

PORTOBELLO

PRESS RELEASE

**PORTOBELLO: consolidated results approved as of 31/12/2023.
Adjusted¹ Value of Productions to approximately Euro 147.8 million, adjusted EBITDA to approximately Euro 17 million, adjusted Net Income to approximately Euro 0.92 million.**

Key Adjusted Consolidated Results:

- Adjusted Value of Production to Euro 147.8 million
- Adjusted EBITDA approximately Euro 17 million
- Adjusted EBIT approximately Euro 8.7 million
- Adjusted Net Profit approximately Euro 0.92 million
- Net financial debt approximately Euro 49.7 million. Current financial debt approximately Euro 26.5 million.

Rome, March 29, 2024

Portobello S.p.A. (“Portobello” or the “Company”), a company listed on the Euronext Growth Milan market that operates as a barter business in the publishing and advertising sector and is the owner of the retail chain with the same name and of ePRICE portal, announces that today the Board of Directors of the Company examined and approved the consolidated financial statements as well as the draft financial statements of Portobello as of December 31, 2023; the latter will be submitted to the Shareholders' Meeting on April 29, 2024, and, if necessary, on a second call on May 13, 2024.

Roberto Panfili, Co-founder and COO of Portobello, stated:

“2023 was a very challenging year for Portobello due to a series of exogenous events that made the ordinary management of business activities problematic. The main problem arose mainly from the agreement that the Company entered into with the Italian Revenue Agency, which, on one hand, resulted in a reduction of the available working capital, needed to meet the daily needs of both the retail area and barter activities, which consequently contracted. On the other hand, it generated a commercial credibility problem that took months to resolve and, again, exacerbated the contraction of commercial activities.

Portobello, despite these major complexities, demonstrated all its resilience, the result of a solid and now consolidated business model, thanks to which it managed, albeit with difficulty, to meet ordinary needs and to open during 2023, 6 new points of sale within large shopping centers throughout the national territory, reaching a total commercial area of approximately 27 thousand square meters and carrying out two capital increases, also thanks to the support of the shareholder Expandi Srl, which injected new liquidity and allowed the Company to start again already in the last weeks of 2023.

We look with renewed optimism to 2024 where we aim to restart the growth path with tenacity and determination and with the support of the women and men of Portobello who, thanks to their professionalism, passion, and team spirit, have moved the Company forward in the face of critical moments.”

¹ Adjusted: results adjusted for non-recurring extraordinary items. For a detailed breakdown of the adjusted items, please refer to the note on page 11

PORTOBELLO

Consolidated Economic and Financial Results as of December 31, 2023

On August 28, 2023, Portobello entered into an agreement with the Italian Revenue Agency aimed at settling out-of-court disputes regarding VAT and direct taxes for the tax years from 2017 to 2020. As a result of this agreement, which Portobello decided to enter into to avoid the time and costs of significant tax litigation and 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 taken by the Revenue Agency on tax matters, for which the Company reiterates that it has always acted with the utmost correctness, promptness, and determination, Portobello faced a reduction in available working capital, as well as a commercial credibility issue that inevitably led to a contraction in commercial activities. As evidence of this, the Company was unable to utilize available advertising spaces worth approximately Euro 22 million expiring at the end of 2023, which were fully accounted for in the balance sheet and would have generated revenues, based on historical data of similar transactions, of at least Euro 44 million. Below is the breakdown of **adjusted net turnover** (which includes foregone revenues related to barter activities solely linked to advertising spaces expiring at the end of 2023) as of December 31, 2023, by business area.

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

Net of these components, there is a consolidated net turnover of Euro 103.9 million.

In detail:

- **MEDIA.** The Media channel of Portobello recorded adjusted revenues of Euro 90.3 million obtained through all collection channels. The adjusted items differ from ordinary items as they incorporate foregone revenues related to the use of Euro 22 million worth of advertising spaces expiring on December 31, 2023, which the Company would have used for barter merchandise exchange, potentially generating additional revenue, based on historical transaction series of at least Euro 44 million. Net of these components, the net revenues of the Media BU amounted to Euro 46.3 million.
- **RETAIL.** The retail channel recorded revenues of Euro 23.2 million in 2023. Extraordinary components did not impact the Retail BU. Furthermore, the Portobello Group opened 6 stores in the following shopping centers:
 - C.C. Curno – Curno (BG);
 - C.C. To Dream - Turin;
 - C.C. Katanè – Gravina di Catania (CT);
 - C.C. Il Castello – Ferrara;
 - C.C. Le Corti Venete – S. Martino Buon Albergo (VR);
 - C.C. Merlata Bloom – Milan.
- **B2B.** B2B sales recorded revenues of Euro 34.1 million, up 1.8% compared to December 31, 2022, thanks to the Company's ability to monetize stocks without loss of margins. Extraordinary

PORTOBELLO

components did not impact the B2B BU. This type of activity is transversal and useful for monetizing products that are not sellable in Portobello stores, or related to purchases that have volumes too high compared to currently open stores.

Consolidated adjusted EBITDA amounted to Euro 17 million compared to Euro 18.2 million recorded in the 2022 financial year. This value, slightly lower than historical averages, is mainly related to the promotional activity for the launch of new stores through targeted promotions that quickly created traffic and brand awareness. Adjusted items differ from ordinary items due to the following extraordinary components related to (i) the aforementioned agreement with the Revenue Agency aimed at settling out-of-court disputes regarding VAT and direct taxes for the tax years from 2017 to 2020, amounting to Euro 10,408,549, (ii) media spaces that the Company could have resold in exchange for merchandise that would have, based on historical transaction series, likely generated additional revenues of Euro 44 million, and (iii) the consolidation difference related to the stake in PB Retail S.r.l., amounting to Euro 2.8 million. Net of these components, there is a negative Adjusted Consolidated EBITDA of Euro 38.2 million (Euro 18.2 million as of December 31, 2022).

Consolidated adjusted EBIT amounted to Euro 8.7 million compared to Euro 13.5 million recorded in the 2022 financial year; **Consolidated adjusted EBT** amounted to Euro 6.4 million compared to Euro 12.2 million recorded in the 2022 financial year. Net of extraordinary components, there is a negative Adjusted Consolidated EBIT of Euro 46.5 million and a negative Adjusted Consolidated adjusted EBT of Euro 48.8 million.

Consolidated adjusted Net Profit amounted to Euro 0.92 million compared to a profit of Euro 7.7 million in the 2022 financial year. Net of extraordinary components, there is a negative Consolidated adjusted Net Profit of Euro 44.9 million.

Net fixed assets amount to Euro 15.9 million, increasing by Euro 1.7 million, or 11.7%, while **finished goods inventories** decrease by approximately Euro 5.3 million to a total value of approximately Euro 51 million, gross of the related write-down provision.

The Group's **Net Equity** amounts to Euro 12.1 million, of which Euro 6.5 million pertains to third parties.

The overall **net financial debt** amounts to Euro 49.7 million (Euro 42.4 million as of December 31, 2022), while current financial debt amounts to Euro 26.5 million. This variation is mainly due to investments related to new openings.

Main economic-financial results of Portobello S.p.A. as of December 31, 2023

- Value of Production: Euro 97.5 million (compared to Euro 124.6 million as of December 31, 2022);
- EBITDA: Euro -29 million (compared to Euro 22.7 million as of December 31, 2022);
- Net Profit: Euro -34.1 million (compared to Euro 13.1 million as of December 31, 2022);

Predictable Management Evolution

The Company's administrative body convened a Shareholders' Meeting on November 23, 2023, which mandated the administrative body itself to carry out capital increases of up to a maximum of Euro 20 million in the following five years. The Company utilized this authorization to initiate two capital increases, the first with pre-emptive rights ended on February 8, 2024, for a total consideration of Euro 7,999,950.00, while the second, without pre-emptive rights, concluded on February 19, 2024, for a total consideration of Euro 4,627,350. Considering the success of the two capital increases and after a careful analysis of the current situation and medium-to-long-term prospects, it is reasonable to expect that the Company will continue to constitute a sustainable economic complex destined for income production over a multi-year period.

PORTOBELLO

Proposal for the Allocation of the Year's Profit

The Board of Directors has resolved to propose to the Shareholders' Meeting to cover the loss by using the Extraordinary Reserve.

Events Following December 31, 2023

- **Renewal of the Euronext Growth Advisor Appointment to Integrae Sim**

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

- **Start of dialogue with Financing Banks**

The Company, regarding three ongoing financings granted by credit institutions, with a total amount of Euro 15,936,363.60, and for which the failure to meet even a single covenant entitles the Banks to the right of early withdrawal from the financing, has already proceeded, in advance of the contractually scheduled date, to initiate discussions with all financing Banks aimed at suspending the covenant assessment as of December 31, 2023, and obtaining an amendment aimed at redefining the value of the financial parameters used for covenant assessment as of December 31, 2023, as well as optimizing the repayment installments of the existing financings.

- **Standardization of Store Chain Layout: closure of one 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 the multi-level location of the premises were deemed unsuitable for Portobello's standard layout, thus not allowing for an optimal shopping experience for customers. Furthermore, the decision to close the store on Via Torino is also related to the potential better performance opportunities of another Portobello store opened in Milan in October 2023 within the new Merlata Bloom shopping center.

- **Fully subscribed capital increase deliberated by the Board of Directors through a new issue of 1,142,850 ordinary shares for a total consideration of Euro 7,999,950.00.**

On February 8, 2024, the Company announced the completion of the offer of a maximum of 1,142,850 ordinary shares of Portobello (the "New Shares") resulting from the capital increase deliberated by the Board of Directors on December 11, 2023, based on the authorization conferred by the extraordinary shareholders' meeting on November 23, 2023 (the "Capital Increase").

On January 11, the Board of Directors had established the definitive conditions of the capital increase to be offered as an option to the shareholders: during the option offer period of the New Shares to the 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 an overall amount (including the premium) of Euro 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 on his own and through Matilde S.a.s. di Mabe Srl Semplicata & 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 consideration of Euro 3,750,649.00. The remaining 491,295 option rights not exercised 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 fully sold during the sessions on February 6 and 7, 2024.

On February 8, the last day on which the Unexercised Rights purchased on Euronext Growth Milan could be exercised, 203 New Shares were subscribed for a total amount (including the premium) of Euro 1,421.00. The remaining 163,562 New Shares, for a total consideration of Euro 1,144,934.00, were

PORTOBELLO

subscribed by the shareholder Expandi S.r.l. in conformity 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 Euro 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 consideration of Euro 7,999,950.00.

- **Successfully Completed Reserved Capital Increase for Qualified/Institutional Investors through Accelerated Bookbuilding Procedure for a Total Value of Euro 4,627,350.00.**

On February 19, 2024, the Company announced the successful subscription of the capital increase deliberated by the Board of Directors on February 19, 2024, further to the authorization pursuant to Article 2443 of the Italian Civil Code granted by the Extraordinary Shareholders' Meeting on November 23, 2023. The capital increase involved a total of 661,050 new ordinary shares without indication of nominal value, corresponding to approximately 12.44% of the new share capital, for a total consideration of the increase amounting to Euro 4,627,350 (inclusive of the premium) and was carried out excluding the subscription rights pursuant to Article 2441, paragraph 5, of the Italian Civil Code. The new shares were placed at a price per share of Euro 7.00, of which Euro 0.19 was allocated to share capital and Euro 6.81 to the premium, and were admitted to trading on Euronext Growth Milan on equal terms with the existing shares and in compliance with applicable laws and regulations. The transaction was settled by the delivery of the securities and payment of the consideration on February 23, 2024. Following the full subscription of the new shares, the post-increase share capital of Portobello amounts to Euro 1,017,191.40, divided into 5,315,602 ordinary shares without indication of nominal value, with a free float of approximately 43.75%.

Convocation of the Shareholders' Meeting

The Board of Directors resolved to convene the Ordinary and Extraordinary Shareholders' Meeting on April 29, 2024, on first call, and, if necessary, on May 13, 2024, on second call.

The topics on the agenda of the Assembly are:

For the Ordinary Part:

- Approval of the financial statements as of December 31, 2023. Presentation of the consolidated financial statements for the year ended December 31, 2023. Resolutions related and consequent thereto;
- Determination regarding the allocation of the net profit;
- Appointment of the members of the Board of Directors, after determining their number, term of office, and related remuneration. Resolutions related and consequent thereto;
- Appointment of the members of the Board of Statutory Auditors and determination of their remuneration. Resolutions related and consequent thereto;
- Assignment of the audit engagement to an audit firm pursuant to Article 13 of Legislative Decree no. 39/2010. Resolutions related and consequent thereto;

For the Extraordinary Part:

- Proposal to amend Articles 15 (Intervention and Voting), 19 (Number, Duration, Characteristics, and Composition), and 20 (Appointment of Directors) of the company's bylaws. Resolutions related and consequent thereto.

Within the terms provided by current regulations, the notice of the Meeting (which will also indicate the participation methods) will be made available to the public at the Company's Registered Office and on the Company's website at www.portobellospa.com, where the annual financial report as of December 31, 2023, the consolidated financial report as of December 31, 2023, and the directors' reports to the Meeting on the

PORTOBELLO

proposals concerning the agenda items will also be available.

Other Resolutions of the Board of Directors

Statutory Amendments

The Board of Directors deemed it appropriate to propose to the next Shareholders' Meeting some modifications/integrations to the current bylaws in order to update and align them with the new applicable legislative and regulatory provisions. Specifically, the Board of Directors resolved to propose amendments to Articles 15 (Intervention and Voting), 19 (Number, Duration, Characteristics, and Composition), and 20 (Appointment of Directors) of the company's bylaws.

Approval of Quantitative and Qualitative Criteria for the Assessment of Directors' Independence

Furthermore, the Board of Directors defined, in accordance with Article 6-bis of the Euronext Growth Milan Issuers' Regulation, the quantitative and qualitative criteria to assess the significance of potentially relevant relationships for the purpose of evaluating compliance with the independence requirements set forth in Article 147-ter, paragraph 4, of Legislative Decree February 24, 1998, no. 58 ("**TUF**" Consolidated Financial Act). The document illustrating these criteria is available on Portobello's website, in the Governance section.

Attachments

Below are the main financial statements of the Portobello Group related to the consolidated results as of December 31, 2023, compared with the corresponding values (in Euros) as of December 31, 2022, as follows:

- Consolidated Profit and Loss Account as of 31/12/2023 (vs Profit and Loss Account as of 31/12/2022);
- Consolidated Balance Sheet as of 31/12/2023 (vs Balance Sheet as of 31/12/2022);
- Consolidated Cash Flow Statement as of 31/12/2023 (vs Cash Flow Statement as of 31/12/2022);
- Consolidated adjusted profit and loss account as of 31/12/2023 (vs profit and loss account as of 31/12/2022);
- Consolidated adjusted balance sheet as of 31/12/2023 (vs balance sheet as of 31/12/2022).

Please note that the data provided are currently undergoing certification by the appointed Audit Firm.

PORTOBELLO

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Consolidated Profit and Loss Account (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, ancillary, consumable materials 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%
Amortisation, provisions, and depreciations	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	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	(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%

(*) EBITDA indicates the result before financial and extraordinary management, taxes, depreciation and amortisation of fixed assets, provisions and impairment of receivables. EBITDA, thus defined, is the indicator used by the directors of Portobello S.p.A. to monitor and evaluate the operational performance of the company's business. Since EBITDA is not identified as an accounting measure within the accounting standards, it should not be considered an alternative measure for the evaluation of Portobello S.p.A.'s operating performance. Since the composition of EBITDA is not regulated by the relevant accounting standards, the calculation criterion applied by Portobello S.p.A. may not be homogeneous with that adopted by other entities and/or groups and may, therefore, not be comparable.

(**) EBIT indicates the result before financial expenses and taxes for the year. EBIT, therefore, represents the operating result before the remuneration of both third-party and own capital. EBIT, thus defined, represents the indicator used by the company's directors to monitor and evaluate the operational performance of the company's business. Since EBIT is not identified as an accounting measure within the scope of national accounting standards and its composition is not regulated by the reference accounting standards, the calculation criteria applied by the Company may not be homogeneous with that adopted by other entities and, therefore, may not be comparable with them.

(***) The percentages indicated represent the incidence of the values in relation to the Company's typical revenues. Since these incidences are not identified as accounting measures within the national accounting standards and their composition is not regulated by the reference accounting standards, the determination criterion applied by the Company may not be homogeneous with that adopted by other entities and, therefore, may not be comparable with them.

PORTOBELLO

CONSOLIDATED BALANCE SHEET

Consolidated Balance Sheet	31/12/2023	31/12/2022	Absolute change	Change %
<i>Intangible Fixed Assets</i>	8,507,279	6,312,335	2,194,944	34.77%
<i>Tangible Fixed Assets</i>	3,067,660	3,313,805	(246,145)	-7.43%
<i>Financial Fixed Assets</i>	4,286,305	4,575,012	(288,707)	-6.31%
NET FIXED ASSETS	15,861,244	14,201,152	1,660,092	11.69%
<i>Inventories</i>	50,957,426	56,262,254	(5,304,828)	-9.43%
Inventories	50,957,426	56,262,254	(5,304,828)	-9.43%
<i>Customers</i>	1,129,915	5,943,856	(4,813,941)	-80.99%
<i>Suppliers</i>	(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%
<i>Tax receivables and payables</i>	(16,330,713)	(9,272,939)	(7,057,774)	76.11%
<i>Other credits</i>	9,348,725	1,346,651	8,002,074	594.22%
<i>Other debts</i>	(3,888,954)	(2,244,339)	(1,644,615)	73.28%
<i>Accrued income and prepaid expenses</i>	35,145,883	30,164,264	4,981,619	16.51%
<i>Accrued expenses and deferred income</i>	(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%
<i>TFR</i>	(923,970)	(752,052)	(171,918)	22.86%
<i>Other funds</i>	(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%
<i>Capital</i>	(674,450)	(674,450)	(0)	0.00%
<i>Reserves</i>	(52,422,155)	(34,592,923)	(17,829,232)	51.54%
<i>(Profit) loss for the period</i>	40,988,834	(10,347,617)	51,336,451	-496.12%
<i>Minority (profit) loss</i>	3,891,400	2,688,705		
<i>Minority shareholders' equity</i>	6,531,105	2,675,275		
NET WORTH	(5,576,666)	(42,939,715)	37,363,049	-87.01%
<i>(Financial debts)</i>	(514,659)	(761,315)	246,656	-32.40%
<i>Financial receivables</i>	188,889	259,259	(70,370)	
<i>(Bank debts)</i>	(50,292,981)	(44,773,656)	(5,519,325)	12.33%
<i>Cash and cash equivalents</i>	893,437	2,844,131	(1,950,694)	-68.59%
Net financial debt	(49,725,314)	(42,431,581)	(7,293,733)	17.19%
TOTAL SOURCES	(55,301,980)	(85,371,296)	30,069,316	-35.22%

PORTOBELLO

CONSOLIDATED CASH FLOW STATEMENT

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 Net working capital		
Provisions to Funds	5,703,073	2,301,118
Depreciation of fixed assets	3,186,827	2,835,004
Depreciation from impairment losses	170,370	440,741
Total 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
Opening of loans	7,900,000	29,500,000
(Repayment of loans)	(3,933,241)	(4,319,693)
Own means		
Aumento di capitale a pagamento	5,005,000	
Disposal/(Purchase) of treasury shares	(4,650)	(169,058)
Cash flow from financing activities (C)	13,000,940	25,591,518
Increase (decrease) in cash and cash equivalents (A ± B ± C)	(1,950,694)	372,956
Cash and cash equivalents at beginning of year		
Bank and postal deposits	2,694,925	2,382,957
Cash and valuables in the till	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

PORTOBELLO

ADJUSTED CONSOLIDATED PROFIT AND LOSS ACCOUNT

Adjusted Consolidated Profit and Loss Account (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, ancillary and consumable materials 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%
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%

PORTOBELLO

ADJUSTED CONSOLIDATED BALANCE SHEET

Adjusted Consolidated Balance Sheet (euro)	31/12/2023	31/12/2022	Variaz. Absolute	Change %
<i>Intangible Fixed Assets</i>	8,507,279	6,312,335	2,194,944	34.77%
<i>Tangible Fixed Assets</i>	3,067,660	3,313,805	(246,145)	-7.43%
<i>Financial Fixed Assets</i>	4,286,305	4,575,012	(288,707)	-6.31%
NET FIXED ASSETS	15,861,244	14,201,152	1,660,092	11.69%
<i>Inventories</i>	50,957,426	56,262,254	(5,304,828)	-9.43%
Inventories	50,957,426	56,262,254	(5304,828)	-9.43%
<i>Customers</i>	45,129,915	5,943,856	39,186,059	659.27%
<i>Suppliers</i>	(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%
<i>Tax receivables and payables</i>	(17,872,831)	(9,272,939)	(8,599,892)	92.74%
<i>Other credits</i>	3,376,526	1,346,651	2,029,875	150.74%
<i>Other debts</i>	(3,888,954)	(2,244,339)	(1,644,615)	73.28%
<i>Accrued income and prepaid expenses</i>	35,145,883	30,164,264	4,981,619	16.51%
<i>Accrued expenses and deferred income</i>	(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%
<i>TFR</i>	(923,970)	(752,052)	(171,918)	22.86%
<i>Other funds</i>	(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%
<i>Capital</i>	(674,450)	(674,450)	(0)	0.00%
<i>Reserves</i>	(49,623,708)	(34,592,923)	(15,030,785)	43.45%
<i>(Profit) loss for the period</i>	(4,811,999)	(10,347,617)	5,535,618	-53.50%
<i>Minority (profit) loss</i>	3,891,400	2,688,705		
<i>Minority shareholders' equity</i>	6,531,105	2,675,275		
NET WORTH	(48,579,052)	(42,939,715)	(5,639,337)	13.13%
<i>(Financial debts)</i>	(514,659)	(761,315)	246,656	-32.40%
<i>Financial receivables</i>	188,889	259,259	(70,370)	
<i>(Bank debts)</i>	(50,292,981)	(44,773,656)	(5,519,325)	12.33%
<i>Liquid assets</i>	7,410,140	2,844,131	4,566,009	160.54%
NFI	(43,208,611)	(42,431,581)	(777,030)	1.83%
TOTAL SOURCES	(91,787,662)	(85,371,296)	(6,416,366)	7.52%

The final results for the fiscal year ending December 31, 2023, reflect the presence of three extraordinary and non-recurring items, detailed as follows:

- An amount of €10,408,549 related to an agreement with the Italian Revenue Agency aimed at settling extrajudicially the disputes concerning VAT and direct taxes for the tax periods from 2017 to 2020.
- An amount of €22,738,379 related to media spaces on contracts expiring on December 31, 2023, which the Company could have resold in exchange for goods, generating additional net revenue, based on historical transaction series, of no less than €44 million.
- An amount of €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:

- Concerning the Profit and Loss Account, there is an increase in A1 by €44 million in additional revenue resulting from the use of expired advertising spaces, a decrease in B14 - Other Operating Charges - by €11.2 million, attributable to €8.4 million related to the Minutes of Disagreement issued by the Revenue Agency ("PVC") and €2.8 million to the positive difference from the cancellation of the subsidiary's participation. Additionally, there is a total increase in taxes by €9.4 million, derived from the algebraic sum of lower taxes from previous years due to PVC amounting to €2 million, lower deferred taxes by €6 million, and higher current taxes by €5.4 million. Consequently, the adjusted period result shifts from a loss of €44.9 million to a positive result of €0.92 million.
- Concerning the Balance Sheet, there is a reduction in deferred tax assets by €5.9 million, higher tax liabilities by €1.5 million, which is the algebraic sum of lower PVC-related liabilities remaining as of 31/12/2023 by €3.9 million, and a higher amount of current taxes by €5.4 million. Lastly, there is an impact on trade receivables amounting to €44 million related to the increased revenues achievable from advertising usage and an impact on liquid assets amounting to €6.5 million related to the amounts paid on PVC in the 2023 fiscal year.

PORTOBELLO

The press release is available online at www.portobellospa.com in the Investor Relations section and at www.1info.it.

Portobello S.p.A. founded in Rome in 2016 and listed on the Euronext Growth Milan market, operates through 3 Business Units active in the Media & Advertising, Retail and B2B sectors. The Company deals with the resale of advertising space, either owned or purchased from third parties, for monetary consideration or through the barter system. The Company is part of the Portobello Group, which owns and operates a chain of own-brand shops and the e-commerce portal ePRICE.

Contacts

INTEGRAE SIM

Euronext Growth Advisor

Piazza Castello 24 – 20121 Milano
T +39 02 9684 6864
info@integraesim.it

IR TOP Consulting S.r.l.

Capital Markets & Investor Relations

Domenico Gentile
d.gentile@irtop.com
Via Bigli, 19 - 20121 Milano
Tel.: +39 02 4547 3883/4

Portobello S.p.A.

Investor Relations

investorrelator@portobellogroup.it
Piazzale della Stazione snc – 00071
Pomezia / Z.I. Santa Palomba (RM)
Tel.: +39 06 2294725