and efficient format, the possibility for consumers to buy these products at lower prices than many other players in the market.

The circularity of the business starts with the media activity, mainly aimed at engaging potential customers in commercial barter advertising relationships, or the direct sale of advertising. Portobello has at its disposal advertising space, either proprietary or under exclusive management, (such as magazines, video walls, etc.) or owned by third parties, (such as outdoor, digital poles, etc.): from the sale or barter business, the company obtains cash or other advertising space or physical products. The second step of the model is the resale of physical products acquired in exchange for goods or purchased directly from suppliers.

These products are destined for the Company's B2C channels: the Portobello brand shops and marketplaces. Anything that, due to size or type, cannot be sold in these channels is sold to other resellers in the B2B channel.

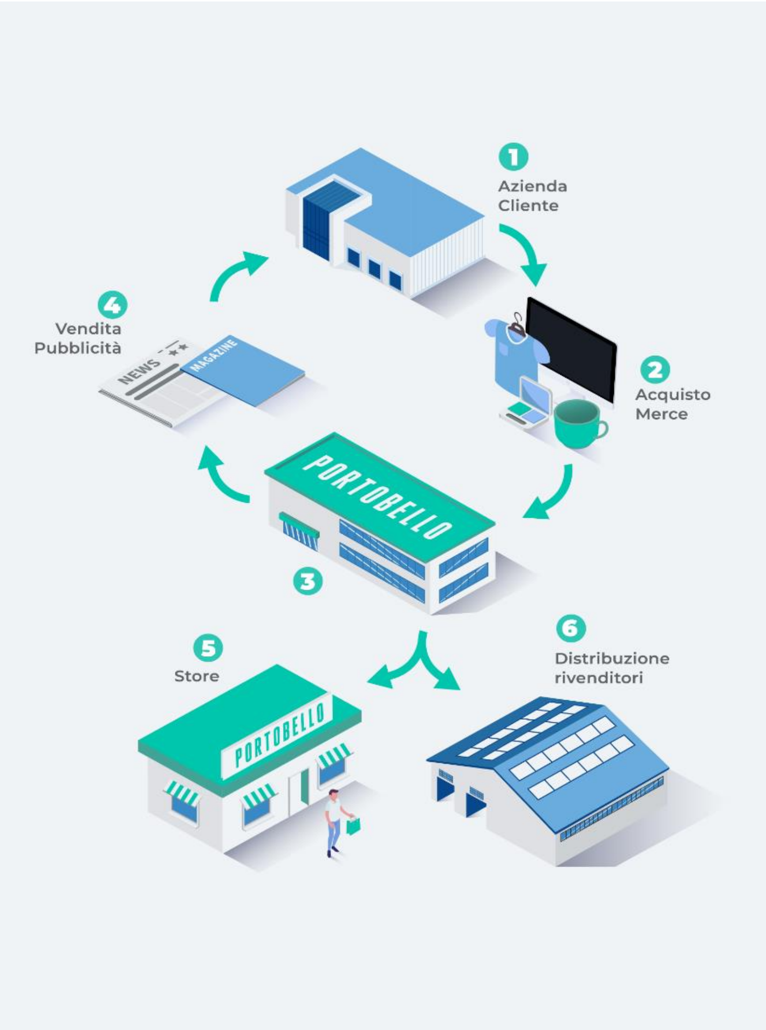


Figure 1 - The business model, which is innovative and circular, involves the sale of media space to customer-inserts live or in barter: the resulting products are sold at competitive prices through the Portobello chain of shops, while the remainder is distributed to retailers.

The Company, in order to develop its Business, has established the Strategic Business Units listed below:

- **Retail**: the retail formula includes shops with high product rotation and resale on major marketplaces.
- **Media & Advertising**: this area includes the purchase and resale of classic third-party advertising space in high-traffic areas, the development of managed media and the circulation of entertainment magazines. The spaces are sold or used in barter activities in order to acquire products for resale through the SBU Retail. Furthermore, in 2018 Portobello became a publisher by launching several magazines on the market ranging from gossip, cooking, and family, to women's fashion and news. The activity is carried out by distributing the magazines nationwide, thus embracing the audience of the average Italian reader. The editorial contents, as well as printing and distribution, are totally outsourced and this allows for excellent management control in terms of costs and to compensate for any seasonal problems in sales. The periodicals, in terms of content and user audience, are also perfectly in line with the potential advertisers of the SBU Media, thus acting as an accelerator for the latter division as well, which handles the sale of advertising space.
- **B2B**: to ensure the best turnover of goods, part of the inventory is sold through B2B channels. This activity makes it possible to improve the marginality on products sold in other channels, to improve the cash cycle and to enter into agreements with international players.

Portobello's business model is circular, efficient and scalable, thanks to the close correlation and vertical integration of the three SBUs. The benefits of such circularity are trifold:

- **Optimization of resources and asset utilization**. The Company, through its circular business model, is able to create a strong synergy between the different SBUs and to make full use of all available resources that, taken individually, would certainly generate lower yields and greater risk. In addition, the integrated management model makes the Company's value proposition more attractive to corporate clients, as Portobello is able to guarantee a wide average offer and a very delimited channel for the disposal of inventories.
- **Strategy and competitive positioning** Portobello has outlined a strategy through which it holds a position in the market with clear competitive advantages over competitors in its target sectors. The business model, in fact, allows the company to grow quickly in very difficult industries with great pressure on prices and margins, achieving efficiency of scale and brand recognition among consumers. In the media industry, for example, faced with a stable or slightly declining market on some channels, Portobello is able to grow by acquiring high-margin advertising assets to a greater extent than other operators in the sector. These assets, thanks to the Company's strategy, are able to be valorized and generate significant economic benefits. For this reason, the circular and vertically integrated business model allows Portobello to set itself against the progressive decline of many competitors. This is also true in retail, where the management's expertise in this sector has enabled the company to create a format with great appeal for the consumer, structured in an efficient and scalable manner.
- **Scalability (media, retail)**. The strategy and management model adopted have, as a direct consequence, a strong appeal to consumers seeking better value for money. This generates growth in sales, volumes and points of sale, and, at the same time, an increase in an already good marginality which, thanks to economies of scale, improves further. The strong pressure on prices caused by the emergence of the online sales channel has reduced the margins of many players and is putting out of business all those operators that do not achieve large scale efficiencies. This could represent an opportunity for Portobello, which, having an alternative business model, will be able to grow greater pressures on price and, consequently, create difficulties for its competitors.

RELEVANT EVENTS

UKRAINE AND MIDDLE EAST CRISIS: SOCIO-ECONOMIC CONSEQUENCES

Global geopolitical tensions, caused by the ongoing Russo-Ukrainian conflict that erupted militarily in February 2022 and the escalation of the Hamas-Israel war in the Gaza Strip that began on October 7, have exacerbated some of the issues stemming from the Covid-19 health crisis and led to an increase in energy costs and consequently inflation, which has had its effects on consumption. Post-pandemic reopenings have seen a growth in demand that has outpaced available supply; this has been compounded by the disruption of the global industrial supply chain and the continued rise in prices of commodities including gas, electricity, and oil. The new macroeconomic scenario has prompted central banks to implement restrictive monetary policies by raising interest rates to reduce money circulation and thus inflation, significantly reducing consumers' purchasing power. As a result of these measures, in the first half of 2023, Europe recorded inflation that, although remaining high and uneven among member states, in the second half, it trended downward. In Italy, this was primarily favored by the reduction in prices of unregulated energy goods, as well as processed foods, transportation services, the so-called "shopping cart," and other goods and services. However, the increase in interest rates has significantly increased the cost of money, consequently limiting private investments and those in the industrial sector.

RETAIL

The Confimprese-Jakala Permanent Observatory on the trend of consumption in the catering, clothing-accessories, and non-food retail sectors recorded a slight improvement in November 2023 at +1.9% compared to November 2022 and marked a difference compared to October 2023, which had shown worrying signs of decline (-3.8%). This represents a timid sign of slowing in the trend of constant deterioration that characterized the second half of 2023. The growth is partly attributed to the Black Friday, which this year became 'black days' lasting at least 10 days and allowed consumers to focus on the purchase of non-essential goods. In the merchandise sectors, there are uneven signals with a positive rebound in other retail at +3.6% and a significant +8.3% compared to 2019 also thanks to the Black Friday effect. Catering confirms positive trends at +4.4%, while the period of strong distress for clothing-accessories continues in line with the previous year at -0.9% but still heavily negative compared to pre-pandemic levels at -9.7% vs 2019. On a cumulative year-to-date basis (Jan-Nov23 vs Jan-Nov22), a situation of moderate market growth compared to the previous year is confirmed at +4.4%, mainly driven by the inflationary effect of prices and the slow start of 2022 due to the pandemic aftermath. However, the consumer market has not yet recovered pre-COVID levels (-3.9% vs 2019) with a strong heterogeneity among the various sectors of activity, with catering at +9.1% vs 2022, other retail practically stable (+0.2%) but with strong volatility among merchandise sectors and services. The clothing-accessories sector remains at the bottom, far from 2019 levels at -8.9% and in line with 2022 at +2.5%.

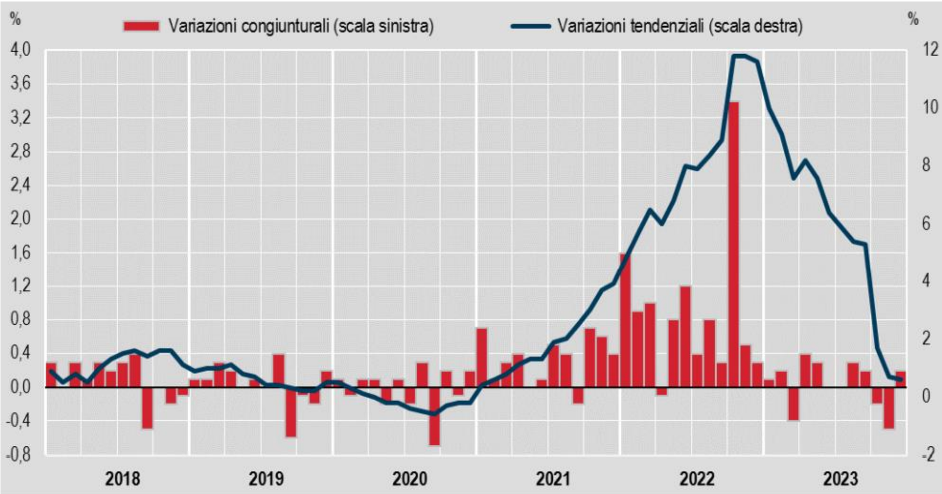


Figure 2- NIC CONSUMER PRICE INDICES
January 2018 – December 2023, economic and trend percentage changes (base 2015=100)
Source: ISTAT Report (January 16, 2024)

The B2C (Retail) SBU of Portobello recorded revenues amounting to EUR 23.16 million as at 31 December 2023.

During the year 2023, 6 new Portobello branded retail stores were opened:

- **C.C. Curno – Curno (BG)**. Serving as a local hub for shopping and leisure, the Curno shopping center boasts ample parking, relaxation areas, dining options, children's play areas, a pet-friendly zone, a movie theater, and various other amenities. The store within the "Curno" shopping center spans approximately 550 square meters and employs 11 specially recruited and trained individuals.
- **C.C. To Dream - Turin**. To Dream stands as the largest Urban District in Piedmont, covering a total area of 270,000 square meters, comprising open mall spaces and parking areas, strategically located. It pioneers a novel concept of integrating shopping, leisure, services, offices, and hospitality. The store within the "To Dream" Urban District occupies approximately 1,000 square meters and employs 12 specially recruited and trained individuals.
- **C.C. Katanè – Gravina di Catania (CT)**. Located north of Catania, between the gulf and Mount Etna, the shopping center is a local landmark for shopping and leisure, featuring 70 shops, a hypermarket, relaxation areas, dining options, children's play areas, an optician, a hair salon, and many other services. The store within the "Katanè" shopping center covers approximately 1,200 square meters and employs 13 specially recruited and trained individuals.
- **C.C. Il Castello – Ferrara**. With over 2,000 parking spaces, 88 shops, 12 dining options including bars and restaurants, a 500 square meter children's play area, a pharmacy, a bank, and various other services, the shopping center is a local reference point for shopping and leisure. The store within the "Il Castello" shopping center spans almost 1,000 square meters and employs 10 specially recruited and trained individuals.
- **C.C. Le Corti Venete – S. Martino Buon Albergo (VR)**. Located near the Verona Est exit of the A4 highway, just 10 minutes from the historic center of Verona, the shopping center offers 70 specialized shops and services to meet the needs of the whole family, from clothing and accessories to health, beauty, home goods, electronics, and leisure. The store within the "Le Corti Venete" shopping center covers 700 square meters and employs 10 specially recruited and trained individuals.
- **C.C. Merlata Bloom – Milan**. Merlata Bloom Milano is the Lifestyle Center situated at the heart of Italy's largest urban redevelopment project, in the northwest quadrant of Milan. Developed by Merlata Mall S.p.A. and managed and marketed by Nhood Services Italy. The store within the "Merlata Bloom" Lifestyle Center covers approximately 800 square meters and employs 10 specially recruited and trained individuals.

PORTOBELLO BRAND OUTLETS OPERATIONAL AS AT 31 DECEMBER 2023

CITY	HEADQUARTERS
OUTLETS OPERATED BY PORTOBELLO SPA	
MILAN	Via Torino
MILAN	Corso Genova
ROME (Capena)	Via Tiberina km 1700
ROME	Via Tiburtina 541
ROME	Via dei Castani 171-175
ROME	Piazza Santa Maria Maggiore 9-10
ROME	Via Francesco Grimaldi 76/78
ROME (Ostia)	Via delle Gondole 20
ROME	Viale Libia 204
ROME	Via Tuscolana 1048/1058
ROME	Via dei Colli Portuensi 453/455
FROSINONE	Viale Europa snc
OUTLETS OPERATED BY SUBSIDIARY PB RETAIL SRL	
TURIN	C.C. Porte di Torino
FANO (PU)	C.C. Fanocenter
CATANIA	C.C. Porte di Catania
ROME	C.C. Romaest
ROME	C.C. La Romanina
ANCONA	C.C. Grotte Center
FORLI'	C.C. Punta di Ferro
BOLOGNA	C.C. Centroborgo
RIMINI	C.C. I Malatesta
PORTOGRUARO (VE)	C.C. Adriatico 2
CARPI (MO)	C.C. Il Borgogioioso
TORREANO DI MARTIGNACCO (UD)	C.C. Città Fiera
SAN BENEDETTO DEL TRONTO (AP)	C.C. Porto Grande
CATANIA	C.C. Etnapolis
RAVENNA	C.C. ESP
BARI	C.C. Mongolfiera Japigia
SARZANA (SP)	C.C. Centro Luna
CURNO (BG)	C.C. Curno
TURIN	C.C. To Dream
GRAVINA DI CATANIA (CT)	C.C. Katanè
FERRARA	C.C. Il Castello
S. MARTINO BUON ALBERGO (VR)	C.C. Le Corti Venete
MILAN	C.C. Merlata Bloom

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MEDIA AND PUBLISHING

On the basis of Nielsen data reported by Confindustria Radio Televisioni (CRTV), the advertising investment market in Italy in the first eleven months of 2023 recorded a total value of just over EUR 5.0 billion, showing a growth of 2.3% compared to the values of the same period of the previous year ("traditional perimeter"). In the single month of November, the figure stood at approximately EUR 660 million, showing an increase of 5.7% compared to the values for the same month in 2022 (amounting to approximately EUR 622 million).

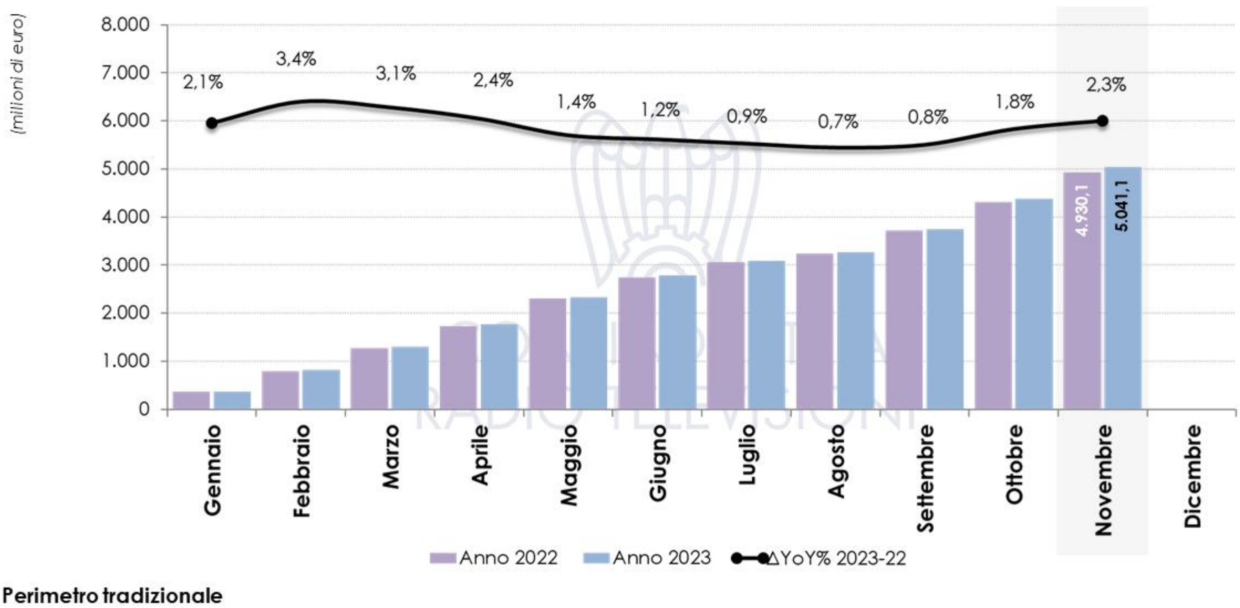

Figure 3 - Advertising investments Italy: TOTAL MEDIA, traditional perimeter (YoY 2023/22 comparison)
Source: Confindustria Radio Televisioni (CRTV) elaborations on Nielsen data.
Note: The 'traditional' perimeter monitored by Nielsen does not include the Search, Social and Classified components of the Internet and the so-called Over The Top.

In terms of the 'extended perimeter' (including the Search, Social and Classified components of the Internet and the so-called Over The Top), the market value stands at just over EUR 8.2 billion (+2.8% compared to 2022), with a difference from the 'traditional' market of around EUR 3.17 billion.

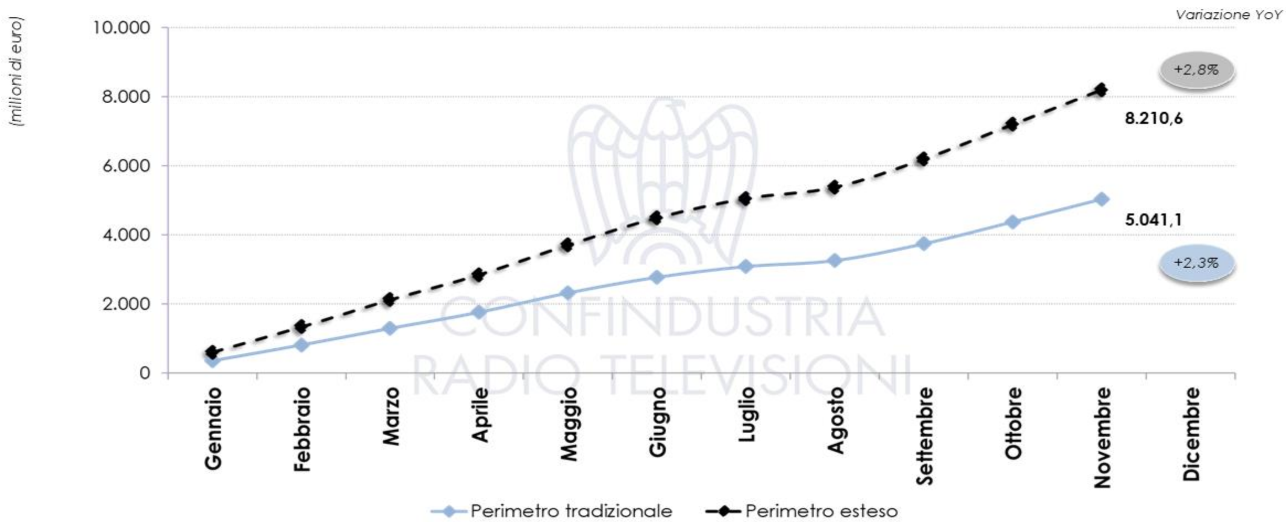

Figure 4 - Advertising investments Italy: TOTAL MEANS, comparison perimeters
Source: Confindustria Radio Televisioni (CRTV) elaborations on Nielsen data. Net advertising investments.
Note: The 'extended' perimeter monitored by Nielsen includes the Search, Social and Classified components of the Internet and the so-called Over The Top.

Portobello's SBU Media reported revenues of EUR 46.3 million as at 31 December 2023.

B2B

The revenues of Portobello's B2B SBU as at 31 December 2023 amounted to EUR 34.1 million, up by 1.82% compared to 31 December 2022. The Company considers this activity to be useful for monetizing those products that are not in line with the Portobello shops, or related to purchases that have too high a volume compared to the shops currently open, and therefore is not a priority channel in its development strategies.

FINANCING

In February, the Company signed a financing agreement for a total of EUR 2 million with Banca Agricola Popolare di Ragusa. The purpose of this transaction is to support Portobello's multi-year investment strategy in both physical and online retail. The financing, featuring a variable interest rate, amounts to EUR 2 million, with a term of 24 months and a monthly repayment schedule. The agreement includes standard provisions common to such contracts, including the option for early voluntary repayment of the financed sums, subject to payment of a prepayment penalty.

In the second half of April, the Company signed a financing agreement for a total of EUR 4.4 million with Banca Progetto S.p.A. This financing is also intended to bolster Portobello's multi-year investment plan in both physical and online retail. The financing, carrying a variable interest rate and backed by SACE's "SupportItalia" guarantee, amounts to EUR 4.4 million. It has a duration of 8 years for a tranche of EUR 1.4 million and 4 years for a tranche of EUR 3.0 million, with a repayment schedule on a deferred quarterly basis following an initial 3-month pre-amortization period. The financing agreement encompasses standard provisions typical of such contracts, including the option for early voluntary repayment of the financed sums, subject to a prepayment penalty, as well as clauses related to events of mandatory early repayment (including the retention of the SACE guarantee and scenarios involving changes of control in relation to the current capital structure), declarations, obligations, revocation events, consents, and materiality thresholds in line with industry norms for transactions of this nature.

THE COMPANY ENTERED INTO AN AGREEMENT WITH THE ITALIAN REVENUE AGENCY REGARDING THE SETTLEMENT PROCEDURE THROUGH VOLUNTARY DISCLOSURE CONCERNING VAT AND DIRECT TAXES FOR THE PERIODS FROM 2017 TO 2020

On August 28 2023 Portobello entered into a settlement agreement with the Revenue Agency aimed at extrajudicially resolving disputes regarding VAT and direct taxes for the tax periods from 2017 to 2020, arising from a tax audit conducted by the Revenue Agency of Milan, culminating in an official assessment report (PVC), as disclosed in the Company's financial statements as at December 31 2022. The agreement provided for the payment of EUR 6.8 million in VAT, in addition to an additional amount of EUR 3.6 million for remaining taxes, penalties, and interests. The agreement reached with the Italian Revenue Agency provided for a payment of EUR 5.5 million by August 31 2023, and the remaining portion, amounting to EUR 4.9 million, to be paid in two equal installments on December 31 2023, and March 31 2024. The Company paid the entire amount as per the agreed schedule, closing the entire matter on February 28 2024.

Portobello reiterated that it has always operated with the utmost correctness, promptness, and determination, and it entered into the agreement to avoid the time and costs of significant tax litigation as well as to potentially benefit from certain reductions in imposed penalties (so-called tax truce), without the signing of this agreement implying or being interpreted as an acceptance or endorsement of the positions advocated by the Revenue Agency.

RESOLUTION OF THE ADMINISTRATIVE BODY: INCREASE OF THE SHARE CAPITAL

On December 11 2023 the Company announced that the Board of Directors partially exercised the delegation granted to the administrative body by the extraordinary shareholders' meeting on November 23 2023, pursuant to Article 2443 of the Civil Code, by resolving to increase the share capital through payment, on a divisible and progressive basis, up to a maximum amount of €7,999,999.99, inclusive of any premium, through the issuance of ordinary shares without indication of the nominal value, having the same characteristics as the ordinary shares in circulation at the date of issuance and regular entitlements, to be offered as an option to the shareholders pursuant to Article 2441, paragraph 1, of the Civil Code, with a subscription deadline of March 31 2024 (the "Capital Increase").

The operation aims to strengthen Portobello's equity and financial structure to support the working capital of the Group and its related development strategies.

SPONSORSHIPS

Since its foundation, Portobello has been supporting and enhancing sport, which represents an important tool for socializing and promoting fundamental values such as team spirit, respect, loyalty and inclusion. The Company has therefore signed a number of top-level sponsorship agreements in the sports sector, which are part of its communication and marketing strategy, aimed at representing the Company's Italian identity and its roots in the territory, and thus supporting both local populations and activities, as well as national excellence. This strategy, together with the numerous openings of sales outlets and a massive media campaign through high-profile 'influencers' and 'brand ambassadors', has helped to strengthen brand awareness throughout the country.

- **Roma women's Volley Club**: Portobello is the Official Sponsor for the 2022-23 season. Through the Portobello logo affixed on the jersey of the "libero" player and on the shorts of all the players, on the LEDs positioned on the sidelines, on the official website and various activities on the team's social networks, the club further strengthens its brand awareness especially in the Lazio region, where it is based.

- **Italian Rugby Federation (F.I.R.)**: Portobello is reconfirmed as Official Top Sponsor for the 2022-23 season. The agreement with the F.I.R. allows Portobello to benefit from great visibility at the national level, through various initiatives at all home matches of the "Guinness Six Nations Championship" and "Autumn International Series" tournaments.

- **Fabio Di Giannantonio (MotoGP Rider):** Portobello reconfirms its sponsorship of Italian motorcycling talent Fabio Di Giannantonio for the 2022 and 2023 seasons. Thanks to the agreement signed in October 2021 and renewed in 2022, the company will benefit from international visibility through the affixing of the logo on the right and left sleeve of the suit used by the rider during all free practice/official tests and races.

PRIZES AND AWARDS

In November, for the fourth consecutive year, Portobello is a “Champion of Growth”. The prestigious award is granted to companies that have achieved the highest average annual growth in the three-year period 2019-2022. "Champions of Growth" is a ranking compiled by the German Institute for Quality and Finance (ITQF) in collaboration with Affari & Finanza of the newspaper La Repubblica, with the aim of paying tribute to dynamic companies that contribute to providing new momentum to Italian society and the economy.

ENVIRONMENTAL SUSTAINABILITY AND SOCIAL RESPONSIBILITY

Portobello firmly believes that a responsible approach to business is crucial for establishing a fair, ethical, and enduring relationship with all stakeholders. To this end, in October 2020, the Company adopted an Organizational, Management, and Control Model prepared in accordance with Legislative Decree no. 231/2001. Additionally, it has an Ethical Code that requires employees, consultants, suppliers, and third parties in general to operate in compliance with applicable laws, professional ethics, and corporate values.

At Portobello, social responsibility and environmental and economic sustainability are integral parts of the strategy and business, and therefore inherent in decision-making and operational processes.

- **Project Forever Zero CO2: zero-impact stores.** In January, Portobello strengthened its commitment to environmental sustainability through the Forever Zero CO2 project, the carbon offset program of Forever Bambù. Thanks to this ambitious project, the Company has eliminated the polluting emissions of all stores opened during 2022, by absorbing an additional 600 tons of CO2 per year, thus becoming a chain of zero-impact stores. Through the first Partnership agreement with Forever Bambù, indeed, all stores opened by the foundation until the end of 2021 had been offset by planting approximately 23,000 square meters of bamboo forest in Civitella Paganico (GR). This year, the Company will have an additional 23,700 square meters available, of which 16,600 square meters in Civitella Paganico and 7,100 square meters in Portomaggiore (FE), to offset a total of 1,200 tons of CO2 per year, corresponding to 24,000 tons of CO2 by 2043.

- **Fundraising for the Telethon Foundation**. Following the success of the fundraising campaign initiated in 2022, within the existing partnership with the Telethon Foundation, in March 2023 Portobello launched a new annual collection in all stores of the chain to finance the "Diseases without diagnosis” program. Customers who chose to support the Foundation by donating 1 euro received a special thank you postcard.

- **Acea Run4Rome Relay.** Portobello participated, alongside its Partner, the Telethon Foundation, in the non-competitive relay "Acea Run4Rome," which took place on March 19th in Rome. During the marathon, Portobello opened a corporate page on the "Rete del Dono" platform, aiming to activate a fundraising campaign open to all employees.

MANAGEMENT EVOLUTION

Expansionary monetary policies and the rapid post-pandemic economic recovery are among the factors that have led to price increases and, hence, inflation. Global supply chains have yet to return to an optimal production regime capable of meeting ever-growing demand; additionally, the Russian-Ukrainian military conflict has resulted in higher energy and raw material costs, further exacerbating supply problems. Through interest rate hikes, the European Central Bank has managed to curb inflation, which, while remaining high and uneven in the first half, has shown a clear downward trend in the second half of the year. However, the increase in the cost of capital has discouraged private and industrial investments. Furthermore, the Middle Eastern powder keg, ignited in the Gaza Strip by Hamas and fueled by the Israeli response, has spread to Yemen, where the Houthi armed group seeks to prevent ships passing through the Gulf of Aden from reaching the Suez Canal, which shortens the journey of goods from East to West by about 10 days compared to circumnavigation of Africa. This situation could cause a significant slowdown in global import-export with consequent increases in the costs of goods and raw materials, leading to a new inflationary curve.

In critical periods like the current one, consumers become more cautious and sensitive to product prices; therefore, Portobello's value proposition, based on an offer that can sustainably combine the best quality-price ratio in the market with an excellent shopping experience, becomes more winning, as already proven during the pandemic period.

Furthermore, in July 2022, the Company acquired the ePRICE marketplace, one of the main Italian ecommerce specialized in selling high-tech products and a leader in the large household appliances segment, thus expanding the product range and developing economies of scale both on logistics, communication, and marketing costs, and on margins, managing to obtain more favorable conditions from suppliers, with a competitive B2B offer also for SMEs. Thanks to this strategic acquisition, the Portobello Group has become a top-tier omnichannel operator in the national market.

From a careful analysis of the current situation and medium to long-term prospects, therefore, it is reasonable to think that the Company will continue to constitute a sustainable economic complex destined for income generation over a multi-year period.

BUSINESS CONTINUITY

In the course of 2024, the Group recorded losses amounting to EUR 44,880,234 (of which EUR 3,891,400 pertained to third parties), resulting in a debt of EUR 50,807,640. This circumstance primarily arose from the agreement signed by the Parent Company with the Revenue Agency aimed at extrajudicially resolving disputes regarding VAT and direct taxes for the tax periods from 2017 to 2020, as highlighted by the Directors in the Management Report. The agreement entailed the payment of EUR 6.8 million for VAT, in addition to a further amount of EUR 3.6 million for residual taxes, penalties, and interests. As of December 31 2023, the Company had already paid EUR 6.5 million, and the remaining portion, amounting to EUR 3.9 million, was fully paid in February 2024.

As a result of this agreement with the Revenue Agency, which Portobello decided to enter into to avoid the significant time and costs of a major tax dispute, as well as to benefit from certain reductions in imposed sanctions (the so-called "tax truce"), without the subscription to this agreement implying or being interpreted as an acceptance or endorsement of the Revenue Agency's tax positions, the Group faced a drastic reduction in available working capital. This capital is crucial to meet the daily needs of both the retail area and barter activities, which consequently experienced significant contraction. This situation was further exacerbated by the freezing of bank accounts, which lasted from mid-July until the end of August 2023. Consequently, a commercial credibility problem emerged, which took months to resolve and further aggravated the contraction of commercial activities. This reduction in turnover, amounting to approximately EUR 26.37 million, primarily resulted from missed barter trade agreements that would have also brought products to resell within the stores. Indeed, while B2B revenues saw a growth of approximately 2 percentage points and the Retail sector remained substantially stable (registering a 5.85% decline in revenues), the media division experienced a decrease of over 35%, amounting to over EUR 25 million. To illustrate, the Parent Company was unable to utilize available advertising spaces worth approximately EUR 22.7 million expiring at the end of 2023, which were fully accounted for in the balance sheet and would have generated revenues of at least EUR 44 million, considering the historical markups achieved by the Company in the Media sector. This lost revenue, combined with the payment of EUR 10.4 million to the Revenue Agency, in addition to start-up costs associated with the opening of new stores launched in 2023, resulted in a consolidated net loss of EUR 44.8 million (of which EUR 40.99 million pertained to the Group).

The management of the Parent Company convened a Shareholders' Meeting on November 23, 2023, which authorized the management itself to carry out capital increases of up to EUR 20 million over the following five years. The Parent Company used this delegation to initiate two capital increases: the first, with pre-emptive rights, concluded on February 8 2024, for a total value of EUR 7,999,950.00, while the second, without pre-emptive rights, concluded on February 19 2024, for a total value of the increase amounting to EUR 4,627,350. Considering the success of the two capital increases and the full payment to the Revenue Agency, the Administrative Body of Portobello believes it has implemented a series of actions to overcome the temporary financial tension by obtaining new finance and initiating negotiations with Banks and Credit Institutions that have financed the Group over the years. This activity aims to rebuild working capital suitable for the company's size, including through the provision of short-term cash lines. Finally, to safeguard the cash plan, the same administrators have also identified certain assets that, should further cash needs arise, could be liquidated, thus allowing the company to continue to meet its business needs.

ECONOMIC/FINANCIAL PERFORMANCE

ECONOMIC MANAGEMENT DATA

Below are the Group's key operating figures for the year ended 31 December 2023, prepared in accordance with national accounting standards:

Profit and Loss Account of the Company *(figures in Euro)*	**31/12/2023**	**31/12/2022**	**Absolute change**	**Change %**
Revenues from sales and services	103,518,762	129,887,796	-26,369,034	-20.30%
Other revenues and income	329,854	595,366	-265,512	-44.60%
Value of production	**103,848,616**	**130,483,162**	**(26,634,546)**	**-20.41%**
raw materials, consumables and goods	98,196,215	100,065,692	-1,869,477	-1.87%
Change in inventories of raw, ancillary and consumable materials and goods	1,121,053	(15,809,826)	16,930,879	-107.09%
Cost of sales	**99,317,268**	**84,255,866**	**15,061,402**	**17.88%**
Gross Margin	**4,531,348**	**46,227,296**	**(41,695,948)**	**-90.20%**
%	**4.4%**	**35.4%**	**-31.06%**	**-87.68%**
Staff	**12,044,519**	**11,264,083**	**780,436**	**6.93%**
Use of third party assets	**9,267,139**	**6,917,707**	**2,349,432**	**33.96%**
Services	**9,159,365**	**9,067,792**	**91,573**	**1.01%**
Sundry operating expenses	**12,218,351**	**818,923**	**11,399,428**	**1392.00%**
EBITDA	**(38,158,026)**	**18,158,791**	**-56,316,817**	**-310.14%**
%	**-36.7%**	**13.9%**	**-50.66%**	**-364.03%**
Depreciation, Amortisation, Provisions and Write-downs	**8,342,745**	**4,680,538**	**3,662,207**	**78.24%**
EBIT	**(46,500,771)**	**13,478,253**	**-59,979,024**	**-445.01%**
%	**-44.8%**	**10.3%**	**-55.11%**	**-533.49%**
Other financial income	469,479	13,504	455,975	3376.59%
Interest and other financial charges	(2,643,329)	(884,653)	(1,758,676)	198.80%
Value Adjustments on Financial Assets	(170,370)	(440,741)	270,371	-61.34%
Financial Management	**(2,344,220)**	**(1,311,890)**	**-1,032,330**	**78.69%**
EBT	**(48,844,991)**	**12,166,363**	**-61,011,354**	**-501.48%**
Current, Deferred and Prepaid Income Taxes for the Year	**(3,964,757)**	**4,507,452**	**(8,472,209)**	**-187.96%**
PROFIT (LOSS) FOR THE PERIOD	**(44,880,234)**	**7,658,911**	**-52,539,145**	**-685.99%**
%	**-43.2%**	**5.9%**	**-49.09%**	**-836.28%**

The value of production as at 31/12/2023 amounted to EUR 103,518,762. The table below shows the value of production broken down by business area:

Activity Category	**31/12/2023**	**31/12/2022**	**Absolute change**	**Change %**
Media	46,289,245	71,828,232	-25,538,987	-35.56%
Retail (or B2C)	23,155,453	24,593,508	-1,438,055	-5.85%
B2B	34,074,064	33,466,056	608,008	1.82%
Other income	329,854	595,366	-265,512	-44.60%
Value of production	**103,848,616**	**130,483,162**	**-26,634,546**	**-20.41%**

The EBITDA is negative by EUR 38.16 million compared to EUR 18.16 million recorded in the 2022 fiscal year.

The EBIT is negative by EUR 46.50 million compared to EUR 13.48 million recorded in the 2022 fiscal year.

The EBT is negative by EUR 48.84 million compared to EUR 12.17 million recorded in the 2022 fiscal year.

The consolidated net profit for the year ended 31 December 2023 amounted to EUR (44,880,234) and was composed as follows:

- Group share of profit EUR (40,988,834)
- Minority interests EUR (3,891,400)

The results for the year ended 31 December 2023 were affected by the presence of extraordinary and non-recurring items, which are detailed below. In order to normalize the result for the year and make it comparable with that of the previous year, it was deemed appropriate to prepare adjusted Profit and Loss Account and Balance Sheet statements, stripped of the aforementioned extraordinary items and the related tax impact. The two adjusted reclassification statements are shown below.

Adjusted Consolidated Profit and Loss Account (figures in Euro)	31/12/2023	31/12/2022	Absolute change	Change %
Revenues from sales and services	147,518,762	129,887,796	17,630,966	13.57%
Other revenues and income	329,854	595,366	-265,512	-44.60%
Value of production	**147,848,616**	**130,483,162**	**17,365,454**	**13.31%**
raw materials, consumables and goods	98,196,215	100,065,692	-1,869,477	-1.87%
Change in inventories of raw, ancillary and consumable materials and goods	1,121,053	(15,809,826)	16,930,879	-107.09%
Cost of sales	**99,317,268**	**84,255,866**	**15,061,402**	**17.88%**
Gross Margin	**48,531,348**	**46,227,296**	**2,304,052**	**4.98%**
%	**32.8%**	**35.4%**	**-2.60%**	**-7.35%**
Staff	**12,044,519**	**11,264,083**	**780,436**	**6.93%**
Use of third party assets	**9,267,139**	**6,917,707**	**2,349,432**	**33.96%**
Services	**9,159,365**	**9,067,792**	**91,573**	**1.01%**
Sundry operating expenses	**1,018,800**	**818,923**	**199,877**	**24.41%**
EBITDA	**17,041,524**	**18,158,791**	**-1,117,267**	**-6.15%**
%	**11.5%**	**13.9%**	**-2.39%**	**-17.18%**
Depreciation, Amortisation, Provisions and Write-downs	**8,342,745**	**4,680,538**	**3,662,207**	**78.24%**
EBIT	**8,698,779**	**13,478,253**	**-4,779,474**	**-35.46%**
%	**5.9%**	**10.3%**	**-4.45%**	**-43.04%**
Other financial income	469,479	13504	455,975	3376.59%
Interest and other financial charges	(2,643,329)	(884,653)	(1,758,676)	198.80%
Value Adjustments on Financial Assets	(170,370)	(440,741)	270,371	-61.34%
Financial Management	**(2,344,220)**	**(1,311,890)**	**-1,032,330**	**78.69%**
EBT	**6,354,559**	**12,166,363**	**-5,811,804**	**-47.77%**
Current, Deferred and Prepaid Income Taxes for the Year	**5,433,961**	**4,507,452**	**926,509**	**20.56%**
PROFIT (LOSS) FOR THE PERIOD	**920,598**	**7,658,911**	**-6,738,313**	**-87.98%**
%	**0.6%**	**5.9%**	**-5.25%**	**-89.39%**

The finalized results for the fiscal year ending December 31 2023, are impacted by three extraordinary and non-recurring items, detailed as follows:

- An amount of EUR 10,408,549 related to an agreement entered into with the Revenue Agency aimed at resolving, out of court, disputes regarding VAT and direct taxes for the tax periods from 2017 to 2020.
- An amount of EUR 22,738,379 concerning media spaces from contracts expiring on December 31 2023, which the Company could have resold in exchange for goods, generating additional net revenue. Based on historical transaction data, this additional revenue could have amounted to no less than EUR 44 million.
- An amount of EUR 2,798,448 related to the consolidation difference concerning the stake in PB Retail.

The aforementioned extraordinary events have impacted the adjusted figures as follows:

Regarding the Income Statement, there is a higher amount in A1 of EUR 44 million of increased revenue resulting from the utilization of expired advertising spaces, a lower amount in B14 - Miscellaneous Operating Expenses - of EUR 11.2 million attributable to EUR 8.4 million for the Revenue Agency's Contestation Report ("PVC") and EUR 2.8 million for the positive difference from the cancellation of the subsidiary's investment. There is an overall higher amount of taxes of EUR 9.4 million, resulting from the algebraic sum of lower taxes from previous years due to PVC of EUR 2 million, lower prepaid taxes of EUR 6 million, and higher current taxes of EUR 5.4 million. Consequently, the adjusted period result changes from a loss of EUR 44.9 million to a positive result of EUR 0.92 million.

The adjusted value of production is presented in the following table.

Activity Category	31/12/2023	31/12/2022	Absolute change	Change %
Media	90,289,245	71,828,232	18,461,013	25.70%
Retail (or B2C)	23,155,453	24,593,508	-1,438,055	-5.85%
B2B	34,074,064	33,466,056	608,008	1.82%
Other income	329,854	595,366	-265,512	-44.60%
Value of production	147,848,616	130,483,162	17,365,454	13.31%

With reference to the Balance Sheet, there is a reduction in deferred tax assets of EUR 5.9 million, increased tax liabilities amounting to EUR 1.5 million, which is the algebraic sum of lower remaining PVC liabilities as at December 31 2023, amounting to EUR 3.9 million, and higher current tax expenses of EUR 5.4 million. Lastly, there is an impact on customer receivables amounting to EUR 44 million due to increased revenue from advertising, and an impact on cash and cash equivalents amounting to EUR 6.5 million related to payments made on the PVC in the 2023 fiscal year.

Adjusted Consolidated Balance Sheet	**31/12/2023**	**31/12/2022**	***Absolute change***	***Change %***
Intangible Fixed Assets	8,507,279	6,312,335	*2,194,944*	*34.77%*
Tangible Fixed Assets	3,067,660	3,313,805	*(246,145)*	*-7.43%*
Financial Fixed Assets	4,286,305	4,575,012	*(288,707)*	*-6.31%*
NET FIXED ASSETS	**15,861,244**	**14,201,152**	***1,660,092***	***11.69%***
Inventories	50,957,426	56,262,254	*(5,304,828)*	*-9.43%*
Inventories	**50,957,426**	**56,262,254**	***(5,304,828)***	***-9.43%***
Customers	45,129,915	5,943,856	*39,186,059*	*659.27%*
Suppliers	(30,874,369)	(7,756,744)	*(23,117,625)*	*298.03%*
Trade receivables and payables	**14,255,546**	**(1,812,888)**	***16,068,434***	***-886.34%***
Tax receivables and payables	(17,872,831)	(9,272,939)	*(8,599,892)*	*92.74%*
Other credits	3,376,526	1,346,651	*2,029,875*	*150.74%*
Other debts	(3,888,954)	(2,244,339)	*(1,644,615)*	*73.28%*
Accrued income and prepaid expenses	35,145,883	30,164,264	*4,981,619*	*16.51%*
Accrued expenses and deferred income	(3,245,932)	(1,617,844)	*(1,628,088)*	*100.63%*
Other current assets	**13,514,691**	**18,375,793**	***(4,861,102)***	***-26.45%***
NET WORKING CAPITAL	**78,727,664**	**72,825,159**	***5,902,505***	***8.11%***
TFR	(923,970)	(752,052)	*(171,918)*	*22.86%*
Other funds	(1,877,276)	(902,963)	*(974,313)*	*107.90%*
CONSOLIDATED LIABILITIES	**(2,801,246)**	**(1,655,015)**	**(1,146,231)**	***69.26%***
NET INVESTED CAPITAL	**91,787,663**	**85,371,296**	***6,416,367***	***7.52%***
Capital	(674,450)	(674,450)	*(0)*	*0.00%*
Reserves	(49,623,708)	(34,592,923)	*(15,030,785)*	*43.45%*
(Profit) loss for the period	(4,811,999)	(10,347,617)	*9,427,019*	*-91.10%*
Minority (profit) loss	3,891,400	2,688,705		
Minority shareholders' equity	6,531,105	2,675,275		
NET WORTH	**(48,579,052)**	**(42,939,715)**	***(5,639,337)***	***13.13%***
(Financial debts)	(514,659)	(761,315)	*246,656*	*-32.40%*
Financial receivables	188,889	259,259	*(70,370)*	
(Bank debts)	(50,292,981)	(44,773,656)	*(5,519,325)*	*12.33%*
Cash and cash equivalents	7,410,140	2,844,131	*4,566,009*	*160.54%*
PFN	**(43,208,611)**	**(42,431,581)**	***(777,030)***	***1.83%***
TOTAL SOURCES	**(91,787,662)**	**(85,371,296)**	***(6,416,366)***	***7.52%***

Balance Sheet - Financial Situation

The Group's statement of financial position as at 31 December 2023 and the comparison with the corresponding figures as at 31 December 2022 are shown below:

Consolidated Balance Sheet	**31/12/2023**	**31/12/2022**	***Absolute change***	***Change %***
Intangible Fixed Assets	8,507,279	6,312,335	*2.194,944*	*34.77%*
Tangible Fixed Assets	3,067,660	3,313,805	*(246,145)*	*-7.43%*
Financial Fixed Assets	4,286,305	4,575,012	*(288,707)*	*-6.31%*
NET FIXED ASSETS	**15,861,244**	**14,201,152**	***1,660,092***	***11.69%***
Inventories	50,957,426	56,262,254	*(5,304,828)*	*-9.43%*
Inventories	**50,957,426**	**56,262,254**	***(5,304,828)***	***-9.43%***
Customers	1,129,915	5,943,856	*(4,813,941)*	*-80.99%*
Suppliers	(30,874,369)	(7,756,744)	*(23,117,625)*	*298.03%*
Trade receivables and payables	**(29,744,454)**	**(1,812,888)**	***(27,931,566)***	***1540.72%***
Tax receivables and payables	(16,330,713)	(9,272,939)	*(7,057,774)*	*76.11%*
Other credits	9,348,725	1,346,651	*8,002,074*	*594.22%*
Other debts	(3,888,954)	(2,244,339)	*(1,644,615)*	*73.28%*
Accrued income and prepaid expenses	35,145,883	30,164,264	*4,981,619*	*16.51%*
Accrued expenses and deferred income	(3,245,932)	(1,617,844)	*(1,628,088)*	*100.63%*
Other current assets	**21,029,008**	**18,375,793**	***2,653,215***	***14.44%***
NET WORKING CAPITAL	**42,241,981**	**72,825,159**	***(30,583,178)***	***-42.00%***
TFR	(923,970)	(752,052)	*(171,918)*	*22.86%*
Other funds	(1,877,276)	(902,963)	*(974,313)*	*107.90%*
CONSOLIDATED LIABILITIES	**(2,801,246)**	**(1,655,015)**	**(1,146,231)**	***69.26%***
NET INVESTED CAPITAL	**55,301,980**	**85,371,296**	***(30,069,316)***	***-35.22%***
Capital	(674,450)	(674,450)	*(0)*	*0.00%*
Reserves	(52,422,155)	(34,592,923)	*(17,829,232)*	*51.54%*
(Profit) loss for the period	40,988,834	(10,347,617)	*51,336,451*	*-496.12%*
Minority (profit) loss	3,891,400	2,688,705		
Minority shareholders' equity	6,531,105	2,675,275		
NET WORTH	**(5,576,666)**	**(42,939,715)**	***37,363,049***	***-87.01%***
(Financial debts)	(514,659)	(761,315)	*246,656*	*-32.40%*
Financial receivables	188,889	259,259	*(70,370)*	
(Bank debts)	(50,292,981)	(44,773,656)	*(5,519,325)*	*12.33%*
Liquid assets	893,437	2,844,131	*(1,950,694)*	*-68.59%*
NFI	**(49,725,314)**	**(42,431,581)**	***(7,293,733)***	***17.19%***
TOTAL SOURCES	**(55,301,980)**	**(85,371,296)**	***30,069,316***	***-35.22%***

Net fixed assets as at 31/12/2023 amounted to EUR 15,861,244. Inventories of finished goods at the consolidated balance sheet date amounted to EUR 50,957,426 (net of the related allowance for impairment). Group shareholders' equity amounted to EUR 12,107,771, of which (EUR 6,531,105) was attributable to minority interests.

The net financial position of the Portobello Group as at 31 December 2023 is shown below:

NFI detail (Figures in Euro)	**31/12/2023**	**31/12/2022**	***Absolute change***	***Change %***
Case	229,583	149,206	80,377	53.87%
Other liquid assets	663,854	2,694,925	(2,031,071)	-75.37%
Titles	188,889	259,259	(70,370)	-27.14%
LIQUIDITY	**1,082,326**	**3,103,390**	**(2,021,064)**	**(-20.0%)**
Current bank debts	(3,347,057)	(2,041,145)	(1,305,912)	63.98%
Current portion of non-current debt	(22,650,330)	(13,536,584)	(9,113,746)	67.33%
Other current financial payables	(514,659)	(629,870)	115,211	-18.29%
CURRENT FINANCIAL DEBT	**(26,512,046)**	**(16,207,599)**	**(10,304,447)**	**44.40%**
CURRENT NET FINANCIAL INDEBTEDNESS (i)-(e)-(d)	**(25,429,720)**	**(13,104,209)**	**(12,325,511)**	**146.10%**

Net current financial debt is negative by about EUR 25.4 million. Current bank and financial debts refer to financing contracts for short-/medium-term advances.

The following table shows the Portobello Group's net financial debt, restated in accordance with CONSOB Resolution 15519 of 27 July 2006:

NFI detail (Figures in Euro)	**31/12/2023**	**31/12/2022**	***Absolute change***	***Change %***
Case	229,583	149,206	80,377	53.87%
Other liquid assets	663,854	2,694,925	(2,031,071)	-75.37%
Titles	188,889	259,259	(70,370)	-27.14%
LIQUIDITY (a)+(b)+(c)	**1,082,326**	**3,103,390**	**(2,021,064)**	**(-20.0%)**
Current bank debts	(3,347,057)	(2,041,145)	(1,305,912)	63.98%
Current portion of non-current debt	(22,650,330)	(13,536,584)	(9,113,746)	67.33%
Other current financial payables	(514,659)	(629,870)	115,211	-18.29%
CURRENT FINANCIAL INDEBTEDNESS (f)+(g)+(h)	**(26,512,046)**	**(16,207,599)**	**(10,304,447)**	**44.40%**
CURRENT NET FINANCIAL INDEBTEDNESS (i)-(e)-(d)	**(25,429,720)**	**(13,104,209)**	**(12,325,511)**	**146.10%**
Non-current bank debts	(24,295,595)	(29,195,927)	4,900,332	16.70%
Other non-current payables	-	(131,445)	131,445	(-42.9%)
NON-CURRENT FINANCIAL INDEBTEDNESS (k)+(l)+(m)	**(24,295,595)**	**(29,327,372)**	**5,031,777**	**11.20%**
NET FINANCIAL INDEBTEDNESS (j)+(n)	**(49,725.315)**	**(42,431.581)**	**(7,293,734)**	**27.50%**

MAIN PROFITABILITY RATIOS

For a better understanding of the Company's economic situation and results, a number of comparative economic indicators for the two reporting periods are given below, which, although not identified with directly accounting measures, provide a clear view of the Company's business performance.

The indicators listed below should be used as a supplement to the disclosure requirements of the CIU.

Return on Asset

R.O.A.	**31/12/2023**	**31/12/2022**	**Variation**
Net Operating Margin	-46,500,769	13,478,253	-59,979,022
Total Assets	116,373,219	114,287,978	2,085,241
Net Operating Margin/Total Assets	**-39.96%**	**11.79%**	**-51.75%**

The index measures the return on investment with reference to the result before financial management.

Return on Equity

R.O.E.	**31/12/2023**	**31/12/2022**	**Variation**
Net Result	-44,880,232	10,347,617	-55,227,849
Shareholders' Equity	8,216,373	45,614,990	-37,398,617
Net Profit/Shareholders' Equity	**-546.23%**	**22.68%**	**-568.91%**

The index measures the return on equity invested in the company.

Return on investment

R.O.I.	**31/12/2023**	**31/12/2022**	**Variation**
Net Operating Margin	-46,500,769	13,478,253	-59,979,022
Net Invested Operating Capital (*)	58,103,225	85,371,296	-27,268,071
Net Operating Margin/Net Invested Capital	**-80.03%**	**15.79%**	**-95.82%**

(*) Net Invested Operating Capital is the sum of Net Fixed Assets and Net Working Capital

The index measures the profitability and efficiency of invested capital in relation to typical business operations.

Return on Sales

R.O.S.	**31/12/2023**	**31/12/2022**	**Variation**
Net Operating Margin	-46,500,769	13,478,253	-59,979,022
Revenues from Sales and Services	103,518,762	129,887,796	-26,369,034
Net Operating Margin/Sales and Service Revenues	**-44.92%**	**10.38%**	**-55.30%**

The index measures the company's ability to generate profits from sales.

Ebit	**31/12/2023**	**31/12/2022**	**Variation**
EBIT	-46,500,771	13,478,253	-59,979,024
Value	**31/12/2023**	**31/12/2022**	**Variation**

This is the income margin that measures the result for the year without taking into account extraordinary items and financial expenses. It includes the result of the ancillary and financial area, net of financial expenses.

Primary Structure Margin

	31/12/2023	31/12/2022	Variation
Own Means	8,216,373	45,614,990	*-37,398,617*
Active Fixed	15,861,244	14,201,152	*1,660,092*
Primary Structure Margin = Equity - Fixed Assets	**-7,644,871**	**31,413,838**	***-39,058,709***
Primary Structure Ratio = Equity/Fixed Assets	**0.52**	**3.21**	***-2.69***

It expresses in absolute terms the company's ability to cover investments in fixed assets with its own funds.

Secondary structure margin

	31/12/2023	31/12/2022	Variation
Own Means	8,216,373	45,614,990	*-37,398,617*
Consolidated liabilities	27,770,801	31,686,739	*-3,915,938*
Active Fixed	15,861,244	14,201,152	*1,660,092*
Secondary Structure Margin = (Equity + Consolidated Liabilities) - Fixed Assets	**20,125,930**	**63,100,577**	***-42,974,647***
Secondary Structure Ratio = (Equity + Consolidated Liabilities) / Fixed Assets	**2.27**	**5.44**	***-3.17***

It expresses in absolute terms the Company's ability to cover its investments in fixed assets with consolidated sources.

SIGNIFICANT EVENTS OCCURRING AFTER THE END OF THE PERIOD

PORTOBELLO RENEWS EURONEXT GROWTH ADVISOR MANDATE WITH INTEGRAE SIM

On January 10 2024, Portobello signed the renewal of the Euronext Growth Advisor ("EGA") mandate with Integrae SIM S.p.A. for the next three years. Integrae SIM S.p.A. will therefore remain EGA until January 25 2027 (inclusive).

STANDARD LAYOUT ALIGNMENT OF STORE CHAIN: CLOSURE OF A STORE IN MILAN AND TWO STORES IN ROME

In the early months of 2024, the Company closed one store in Milan, located in via Torino, and two stores in Rome located in via Tiburtina and Piazza Santa Maria Maggiore. The commercial area and multi-level layout of the premises were deemed unsuitable for Portobello's standard layout, thus not allowing for an optimal shopping experience for customers. Additionally, the decision to close the store in Via Torino is also linked to the potential for better performance of another Portobello-branded store opened in Milan in October 2023 within the new Merlata Bloom shopping center.

FULLY SUBSCRIBED THE CAPITAL INCREASE APPROVED BY THE BOARD OF DIRECTORS THROUGH A NEW ISSUE OF 1,142,850 ORDINARY SHARES FOR A TOTAL VALUE OF EUR 7,999,950.00.

On February 8 2024, the Company announced the completion of the offer of up to 1,142,850 Portobello ordinary shares (the "New Shares") resulting from the capital increase approved by the Board of Directors on December 11 2023, under the delegation granted to it by the extraordinary shareholders' meeting on November 23 2023 (the "Capital Increase").

On January 11, the Board of Directors had set the definitive conditions of the capital increase to be offered to shareholders: during the offer period for the New Shares to holders of Portobello ordinary shares, which started on January 15 2024, and ended on February 1 2024 (the "Option Period"), a total of 2,937,255 option rights were exercised, and consequently, 979,085 New Shares were subscribed, representing 85.67% of the total New Shares resulting from the Capital Increase, for a total amount (including a premium) of EUR 6,853,595.00.

The shareholder Expandi S.r.l., in line with what was communicated on December 11 2023, having become the assignee of the option rights of shareholders Simone Prete, Pietro Peligra, and Roberto Panfili (the latter in his own name and through Matilde S.a.s. di Mabe Srl Semplificata & C.) during the Option Period, exercised a total of 1,607,421 option rights and consequently subscribed to 535,807 New Shares, for a total value of EUR 3,750,649.00. The remaining 491,295 unexercised option rights during the Option Period ("Unexercised Rights"), which entitle the subscription of 163,765 Portobello ordinary shares, corresponding to 14.33% of the total New Shares, were offered on Euronext Growth Milan and entirely sold during the trading sessions on February 6 and 7, 2024.

On February 8, the deadline for exercising the Unexercised Rights purchased on Euronext Growth Milan, a total of 203 New Shares were subscribed for a total amount (including a premium) of EUR 1,421.00. The remaining 163,562 New Shares, for a total value of EUR 1,144,934.00, were subscribed by the shareholder Expandi S.r.l. in accordance with the commitment - communicated to the market on December 11 2023 - to ensure the successful completion of the Capital Increase up to the maximum total amount of EUR 5,000,000.00 (including the portion already paid for the subscription of the New Shares during the Option Period). Following this additional subscription by the shareholder Expandi S.r.l., the Capital Increase is fully subscribed for a total value of EUR 7,999,950.00.

THE CAPITAL INCREASE RESERVED FOR QUALIFIED/INSTITUTIONAL INVESTORS, CARRIED OUT THROUGH AN ACCELERATED BOOKBUILDING PROCEDURE, HAS BEEN SUCCESSFULLY COMPLETED FOR A TOTAL VALUE OF EUR 4,627,350.00.

On February 19 2024, the Company announced the successful subscription of the share capital increase resolved by the Board of Directors on February 19 2024, in further execution of the delegation pursuant to art. 2443 of the Italian Civil Code conferred by the Extraordinary Shareholders' Meeting on November 23 2023. The capital increase involved a total of 661,050 new ordinary shares without indication of the nominal value, corresponding to approximately 12.44% of the new share capital, for a total value of the increase amounting to EUR 4,627,350 (inclusive of a premium) and was carried out excluding the option right pursuant to art. 2441, paragraph 5, of the Italian Civil Code. The newly issued shares were placed at a price of EUR 7.00 per share, of which EUR 0.19 was attributed to the share capital and EUR 6.81 to the premium, and admitted to trading on Euronext Growth Milan, alongside the shares already in circulation, and in compliance with applicable laws and regulations. The transaction was settled by delivery of the securities and payment of the consideration on February 23 2024. Following the full subscription of the newly issued shares, Portobello's share capital after the increase amounts to EUR 1,017,191.40, divided into 5,315,602 ordinary shares without indication of the nominal value, with a free float of approximately 43.75%.

MANAGEMENT AND COORDINATION ACTIVITIES

Pursuant to Section 5 of Article 2497-bis of the Civil Code, it is hereby certified that the Company is not subject to management and coordination by others.

ADEQUATE STRUCTURES

The Directors declared that they have taken steps to draw up adequate structures in accordance with the provisions of Legislative Decree 83/2022.

MAIN RISKS AND UNCERTAINTIES TO WHICH THE COMPANY IS EXPOSED

Pursuant to the first paragraph of Article 2428 of the Italian Civil Code, a description of the main risks and uncertainties to which the Company is exposed is provided below:

Risks associated with the sector in which the Company operates
The Company's economic, asset and financial situation is influenced by various factors that condition the macro-economic framework in the various countries in which it operates, including the level of consumer and business confidence.

Credit risk in relation to business relations with customers
Almost all trade receivables derive from barter transactions that envisage the method of payment by offsetting, therefore there are no risk profiles in credit management, nor is it believed that there could be any negative impact caused by the current emergency situation. With reference to the residual portion of receivables not arising from barter agreements, all appropriate assessments have been carried out and an adequate provision has been allocated to cover the related risk.

Liquidity risks
Liquidity risk, relating to the availability of financial resources and access to the credit market. Liquidity risk is to be considered medium/low, given the Company's level of indebtedness in relation to business volumes and shareholders' equity.

Interest rate risks
Interest rate risk related to the Company's exposure to interest-bearing financial instruments. The Company is exposed for a non-significant amount and therefore there are no risks relative to interest rates on bank debt. However, the Company has taken out two medium/long-term loans with a variable rate linked to the Euribor trend, on which it has implemented hedging transactions. Details on these transactions are reported in the notes to the financial statements.

Exchange rate risks
The Company operates almost entirely in the Euro area. Transactions settled in currencies other than the Euro are very limited. Therefore, there are no significant exchange rate risks.

RESEARCH AND DEVELOPMENT ACTIVITIES

During the financial year 2023, the Company did not conduct any research and development activities.

OWN SHARES

Pursuant to Articles 2435-bis and 2428 of the Italian Civil Code, it should be noted that the Company, in the period between February 6 and February 10, 2023, purchased treasury shares on the market through Integrae Sim S.p.A.. In particular, during the period mentioned, the Company purchased 150 treasury shares for a total countervalue of EUR 4,650,00, recording a negative reserve in Shareholders' Equity for the same amount. As at December 31 2023, the Company held 8,550 treasury shares with a total value of EUR 173,707.50.

USE OF FINANCIAL INSTRUMENTS RELEVANT TO THE ASSESSMENT OF THE FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR THE PERIOD

Pursuant to and for the purposes of point 6-bis) of the third paragraph of Article 2428 of the Italian Civil Code, it is hereby certified that the Company has not undertaken any particular financial risk management policies, as it is considered immaterial.

MAIN NON-FINANCIAL INDICATORS

Pursuant to the second paragraph of Article 2428 of the Italian Civil Code, we certify that, due to the specific activity performed and for a better understanding of the Company's situation, performance and result of operations, the presentation of non-financial indicators is not considered relevant.

ENVIRONMENTAL INFORMATION

It is certified that the Company has not undertaken any particular environmental impact policies because they are not necessary in relation to its business.

INFORMATION ON PERSONNEL MANAGEMENT

No significant information is reported on personnel management.

SHARES/SHARES OF THE PARENT COMPANY

It is hereby certified that the Company is not subject to control by any company or group of companies.

BRANCH OFFICES

In compliance with the provisions of Article 2428 of the Italian Civil Code, the Company's secondary place of business is shown below:

- Milan, Corso Venezia, 45

RELATIONS WITH SUBSIDIARIES, ASSOCIATES, PARENT COMPANIES AND COMPANIES CONTROLLED BY THE PARENT COMPANIES

With reference to this point, please refer to the relevant section of the Notes to the Financial Statements.

Rome, 03/29/2024

The Board of Directors

Pietro Peligra	*Chairman*
Simone Prete	*Managing Director*
Mirco Di Giuseppe	*Councillor*
Roberto Bacchi	*Councillor*
Ciro Esposito	*Independent Councillor*

Consolidated Financial Statements as at 31 December 2023

PORTOBELLO SPA

Consolidated Financial Statements as at 31-12-2023

Master data	
Headquarters in	POMEZIA, PIAZZALE DELLASTAZIONE SNC
Tax code	13972731007
Rea Number	RM 1486865
P.I.	13972731007
Share Capital Euro	1.017.191,40 i.v.
Legal form	Public limited company
Prevalent sector of activity (ATECO)	731101
Company in liquidation	No
Single-member company	No
Company subject to management and coordination by others	No
Belonging to a group	Yes
Parent Company Name	PORTOBELLO SPA

Consolidated Balance Sheet		
	31/12/2023	**31/12/2022**
Active		
B) Fixed Assets		
I - Intangible fixed assets		
1) start-up and expansion costs	1,175	1,727
3) Industrial patent rights and rights of use of intellectual works	3,198,840	864,236
4) concessions, licences, trade marks and similar rights	82,318	79,724
5) start-up	29,618	33,320
6) fixed assets under construction and advances	-	551,763
7) others	5,195,328	4,781,565
Total intangible fixed assets	*8,507,279*	*6,312,335*
II - Tangible fixed assets		
1) land and buildings	43,250	44,750
2) plant and machinery	1,961,771	2,213,449
3) industrial and commercial equipment	296,324	191,077
4) other assets	766,315	864,529
Total tangible fixed assets	*3,067,660*	*3,313,805*
III - Financial Fixed Assets		
1) participations in		
(b) affiliated companies	2,750,000	2,750,000
(d-bis) other enterprises	607,670	707,670
Total participations	*3,357,670*	*3,457,670*
2) Credits		
(b) to affiliated companies		
due beyond the next financial year	*455,475*	*360,000*
Total receivables from affiliated companies	*455,475*	*360,000*
Total credits	*455,475*	*360,000*
3) other titles	129,600	100,800
4) derivative financial instruments assets	343,560	656,542
Total financial fixed assets	*4,286,305*	*4,575,012*
Total fixed assets (B)	*15,861,244*	*14,201,152*
C) Current assets		
I – Inventories		
4) Finished products and goods	50,957,426	56,262,254
Total inventories	*50,957,426*	*56,262,254*
II – Credits		
1) towards customers		
due within the next financial year	1,129,915	5,943,856
Total receivables from customers	*1,129,915*	*5,943,856*
3) towards affiliated companies		
due within the next financial year	1,274,835	459,543
Total receivables from affiliated companies	*1,274,835*	*459,543*
5-bis) tax credits		
due within the next financial year	2,847,700	3,266,411
Total tax receivables	*2,847,700*	*3,266,411*
5-ter) Deferred tax assets	5,984,494	12,295
5-quater) towards others		
due within the next financial year	1,276,655	82,865
due beyond the next financial year	812,741	791,948
Total receivables from others	*2,089,396*	*874,813*
Total credits	*13,326,340*	*10,556,918*
III - Financial assets not constituting fixed assets		
4) other participations	188,889	259,259
Total financial assets not constituting fixed assets	*188,889*	*259,259*
IV - Cash and cash equivalents		
1) bank and postal deposits	663,854	2,694,925
3) cash and valuables on hand	229,583	149,206
Total cash and cash equivalents	*893,437*	*2,844,131*
Total current assets (C)	*65,366,092*	*69,922,562*
D) Accruals and deferrals	**35,145,883**	**30,164,264**
Total assets	***116,373,219***	***114,287,978***
Passive		

A) Group equity		
I – Capital	674,450	674,450
II - Share premium reserve	12,767,452	12,767,452
IV - Legal reserve	134,890	123,898
VI - Other reserves, separately indicated		
Extraordinary reserve	34,832,621	21,693,845
Various other reserves	17,999	17,999
Advance payments for future capital increases	*5,005,000*	-
Totale altre riserve	*39,855,621*	*21,711,844*
VII - Reserve for expected cash flow hedging transactions	(158,398)	158,787
VIII - Profit (loss) carried forward	(3,702)	-
IX - Profit (loss) for the year	(40,988,834)	10,347,617
X - Negative reserve for treasury shares in portfolio	(173,708)	(169,058)
Total group equity	*12,107,771*	*45,614,990*
Minority shareholders' equity		
Capital and reserves of third parties	(2,639,705)	13,430
Minority interest in profit (loss)	(3,891,400)	(2,688,705)
Total third-party equity	(6,531,105)	(2,675,275)
Total consolidated shareholders' equity	*5,576,666*	*42,939,715*
B) Provisions for risks and charges		
2) for taxes, including deferred taxes	1,375,318	405,207
3) derivative financial instruments liabilities	501,959	497,756
Total provisions for risks and charges	*1,877,277*	*902,963*
C) Severance pay	923,970	752,052
D) Payables		
3) payables to shareholders for loans		
due beyond the next financial year	673,959	695,745
Total payables to shareholders for loans	*673,959*	*695,745*
4) bank debts		
due within the next financial year	25,997,386	15,577,729
due beyond the next financial year	24,295,595	29,195,927
Total due to banks	*50,292,981*	*44,773,656*
5) payables to other lenders		
due within the next financial year	514,659	629,870
due beyond the next financial year	-	131,445
Total payables to other lenders	*514,659*	*761,315*
7) payables to suppliers		
due within the next financial year	30,874,369	7,756,744
Total payables to suppliers	*30,874,369*	*7,756,744*
10) payables to associated companies		
due within the next financial year	660,296	9,000
Total payables to affiliated companies	*660,296*	*9,000*
12) tax debts		
due within the next financial year	16,466,329	10,979,808
Total tax payables	*16,466,329*	*10,979,808*
13) Payables to social security institutions		
due within the next financial year	2,712,084	1,559,542
Total due to social security institutions	*2,712,084*	*1,559,542*
14) other payables		
due within the next financial year	2,554,697	1,530,987
due beyond the next financial year	-	8,607
Total other payables	*2,554,697*	*1,539,594*
Total debts	*104,749,374*	*68,075,404*
E) Accruals and deferrals	3,245,932	1,617,844
Total liabilities	*116,373,219*	*114,287,978*

Consolidated Profit and Loss Account		
	31/12/2023	**31/12/2022**
A) Production value		
1) revenues from sales and services	103,518,762	129,887,796
5) other revenues and income		
operating grants	-	-
Others	329,854	595,366
Total other income and revenues	*329,854*	*595,366*
Total value of production	*103,848,616*	*130,483,162*
B) Production costs		
6) for raw materials, consumables and goods	98,196,215	100,065,692
7) for services	9,159,365	9,067,792
8) for use of third party assets	9,267,139	6,917,707
9) for staff		
(a) wages and salaries	8,794,305	8,233,773
(b) social security contributions	2,702,963	2,514,308
(c) severance pay	547,155	515,584
(e) other costs	96	418
Total personnel costs	*12,044,519*	*11,264,083*
10) depreciation and amortisation		
a) amortisation of intangible fixed assets	2,368,704	2,224,008
b) depreciation of tangible fixed assets	818,123	610,996
(d) write-downs of receivables included in current assets and cash and cash equivalents	-	60,000
Total depreciation and amortisation	3,186,827	2,895,004
11) Changes in inventories of raw, ancillary and consumable materials and goods	1,121,053	(15,809,826)
12) Provisions for risks	972,144	301,322
13) other provisions	4,183,774	1,484,212
14) sundry operating expenses	12,218,350	818,923
Total production costs	150,349,386	117,004,909
Difference between value and cost of production (A - B)	(46,500,770)	13,478,253
C) Financial income and expenses		
16) other financial income		
(a) from receivables recorded as fixed assets		
From affiliated companies	35,475	
Others	2	13,504
Total financial income from receivables recorded as fixed assets	35,477	13,504
d) income other than the above		
Others	434,002	-
Total income other than the above	434,002	-
Total other financial income	469,479	13,504
17) interest and other financial charges		
Others	2,644,883	884,356
Total interest and other financial charges	2,644,883	884,356
17-bis) Exchange Gains and Losses	1,554	(296)
Total financial income and expenses (15 + 16 - 17 + - 17-bis)	(2,173,850)	(871,148)
D) Value Adjustments on Financial Assets and Liabilities		
19) devaluations		
(a) of participations	170,370	440,741
Total write-downs	170,370	440,741
Total value adjustments of financial assets and liabilities (18 - 19)	(170,370)	(440,741)
Profit before tax (A - B + - C + - D)	**(48,844,990)**	**12,166,364**
20) Current, Deferred and Prepaid Income Taxes for the Year		
current taxes	-	4,507,452
Taxes related to previous periods	2,007,442	-
Deferred and prepaid taxes	(5,972,199)	-
Total income taxes for the year, current, deferred and prepaid	(3,964,757)	4,507,452
21) Consolidated profit (loss) for the year	(44,880,233)	7,658,912
Group result	(40,988,834)	10,347,617
Result attributable to minority interests	**(3,891,400)**	**(2,688,705)**

Consolidated cash flow statement, indirect method		
	31/12/2023	**31/12/2022**
Cash flow statement, indirect method		
A) Cash flow from operating activities (indirect method)		
Profit (loss) for the year	(44,880,234)	7,658,912
Income Taxes	(3,964,757)	4,507,452
Interest expense/(income)	2,173,850	871,148
1) Profit (loss) for the year before income tax, interest, dividends and capital gains/losses on disposal	(46,671,141)	13,037,512
Adjustments for non-monetary items that had no counterpart in capital net working capital		
Provisions to Funds	5,703,073	2,301,118
Depreciation of fixed assets	3,186,827	2,835,004
Impairment losses	170,370	440,741
Other adjustments for non-monetary items	*35,570*	-
Total adjustments for non-monetary items that did not have a balancing entry in the net working capital	*9,095,840*	*5,576,863*
2) Cash flow before changes in net working capital	(37,575,301)	18,614,375
Changes in net working capital		
Decrease/(Increase) in inventories	5,304,828	(12,342,682)
Decrease/(Increase) in trade receivables	4,813,941	(1,915,803)
Increase/(Decrease) in trade payables	23,117,625	(4,124,027)
Decrease/(Increase) in accrued income and prepaid expenses	(4,981,619)	(6,674,037)
Increase/(Decrease) in accrued expenses and deferred income	1,628,088	(8,651,309)
Other decreases/(Other increases) in net working capital	234,640	1,259,796
Total changes in net working capital	*30,117,503*	*(32,448,062)*
3) Cash flow after changes in net working capital	(7,457,798)	(13,833,687)
Other corrections		
Interest received/(paid)	(2,173,850)	(871,148)
(Income taxes paid)	-	(546,825)
(Use of funds)	(373,067)	(1,533,069)
Other receipts/(payments)	-	237,317
Total other adjustments	*(2,546,917)*	*(2,713,725)*
Cash flow from operating activities (A)	(10,004,715)	(16,547,412)
B) Cash flows from investing activities		
Tangible fixed assets		
(Investments)	(571,978)	(1,929,011)
Intangible fixed assets		
(Investments)	(4,563,648)	(3,189,539)
Financial fixed assets		
(Investments)	118,337	(3,293,341)
Financial assets not held as fixed assets		
(Investments)	70,370	(259,259)
Cash flow from investing activities (B)	(4,946,919)	(8,671,150)
C) Cash flows from financing activities		
Third-party means		
Increase/(Decrease) short-term payables to banks	1,552,566	580,269
Funding start-up	7,900,000	29,500,000
(Repayment of loans)	(3,933,241)	(4,319,693)
Own means		
Disposal/(Purchase) of treasury shares	5,005,000	
Cash flow from financing activities (C)	(4,650)	(169,058)
Increase (decrease) in cash and cash equivalents (A ± B ± C)	13,000,940	25,591,518
Cash and cash equivalents at beginning of year	(1,950,694)	372,956
Bank and postal deposits		
Cash and valuables in the till	2,694,925	2,382,957
B) Cash flows from investing activities	149,206	88,218
Total cash and cash equivalents at beginning of year	*2,844,131*	*2,471,175*
Cash and cash equivalents at year-end		
Bank and postal deposits	663,854	2,694,925
Cash and valuables in the till	229,583	149,206
Total cash and cash equivalents at year-end	*893,437*	*2,844,131*

Notes to the Consolidated Financial Statements as at 31-12-2023

Notes to the accounts, initial part

Introduction

Dear Shareholders, these consolidated financial statements of Portobello S.p.A. and its subsidiaries have been prepared in accordance with the provisions of the Italian Civil Code, supplemented and interpreted by the accounting principles adopted by the Italian Accounting Organisation (O.I.C.).

The consolidated financial statements comply with the provisions of Articles 2423 et seq. of the Italian Civil Code and the national accounting standards as published by the Italian Accounting Organisation; they therefore clearly and fairly represent the company's financial position and results of operations for the year.

The contents of the consolidated balance sheet and the consolidated income statement are as set forth in Articles 2424 and 2425 of the Civil Code.

The notes to the financial statements, drawn up in accordance with Article 2427 of the Civil Code, also contain all the information needed to provide a correct interpretation of the financial statements.

The financial statements in question have also been prepared on the basis of the going concern assumption assuming that the company operates and will continue to operate in the foreseeable future.

Portobello S.p.A. is required to prepare Consolidated Financial Statements pursuant to Article 25 et seq. of Legislative Decree 127/91.

Training Criteria

The consolidated financial statements were prepared in accordance with the provisions of Article 29 of Legislative Decree No. 127/91, as shown in these notes, prepared pursuant to Article 38 of the same decree. Where necessary, the accounting principles laid down by the National Council of Chartered Accountants and Accounting Experts have been applied and, where these are lacking, the accounting principles recommended by the IASB and referred to by Consob.

The Consolidated Financial Statements consist of the Consolidated Balance Sheet (prepared in accordance with the format set forth in Articles 2424 and 2424 bis of the Italian Civil Code), the Consolidated Income Statement (prepared in accordance with the format set forth in Articles 2425 and 2425 bis of the Italian Civil Code), these Notes to the Consolidated Financial Statements, and are accompanied by the Group's Report on Operations.

The purpose of the Notes to the Consolidated Financial Statements is to illustrate, analyse and, in certain cases, supplement the data in the consolidated financial statements and to provide the information required by Article 2427 of the Italian Civil Code, Article 38 of Legislative Decree 127/1991 and those required by other provisions of the same decree.

The Consolidated Balance Sheet, Consolidated Income Statement and these Notes to the Consolidated Financial Statements show values expressed in Euro units pursuant to Article 16, paragraph 8, letter a) of Legislative Decree No. 213 of 24 June 1998.

Consolidation Area and Methods

The consolidated financial statements are derived from the annual financial statements of Portobello S.p.A. (Parent Company) and of the Companies in which the Parent Company directly or indirectly holds a controlling interest or exercises control. The financial statements of the Companies included in the consolidation area are taken on a line-by-line basis. A list of these Companies is attached.

Subsidiaries whose activities are heterogeneous with those of the remaining group companies are excluded and valued using the equity method, pursuant to Art. 28, first paragraph of Legislative Decree 127/91; there are no exclusions for heterogeneity in our case.

Excluded from consolidation are those companies over which, for legal or factual reasons, control cannot be exercised. If they exist, a list of them would be provided as an appendix to the notes to the financial statements.

Companies over which joint control is exercised pursuant to Article 37 of Legislative Decree 127/91 are included in the consolidation in proportion to the shareholding held. There are no cases of companies consolidated using the proportional method.

There are no subsidiaries excluded from consolidation pursuant to Legislative Decree 127/91.

Companies in which the interest held is below the 20% threshold and which constitute fixed assets are valued using the cost method.

The financial statements used to prepare the consolidated financial statements are the draft financial statements as at 31.12.2023 of the Parent Company and Subsidiaries prepared and approved by their respective Boards of Directors and submitted for approval to their respective Shareholders' Meetings.

Scope of Consolidation

The consolidated financial statements as at 31 December 2023 include, on a line-by-line basis, the financial statements as at the same date of Portobello S.p.A. and the companies in which the Group holds the majority of voting rights.

List of companies included in consolidation using the full consolidation method

The line-by-line consolidation concerned the shareholdings of the companies listed below in which Portobello Spa directly holds control:

Name	Headquarters	Share Capital	Properties
PB Retail Srl	Piazzale della Stazione Snc – Pomezia (RM)	EUR 100,000	51%

Consolidation Criteria

The financial statements are consolidated by applying the line-by-line method. The accounting principles and criteria used for consolidation are as follows:

- The book value of equity investments held by the parent company in subsidiaries consolidated on a line-by-line basis is eliminated against the corresponding fraction of the equity of the investee companies.
- The assets, liabilities, costs and revenues of subsidiaries are taken in their full amount, regardless of the percentage share of the investments held.
- The positive difference between the book value of the eliminated participations and the book value of the corresponding fractions of eliminated shareholders' equity of the investee companies arising on consolidation is treated as follows:
- difference arising at the date of the first inclusion of the investee company in the consolidated financial statements: the excess of the cost of the equity investment over the book value of the corresponding portion of shareholders' equity eliminated, which cannot be attributed to specific asset or liability items, is recognized autonomously under assets among intangible assets in an item called 'Goodwill' unless it must be recognized wholly or partially in the income statement under item B14. The amount entered as an asset is amortized over the period specified in the first paragraph, no. 6, of Article 2426.
- The difference arising after the date of first inclusion of the investee company in the consolidated financial statements as a result of profits realized or losses incurred by the investee company in financial years subsequent to the year of first consolidation is credited or debited to the Consolidated Shareholders' Equity item 'Consolidation Reserve' or to a specific 'Consolidation reserve for future risks and charges', in compliance with the criterion of Article 33, paragraph 3, of

Legislative Decree 127/91. The provision is utilized in subsequent years to reflect the assumptions made when it was estimated at the time of purchase.

- Transactions between companies included in the scope of consolidation, and thus the receivables, payables, costs and revenues arising from such transactions, are eliminated in the consolidation process.
- Profits not yet realized with third parties, arising from transactions between companies included in the scope of consolidation, are eliminated taking into account the relevant tax effect.
- Items that may be present in the statutory financial statements of companies included in the scope of consolidation and accounted for exclusively in application of tax regulations are eliminated, taking into account the related tax effect.
- The financial statements of the companies included in the consolidation area, where necessary, are aligned with the accounting principles applied by the parent company.
- The portions of shareholders' equity and profit for the year attributable to minority shareholders of the subsidiaries included in the scope of consolidation are shown in special items in the consolidated balance sheet and income statement called 'Minority interest in capital and reserves' and 'Minority interest in profit (loss)'.
- Included in the consolidated financial statements, if any, is the deferred tax charge arising from the elimination of value adjustments made solely for tax purposes and consolidation eliminations. This charge is recognized in the income statement under the item 'deferred income taxes for the year' with a balancing entry in a special fund in the balance sheet liabilities called 'Provision for Taxes'.
- l) If deferred tax assets arise from the aforementioned pre-consolidation and consolidation transactions, they are recognized by debiting the "Deferred Tax Fund" recorded under liabilities up to their full amount; any credit balance is only shown on the assets side of the balance sheet under "Deferred Tax Assets" if it is reasonably certain that, in the years in which the temporary difference that generated the deferred tax assets will be reversed, there will be sufficient taxable income to absorb them.

Drafting Principles

Comment

The valuation of items in the consolidated financial statements was carried out in accordance with the principle of prudence, materiality and on a going concern basis. Pursuant to Article 2423-bis c.1 point 1-bis of the Italian Civil Code, items are recognized and presented taking into account the substance of the transaction or contract. In the preparation of the consolidated financial statements, expenses and income have been recognized on an accrual basis regardless of when they occur, and only profits realized at the end of the financial year have been shown. Risks and losses pertaining to the financial year have also been taken into account, even if they became known after the end of the financial year.

Structure and Content of the Consolidated Financial Statements

The consolidated balance sheet and profit and loss account, cash flow statement and accounting information contained in these notes are consistent with the accounting records, from which they have been directly derived.

In the presentation of the consolidated balance sheet and profit and loss account, no grouping of items preceded by Arabic numerals has been made, as optionally required by Article 2423 ter of the Civil Code.

Pursuant to Article 2424 of the Civil Code, we confirm that there are no assets or liabilities that fall under more than one heading in the balance sheet.

Exceptional cases pursuant to Article 2423(5) of the Civil Code

There were no exceptional cases that made it necessary to resort to derogations under Article 2423(4) and (5) of the Civil Code.

Changes in accounting principles

There were no exceptional cases that made it necessary to resort to derogations under Article 2423-bis c.2 of the Civil Code.

Comparability and adaptation issues

Pursuant to art. 2423 of the civil code, it should be noted that all items in the financial statements are comparable with the previous year; there was, therefore, no need to adjust any item from the previous year.

Evaluation criteria applied

Comment

The criteria applied in the valuation of the items in the consolidated financial statements and in the value adjustments are in accordance with the provisions of the Italian Civil Code and the indications contained in the accounting principles issued by the Italian Accounting Body. The criteria used in the preparation of the consolidated financial statements for the year ended 31/12/2023 are those used in the financial statements of the parent company. Pursuant to Article 2427 c. 1 no. 1 of the Italian Civil Code, we illustrate the most significant valuation criteria adopted in compliance with the provisions of Article 2426 of the Italian Civil Code, with particular reference to those balance sheet items for which the legislator admits different valuation and adjustment criteria or for which no specific criteria are envisaged.

Intangible fixed assets

Intangible assets, which meet the requirements of the accounting principles, are recorded in the consolidated balance sheet assets at purchase and/or production cost and are amortized on a straight-line basis according to their future usefulness.
The value of fixed assets is shown net of accumulated depreciation and write-downs.
Depreciation was performed in accordance with the following pre-established schedule, which is deemed to ensure a correct allocation of the cost incurred over the useful life of the fixed assets in question:

Intangible fixed assets	Period
Corporate expenses	5 years on a straight-line basis
Organisational expenses (AIM listing)	3 years on a straight-line basis
Capitalised software	5 years on a straight-line basis
Intellectual property rights	2 years on a straight-line basis
Brands	10 years in equal instalments – lease term
Concessions and licences	5 years on a straight-line basis
Other Intangible Assets	5 years on a straight-line basis
Expenses on third party assets	Lease term

Any disposals of intangible assets during the year resulted in the elimination of their residual value.
The criterion of amortization of intangible assets has been applied systematically and in every financial year, in relation to the residual possibility of economic use of each individual asset or expense.
Pursuant to and for the purposes of Article 10 of Law No. 72 of 19 March 1983, and as also referred to by subsequent laws on monetary revaluation, it is noted that no monetary revaluation has ever been carried out for intangible assets still existing in the balance sheet.
It should be noted that it was not necessary to make write-downs on these fixed assets pursuant to Article 2426, Paragraph 1, No. 3 of the Civil Code because, as required by Accounting Principle OIC 9, no indicators of potential impairment of intangible assets were found.

Start-up and expansion costs

Start-up and expansion costs have been recognized as assets in the consolidated balance sheet with the approval of the Board of Auditors since they have a multi-year useful life; these costs have been amortized over a period not exceeding five years.

Intangible Assets

Intangible assets are recognized at their purchase cost including ancillary costs and are amortized within the legal or contractual limit set for them.

Assets under construction and advances

Intangible fixed assets under construction, recorded under item B.I.6, are initially recognized at the date the first costs are incurred for the construction or acquisition of the asset and include internal and external costs incurred for its realization. These costs remain recognized as assets under construction until the project is completed and are not depreciated until that time.

Tangible Assets

The book value of assets, grouped in homogeneous classes by nature and year of acquisition, is allocated to the financial years in which they are expected to be used. This procedure is implemented through the systematic allocation to the income statement of depreciation rates corresponding to pre-established plans, defined at the time the asset is available and ready for use, with reference to the presumed residual possibility of use of the assets themselves. These plans, subject to annual verification, are formed with reference to the gross value of the assets and assuming zero realizable value at the end of the process.
The depreciation of tangible fixed assets, the use of which is limited in time, was carried out in accordance with the following schedule:

Items of tangible fixed assets	Rates %
Land and buildings	3%
Air-conditioning system	15%
Other general plant and machinery	30%
Specific warehouse equipment	7,5%
Specific equipment	10%
Furniture and furnishings	12%
Electronic office machines	20%
Other tangible assets	25% - 30%

Any disposals of assets (sales, scrapping, etc.) during the year resulted in the elimination of their residual value. Any difference between book value and disposal value was recognized in the income statement.
For fixed assets acquired during the year, the above rates have been reduced to half, as the depreciation rate thus obtained is not significantly different from the rate calculated from the time the asset is available and ready for use.
The depreciation criteria for tangible fixed assets did not change from those applied in the previous year.
Pursuant to and for the purposes of Article 10 of Law No. 72 of 19 March 1983, as also referred to by subsequent Monetary Revaluation Laws, it is hereby clarified that no monetary revaluation has ever been carried out for the tangible assets still existing in the assets.
It should be noted that it was not necessary to make write-downs pursuant to Article 2426, Paragraph 1, No. 3 of the Civil Code because, as required by Accounting Principle OIC 9, no indicators of potential impairment of tangible fixed assets were found.

Financial fixed assets

All participations recorded in the financial statements have been valued using the cost method, where cost means the charge incurred for the purchase, regardless of the method of payment, including any ancillary charges (commissions and bank charges, stamp duty, bank brokerage, etc.).

Inventories

Inventories of goods are stated at the lower of purchase cost and realizable value based on market trends. The value of the same is shown net of the relevant provision for depreciation.
The purchase cost includes any directly attributable ancillary charges.

Finished products

The cost of inventories of finished goods and goods of a fungible nature has been calculated using the last cost method.
The value thus determined was appropriately compared, as explicitly required by Article 2426 No. 9 of the Civil Code, with the realizable value inferable from market trends. The comparison between purchase/production cost calculated using the point cost method and realizable value inferable from the market did not reveal, for any of the goods in stock, the prerequisites for valuation based on the lower market value.
Advances to suppliers for the purchase of goods included in inventories recorded under item C.1.5 are initially recognized when the obligation to pay these amounts arises or, in the absence of such an obligation, when they are paid.

Receivables recorded as current assets

Receivables included in current assets were recognized in the financial statements according to the amortized cost criterion, as defined in Article 2426, Section 2 of the Civil Code, taking into account the time factor and estimated realizable value, in accordance with Article 2426, Section 1, No. 8 of the Civil Code.
For receivables for which the application of the amortized cost method and/or discounting has been determined to be irrelevant, for the purpose of giving a true and fair view of the company's balance sheet and economic situation, recognition has been maintained at their presumed realizable value. This is the case, for example, in the presence of receivables with a maturity of less than twelve months or, with reference to the amortized cost criterion, in the case where transaction costs, commissions and any other difference between initial value and value at maturity are of little significance or, again, in the case of discounting, in the presence of an interest rate inferable from the contractual conditions that is not significantly different from the market interest rate.

Cash and cash equivalents

Liquid assets are valued at nominal value.

Accrued income and prepaid expenses

Accruals have been calculated on an accrual basis by allocating revenues and/or costs common to several years.
In the recording as well as in the review of prepayments with a multi-year duration, the existence or permanence of the time condition was verified.

Net assets

The items are shown in the balance sheet at their book value in accordance with the guidelines in accounting standard OIC 28.

Severance pay

TFR was calculated in accordance with the provisions of Article 2120 of the Civil Code, taking into account the legislative provisions and the specificities of the contracts and professional categories, and includes the annual portions accrued and the revaluations made on the basis of ISTAT coefficients.
The amount of the provision is recognized net of advances paid and portions utilized for terminations of employment during the year and represents the certain liability to employees at the balance sheet date.

Debts

Payables have been recognized in the financial statements according to the amortized cost method, as defined in Article 2426 c.2 of the Italian Civil Code, taking into account the time factor, in compliance with Article 2426, paragraph 1, no. 8 of the Italian Civil Code. For payables for which the application of the amortized cost method and/or discounting has been verified to be irrelevant, for the purpose of giving a true and fair view of the company's equity and economic situation, the nominal value has been maintained. This is the case, for example, in the presence of debts with a maturity of less than twelve months or, with reference to the amortized cost criterion, in the case where transaction costs, commissions and any other difference between initial value and value at maturity are of little significance or, again, in the case of discounting, in the presence of an interest rate inferable from the contractual conditions that is not significantly different from the market interest rate.

Accrued expenses and deferred income

I ratei e risconti sono stati calcolati sulla base del principio della competenza, mediante la ripartizione dei costi e/o ricavi comuni a più esercizi.
Nell' iscrizione così come nel riesame di risconti passivi di durata pluriennale è stata verificata l'esistenza ovvero la permanenza della condizione temporale.

Other information

Forward Transactions
Pursuant to Article 2427 No. 6-ter, the company certifies that during the year it did not enter into any transactions subject to the obligation of retrocession.

Notes to the accounts, assets

The movements of the individual items in the consolidated financial statements are analysed in detail below.

Fixed assets

Intangible fixed assets

These are stated at historical acquisition cost and shown net of depreciation charged directly to the individual items over the years. Depreciation is systematic due to the multi-year usefulness of the related costs. Start-up and expansion costs with long-term utility have been capitalised with the approval of the Board of Statutory Auditors and are amortised over a period of five financial years. Goodwill, if acquired for consideration, is capitalised within the limits of the cost incurred for it and is amortised over a period of five years.

Pursuant to Article 11 of Law No. 342/2000 and Article 3 of Law No. 448/2001 and subsequent amendments and additions, it is noted that there are no intangible assets on which the revaluation referred to in the same laws has been carried out, nor have any reductions in value of any kind been made.

Movements in intangible fixed assets

Introduction

After recording the year's amortisation of EUR 2,368,704 in the consolidated income statement, intangible assets amounted to EUR 8,507,279.
The table shows the changes in these fixed assets.

	Start-up and expansion costs	Industrial Patent and Intellectual Property Rights	Concessions, licences, trade marks and similar rights	Start-up	Intangible assets in progress and payments on account	Other intangible fixed assets	Total intangible fixed assets
Value at start of year							
Cost	1,727	864,236	15,561	33,320	551,763	4,781,565	6,248,172
Balance sheet value	1,727	864,236	79,724	33,320	551,763	4,781,565	6,312,335
Changes during the year							
Increases for acquisitions	0	3,508,000	14,777	0	120,400	1,116,015	4,759,192
Reclassifications	0	27,900	8,290	0	-672,163	635,973	0
Depreciation for the year	0	0	2,352	0	0	128,176	130,528
Total variations	551	1,203,296	18,120	3,702	0	1,143,035	2,368,704
Year-end value	(1)	2,000				(67,015)	(65,016)
Cost	(552)	2,334,604	2,595	(3,702)	(551,763)	413,762	2,194,944
Depreciation (Sinking Fund)							
Balance sheet value	1,726	4,402,136	100,439	33,320	0	6,338,362	10,875,983
Value at start of year	(551)	(1,203,296)	(18,120)	(3,702)	0	(1,143,035)	(2,368,704)
Cost	1,175	3,198,840	82,319	29,618	0	5,195,327	8,507,279

Within intangible assets, the most significant item relates to the acquisition made in the 2023 financial year of exploitation rights for cinematographic works in perpetuity and across the entire national territory for a total of EUR 3.5 million.

Tangible fixed assets

Movements in tangible fixed assets

Introduction

Tangible assets net of accumulated depreciation amounted to EUR 3,313,805. Depreciation for the year 2023 amounted to EUR 818,123. The table below shows the changes in these fixed assets.

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible fixed assets	Total Tangible Fixed Assets
Value at start of year					
Cost	50,000	2,817,511	226,997	1,416,641	4,511,149
Depreciation (Amortisation fund)	-5,250	-604,062	-35,920	-552,112	-1,197,344
Balance sheet value	44,750	2,213,449	191,077	864,529	3,313,805
Changes during the year					
Increases for acquisitions	-	294,314	140,436	130,153	564,903
Reclassifications	-	6,232	-	844	7,075
Depreciation for the year	1,500	552,224	35,189	229,211	818,123
Total variations	(1,500)	(251,678)	105,247	(98,214)	(246,145)
Year-end value					
Cost	50,000	3,118,057	367,433	1,547,638	5,083,127
Depreciation (Sinking Fund)	(6,750)	(1,156,285)	(71,109)	(781,323)	(2,015,467)
Balance sheet value	43,250	1,961,771	296,324	766,315	3,067,660

Lease transactions

Introduction

Finance leases are presented in the balance sheet according to the equity method, with rentals paid being recognized in the income statement on an accrual basis. Supplementary information required by law concerning the presentation of finance leases according to the financial method is provided below. As of 31 December 2023, the company had 6 leasing contracts in place, two relating to furniture at the Tuscolana and Castani outlets, one relating to specific warehouse equipment, one relating to printers in use at the headquarters and outlets, and two relating to electronic machines. In accordance with the indications of the OIC 12 document, the contracts are represented in the financial statements according to the equity method, therefore the value of the assets is not recorded among fixed assets and the rentals are recognized in the income statement on an accrual basis.

	Amount
Total amount of leased assets at year-end	468,404
Depreciation that would have been chargeable to the year	61,376
Present value of instalments not due at year-end	145,339
Financial expenses for the year based on the effective interest rate	10,909

As required by Article 2427, No. 22 of the Civil Code, we provide a series of supplementary schedules useful for comparing the effects on the balance sheet and income statement resulting from the application of the so-called financial method.

Category Good	Contract	Effective date	Duration	VA	Interests	Effective rate
Furniture	1481093	27/12/19	60	10,861	609	4.67%
Furniture	1481092	27/12/19	60	4,827	257	4.44%
Warehouse facilities	1156177	14/07/20	60	28,410	2,359	11.76%
Printers	4817503	01/01/21	60	28,079	1,637	11.66%
Office Machines	150200-2	15/11/20	36	-	462	10.82%
Office Machines	150200-1	01/12/20	36	-	-	-
Printers	5093570	10/11/21	60	28,079	3,465	33.91%
Printers	10442501	01/08/22	60	45,082	2,120	32.69%

In the table below we show the figures for ongoing leases, valuing them as if they were fixed assets.

Category Good	Contract	Depreciation rate	Cost	Admin. provision 01/01/2023	Amortisat. 2023	Accountable
Furniture	1481093	12.00%	72,000	34,560	8,640	28,800
Furniture	1481092	12.00%	32,000	15,360	3,840	12,800
Warehouse facilities	1156177	7.50%	140,000	31,500	10,500	98,000
Printers	4817503	20.00%	72,369	21,711	14,474	36,185
Office Machines	150200-2	20.00%	17,100	8,550	3,420	5,130
Office Machines	150200-1	20.00%	19,000	9,500	3,800	5,700
Printers	5093570	20.00%	51,084	15,325	10,217	25,542
Printers	10442501	20.00%	64,851	6,485	6,485	51,881

Comparison financial method - equity method

In accordance with the indications provided by the OIC 12 document, the following table provides information on the effects that would have been produced on Shareholders' Equity and the Profit and Loss Account by recognising finance leases using the financial method as opposed to the so-called equity method of charging the rentals paid to the Profit and Loss Account.

Profit and Loss Account	
Accrual fees	**79,174**
Depreciation	-61,376
Interests	-10,909
Higher pre-tax profit	**6,889**
Higher tax	1,985
Higher operating profit	**4,904**

Balance Sheet	
Major Fixed Assets	**468,404**
Higher depreciation funds	-204,367
More Activities	**264,037**
Higher debts	145,339
Higher operating profit	4,904
Major Liabilities	**150,242**

Financial fixed assets

Movements in participations, other securities and derivative financial instruments assets.

The following table shows the changes in these fixed assets.

	Investments in associated companies	Investments in other companies	Total Investments	Credits	Other securities	Derivative financial instruments receivable
Value at the start of the year						
Balance sheet value	2,750,000	707,670	3,457,670	360,000	100,800	656,542
Changes during the year						
Increases for acquisitions	-	-	-	95,475	28,800	-
Decreases for disposals	-	-	-	-	-	312,982
Write-downs during the year	-	100,000	100,000	-	-	-
Total variations	-	-100,000	-100,000	95,475	28,800	(312,982)
Year-end value						
Cost	2,750,000	707,670	3,457,670	455,475	129,600	343,560
Write-downs	-	-100,000	-100,000	-	-	-
Balance sheet value	2,750,000	607,670	3,357,670	455,475	129,600	343,560

The investment in Club Deal S.p.A. has been written down by EUR 100,000.

Details of long-term investments in affiliated companies

Details of the associated companies are given below.

Name	City, if in Italy, or foreign country	Tax code (for Italian companies)	Capital in euro	Profit (Loss) for the last financial year in euro	Net assets in euro	Share held in euro	Share held in %	Book value or corresponding credit
WEB MAGAZINE MAKERS SRL	MILAN	10883660960	10,000	(381,068)	(868,687)	2,450	24.50%	100,000
Total								100,000

Details of long-term equity investments in other companies

Details of the other investee companies are given below.

Name	City, if in Italy, or Foreign State	Capital in euro	Share held in euro	Share held in %	Book value
SAE GROUP SPA	LIVORNO	2,750,000	507,614	18.46%	507,614
CLUBDEAL SPA	MILAN	249,991	400,056	3.42%	200,056
Total					707,670

Long-term receivables relating to transactions with the obligation to retrocession forward.

It is certified that there are no long-term receivables relating to transactions with the obligation to retrocession forward.

Current assets

Inventories

The following table provides information on changes in inventories.

	Value at start of year	Change during the financial year	Year-end value
Finished products and goods	56,262,254	-5,304,828	50,957,426
Total inventories	56,262,254	-5,304,828	50,957,426

The value shown in the table includes the value of inventories net of the related provision for write-down. In particular, during the year a provision of euro 4,183,774 was set aside, bringing the total value of the provision to euro 6,767,986. Inventories of finished goods and merchandise related to Portobello S.p.A. amounted to euro 50,868,574 net of the related provision; the remaining amount of euro 88,852 pertains to the subsidiary PB Retail S.r.l..

Receivables recorded as current assets

Changes and maturity of receivables in current assets.

The following table provides information on changes in receivables recognized as current assets as well as, where significant, information on their maturity dates.

	Value at start of year	Change during the financial year	Year-end value	Portion due within the financial year	Portion due after the year
Trade receivables recorded as current assets	5,943,856	(4,813,941)	1,129,915	1,129,915	-
Receivables from affiliated companies recorded as current assets	459,543	815,292	1,274,835	1,274,835	
Tax receivables recorded as current assets	3,266,411	-418,711	2,847,700	2,847,700	-
Deferred tax assets recogniZed as current assets	12,295	5,972,199	5,984,494		
Receivables from others recorded as current assets	874,813	1,214,583	2,089,396	1,276,655	812,741
Total receivables recorded as current assets	10,556,918	2,769,422	13,326,340	6,529,105	812,741

Breakdown of receivables recorded in current assets by geographical area.

The following table provides a breakdown of receivables by geographical area.

Geographical area	ITALY	EU	Total
Trade receivables recorded as current assets	1,068,115	61,800	1,129,915
Receivables from affiliated companies recorded as current assets	1,274,835		1,274,835
Tax receivables recorded as current assets	2,847,700		2,847,700
Deferred tax assets recognised as current assets	5,984,494		5,984,494
Receivables from others recorded as current assets	2,089,396		2,089,396
Total receivables recorded as current assets	13,264,540	61,800	13,326,340

Receivables under current assets related to reverse repurchase agreements.

It is hereby certified that there are no receivables in respect of forward transactions.

Financial Assets Not Constituting Fixed Assets

Changes in financial assets not constituting fixed assets

Financial assets not held as fixed assets are valued at the lower of purchase cost and realizable value based on market trends. The following table shows the changes that occurred during the year

	Value at start of year	Change during the financial year	Year-end value
Other non-capitalised participations	259,259	(70,370)	188,889
Total financial assets not constituting fixed assets	259,259	(70,370)	188,889

The item includes the investment made in the company Class Editori S.p.A. in relation to which the Company participated in the relative capital increase for the amount of EUR 500,000. The investment was valued on the basis of the market value of the relative shares as of 31/12/2023. A write-down of EUR 70,370 was therefore made.

Liquid assets

The following table provides information on changes in cash and cash equivalents.

	Value at start of year	Change during the financial year	Year-end value
Bank and postal deposits	2,694,925	(2,031,071)	663,854
Cash and other valuables on hand	149,206	80,377	229,583
Total cash and cash equivalents	2,844,131	(1,950,694)	893,437

Accrued income and prepaid expenses

The following table provides information on changes in accrued income and prepaid expenses.

	Value at start of year	Change during the financial year	Year-end value
Prepaid expenses	30,164,264	4,981,619	35,145,883
Total accrued income and prepaid expenses	30,164,264	4,981,619	35,145,883

It should be noted that among the amounts of prepaid expenses, the most significant item is advertising prepaid expenses in the amount of EUR 33,122,988. With regard to this item, it is important to recall that the barter activity involves an exchange of goods and services from customers for advertising services offered by the Company, whose consumption is spread over time. Therefore, the trend of this item can be likened to an "Order Portfolio" on the purchasing side (advertising to be consumed), which, it is worth noting, is entirely attributable to media assets acquired through barter contracts, and therefore, this component will not generate any cash outflow.

Capitalized financial charges

All interest and other financial charges were fully expensed during the year. For the purposes of Article 2427, Section 1, No. 8 of the Civil Code, it is therefore certified that there are no capitalized financial expenses.

Notes to the accounts, liabilities and shareholders' equity

The movements of the individual balance sheet items are analyzed in detail below, in accordance with the current regulations.

Net assets

Changes in equity items

With reference to the year under review, the following tables show the changes in the individual items of shareholders' equity, as well as details of other reserves, if any.

	Value at start of year	Other variations		Result for the year	Year-end value
		Increases	Decreases		
Capital	674,450	-	-		674,450
Share premium reserve	12,767,452	-	-		12,767,452
Legal reserve	123,898	10,992	-		134,890
Other reserves					
Extraordinary reserve	21,693,845	13,138,776	-		34,832,621
Various other reserves	17,999	-	-		17,999
Total other reserves	21,711,844	13,138,776	-		38,850,620
Reserve for expected cash flow hedging transactions	158,787	-	317,185		(158,398)
Profit (loss) for the year	10,347,617		10,347,617	(40,988,834)	(40,988,834)
Reserve for own shares	(169,058)	(4,650)	-		(173,708)
Total group equity	45,614,990	-	33,507,219	-	12,107,771
Capital and reserves of third parties	13,430	-	2,653,135	-	(2,639,705)
Minority interest in profit (loss)	(2,688,705)	-	1,202,695	-	(3,891,400)

Reconciliation Statement of Shareholders' Equity and Result for the Year of Portobello S.p.A. with Shareholders' Equity and Result for the Consolidated Financial Statements

	Net assets	***Result for the year***
As per parent company financial statements	**21,971,714**	**-31,128,593**
Reversal of book value of participations	-88,022	-
Start-up	29,618	-3,702
Consolidation Difference	2,794,745.92	-
Other Consolidation Entries	-10,567,360	-7,941,633
Total consolidation entries	**-7,831,018**	**-7,945,335**
Leased Assets - IAS 17	-	-
Total pre-consolidation adjustments	**-**	**-**
	-145,564	-2,726,678
Consolidated Shareholders' Equity and Net Profit	**14,140,696**	**-39,073,928**
of which		
Shareholders' Equity and Profit/(Loss) attributable to minority interests	**-6,531,105**	**-3,891,400**
Shareholders' equity and net profit attributable to the Group	**20,671,801**	**-35,182,528**

Changes in the cash flow hedge reserve

The table below shows the changes in the reserve for hedging transactions:

	Reserve for expected cash flow hedging transactions
Value at start of year	158,787
Changes during the year	
Increase due to change in fair value	100,963
Decrease due to change in fair value	418,148
Year-end value	(158,398)

Provisions for risks and charges

The following table shows the information relating to the changes in provisions for risks and charges.

	Provision for taxes, including deferred taxes	Derivative financial instruments liabilities	Total provisions for risks and charges
Value at the start of the year	405,207	497,756	902,963
Changes during the year			
Provisions during the year	970,111	4,203	974,314
Usage during the year	-	-	-
Other variations	-	-	-
Total variations	970,111	4,203	974,314
Value at the end of the year	1,375,318	501,959	1,877,277

Severance pay

The following table provides information on changes in the provision for employee severance indemnities.

	Severance pay
Value at start of year	752,052
Changes during the year	
Provision in the financial year	547,155
Use in the financial year	375,237
Total variations	171,918
Year-end value	923,970

Debts

Changes and maturity of debts

The following table sets out information on changes in payables and any information on their maturity.

	Value at start of year	Change during the financial year	Year-end value	Portion due within the financial year	Portion due after one year
Payables to shareholders	695,745	-21,786	673,959		673,959
Due to banks	44,773,656	5,519,325	50,292,981	25,997,386	24,295,595
Payables to other lenders	761,315	-246,656	514,659	514,659	
Payables to suppliers	7,756,744	23,117,625	30,874,369	30,874,369	
Payables to affiliated companies	9,000	651,296	660,296	660,296	
Tax debts	10,979,808	5,486,521	16,466,329	16,466,329	
Payables to social security institutions	1,559,542	1,152,542	2,712,084	2,712,084	
Other debts	1,539,594	1,015,103	2,554,697	2,554,697	-
Total debts	68,075,404	36,673,970	104,749,374	79,779,820	24,969,554

Breakdown of debts by geographical area

The following table provides a breakdown of payables by geographical area

Geographical area	ITALY	EU	EXTRA EU	Total
Payables to shareholders	-		673,959	673,959
Due to banks	50,292,981			50,292,981
Payables to other lenders	514,659			514,659
Payables to suppliers	30,407,962	452,217	14,190	30,874,369
Payables to affiliated companies	660,296			660,296
Tax debts	16,466,329			16,466,329
Payables to social security institutions	2,712,084			2,712,084
Other debts	2,554,697			2,554,697
Total debts	103,609,008	452,217	688,149	104,749,374

Debts secured by collateral on corporate assets

Pursuant to Article 2427, Section 1, No. 6 of the Civil Code, it is certified that there are no corporate debts secured by collateral.

Payables in respect of reverse repurchase agreements

It is hereby certified that there are no debts relating to forward transactions.

Loans made by shareholders of the company

The Company received a loan from third-party shareholders in the amount of EUR 695,745.

Accrued expenses and deferred income

The following table provides information on changes in accrued expenses and deferred income.

	Value at start of year	Change during the financial year	Year-end value
Accrued expenses	105,712	-76,646	29,066
Deferred income	1,512,132	1,704,734	3,216,866
Total accrued expenses and deferred income	1,617,844	1,628,088	3,245,932

It should be noted that among the amounts of deferrals, the most significant item refers to advertising deferred income in the amount of EUR 3,035,631.

Notes to the consolidated income statement

The consolidated income statement shows the economic result for the year.
It provides a representation of management operations by summarizing the positive and negative income components that have contributed to determining the economic result. The positive and negative components of income, recorded in the financial statements in accordance with Article 2425-bis of the Civil Code, are distinguished according to whether they belong to the various operations: characteristic, accessory and financial.
Core business identifies the components of income generated by transactions that occur on an ongoing basis and in the sector relevant to the performance of operations, which identify and qualify the special and distinctive part of the economic activity performed by the company.
Financial activities consist of transactions that generate income and expenses of a financial nature. On a residual basis, ancillary activities consist of transactions that generate income components that are part of ordinary activities but do not fall within the scope of characteristic and financial activities.

Value of production

Revenues are recorded in the financial statements on an accrual basis, net of returns, rebates, discounts and premiums, as well as taxes directly related thereto.
With regard to the transfer of assets, the related revenues are recognized when the substantial and non-formal transfer of title has occurred, taking the transfer of risks and rewards as the benchmark for the substantial transfer.
Revenues from the rendering of services are recognized when the service is rendered, i.e. when the service has been performed; in the particular case of continuous services, the related revenues are recognised for the accrued portion.

Breakdown of revenue from sales and services by category of activity

The following table shows the breakdown of revenue from sales and services by category of activity.

Activity category	Current year value
Media	46,289,245
Retail (B2C)	23,155,453
B2B	34,074,064
Total	103,518,762

Breakdown of revenue from sales and services by geographical area

The breakdown of revenues by geographical area is not provided as it is not relevant.

Production costs

Costs and charges are allocated on an accrual basis and according to their nature, net of returns, allowances, discounts and premiums, in compliance with the principle of correlation with revenues, and recorded in the respective items according to the provisions of accounting standard OIC 12. In the case of purchases of goods, the related costs are recognized when the substantial and non-formal transfer of title has occurred, taking the transfer of risks and benefits as the reference parameter for the substantial transfer. In the case of the purchase of services, the related costs are recognized when the service has been received, or when the service has been completed, while, in the case of continuous services, the related costs are recognized for the portion accrued.

Financial income and expenses

Breakdown of participation income

There is no income from participations as referred to in Article 2425, No. 15 of the Civil Code.

Breakdown of interest and other financial expenses by debt type

The following table shows the amount recognized in the income statement for the current year.

	Interest and other financial charges
Due to banks	2,408,918
More	235,965
Total	2,644,883

Value Adjustments on Financial Assets and Liabilities

During the year, the shareholding in Club Deal S.p.A. was written down in the amount of EUR 100,000. A write-down was also made on the investment in Class Editori S.p.A. in the amount of EUR 70,370.

Current, Deferred and Prepaid Income Taxes

The company allocated taxes for the year on the basis of the application of current tax regulations. Current taxes refer to taxes pertaining to the year; taxes relating to previous years include direct taxes for previous years, including interest and penalties, and also refer to the positive (or negative) difference between the amount due following the settlement of a dispute or an assessment and the value of the provision set aside in previous years. Finally, deferred tax liabilities and deferred tax assets relate to positive or negative income components respectively subject to taxation or deduction in different years from those in which they are recognized in the statutory accounts.

In the fiscal year 2023, there are no current taxes to be provided for. Taxes from previous years amounting to EUR 2,007,442 are recorded in the balance sheet, related to the VAT as previously discussed in the Management Report, and deferred taxes amounting to EUR 5,972,199 are related to the fiscal loss of the current fiscal year. In particular, the Company deemed it appropriate to recognize deferred taxes due to the exceptional and non-recurring nature of the loss recorded in the fiscal year 2023, as extensively discussed in the Management Report. The directors believe that these taxes can be absorbed by future profits generated by the Company, as evidenced by the five-year plan prepared by the Company and certified by the auditing company.

Notes to the account, cash flow statement

The Company has prepared the cash flow statement, which is the summary document that reconciles the changes that occurred during the year in the company's equity with the changes in its financial position; it highlights the values related to the financial resources that the company needed during the year as well as their uses. Regarding the method used, it is specified that the company has adopted, in accordance with OIC 10, the indirect method, according to which the cash flow is reconstructed by adjusting the operating result for non-monetary components.

Notes to the accounts, other information

The other information required by the Civil Code is set out below.

Employment data

The following table shows the average number of employees, broken down by category and calculated on a daily average basis.

	Average number
Managers	11
Employees	304
Workers	27
Other employees	1
Total Employees	343

Remuneration, advances and credits granted to directors and auditors and commitments undertaken on their behalf

The following table sets out the information required by Article 2427 No. 16 of the Italian Civil Code, specifying that there are no advances or receivables and no commitments have been undertaken on behalf of the administrative body as a result of guarantees of any kind given.

	Administrators	Auditors
Fees	185,000	37,500

Fees to the statutory auditor or auditing company

The following table shows the fees due to the auditing firm, broken down by type of services rendered.

	Value
Statutory audit of annual accounts	44,235

	Value
Other verification services performed	7,800
Total fees payable to the statutory auditor or audit firm	52,115

Categories of shares issued by the company

The following table shows the number of shares in the company, as well as any movements during the year.

Description	Initial consistency, number	Initial stock, nominal value	Shares subscribed during the year, number	Shares subscribed during the year, nominal value	Final consistency, number	Final stock, nominal value
SHARES	3,511,702	674,450	-	-	3,511,702	674,450
Total	3,511,702	674,450	-	-	3,511,702	674,450

Securities issued by the company

The company has not issued any security or similar value falling under the provision of Article 2427 No. 18 of the Civil Code.

Details of other financial instruments issued by the company

The company has not issued any other financial instruments within the meaning of Article 2346(6) of the Civil Code.

Commitments, guarantees and contingent liabilities not shown in the balance sheet

The following table provides the information required by Article 2427 No. 9 of the Civil Code:

For Portobello S.p.A.

- Guarantee given to guarantee the lease contract of the shop located in Via dei castani in Rome, in favour of S.A.M.A.V. s.r.l. for an amount of euro 72,000 and expiring on 31/03/2025.
- Guarantee given to guarantee the lease of the shop located in Viale Libia in Rome, in favour of Romoli Venturi Ennio, Romoli Venturi Sonia and Romoli Venturi Andrea, for an amount of EUR 60,000 and expiring on 30/06/2020, renewable until 30/06/2025.
- Guarantee given to guarantee the lease of the shop located in Via Tuscolana in Rome, in favour of Colasanti Serenella for an amount of euro 18,000 and expiring on 31/07/2020, renewable until 31/07/2031.
- Guarantee given to guarantee the lease of the shop located in Via Tuscolana in Rome, in favour of Colasanti Marco for an amount of euro 36,000 and expiring on 31/07/2020, renewable until 31/07/2031
- Guarantee given to guarantee the lease agreement of the building located in Piazzale della Stazione in Santa Palomba - Pomezia, in favour of Angelini Immobiliare S.p.A. for an amount of euro 53,000 and expiring on 31/07/2021, renewable from year to year unless terminated by the bank or the lessor.
- Guarantee given to guarantee the lease of the shop located in Corso Genova in Milan, in favour of Gecfin s.r.l. for an amount of Euro 146,250 and expiring on 31/07/2026.
- Guarantee granted to guarantee the lease of the shop located in Viale dei Colli Portuensi in Rome, in favour of Marrucco Cristiana for an amount of euro 27,000 and expiring on 03/12/2021, renewable from year to year, unless revoked by the Bank.
- Guarantee given to guarantee the lease of the shop located in Corso Genova in Milan, in favour of Gecfin s.r.l. for an amount of Euro 146,250 and expiring on 31/07/2026.
- Guarantee given to guarantee the lease contract of the shop located in Ostia, Via delle Baleari n. 302 in favour of L'Attico Srl for an amount of euro 27,000.00 expiring on 31/12/2033, renewable until 30/06/2033.

For the subsidiary PB Retail S.r.l.

- Guarantee given to guarantee the business branch lease contract of the shop located at the Grotte Center Shopping Centre in Via Farfisa snc/Via Campo dell'Aviazione n.17 in Camerano, in favour of Olinda Centers S.r.l for an amount of euro 62,302.30 and expiring on 19/09/2022, renewable tacitly from year to year unless revoked by the bank.
- Surety given to guarantee the business unit lease contract of the shop located at Centro Commerciale Roma Est in Via Collatina km 12,800 in Rome, in favour of Gemma S.r.l., for an amount of Euro 203,333.33 and expiring on 31/12/2028. Surety given to guarantee the punctual and proper performance of the obligations arising towards the Consorzio degli Operatori del Centro Commerciale RomaEst, as provided for in the business unit lease agreement with the company Gemma S.r.l. of the shop located at Centro Commerciale Roma Est in Via Collatina km 12,800 in Rome, for an amount of Euro 22,875.00 and expiring on 31/12/2028.
- Guarantee given to guarantee the business branch lease contract of the shop located at the Porte di Torino Shopping Centre at 460 Corso Romanina in Turin, in favour of Granato S.p.a. for an amount of Euro 90,000.00 and expiring on 21/09/2028.
- Guarantee given to guarantee the business branch lease contract of the shop located at the Porte di Catania Shopping Centre in Via Gelso Bianco in Catania, in favour of Granato S.p.A. for an amount of Euro 72,500.00 and expiring on 09/09/2028.

- Guarantee given to guarantee the business branch lease contract of the shop at the Fano Center Shopping Centre located at Via Einaudi no. 30 in Fano, in favour of Ceetrus Italy S.p.a., for an amount of Euro 85,000.00 and expiring on 31/10/2028.
- Guarantee provided to guarantee the business branch lease contract of the shop located at the Punta di Ferro Shopping Centre in Piazzale della Cooperazione no. 2 and 3 in Forlì, in favour of IGD SIIQ S.p.A. for an amount of euro 75,000.00 and expiring on 01/06/2032.
- Guarantee given to guarantee for the business branch lease contract of the shop located at the La Romanina shopping centre in Via Enrico Ferri no. 8, Rome, in favour of Klecar Italia S.p.a. for an amount of EUR 81,670.00 and expiring on 15/09/2028.
- Guarantee provided as security for the business unit lease agreement with the company IGD SIIQ S.p.a. of the shop located at Centro Borgo Shopping Centre at 186 Via Marco Emilio Lepido in Bologna, in favour of IGD SIIQ S.p.a, for an amount of EUR 90,000.00 and expiring on 30/06/2032. Surety bond pledged as security for the obligations assumed in connection with the membership of Consorzio CentroBorgo as set forth in the business unit lease agreement with IGD SIIQ S.p.a of the shop located at Centro Borgo Shopping Centre at 186 Via Marco Emilio Lepido, Bologna, in the amount of Euro 90,000 and expiring on 30/06/2032.
- Guarantee given to guarantee the business branch lease contract of the shop located at the Adriatic 2 Shopping Centre, in favour of L.S.G.I ITALIA 6 SPA for an amount of Euro 65,000.00 and expiring on 17/04/2032.
- Guarantee given to guarantee for the lease of the business unit of the shop located at Centro Commerciale I Malatesta at Via Emilia no. 150 in Rimini, in favour of COOP ALLEANZA 3.0 SOCIETA COOPERATIVA, for an amount of EUR 50,000.00 and valid until 31/10/2023, tacitly renewed year by year until 31/10/2025. Surety bond provided as a guarantee of the obligations undertaken in connection with the membership of Consorzio I Malatesta as per the business branch lease agreement with the company COOP ALLEANZA 3.0 SOCIETA COOPERATIVA of the shop located in the I Malatesta Shopping Centre in Via Emilia no. 150 in Rimini, for an amount of euro 52,338.00 and expiring on 31/12/2029, after 6 months from the expiry date, and therefore on 30/06/2030 without any request for its effectiveness, the same shall become null and void regardless of its restitution.
- Surety bond provided as a guarantee for the lease of the business unit of the shop located at the Porto Grande Shopping Centre at 144 Via Pasubio in San Benedetto del Tronto, in favour of IGD SIIQ SPA, for an amount of EUR 80,000.00 and valid until 31/07/2023, tacitly renewed year by year until 30/11/2031. Surety bond pledged as security for the obligations assumed in connection with the membership of CONSORZIO CENTRO COMMERCIALE PORTOGRANDE as set forth in the business unit lease agreement with IGD SIIQ SPA of the shop located in the Porto Grande Shopping Centre at 144 Via Pasubio in San Benedetto del Tronto, in the amount of euro 29,892.00 and expiring on 31/07/2023, tacitly renewed year by year until 30/11/2031.
- Surety bond provided to guarantee the sublease contract of the shop located at the Borgogioioso Shopping Centre in Via dell'Industri in Carpi, in favour of COOP ALLEANZA 3.0 SOC. COOP., for an amount of euro 87,500.00 and valid until 26/12/2022, tacitly renewed year by year until 26/03/2029. Guarantee given to guarantee the payment of the lump-sum contribution to the municipal charges as provided for in the sublease agreement with the company COOP ALLEANZA 3.0 SOC. COOP of the shop located Borgogioioso Shopping Centre in Via dell'Industri in Carpi, for an amount of Euro 27,930.00 and expiring on 26/12/2022, tacitly renewed year by year until 26/03/2029.
- Guarantee given to secure the business branch lease contract of the shop located at Centro Commerciale Etnapolis in c.da Valcorrente in Belpasso, in favour of MONTENISIA SRL, for an amount of euro 67,500.00 and valid until 30/09/2023, tacitly renewed year by year until 08/06/2029.
- Surety bond provided as security for the lease of the business unit of the shop located at Centro Commerciale ESP in Via Marco Bussato 46, Ravenna, in favour of IGD SIIQ SPA, for an amount of EUR 80,000.00 and valid until 18/10/2023, tacitly renewed year by year until 31/01/2032. Surety bond pledged as security for the obligations assumed in connection with the membership of CONSORZIO CENTRO COMMERCIALE ESP as set forth in the business unit lease agreement with IGD SIIQ SPA of the shop located at Centro Commerciale ESP in Via Marco Bussato 46, Ravenna, in the amount of euro 55,552.00 and expiring on 18/10/2023, tacitly renewed year by year until 31/01/2032.
- Guarantee given to guarantee the business branch lease contract of the shop located at Centro Commerciale Curno in Via Fermi 1, Curno, in favour of ECP CURNO 2022 SRL, for an amount of

Euro 135,000.00 and valid until 16/10/2031.

Information on assets and financing allocated to a specific business

Assets earmarked for a specific business

It is hereby certified that at the balance sheet date there were no assets intended for a specific business purpose as defined in No. 20 of Article 2427 of the Civil Code.

Financing earmarked for a specific business

It is hereby certified that at the balance sheet date, there were no loans intended for a specific business purpose as referred to in No. 21 of Article 2427 of the Civil Code.

Information on related party transactions

During the year, there were transactions with related parties in relation to which, although they were concluded at market conditions, the information is provided in the tables below:

Company name	*Trade Receivables*	*Financial Receivables*	*Trade Payables*	*Purchases*	*Sales*
Expandi Srl	18,568	-		240,000	20,000
Hi Capital Advisors Ltd	-	-	7,000	-	-
Nova Spa	-	-	65,218	-	-
Portobello Consulting Srl	-	-	171,562	-	-
RS Production Srl	1,314,775	-	245,140	3,510,000	3,078,670
Wolt Spa	-	-	477	87,892	-
Web Magazine Maker Srl	1,174,489	-	619,000	500,000	588,357
PB Online Srl	96,162	455,475	41,294	33,849	78,821

Company name	*Revenues as at 31/12/2023*	*% Revenues as at 31/12/2022*
Expandi Srl	20,000	0.02%
RS Production Srl	3,078,670	2.96%
Web Magazine Maker Srl	588,357	0.57%
PB Online Srl	78,821	0.08%

Information on agreements not shown in the balance sheet

No agreements were entered into during the year that were not reflected in the consolidated balance sheet.

Information on significant events occurring after the end of the financial year

With reference to point 22 of Article 2427 of the Italian Civil Code, in regards to the reporting of the main events that occurred after the end of the financial year and that had a significant impact on the balance sheet, financial position and results of operations, please refer to the specific section contained in the Report on Operations.

Disclosure of Derivative Financial Instruments Pursuant to Article 2427-bis of the Civil Code

As of 31/12/2022, five different derivative contracts were in place for the purpose of hedging against possible fluctuations in the variable rate applied to the underlying financing contracts, variable rate contracts linked to the Euribor trend and in particular:

- Year 2020, Deutsche Bank, market value of the derivative on 31/12/2022 is EUR (99,764)
- Year 2021, Monte dei Paschi di Siena, market value of the derivative as at 31/12/2022 is EUR 344,505
- Year 2022, Monte dei Paschi di Siena, market value of the derivative as at 31/12/2022 is EUR 312,037
- Year 2022, Deutsche Bank, market value of the derivative on 31/12/2022 is EUR (251,420)
- Year 2022, Unicredit Bank, market value of the derivative at 31/12/2022 is EUR (146,572)

Notes to the accounts, final part

Dear Shareholders, We confirm that these consolidated financial statements, consisting of the consolidated balance sheet, consolidated profit and loss account and notes to the financial statements, give a true and fair view of the company's financial position and results of operations for the year and correspond to the accounting records. We therefore invite you to approve the draft consolidated financial statements as at 31.12.2023, as prepared by the Board of Directors.

The balance sheet is true and real and corresponds to the accounting records

The Board of Directors

Pietro Peligra, Chairman
Simone Prete, Vice President and CEO
Mirco Di Giuseppe, Director
Roberto Bacchi, Director
Ciro Esposito, Director