

# PORTOBELLO

- PRESS RELEASE -

**PORTOBELLO: Consolidated results as of 30/06/2023 approved. Value of Production of about Euro 65.0 million, adjusted EBITDA<sup>1</sup> of about EUR 5.95 million, adjusted Net Profit of about EUR 0.92 million**

**Key consolidated financial results as of 30/06/2023**

- Value of Production of 65.0 million Euro
- Adjusted EBITDA of EUR 5.95 million
- Adjusted EBIT of EUR 2.96 million
- Adjusted Net profit for the period of EUR 0.92 million
- Net financial position (debt) -44.59 million Euro, Current net financial position (debt) -15.05 million Euro

*Rome, 25 September 2023*

**Portobello S.p.A.** ("**Portobello**" or the "**Company**"), a company listed on the Euronext Growth Milan market that operates as barter in the publishing and advertising sector. They also own the retail chain of the same name and the ePrice portal. Today, they announced that the Company's Board of Directors have examined and approved the consolidated half-yearly financial report as of the 30th of June 2023, which is subject to limited audit.

In the first half of 2023, the Company recorded significant growth in the value of production compared to the same period in 2022. This growth, made even more important by the extraordinary conditions in which it occurred—namely, in a period characterized by high inflation and a sudden increase in interest rates—demonstrates that Portobello's business model is efficient and robust. It also shows that the Company has considerable room for development, which becomes even broader thanks to the market opportunities that the crisis situation has generated.

**Roberto Panfili, Co-founder and COO of Portobello S.p.A.** said: *"Despite the competitive landscape that characterized the first half of 2023, due to strong inflationary pressures and the consequent restrictive monetary policies of the ECB, the Company has continued its expansion thanks to a solid and countercyclical business model. In critical periods like the current one, consumers become more cautious and price-sensitive. Therefore, the Company's value proposition, based on an offering that sustainably combines the best quality-price ratio on the market with an excellent shopping experience, becomes increasingly successful, as already proven during the pandemic period"*.

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*Adjusted: results adjusted for components of an extraordinary (non-recurring) nature. See note on page 12*

### Consolidated Financial Results to 30 June 2023

Portobello continues its strong growth phase, recording a **total consolidated revenue** of EUR 65.0 million (compared to revenue of EUR 49.0 million as of the 30th of June 2022). Below is a breakdown of net sales as of the 30th of June 2023 by *business area*.

SBU	30/06/2023	30/06/2022	Variazione assoluta	Variaz. %
Media	27,952,548	24,568,549	3,383,999	13.77%
Retail (or B2C)	13,155,320	9,771,174	3,384,146	34.63%
B2B	23,714,222	14,480,592	9,233,630	63.77%
Other revenues	174,698	185,703	(11,005)	-5.93%
<b>Value of Production</b>	<b>64,996,788</b>	<b>49,006,018</b>	<b>15,990,770</b>	<b>32.63%</b>

In the first half of 2023, the Media segment saw turnover grow 13.77% to EUR 27.95 million (EUR 24.57 million as of the 30th of June 2022), while the B2C (Retail) segment grew 34.63% to EUR 13.16 million (EUR 9.77 million as of the 30th of June 2022); the B2B segment grew 63.77% to EUR 23.71 million (EUR 14.48 million as of the 30 of June 2022). Other revenues remain substantially unchanged, standing at 0.17 million Euro.

These results are the effect of intense activity in the various *business areas*, in particular:

**MEDIA** Portobello strengthened its position as a reliable and competitive player in the advertising business throughout the country, also thanks to the management's ability to acquire advertising space with a high media impact. In the first half of 2023, the Media Business Unit increased its turnover by 13.77% to EUR 27.95 million.

**RETAIL** Despite a first half of the year still characterised by a great deal of uncertainty due to high inflation, the retail channel, regarding the perimeter of physical shops, recorded a 34.63% increase to 13.16 million in sales in the first half of 2023 compared to the same period in 2022.

During the first half of 2023, four new Portobello brand shops were opened at the following locations:

- C.C. Curno – Curno (BG);
- C.C. To Dream – Torino;
- C.C. “Katanè – Gravina di Catania (CT);
- C.C. Il Castello – Ferrara

Moreover, in January 2023, the Company strengthened the partnership of environmental sustainability with the company Forever Bambù, through the carbon offset program project 'Forever Zero CO2'. Thanks to this ambitious project, Portobello has reduced the polluting emissions produced by all the shops open until December 2022 to zero thanks to the absorption of CO2 to about further 600 tonnes per year, becoming a net zero retail chain. Portobello's carbon neutrality, the result of an accurate scientific study carried out by Forever Bambù's technicians, stems from the company's desire to implement carbon offsetting in parallel with the increase in the number of points of sale in the country envisaged in the strategic plan.

**B2B** sales also increased, closing the period to June 30th 2023, at EUR 23.71 million, up 63.77% compared to the previous half-year. This activity is considered useful to monetise those products that are not in line with the Portobello shops or related to purchases that are too high in volume compared to the shops currently open.

**Adjusted consolidated EBITDA** stood at EUR 5.95 million as of the 30th of June 2023. EBITDA as a percentage of the value of production stood at 9.2%. This value, which is slightly lower than historical averages, is mainly

related to the promotional activity of launching new shops through targeted promotions that quickly created traffic and *brand awareness*. The adjusted accounting items differ from the ordinary items due to two non-recurring components of an extraordinary nature related to (i) an agreement with the Revenue Agency aimed at settling out-of-court disputes concerning VAT and direct taxes for the tax periods from 2017 to 2020, amounting to 10,408,549 Euro, and (ii) media spaces that the Company was supposed to receive from a supplier in liquidation (see note on page 12 for details on the economic values). Net of these components, there is a consolidated EBITDA of -4.63 million Euro.

**Adjusted consolidated EBIT** stood at EUR 2.96 million as of the 30th of June 2023. EBIT as a percentage of production value was 4.6%, while **adjusted consolidated EBT** stood at EUR 2.39 million. Net of the extraordinary components, there is a consolidated EBIT of -7.62 million Euro.

The **adjusted Net Profit** for the period amounted to EUR 0.92 million (-11.86 million Euro net of extraordinary components).

In terms of consolidated balance sheet values, **net fixed assets** increased by EUR 1.17 million in the first half of 2023. **Finished goods inventories** amounted to EUR 57.84 million (gross of the corresponding depreciation provision), reduced by approximately one million Euro compared to the figure as of 31/12/2022.

Shareholders' Equity, the Group's equity amounted to EUR 35.07 million, with minority interests amounting to EUR -3.97 million.

The **consolidated Net Financial Position** amounted to approximately EUR -44.59 million. Current bank and financial payables refer to short-/medium-term loan agreements, recording a **current consolidated Net Financial Position** of about Euro -15.05 million (see note on page 12 for changes to specific accounting items that impact the balance sheet, affecting tax liabilities by 9.78 million Euro and accrued income by 2.18 million Euro).

### ***Events after 30 June 2023 and business outlook***

On August 28, 2023, the Company signed an agreement with the Revenue Agency aimed at settling out-of-court disputes concerning VAT and direct taxes for the tax periods from 2017 to 2020. This agreement stems from a tax audit conducted by the Milan Revenue Agency, which concluded with a formal report (PVC), the details of which were disclosed in the Company's financial statements as of December 31, 2022. Under the terms of this agreement, the Company will pay an amount of 6.8 million Euros for VAT, in addition to a further amount of 3.6 million Euros for remaining taxes, penalties, and interest. Portobello reiterates that it has always operated with the utmost integrity, promptness, and determination and has entered into the agreement to avoid the time and costs of significant tax litigation, as well as to benefit from certain reductions in imposed penalties (commonly known as tax amnesty). The signing of this agreement should not be interpreted as an acceptance or agreement with the positions held by the Revenue Agency. The Company has already initiated the payment of the first installment, amounting to 5.5 million Euros, and the remaining part, amounting to 4.9 million Euros, will be paid in two equal installments on December 31, 2023, and March 31, 2024. For the payment of the deferred amount, the Company will use cash flows generated from normal business operations as well as new financing currently under negotiation for an amount of approximately 5.0 million Euro.

In July, the Company closed its Milan store located on Corso Buenos Aires as it was too small compared to Portobello's new standard layout and in anticipation of the opening in October of the current year of a store within the new Merlata Bloom Milan shopping center. It should also be noted that the lease contract (temporary, lasting 2 years) for the Olbia store expired in August.

From a careful analysis of the current situation and medium-to-long-term prospects, it is reasonable to think that the Group will continue to constitute a sustainable economic complex aimed at generating income over a multi-year time frame.

**Attachments**

The Group's main consolidated financial statements for the interim period ended 30 June 2023 are presented below, compared with the corresponding comparative figures (values in Euro), and specifically

- Consolidated Income statement as of 30/06/2023 vs Consolidated Income statement as of 30/06/2023
- Consolidated Balance Sheet as of 30/06/2023 vs Consolidated Balance Sheet as of 31/12/2022
- Consolidated Cash Flow Statement as of 30/06/2023 vs Consolidated Cash Flow Statement as of 31/12/2022
- Adjusted Consolidated Income Statement as of 30/06/2023 vs Consolidated Income statement as of 30/06/2023
- Adjusted Consolidated Balance Sheet as of 30/06/2023 vs Consolidated Balance Sheet as of 31/12/2022

## CONSOLIDATED INCOME STATEMENT

<b>Consolidated Income Statement (figures in euros)</b>	<b>30/06/2023</b>	<b>30/06/2022</b>	<b>Absolute Change</b>	<b>% Change</b>
<i>Revenue from Sales and Services</i>	64,822,090	48,820,315	16,001,775	32.78%
<i>Other Revenue and Income</i>	174,698	185,703	-11,005	-5.93%
<b>Value of Production</b>	<b>64,996,788</b>	<b>49,006,018</b>	<b>15,990,770</b>	<b>32.63%</b>
<i>Raw Materials, Consumables, and Goods</i>	45,037,013	40,616,318	4,420,695	10.88%
<i>Change in Inventory of Raw Materials, Consumables, and Goods</i>	1,005,970	(10,681,756)	11,687,726	-109.42%
<b>Cost of Goods Sold</b>	<b>46,042,984</b>	<b>29,934,562</b>	<b>16,108,422</b>	<b>53.81%</b>
<b>Gross Margin</b>	<b>18,953,805</b>	<b>19,071,456</b>	<b>(117,651)</b>	<b>-0.62%</b>
<b>%</b>	<b>29.2%</b>	<b>38.9%</b>	<b>-9.76%</b>	<b>-25.07%</b>
<i>Personnel</i>	6,340,459	5,042,784	1,297,675	25.73%
<i>Use of Third-Party Assets</i>	4,528,817	3,287,977	1,240,840	37.74%
<i>Services</i>	4,087,101	3,680,289	406,812	11.05%
<i>Other Operating Expenses</i>	8,626,814	630,027	7,996,787	1269.28%
<b>EBITDA[1]</b>	<b>(4,629,386)</b>	<b>6,430,379</b>	<b>(11,059,765)</b>	<b>-171.99%</b>
<b>%</b>	<b>-7.1%</b>	<b>13.1%</b>	<b>-20.24%</b>	<b>-154.28%</b>
<i>Depreciation, Provisions, and Write-downs</i>	2,990,917	1,757,169	1,233,748	70.21%
<b>EBIT[2]</b>	<b>(7,620,303)</b>	<b>4,673,210</b>	<b>(12,293,513)</b>	<b>-263.06%</b>
<b>%</b>	<b>-11.7%</b>	<b>9.5%</b>	<b>-21.26%</b>	<b>-222.95%</b>
<i>Other Financial Income</i>	182,196	12	182,184	1,518,200.00%
<i>Interest and Other Financial Expenses</i>	(713,216)	(265,720)	(447,496)	168.41%
<i>Adjustments to Financial Assets</i>	(43,827)	(100,000)	56,173	-56.17%
<b>Financial Management</b>	<b>(574,847)</b>	<b>(365,708)</b>	<b>(209,139)</b>	<b>57.19%</b>
<b>EBT</b>	<b>(8,195,150)</b>	<b>4,307,502</b>	<b>(12,502,652)</b>	<b>-290.25%</b>
<i>Income Taxes, Current, Deferred, and Prepaid</i>	3,673,483	1,559,969	2,113,514	135.48%
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>	<b>(11,868,633)</b>	<b>2,747,533</b>	<b>(14,616,166)</b>	<b>-531.97%</b>
<b>%</b>	<b>-18.3%</b>	<b>5.6%</b>	<b>-23.87%</b>	<b>-425.70%</b>

(1) 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 operating performance of the company. Since EBITDA is not identified as an accounting measure within the accounting standards, it must not be considered as 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.

*As of June 30, 2023, the amount is negative, totaling 4,629,386 Euro.*

*(2) 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 in the context of national accounting standards and its composition is not regulated by the reference accounting standards, the determination criteria applied by the Company may not be homogeneous with that adopted by other entities and, therefore, may not be comparable with them. As of June 30, 2023, the amount is negative, totaling 7,901,999Euro.*

## CONSOLIDATED BALANCE SHEET

<b>Consolidated Balance Sheet (figures in euros)</b>	<b>30/06/2023</b>	<b>31/12/2022</b>	<b>Absolute Change</b>	<b>% Change</b>
<i>Intangible Assets</i>	7,496,454	6,312,335	1,184,119	18.76%
<i>Tangible Assets</i>	3,282,206	3,313,805	(31,599)	-0.95%
<i>Financial Assets</i>	4,596,398	4,575,012	21,386	0.47%
<b>NET FIXED ASSETS</b>	<b>15,375,058</b>	<b>14,201,152</b>	<b>1,173,906</b>	<b>8.27%</b>
<i>Inventory</i>	57,840,496	58,846,466	(1,005,970)	-1.71%
<i>Valuation Allowance</i>	(3,760,128)	(2,584,212)	(1,175,916)	45.50%
<b>Net Inventory</b>	<b>54,080,368</b>	<b>56,262,254</b>	<b>(2,181,886)</b>	<b>-3.88%</b>
<i>Accounts Receivable</i>	7,342,908	5,943,856	1,399,052	23.54%
<i>Accounts Payable</i>	(12,321,479)	(7,756,744)	(4,564,735)	58.85%
<b>Trade Receivables and Payables</b>	<b>(4,978,571)</b>	<b>(1,812,888)</b>	<b>(3,165,683)</b>	<b>174.62%</b>
<i>Tax Receivables and Payables</i>	(23,983,637)	(9,272,939)	(14,710,698)	158.64%
<i>Other Receivables</i>	1,481,444	1,346,651	134,793	10.01%
<i>Other Payables</i>	(2,643,793)	(2,244,339)	(399,454)	17.80%
<i>Accrued Income</i>	46,236,565	30,164,264	16,072,301	53.28%
<i>Accrued Expenses</i>	(7,854,795)	(1,617,844)	(6,236,951)	385.51%
<b>Other Current Items</b>	<b>13,235,783</b>	<b>18,375,793</b>	<b>(5,140,010)</b>	<b>-27.97%</b>
<b>NET WORKING CAPITAL</b>	<b>62,337,580</b>	<b>72,825,159</b>	<b>(10,487,579)</b>	<b>-14.40%</b>
<i>Severance Pay</i>	(881,236)	(752,052)	(129,184)	17.18%
<i>Other Funds</i>	(1,141,115)	(902,963)	(238,152)	26.37%
<b>CONSOLIDATED LIABILITIES</b>	<b>(2,022,351)</b>	<b>(1,655,015)</b>	<b>(367,336)</b>	<b>22.20%</b>
<b>NET INVESTED CAPITAL</b>	<b>75,690,288</b>	<b>85,371,296</b>	<b>(9,681,008)</b>	<b>-11.34%</b>
<i>Capital</i>	(674,450)	(674,450)	(0)	0.00%
<i>Reserves</i>	(44,969,441)	(34,592,923)	(10,376,518)	30.00%
<i>(Profit) Loss for the Period</i>	10,576,001	(10,347,617)	20,923,618	-202.21%
<i>(Profit) Loss of Third Parties</i>	1,292,632	2,688,705	-	-
<i>Third-Party Equity</i>	3,967,908	2,675,275	-	-
<b>NET EQUITY</b>	<b>(31,099,982)</b>	<b>(42,939,715)</b>	<b>11,839,733</b>	<b>-27.57%</b>
<i>(Financial Debts)</i>	(514,659)	(761,315)	246,656	-32.40%
<i>Financial Credits</i>	215,432	259,259	(43,827)	-
<i>(Bank Debts)</i>	(48,771,220)	(44,773,656)	(3,997,564)	8.93%
<i>Cash and Cash Equivalents</i>	4,480,141	2,844,131	1,636,010	57.52%
<b>Net Financial Position (NFP)</b>	<b>(44,590,306)</b>	<b>(42,431,581)</b>	<b>(2,158,725)</b>	<b>5.09%</b>
<b>TOTAL SOURCES</b>	<b>(75,690,288)</b>	<b>(85,371,296)</b>	<b>9,681,008</b>	<b>-11.34%</b>

## CASH FLOW STATEMENT

CASH FLOW STATEMENT		
	2023	2022
<b>A. Cash Flows from Operating Activities (Indirect Method)</b>		
Net Profit (Loss) for the Year	-€11,868,633	€7,658,912
Income Taxes	€3,673,483	€4,507,452
Interest Expense/(Interest Income)	€531,020	€871,148
(Dividends)	€0	€0
(Capital Gains)/Capital Losses from Asset Sales	€0	€0
1. Pre-tax Profit (Loss)	-€7,664,130	€13,037,512
<b>Adjustments for Non-Monetary Items</b>		
Provisions	€1,781,837	€2,301,118
Depreciation	€1,475,886	€2,835,004
Impairment Losses	€43,827	€440,741
Other Non-Monetary Adjustments	€0	€0
2. Cash Flow Before Changes in NWC	€3,301,550	€5,576,863
<b>Changes in Net Working Capital</b>		
Decrease/(Increase) in Inventory	€2,181,886	-€12,342,682
Decrease/(Increase) in Accounts Receivable	-€1,399,052	-€1,915,803
Increase/(Decrease) in Accounts Payable	€4,564,735	-€4,124,027
Decrease/(Increase) in Prepayments and Accrued Income	-€16,072,301	-€6,674,037
Increase/(Decrease) in Accrued Expenses	€6,236,951	-€8,651,309
Other Changes in NWC	€1,654,157	€1,294,515
3. Cash Flow After Changes in NWC	-€2,833,624	-€32,413,343
<b>Other Adjustments</b>		
Interest Received/(Paid)	-€531,020	-€871,148
(Income Taxes Paid)	€8,934,139	-€546,825
Dividends Received	€0	€0
Use of Provisions	-€1,414,501	-€1,067,950
4. Cash Flow After Other Adjustments	€6,988,618	-€2,485,923
Cash Flow from Operating Activities (A)	-€207,586	-€16,284,891
<b>B. Cash Flows from Investing Activities</b>		
Tangible Assets	-€370,830	-€1,929,011
(Investments)	€370,830	€1,929,011
Proceeds from Disinvestments	€0	€0
Intangible Assets	-€2,257,576	-€3,189,539
(Investments)	€2,257,576	€3,189,539
Proceeds from Disinvestments	€0	€0



Financial Assets	-€65,213	-€3,949,883
(Investments)	€65,213	€3,949,883
Proceeds from Disinvestments	€0	€0
Non-Fixed Financial Assets	€510,751	-€751,942
(Investments)	€510,751	€751,942
Proceeds from Disinvestments	€510,751	€0
Cash Flow from Investing Activities (B)	-€2,182,868	-€9,820,375
<b>C. Cash Flows from Financing Activities</b>		
<b>Third-Party Funds</b>		
Increase (Decrease) in Short-Term Bank Debt	€3,997,564	€26,233,378
<b>Equity</b>		
Capital Increase	€0	€54,960
Other Changes in Consolidated Net Equity	€28,901	€189,884
Cash Flow from Financing Activities (C)	€4,026,465	€26,478,222
Increase (Decrease) in Cash and Cash Equivalents	€1,636,010	€372,956
Cash and Cash Equivalents at January 1	€2,844,131	€2,471,175
Cash and Cash Equivalents at June 30	€4,480,141	€2,844,131
<b>A. Cash Flows from Operating Activities (Indirect Method)</b>		
Net Profit (Loss) for the Year	-€11,868,633	€7,658,912

## ADJUSTED CONSOLIDATED INCOME STATEMENT

Adjusted Consolidated Income Statement (figures in euros)	30/06/2023	30/06/2022	Absolute Change	% Change
<i>Revenue from Sales and Services</i>	64,822,090	48,820,315	16,001,775	32.78%
<i>Other Revenue and Income</i>	174,698	185,703	-11,005	-5.93%
Value of Production	64,996,788	49,006,018	15,990,770	32.63%
<i>Raw Materials, Consumables, and Goods</i>	42,856,423	40,616,318	2,240,105	5.52%
<i>Change in Inventory of Raw Materials, Consumables, and Goods</i>	1,005,970	(10,681,756)	11,687,726	-109.42%
Cost of Goods Sold	43,862,394	29,934,562	13,927,832	46.53%
Gross Margin	21,134,395	19,071,456	2,062,939	10.82%
%	32.5%	38.9%	-6.4%	-16.45%
Personnel	6,340,459	5,042,784	1,297,675	25.73%
Use of Third-Party Assets	4,528,817	3,287,977	1,240,840	37.74%
Services	4,087,101	3,680,289	406,812	11.05%
Other Operating Expenses	225,710	630,027	-404,317	-64.17%
<b>EBITDA</b>	5,952,309	6,430,379	-478,070	-7.43%
%	9.2%	13.1%	-3.96%	-30.21%
Depreciation, Provisions, and Write-downs	2,990,917	1,757,169	1,233,748	70.21%
<b>EBIT</b>	2,961,391	4,673,210	-1,711,819	-36.63%
%	4.6%	9.5%	-4.98%	-52.22%
<i>Other Financial Income</i>	182,196	12	182,184	1,518,200.00%
<i>Interest and Other Financial Expenses</i>	(713,216)	(265,720)	(447,496)	168.41%
<i>Adjustments to Financial Assets</i>	(43,827)	(100,000)	56,173	-56.17%
Financial Management	(574,847)	(365,708)	-209,139	57.19%
EBT	2,386,544	4,307,502	-1,920,958	-44.60%
Income Taxes, Current, Deferred, and Prepaid	2,294,487	1,559,969	734,518	47.09%
NET PROFIT (LOSS) FOR THE PERIOD	92,058	2,747,533	-2,655,475	-96.65%
%	0.1%	5.6%	-5.46%	-97.47%

## ADJUSTED CONSOLIDATED BALANCE SHEET

Adjusted consolidated Balance Sheet (figures in euros)	30/06/2023	31/12/2022	Absolute Change	% Change
<i>Intangible Assets</i>	7,496,454	6,312,335	1,184,119	18.76%
<i>Tangible Assets</i>	3,282,206	3,313,805	(31,599)	-0.95%
<i>Financial Assets</i>	4,596,398	4,575,012	21,386	0.47%
NET FIXED ASSETS	15,375,058	14,201,152	1,173,906	8.27%
<i>Inventory</i>	57,840,496	58,846,466	(1,005,970)	-1.71%
<i>Valuation Allowance</i>	(3,760,128)	(2,584,212)	(1,175,916)	45.50%
Net Inventory	54,080,368	56,262,254	(2,181,886)	-3.88%
<i>Accounts Receivable</i>	7,342,908	5,943,856	1,399,052	23.54%
<i>Accounts Payable</i>	(12,321,479)	(7,756,744)	(4,564,735)	58.85%
Trade Receivables and Payables	(4,978,571)	(1,812,888)	(3,165,683)	174.62%
<i>Tax Receivables and Payables</i>	(14,203,535)	(9,272,939)	(4,930,596)	53.17%
<i>Other Receivables</i>	1,481,444	1,346,651	134,793	10.01%
<i>Other Payables</i>	(2,643,793)	(2,244,339)	(399,454)	17.80%
<i>Accrued Income</i>	48,417,155	30,164,264	18,252,891	60.51%
<i>Accrued Expenses</i>	(7,854,795)	(1,617,844)	(6,236,951)	385.51%
Other Current Items	25,196,475	18,375,793	6,820,682	37.12%
NET WORKING CAPITAL	74,298,272	72,825,159	1,473,113	2.02%
<i>Severance Pay</i>	(881,236)	(752,052)	(129,184)	17.18%
<i>Other Funds</i>	(1,141,115)	(902,963)	(238,152)	26.37%
CONSOLIDATED LIABILITIES	(2,022,351)	(1,655,015)	(367,336)	22.20%
NET INVESTED CAPITAL	87,650,979	85,371,296	2,279,683	2.67%
<i>Capital</i>	(674,450)	(674,450)	(0)	0.00%
<i>Reserves</i>	(44,969,441)	(34,592,923)	(10,376,518)	30.00%
<i>(Profit) Loss for the Period</i>	(1,384,690)	(10,347,617)	8,962,927	-86.62%
<i>(Profit) Loss of Third Parties</i>	1,292,632	2,688,705	-	-
<i>Third-Party Equity</i>	3,967,908	2,675,275	-	-
NET EQUITY	(43,060,673)	(42,939,715)	(120,958)	0.28%
<i>(Financial Debts)</i>	(514,659)	(761,315)	246,656	-32.40%
<i>Financial Credits</i>	215,432	259,259	-	-
<i>(Bank Debts)</i>	(48,771,220)	(44,773,656)	(3,997,564)	8.93%
<i>Cash and Cash Equivalents</i>	4,480,141	2,844,131	1,636,010	57.52%
Net Financial Position (NFP)	(44,590,306)	(42,431,581)	(2,158,725)	5.09%
TOTAL SOURCES	(87,650,979)	(85,371,296)	(2,279,683)	2.67%

The financial results for the fiscal year ending on 30/06/2023 include two extraordinary and non-recurring items totaling €12,589,139, broken down as follows:

- €10,408,549 related to an agreement with the Italian Revenue Agency to settle out-of-court disputes concerning VAT and direct taxes for the tax periods from 2017 to 2020
- €2,180,590 related to media spaces that the company was supposed to receive from a supplier in liquidation on contracts expiring on 31/12/2023. However, for prudential reasons, the company decided to expense this item even though it could not benefit from the related advertising services.

The impact of these extraordinary events on the adjusted data is as follows:

- With reference to the Income Statement, there is a smaller amount in line B6 of 2.18 million Euro, a smaller amount in line B14 of 8.4 million Euro, and a smaller amount in line E20 of 1.38 million Euro. This last amount is the result of the difference between lower taxes due to adherence to the PVC (Presumed Verbal Contract) for 2 million Euro and higher recalculated taxes on lower costs resulting from the adjustment in B6. Consequently, the adjusted result for the period changes from a loss of 11,868,633 Euro to a positive result of 92,058 Euro.
- With reference to the Balance Sheet, there is a reduction in tax liabilities amounting to 9.78 million Euro and an increase in accrued income of 2.18 million Euro. As a result, the group's operating result changes from a negative figure of 10,576,011 Euro to a positive figure of 1,384,690 Euro.

The press release is available online at [www.portobellospa.com](http://www.portobellospa.com) in the Investor Relations section and [www.1info.it](http://www.1info.it).

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**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. In 2022, the Group achieved Revenues of EUR 130.5 million with an EBITDA of EUR 16.5 million and a Net Profit of EUR 7.6 million.

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## **Contact**

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