A multibrand company

HALF-YEAR FINANCIAL REPORT

AT 30 June 2024


CROSSE & BLACKWELL LTD
PRINCES
WIELKOPOLSKI
CRISP 'N DRY
Cookeen
Branston
Mazola
PRINCES
GROUP
FLORA
Napolina
Batchelors
Farrow's
Vier Diamanten
OLIVIO
HUNGER BREAKS
TREX
Jucee

DIRECTORS' REPORT ON OPERATING PERFORMANCE

AT 30 June 2024

Contents

This report is available online at: www.newlat.it

Newlat Food S.p.A.
Registered Office in Reggio Emilia, Via J.F. Kennedy, 16,
Paid-in share capital: Euro 43,935,050.00
Tax and VAT ID 00183410653 / no. 277595 on the Economic and Administrative Index (REA) of Reggio Emilia
Company subject to management and coordination by Newlat Group S.A. pursuant to Articles 2497 et seq. of the Italian Civil Code.

General information

On 27 May 2024 an agreement was signed for the acquisition of 100% of the share capital of Princes Limited (hereinafter also referred to as "Princes", and together with its subsidiaries the "Princes Limited Group"), on 30 July 2024 the Company acquired the entire share capital of Princes Limited. With this acquisition, the Newlat Group expects to achieve proforma sales of approximately Euro 2.8 billion during the financial year with a strong position in the UK market and an Adjusted EBITDA of approximately Euro 188 million.
The transaction was financed through available resources, a shareholder loan of approximately Euro 200 million and a Euro 300 million loan from a pool of banks.
Through this transaction and with a global operating network of 31 plants, Newlat became the first unicorn in the food sector listed on the STAR segment able to offer a diversified range of products in as many as ten distinct categories.
On 30 July 2024, all of the conditions precedent stipulated in the Agreement were fulfilled and therefore the Company acquired the entire share capital of Princes Limited.
As at 30 June 2024 this acquisition is a no-adjusting events.

With regard to the figures for the first half of the year, the Group confirmed its great ability to increase its margins (EBITDA margin of 10.6% as at 30 June 2024, 9.3% as at 30 June 2023) thanks to the improved purchasing conditions of the main components of the finished product and despite a decrease in the average sales price mainly caused by the deflationary effect seen in H1 2024.

The financial figures once again confirm the Group's great ability to generate cash from operations and to significantly improve its net financial position (+Euro 32 million) from Euro 74 million at 31 December 2023 to Euro 42.6 million at 30 June 2024. Excluding lease liabilities, the Group's net financial position amounted to Euro 1.5 million, a net improvement of Euro 28 million.
The cash conversion as at 30 June 2024 was 74%.

H1 2024 closed with a net profit after tax of Euro 10 million, sharply up (+12% excluding business combination income) compared to H1 2023.
This figure is even more significant if we consider the decrease in turnover recorded in the first half of the year, mainly due to a decrease in the average sales price in the Group's main Business Units.

Outlook

The acquisition of Princes will enable the Group to achieve economies of scale and economic synergies and consolidate the excellent results achieved during H1 2024 despite an international landscape that remains very complex.
Based on the available indicators, the Group expects turnover for the entire financial year to be substantially stable compared to last year, and in terms of margins the Group will strive to improve on its performance in 2023 and in the first half of 2024.

The Group will continue to pay particular attention to cost controls and financial management in order to maximise the generation of free cash flow, to be allocated both to organic growth externally and to the remuneration of Shareholders, also in view of the recent acquisition of the Princes Limited Group.

Going concern

With reference to the content of the previous paragraph, even taking into account the complexity of a rapidly evolving market, the Group feels it is fair and reasonable to assume it status as a going concern in view of its ability to generate cash flows from operating activities and fulfil its obligations in the foreseeable future, particularly in the next 12 months, based on the solid financial structure as described below:

- The considerable level of cash reserves available at 30 June 2024.
- The presence of authorised and unused Group credit lines.
- The continual support given by the leading banks to the Newlat Group, partly because of its market-leading status.

Note that the Group's economic and financial performance in H1 2024 was higher than budgeted. It should also be noted that the cash and cash equivalents, amounting to Euro 394 million, the credit lines currently available and the cash flows that will be generated by operational management are considered more than sufficient to fulfil obligations and finance the Group's operations.

EVENTS AFTER THE END OF H1 2024

On 30 July 2024, all of the conditions precedent stipulated in the agreement for the acquisition of Princes Limited were fulfilled and therefore the Company acquired its entire share capital of the Princes Limites Group. With the completion of the agreement, Newlat Group sold, also, 9,319,841 shares in the company, representing 21.2% of the company's capital, to Mitsubishi Corporation for a payment of approximately Euro 58 million.
On the same date, with the favourable opinion of the Related Party Transactions Committee, the Board of Directors resolved to sell 919,841 treasury shares to the parent company Newlat Group SA for a market value of Euro 11,222,060.

BOARDS AND OFFICERS

Board of Directors

Name and surname	Position
Angelo Mastrolia	Executive Chairman of the Board of Directors and Director (**)
Giuseppe Mastrolia	Chief Executive Officer and Director (**)
Stefano Cometto	Chief Executive Officer and Director (**)
Benedetta Mastrolia	Director (***)
Maria Cristina Zoppo	Director (*)
Valentina Montanari	Director (*)
Eric Sandrin	Director (*) *Lead Independent Director*

(*) Independent director, pursuant to article 148 of the Consolidated Law on Finance (TUF) and article 3 of the Corporate Governance Code, who took office on the trading start date. Member of the *Control and Risks Committee*, member of the *Remuneration and Appointments Committee*, member of the *Related Party Transactions Committee*,

(**) Executive director.

(***) Non-executive director.

Board of Statutory Auditors

Name and surname	Position
Massimo Carlomagno	Chair
Ester Sammartino	Standing Auditor
Antonio Mucci	Standing Auditor
Cinzia Voltolina	Alternate Auditor
Giovanni Rayneri	Alternate Auditor

Remuneration and Appointments Committee

Name and surname	Position
Eric Sandrin	Chair
Maria Cristina Zoppo	Member
Valentina Montanari	Member

Control and Risks Committee

Name and surname	Position
Valentina Montanari	Chair
Maria Cristina Zoppo	Member
Eric Sandrin	Member

Related Party Transactions Committee

Name and surname	Position
Maria Cristina Zoppo	Chair
Valentina Montanari	Member
Eric Sandrin	Member

Financial Reporting Officer

Rocco Sergi

Independent Auditing Firm

PricewaterhouseCoopers S.p.A.

General information

Newlat Food S.p.A. (hereinafter also "Newlat" or the "Company" and, together with its subsidiaries, the "Newlat Group" or the "Group") is incorporated in Italy in the form of a public limited company and operates under Italian law. The Company has its registered office at 16, Via J. F. Kennedy, Reggio Emilia.
The Newlat Group is a group operating in the food sector with a large and structured product portfolio organised into the following business units: Pasta, Milk Products, Bakery Products, Dairy Products, Special Products, Instant Noodles & Bakery Mixes and Other Products.
The Company is subject to management and coordination by the parent Newlat Group S.A. (hereinafter "Newlat Group"), a company that as at 30 June 2024 directly owns 61.64% of the share capital, while the remaining part (36.31%) is held primarily by institutional investors and 2.05% by Newlat Food.
With the completion of the agreement to acquire Princes Limited, on July, Newlat Group sold 9,319,841 shares, representing 21.2% of the share capital, at a price of Euro 6.30 to Mistubishi Corporation.
Therefore, at the date of approval of this report the Company is 41.14% owned by Newlat Group (58.2% share of voting capital), 21.2% by Mistubishi Corporation and 37.66% by institutional investors.

This report on operations contains economic, equity and financial information of the Newlat Group at 30 June 2024, 31 December 2023 and 30 June 2023.

Alternative performance indicators

The following financial report presents and comments on some financial indicators and reclassified statements (relating to the statement of financial position and the statement of cash flows) not defined by IFRSs.
These amounts, defined below, are used to comment on the Group's business performance in compliance with the provisions of the Consob Communication of 28 July 2006 (DEM 6064293), as subsequently amended and supplemented (Consob Communication no. 0092543 of 3 December 2015 implementing the ESMA/2015/1415 guidelines).
The alternative performance indicators listed below constitute additional information beyond IFRS requirements to help users of the financial report to better understand the Group's results, assets and liabilities and cash flows. Note that Newlat Food's method of calculating these indicators, which is consistent from one year to the next, may differ from the methods used by other companies.

Financial indicators used to measure the economic performance of the Group:

- EBITDA: the operating income (OI) before depreciation, amortisation and write-downs, as well as income from business combinations.
- Gross Income (GI) / Profit (Loss) before taxes: operating income less financial expense.

- Net profit (NP): gross profit less taxes.
- Cash conversion: the ratio of EBITDA to the difference between EBITDA and total investments.

Net financial position is given by the algebraic sum of:
- Cash and cash equivalents
- Non-current financial assets, recorded under other non-current assets
- Current financial assets, recorded under 'other receivables'
- Payables to banks
- Non-current financial liabilities, recorded under 'other non-current liabilities'.

Reclassified statement of cash flows
A cash flow that represents a measure of the Group's self-financing and is calculated from the cash flow generated by operating activities, adjusted for net interest paid and cash flow absorbed by investments, less income from the realisation of fixed assets. The statement of cash flows is presented using the indirect method.

The Group presents the income statement by destination (otherwise known as "at cost of sales"), which is considered more representative than the so-called presentation by nature of expenditure, which is also reported in the notes to the Annual Financial Report. The form chosen is, in fact, compliant with the internal reporting and business management methods.

Corporate governance

Corporate governance is the set of rules, systems and mechanisms designed to effectively implement the organisation's decision-making processes in the interest of all Group stakeholders. The parent company Newlat Food S.p.A. complies with the Corporate Governance Code for Listed Companies, which was last updated in January 2020. A traditional governance system is in place which includes three structures: the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors.

Board of Directors

The Board of Directors is the body charged with administering the company using the powers allocated to it by law and by the articles of association. It is structured and operates to ensure that its functions are performed efficiently and effectively. Directors act and make decisions to create value for shareholders, and they report on operations during the Shareholders' Meeting. With regard to appointing and replacing the entire Board of Directors and/or some of its members, the Company's Articles of Association require board members to be elected on the basis of candidate lists in accordance with the methods outlined in more detail in the Report on Corporate Governance and Ownership Structure and in compliance with existing legislation on gender representation. On 28 April 2023, the Shareholders' Meeting appointed a four-person Board of Directors, increased to seven when the Company's shares began trading on the MTA, which will remain in office until the financial statements as at 31 December 2025 are approved.

Board Committees

The Board of Directors has no internal committees other than those required by the Corporate Governance Code, with the exception of the Related Party Transactions Committee, in order to comply with the provisions of the Related Parties Regulation.
The Company has not set up any committees that carry out the functions of two or more of the committees set out in the Corporate Governance Code, nor has it reserved these functions for the entire Board of Directors, under the coordination of the Chairman, or divided them differently to the way set out in the Corporate Governance Code.
The Board of Directors' internal committees are as follows:

- The Control and Risks Committee helps the Board of Directors to assess and make decisions regarding the Internal Control and Risk Management System, the approval of annual and half-year financial statements and relations between the Company and the independent auditor, where support is provided in the form of an adequate investigative phase. For this purpose, the Committee has three members with sufficient financial and accounting experience: Valentina Montanari, as Chair, Maria Cristina Zoppo and Eric Sandrin, all of whom are non-executive and independent directors.
- The Remuneration and Appointments Committee plays an advisory and recommendatory role, with investigative functions, in the assessments and decisions relating to the composition of the Board of Directors and to the remuneration of directors

and managers with strategic responsibilities, overseeing their application and making general recommendations on the matter. The Remuneration Committee is composed of three members, all of whom are non-executive and independent directors. All members have suitable financial and accounting experience and knowledge. With regard to determining remuneration for board members, the Shareholders' Meeting allots a salary for the duration of the mandate which may consist of a fixed portion and a variable portion commensurate with the achievement of certain targets and/or with the Company's financial results. To be able to list on the STAR segment, exchange regulations require the Remuneration Committee to ensure that a significant share of the pay for executive directors and senior managers be incentive-linked.
Please see the report on remuneration published in accordance with article 123-*ter* of the Consolidated Law on Finance (TUF) for information on the general remuneration policy and the remuneration of executive directors, managers with strategic responsibilities and non-executive directors. For this purpose, the Committee has three members with sufficient financial and accounting experience: Eric Sandrin, as Chair, Maria Cristina Zoppo and Valentina Montanari, all of whom are non-executive and independent directors.

• The Related Party Transactions Committee (hereinafter also the "RPT Committee") is responsible for ensuring the integrity of transactions with related parties by giving an opinion on the Company's interest in completing a specific transaction, as well as on the suitability and fairness of the corresponding conditions. This committee comprises three non-executive and independent directors: Maria Cristina Zoppo as Chair, Valentina Montanari and Eric Sandrin.

<u>Board of Statutory Auditors</u>

Members of the Board of Auditors are selected on the basis of their ability to meet requirements of professionalism, independence and integrity in accordance with legislation and regulations. The Company's Board of Statutory Auditors was appointed during the Shareholders' Meeting on 28 April 2023 and will remain in office until the approval of the financial statements as at 31 December 2025.

<u>Internal Control and Risk Management System</u>

The Internal Control and Risk Management System (ICRMS) is the set of rules, procedures and organisational structures designed to enable the Company to conduct its business correctly and in line with set objectives, using a suitable process for identifying, measuring, managing and monitoring the main risks. The Board of Directors identified the nature and level of risk compatible with the Group's strategic objectives when it drew up its strategic, industrial and financial plans. This assessment included all and any risks that may become significant in terms of sustaining the Company's activities in the medium to long term. In support of the ICRMS and the Control and Risks Committee, on 8 July 2019 the Board of Directors appointed Angelo Mastrolia as the director responsible for the ICRMS who will perform the functions listed in point 7.C.4. of the Corporate Governance Code. With the help of the Control and Risks Committee, the Board of Directors has also drawn up guidelines for the ICRMS, identifying the system itself as a cross-sectional process integral

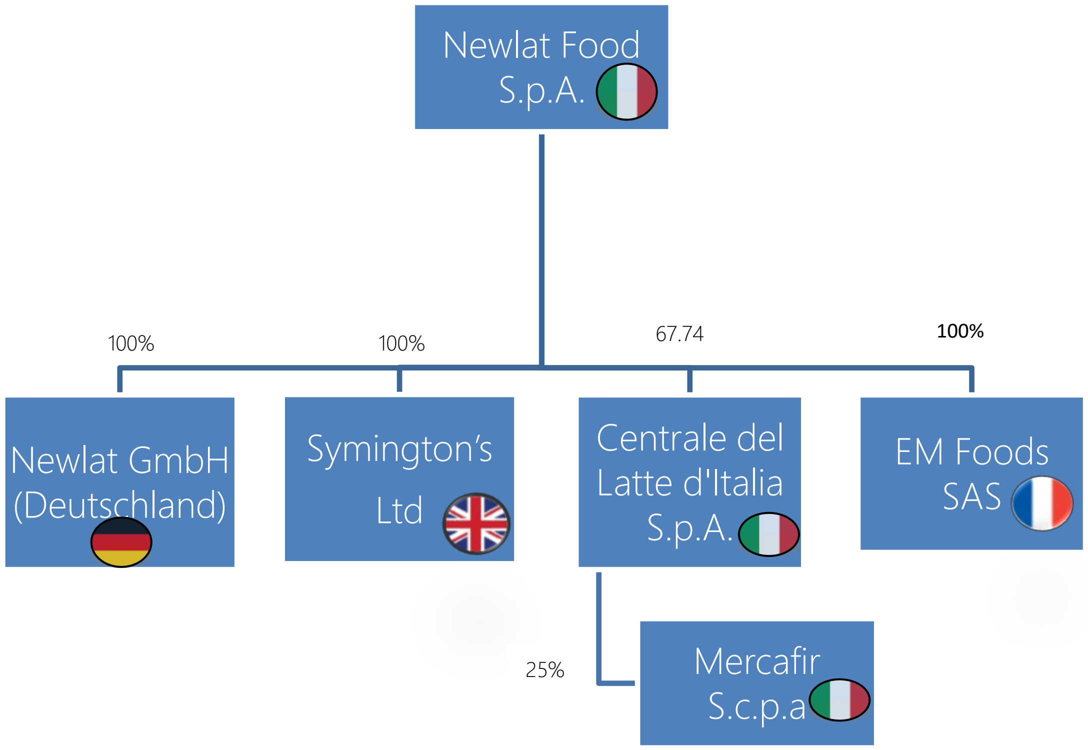
to all business activities and based on the international principles of Enterprise Risk Management (ERM).
The purpose of the ICRMS is to help the Group achieve its performance and profit objectives, obtain reliable economic and financial information and ensure compliance with existing laws and regulations, while shielding the Company from reputational damage and financial loss. In this process, particular importance is given to identifying corporate objectives and classifying and controlling related risks by implementing specific containment actions.
There are various types of potential business risks - strategic, operational (related to the effectiveness and efficiency of business operations), reporting (related to the reliability of economic/financial information), compliance (related to compliance with existing legislation and regulations to avoid damage to the company's reputation and/or financial losses). In view of this, the Internal Audit Department verifies the suitability of the ICRMS through an audit schedule that is approved by the Board of Directors and makes provision for regular reports containing sufficient information on the performance of its activities, as well as timely reports on events of particular importance.
The Board of Directors annually assesses the effectiveness of the ICRMS and its suitability in view of the characteristics of the business based on information and evidence received with the support of the investigative activities performed by the Control and Risks Committee, the Head of Internal Audit and the Supervisory Board pursuant to Italian Legislative Decree 231/2001.

Organisational Model pursuant to Italian Leg. Decree 231/2001, Code of Ethics and fight against corruption

The Newlat Food S.p.A. Board of Directors approved its Organisation, Management and Control Model in accordance with Italian Legislative Decree 231/2001 (hereinafter also "231 Model") on 30 March 2016, updating it most recently on 13 May 2022. The Model was drawn up on the basis of guidelines issued by Confindustria (the Italian industry confederation) in accordance with the relevant legislation, and sets out standards for behaviour, procedures and control activities, in addition to powers and mandates designed to prevent the offences outlined in Italian Legislative Decree 231/2001.
The Organisational Model was published and communicated to all personnel, third-party contractors, customers, suppliers and partners.
No reports of non-compliant behaviour or violations of the Code of Ethics were received during the year.
In order to ensure that the Model is correctly implemented, a Supervisory Board (SB) has been established, currently comprising Massimo Carlomagno, as Chair, and Ester Sammartino.
The SB sends the Board of Directors a written report every six months on how the Model 231 is being implemented and disseminated within each Company department. The implementation of adequate regular and/or sporadic information flows to the SB is another important tool helping it to fulfil its legal monitoring responsibilities and ensuring that the Model serves its purpose of preventing liability.

No breaches of the Model or irregularities have emerged after examining the information received from managers of the various areas of the Company, and no acts or conduct have come to light that constitute an infringement of the provisions of Italian Legislative Decree 231/2001.

Group structure as at 30 June 2024



Following the acquisition of 100% of the share capital of Princes Limited, the above organisation chart will undergo significant changes as a result of the entry of the new Group.

The table below shows the main information regarding the Newlat Group companies as at 30 June 2024:

Name	Registered Office	Currency	Share capital at 30 June 2024	Control percentage	
				At 30 June 2024	At 31 December 2023
Newlat Food S.p.A.	Italy - Via J.F. Kennedy 16, Reggio Emilia	EUR	43,935,050	Parent company	Parent company
Newlat GmbH	Germany - Franzosenstraße 9, Mannheim (Germany)	EUR	1,025,000	100%	100%
Centrale del Latte d'Italia S.p.A.	Via Filadelfia 220, 10137 Turin	EUR	28,840,041	67.74%	67.74%
Symington's Ltd	Thornes Farm Business Park, Pontefract Ln, Leeds LS9	GBP	100,000	100%	100%
EM Foods Sas	951 Rue Denis Papin, 54710 Ludres, France	EUR	4,165,000	100%	100%

A table summarising the carrying amount of each subsidiary recorded in the Company's separate financial statements at 30 June 2024 and the equity and profit/loss data for the period for each subsidiary and the parent company is provided below:

Name	Carrying amount of equity investment (in thousands of euros)	Shareholders' equity (thousands of euros)	Profit / loss for the period (in thousands of euros)
	30/06/2024	30/06/2024	30/06/2024
Newlat GmbH (Deutschland)	68,525	39,824	(442)
Centrale del Latte d'Italia S.p.A.	25,409	71,448	4,816
Symington's Ltd	63,914	29,714	1,193
EM Foods Sas	4,165	1,605	(1,269)

A brief description of the subsidiaries' activities is provided below:

- Newlat GmbH (Deutschland) is active in the production and sale in Germany of traditional forms of German pasta (*spätzle* and flavoured pasta), instant cups and sauces, as well as the marketing of pasta produced by Newlat Food.
- Centrale del Latte d'Italia S.p.A. is a company active in the production and marketing of about 120 products ranging from milk and its derivatives to yoghurt and plant-based beverages that are distributed under the trademarks TappoRosso, Mukki, Tigullio and Vicenza in the reference territories at over 16,000 points of sale, both mass-market retailers and traditional traders. Its shares are listed on the Euronext Milan segment of the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A.
- Symington's Ltd is active in the production and sale of a wide range of products,

including:
  - Instant noodles, where it is the leader in the authentic and Asian inspiration segment
  - Soups and various ready meals, rice and couscous ready meals
  - Baked goods including toasted breads for desserts and cakes

  The company has three production plants and a logistics distribution centre, and its markets are United Kingdom, United States and Australia.
- EM Foods Sas, a leading manufacturer of baking and dessert mixes.

HALF-YEAR FINANCIAL REPORT

DIRECTORS' OBSERVATIONS ON PERFORMANCE AT 30 June 2024

MANAGEMENT REPORT

The Newlat Group is an important player in the Italian and European agri-food sector. In particular, as at 30 June 2024 the Group has a strong position in its domestic market and a significant presence in the German market.
The Newlat Group is mainly active in the pasta, dairy and baked goods sectors, as well in special products such as health & wellness, gluten free and baby food. The Newlat Group's product range is divided into the following business units:

- Pasta
- Milk Products
- Dairy Products
- Bakery Products
- *Instant Noodles & Bakery Mixes*
- Special Products; and
- Other Products

The following table contains the Group's consolidated income statement:

(In thousands of euros and as a percentage of revenue from contracts with customers)	Half-year ended 30 June					
	2024	%	2023	%	2024 v 2023	%
Revenue from contracts with customers	370,129	100.0%	413,294	100.0%	(43,165)	(10.4%)
Cost of sales	(293,789)	(79.4%)	(336,735)	(81.5%)	42,946	(12.8%)
Gross operating profit/(loss)	**76,340**	**20.6%**	**76,559**	**18.5%**	**(220)**	**(0.3%)**
Sales and distribution costs	(44,952)	(12.1%)	(45,109)	(10.9%)	157	(0.3%)
Administrative costs	(11,711)	(3.2%)	(10,954)	(2.7%)	(757)	6.9%
Net write-downs of financial assets	(311)	(0.1%)	(459)	(0.1%)	148	(32.2%)
Other revenues and income	4,537	1.2%	4,534	1.1%	3	0.1%
Income from business combinations	-	-	1,685	0.4%	(1,685)	100.0%
Other operating costs	(3,242)	(0.9%)	(3,312)	(0.8%)	70	(2.1%)
Operating profit/(loss) (EBIT)	**20,661**	**5.6%**	**22,945**	**5.6%**	**(2,284)**	**(10.0%)**
Financial income	6,334	1.7%	3,637	0.9%	2,697	74.2%
Financial expenses	(11,375)	(3.1%)	(11,939)	(2.9%)	564	(4.7%)
Profit/(loss) before taxes	**15,619**	**4.2%**	**14,642**	**3.5%**	**977**	**6.7%**
Income taxes	(5,577)	(1.5%)	(3,919)	(0.9%)	(1,658)	42.3%
Net profit/(loss)	**10,042**	**2.7%**	**10,724**	**2.6%**	**(682)**	**(6.4%)**

Operating income amounted to Euro 20.7 million excluding the business combination income (1.6 million at 30June 2023) in decrease with the same period of the previous year. In absolute terms, EBITDA (Euro 39.2 million at 30 June 2024 and Euro 38.5 million at 30 June 2023) and the EBITDA Margin (10.6% in 2024 and 9.3% in 2023) were up markedly compared to the figures for the same period last year. The following is a brief commentary on the most significant changes to the main income statement items that occurred in the half years under review.

Revenue from contracts with customers

Revenue from contracts with customers contains the contractual fees to which the Group is entitled in exchange for the transfer of the promised goods or services to customers. The contractual fees may include fixed or variable amounts or both and are recognised net of rebates, discounts and promotions, such as contributions to the mass distribution channel. In particular, in the context of existing contractual relations with mass distribution operators, contributions are expected to be recognised as year-end bonuses linked to the achievement of certain turnover volumes or amounts related to the positioning of products.

SEGMENT REPORTING

The table below provides a breakdown of revenue from contracts with customers by business unit as monitored by management.

(In thousands of euros and as a percentage)	Half-year ended 30 June				Changes	
	2024	%	2023	%	2024 v 2023	%
Pasta	95,363	25.8%	108,490	26.3%	(13,127)	(12%)
Milk Products	127,914	34.6%	136,098	32.9%	(8,184)	(6%)
Bakery Products	24,746	6.7%	27,384	6.6%	(2,638)	(10%)
Dairy Products	30,079	8.1%	26,524	6.4%	3,555	13%
Special Products	9,575	2.6%	22,977	5.6%	(13,402)	(58%)
Instant Noodles & Bakery Mixes	75,377	20.4%	84,618	20.5%	(9,241)	(11%)
Other Products	7,076	1.9%	7,203	1.7%	(127)	(2%)
Revenue from contracts with customers	370,129	100.0%	413,293	100.0%	(43,163)	(10.4%)

Revenues in the **Pasta** segment decreased in the period under review due to the combined effect of a reduction in the average sales price and a slight decrease in sales volumes in Germany and in the B2B and Private Labels segments.

Revenues from the **Milk Products** segment were down because of a combined effect of a reduction in the average sales price and a slight decrease in volumes in Italy, especially in fresh milk.

Revenues in the **Bakery Products** segment were down due to the combined effect of a shift of promotional activities in July and August (-20% volume effect) and a reduction in the average sales price (-30% price effect) due to deflationary effects in H1 2024.

Revenues from the **Dairy Products** segment increased sharply as a result of a rise in sales volumes (+20% compared to the volumes recorded at 30 June 2023) and a rise in the average sales price (+12% compared to the average sales price at 30 June 2023).

Revenues from the **Special Products** segment decreased as a result of a drop in sales volumes linked to investments made at the Ozzano Taro plant and not yet completed as at 30 June 2024.

Revenues from the **Instant noodles & bakery mixes** segment were down because of a combined reduction in the average sales price and a slight decrease in volumes in the United Kingdom and in the Mass Distribution and Private Labels segments.

Revenues from the **Other products** segment were in line with the previous period.

The following table provides a breakdown of revenue from contracts with customers by distribution channels, as monitored by management:

(In thousands of euros and as a percentage)	Half-year ended 30 June				Changes	
	2024	%	2023	%	2024 v 2023	%
Mass Distribution	237,443	64.2%	261,745	63.3%	(24,302)	(9%)
B2B partners	36,600	9.9%	44,034	10.7%	(7,435)	(17%)
Normal trade	41,105	11.1%	45,520	11.0%	(4,415)	(10%)
Private labels	46,881	12.7%	53,728	13.0%	(6,848)	(13%)
Food services	8,101	2.2%	8,266	1.9%	(165)	(2%)
Total revenue from contracts with customers	370,129	100.1%	413,293	99.9%	(43,165)	(10.4%)

Revenues in the **Mass Distribution** channel decreased due to a drop in turnover in the Pasta, Milk and Instant Noodles segments.
Revenues from the **B2B partners** channel decreased as a result of lower sales in the Pasta, Bakery and Special Products segments.
Revenues in the **Normal trade** channel decreased as a result of a drop in turnover in the Milk segment.
Revenues relating to the **Private label** channel decreased as a result of a drop in revenues in the various segments the Group operates in.
Revenues from the **Food services** channel were essentially in line with the same period of the previous year.

The following table provides a breakdown of revenue from contracts with customers by geographical area as monitored by management:

(In thousands of euros and as a percentage)	Half-year ended 30 June				Changes	
	2024	%	2023	%	2024 v 2023	%
Italy	195,676	52.9%	217,417	52.6%	(21,742)	(10%)
Germany	69,309	18.7%	70,929	17.2%	(1,620)	(2%)
United Kingdom	69,625	18.8%	79,635	19.3%	(10,010)	(13%)
Other countries	35,519	9.6%	45,313	11.0%	(9,794)	(22%)
Total revenue from contracts with customers	370,128	100%	413,294	100.1%	(43,166)	(10.4%)

Revenues in ***Italy*** were down, mainly due to lower sales in the Pasta, Milk and Bakery segments.
Revenues in ***Germany*** decreased due to the combined effect of a drop in sales in the Pasta segment partially offset by an increase in the Dairy segment.
Revenues from the **United Kingdom** decreased because of lower sales, mainly in the Instant Noodles sector.
Revenues in ***Other Countries*** decreased due to a drop in turnover in the main business units the Group operates in.

Operating costs

The following table lists the operating costs as shown in the income statement by destination:

(In thousands of euros and as a percentage of revenue from contracts with customers)	Half-year ended 30 June					
	2024	%	2023	%	2024 v 2023	%
Cost of sales	(293,789)	(79.4%)	(336,735)	(81.5%)	42,861	(12.7%)
Sales and distribution costs	(44,952)	(12.1%)	(45,109)	(10.9%)	157	(0.3%)
Administrative costs	(11,711)	(3.2%)	(10,954)	(2.7%)	(757)	6.9%
Total operating costs	(350,452)	(94.7%)	(392,713)	(95.0%)	42,262	(10.8%)

Cost of sales accounted for 79.4% of sales revenue (81.5% as at 30 June 2023) and decreased sharply in the first half of 2024 due to the decrease in inflation.

Selling and distribution expenses were in line with the same period of the previous year despite a clear decrease in turnover due to an increase in distribution costs related to the traditional sector, and in particular in the Milk segment.

Administrative expenses increased compared to the same period of the previous year due to increase to employee.

EBITDA was Euro 39.2 million (or 10.6% of sales revenue) compared to Euro 38.5 million as of 30 June 2023 (or 9.3% of sales revenue), with a clear increase both in absolute terms and in terms of margins thanks to the Group's ability to optimise its supply chain.

The following table shows EBITDA by activity segment:

(In thousands of euros)	Half-year as at 30 June 2024							
	Pasta	Milk products	Bakery Products	Dairy products	Special Products	Instant Noodles & Bakery Mixes	Other Activities	Consolidated Financial Statements total
Revenue from contracts with customers (third parties)	95,363	127,914	24,746	30,079	9,575	75,377	7,076	370,129
EBITDA (*)	12,112	11,664	3,954	3,740	1,167	6,082	563	39,282
EBITDA margin	12.70%	9.12%	15.98%	12.43%	12.19%	8.07%	7.96%	10.61%
Amortisation, depreciation and write-downs	3,255	5,421	1,319	184	1,621	6,348	164	18,311
Net write-downs of financial assets							311	311
Operating profit/(loss)	8,857	6,243	2,636	3,556	(454)	(266)	89	20,660
Financial income	-	-	-	-	-		6,333	6,333
Financial expenses	-	-	-	-	-		(11,375)	(11,375)
Profit/(loss) before taxes	8,857	6,243	2,636	3,556	(454)	(266)	(4,954)	15,618
Income taxes	-	-	-	-	-		(5,577)	(5,577)
Net profit/(loss)	8,857	6,243	2,636	3,556	(454)	(266)	(10,531)	10,042
Total assets	125,750	143,830	29,457	11,507	32,178	58,516	501,310	902,550
Total liabilities	57,343	93,741	20,695	17,576	18,181	61,567	443,084	712,188
Investments	2,912	2,505	458		1,216	2,800	196	10,087
Employees (number)	615	542	198	65	136	740	12	2,308

(*) EBITDA is calculated as the absolute sum of the operating result, net write-downs of financial assets and depreciation/amortisation and write-downs.

(In thousands of euros)	Half-year as at 30 June 2023							
	Pasta	Milk products	Bakery Products	Dairy products	Special Products	Instant Noodles	Other Activities	Consolidated Financial Statements total
Revenue from contracts with customers (third parties)	108,491	136,098	27,384	26,524	22,977	84,618	7,203	413,294
EBITDA (*)	12,393	12,011	3,697	3,215	2,417	4,384	395	38,511
EBITDA margin	11.42%	8.83%	13.50%	12.12%	10.52%	5.18%	5.48%	9.32%
Amortisation, depreciation and write-downs	2,177	7,834	825	184	956	4,720	98	16,793
Net write-downs of financial assets							459	459
Income from business combinations							1,685	1,685

Operating profit/(loss)	10,217	4,177	2,872	3,031	1,461	(336)	1,523	22,944
Financial income	-	-	-	-	-		3,637	3,637
Financial expenses	-	-	-	-	-		(11,939)	(11,939)
Profit/(loss) before taxes	10,217	4,177	2,872	3,031	1,461	(336)	(6,779)	14,642
Income taxes	-	-	-	-	-		(3,919)	(3,919)
Net profit/(loss)	10,222	4,177	2,872	3,031	1,461	(336)	(10,698)	10,724
Total fixed assets as at 31 December 2023	125,278	145,706	22,487	8,073	30,767	67,212	418,081	917,604
Total liabilities as at 31 December 2023	76,025	90,842	17,721	14,374	16,818	69,308	357,858	642,946
Investments as at 31 December 2023	10,750	2,234	740	268	3,102	6,611	1,519	25,224
Employees (number)	501	524	194	63	155	643	73	2,153

(*) EBITDA is calculated as the absolute sum of the operating result, net write-downs of financial assets and depreciation/amortisation and write-downs.

EBIT amounted to Euro 20.6 million (5.6% of sales) compared with Euro 23 million at 30 June 2023 (5.6% of sales), in line with the trend of turnover. Excluding the business combination income as at 30 June 2023, the result achieved in H1 2024 once again highlights the Group's ability to generate high margins by optimising it supply chain and purchasing processes.

The tax rate was 35.7%.

Net profit as at 30 June 2024 was Euro 10 million, excluding income from business combinations, a sharp increase compared to 30 June 2023.

EBITDA

The table below provides a reconciliation of EBITDA, the EBITDA margin and cash conversion at 30 June 2024 and 2023.

(In thousands of euros and as a percentage)	At 30 June 2024	At 30 June 2023
Operating profit/(loss) (EBIT)	20,660	22,944
Amortisation, depreciation and write-downs	18,311	16,793
Net write-downs of financial assets	311	459
Income from business combinations		(1,685)
EBITDA (*) (A)	39,281	38,511
Revenue from contracts with customers	370,129	413,294
EBITDA margin (*)	10.6%	9.3%
investments (B)	10,087	9,185
Cash conversion [(A) - (B)]/(A)	74.3%	76.1%

(*) Operating profit/(loss) (EBIT), EBITDA, the EBITDA margin and the cash conversion are alternative performance indicators not identified as an accounting measure under IFRS and, therefore, should not be considered alternative measures to those provided by the Group's financial statements when assessing the Group's results.

To assess performance, management monitors, among other things, EBITDA by business unit as shown in the table below.

(In thousands of euros and as a percentage of revenue from contracts with customers)	Half-year ended 30 June				Changes	
	2024	%	2023	%	2024 v 2023	%
Pasta	12,112	12.7%	12,393	11.4%	(281)	(2.3%)
Milk Products	11,664	9.1%	12,011	8.8%	(347)	(2.9%)
Bakery Products	3,954	16.0%	3,697	13.5%	257	7.0%
Dairy Products	3,740	12.4%	3,215	12.1%	526	16.3%
Special Products	1,167	12.2%	2,417	10.5%	(1,250)	(51.7%)
Instant Noodles & Bakery Mixes	6,082	8.1%	4,384	5.2%	1,698	38.7%
Other Activities	563	8.0%	395	5.5%	168	42.5%
EBITDA	39,282	10.6%	38,511	9.3%	770	2.0%

EBITDA for the **Pasta** segment was slightly lower than in the same period last year, despite the decrease in turnover. An outstanding result achieved by optimising purchasing processes.
The EBITDA of the **Milk Products** segment was slightly lower than the same period of the previous year due to a decrease in demand and the average sales price.
EBITDA for the **Bakery Products** segment improved markedly compared to the same period last year due to improved purchasing conditions for the main components of the finished product and a shift of lower-margin promotional activities to Q3 2024.
The EBITDA for the **Dairy Products** segment increased significantly compared to the same period of the previous year due to higher sales volumes and a higher average selling price compared to 30 June 2023.
EBITDA for the **Special Products** segment decreased due to the decline in sales volumes as a result of the investments made at the plant and not yet completed.
EBITDA for the **Instant Noodles & Bakery Mixes** segment increased due to better purchasing conditions for raw materials and packaging as well as a rationalisation of fixed costs.
EBITDA in the **Other Products** segment increased compared to the same period of the previous year due to better conditions for purchasing products to be resold.

Net financial debt

The following table provides details of the composition of the Group's net financial debt as at 30 June 2024 and 31 December 2023, determined in accordance with the provisions of Consob Communication DEM/6064293 of 28 July 2006 and in accordance with paragraph 175 et seq. of the recommendations contained in the document prepared by ESMA, no. 32-382-1138 of 4 March 2021 (guidelines on disclosure requirements under Regulation EU 2017/1129, so-called "Prospectus Regulation"):

(In thousands of euros) Net financial debt	At 30 June 2024	At 31 December 2023
A. Cash and cash equivalents	140,124	103,873
B. Cash equivalents	254,112	208,586
C. Other current financial assets	12,100	13,167
D Cash and cash equivalents (A)+(B)+(C)	406,336	325,627
E. Current financial liabilities	(28,294)	(29,727)
F. Current portion of non-current financial debt	(48,383)	(42,622)
G. Current financial indebtedness (E)+(F)	(76,677)	(72,349)
H. Net current financial indebtedness (G)+(D)	329,660	253,278
I. Non-current financial liabilities	(173,095)	(128,613)
J. Debt instruments	(199,158)	(199,013)
K. Trade and other non-current payables	-	-
L. Non-current financial indebtedness (I)+(J)+(K)	(372,253)	(327,626)
M. Net financial indebtedness (H)+(L)	(42,594)	(74,348)

Comparing the net financial position at 30 June 2024 with the corresponding data at 31 December 2023 demonstrates a significant improvement of Euro 31.7 million thanks to the Newlat Group's ability to generate cash flows from operations and the improvement in net working capital.
Without considering lease liabilities, the positive net financial position was as follows:

(In thousands of euros)	At 30 June 2024	At 31 December 2023
Net financial debt	(42,594)	(74,348)
Current lease liabilities	7,845	7,694
Non-current lease liabilities	33,289	37,160
Net Financial Position	(1,460)	(29,494)

Changes in net financial position as of 30 June 2024 are shown below, in summary:

Net Financial Position at 31 December 2023 (million euros)	(74.3)
EBITDA	39.3
Treasury shares	0.7
Net working capital	10.2
Interest and taxes	(10.6)
Investments and leases	(10.1)
Other minor operating costs	2.3
Net Financial Position at 30 June 2024 (million euros)	(42.6)

INVESTMENTS

The following table provides a breakdown of the Group's investments in property, plant and equipment and intangible assets in the half year ended 30 June 2024:

(In thousands of euros and as a percentage)	At 30 June		At 31 December	
	2024	%	2023	%
Land and buildings	379	3.8%	5,633	22.3%
Plant and machinery	5,387	53.4%	10,265	40.7%
Industrial and commercial equipment	1,157	11.5%	2,125	8.4%
Other assets	10	0.1%	243	1.0%
Assets under construction and payments on account	2,455	24.3%	4,827	19.1%
Investments in property, plant and equipment	9,388	93.1%	23,092	91.5%
Patents and intellectual property rights	27	0.3%	662	2.6%
Concessions, licences, trademarks and similar rights	112	1.1%	673	2.7%
Other assets	562	5.6%	796	3.2%
Investments in intangible assets	700	1.4%	2,131	8.5%
Total investments	10,088	100.0%	25,224	100.0%

During the reporting period, the Group made investments totalling Euro 10,088 thousand. The Group's investment policy is aimed at innovation and diversification in terms of product supply. In particular, the Group attaches importance to the development of new products, with the aim of continuously improving customer satisfaction.

Investments in property, plant and equipment mainly relate to purchases of plant and machinery, mainly attributable to projects to update and renovate production and packaging lines, especially for the Ozzano Taro plant and the Special Products division, as well as the construction of the new warehouse in Germany, which will bring benefits in terms of finances and economies of scale.

Investments in intangible assets mainly relate to the purchase and updating of application software and investments of a long-term nature in customers of the subsidiary Symington's.

The following table provides a breakdown by business unit of the Group's investments in H1 2024:

(In thousands of euros and as a percentage)	At 30 June		At 31 December	
	2024	%	2023	%
Special Products	1,216	12.1%	3,102	12.3%
Pasta	2,912	28.9%	10,750	42.6%
Bakery Products	458	4.5%	740	2.9%
Milk Products	2,505	24.8%	2,234	8.9%
Dairy Products	-	0.0%	268	1.1%
Instant Noodles & Bakery Mixes	2,800	27.8%	6,611	26.2%
Other Activities	196	1.9%	1,519	6.0%
Total investments	10,088	100.0%	25,224	100.0%

OTHER INFORMATION

Policy for analysing and managing risks connected with the activities of the Group

This section provides information on exposure to risks connected with the activities of the Group as well as the objectives, policies and processes for managing such risks and the methods used to assess and to mitigate them. The guidelines for the Group's ICRMS, defined by the Board of Directors, identify the internal control system as a cross-sectional process integral to all business activities. The purpose of the ICRMS is to help the Group achieve its performance and profit objectives, obtain reliable economic and financial information and ensure compliance with existing laws and regulations, while shielding the Company from reputational damage and financial loss. In this process, particular importance is given to identifying corporate objectives, classifying (based on combined assessments regarding the probability and the potential impact) and controlling related risks by implementing specific containment actions. There are various types of potential business risks: strategic, operational (related to the effectiveness and efficiency of business operations), reporting (related to the reliability of economic-financial information), compliance (related to the observance of the laws and regulations in force, to shield against damage to its image or and/or economic losses) and, lastly, financial. Those in charge of the company departments identify and assess the risks within their jurisdiction, whether these originate within or outside the Group, and identify actions to limit and reduce them (so-called "first-level control").

On top of this come the activities of the Financial Reporting Officer and their staff (so-called "second-level control") and those of the Manager of the Internal Audit function (so-called "third-level control") who continuously monitors the efficiency and effectiveness of the internal audit and risk management system through risk assessment activities, the performance of audit operations and the subsequent management of follow up.

The results of the risk identification procedures are reported and discussed to and discussed by the Group's senior management so that they can be covered and insured and the residual risk can be evaluated.

The following paragraphs describe the risks considered to be significant and connected with the activities of the Group (the order in which they are listed does not imply any classification, in terms of either probability of occurrence or possible impact):

STRATEGIC RISKS

Risks relating to the macroeconomic and sector situation

The activity of the Group is influenced by the general conditions of the economy in the various markets where it operates. A period of economic crisis, with a consequent slow-down in consumption, can have a negative impact on the sales trends of the Group. The current macroeconomic context causes significant uncertainty regarding forecasts, with the resulting risk that reduced performance could impact margins in the short term. The Group pursues its aim of increasing its industrial efficiency and improving its production capacity while reducing overheads.

Risks connected with the external growth strategy

The Group has so far based its growth strategy on acquisitions of other companies, businesses or business units, and the plan is to continue this external growth strategy. The Group is therefore exposed to the risk of not being able to identify suitable companies or businesses in the future in order to feed its external growth strategy, or of not having the financial resources necessary to acquire the identified entities. The Group is also exposed to the risk that its past or future acquisitions will bring about unexpected costs and/or liabilities that prevent it from achieving its objectives.

OPERATING RISKS

Risks related to the high level of competitiveness of the sector

The food & beverage market in which the Group operates is characterised by a particularly significant level of competition, competitiveness and dynamism. This market is characterised in particular by (i) increasing competitiveness of companies that produce so-called private label products with prices lower than those charged by the Group; (ii) increasing prevalence of online sales (where the Group is starting to have a presence) resulting in a decrease in product prices, especially in the mass distribution channel, through which the Group generates a significant percentage of its revenues, namely 64.2% at 30 June 2024; (iii) frequent promotional campaigns over time and with significant discounts; (iv) consolidation of existing operators (through M&As), especially in the mass distribution channel. The Group pursues its aim of increasing its industrial efficiency and improving its production capacity while reducing overheads and being competitive in its reference markets. Moreover, thanks to the presence of some "unique" products, the Group is able to face the competition.

ENVIRONMENTAL AND CLIMATE RISKS

In view of the forthcoming entry into force of the "integrated financial statements", two standards were published in June 2023 that set out the basic requirements for financial reporting related to sustainability (IFRS S1) and the disclosure of information about climate-specific risks and opportunities (IFRS S2), starting with financial years beginning on 1 January 2024. These impacts are taken into account by the Company in the application of international accounting standards when material, assessing their effects both in the application of individual accounting standards and on the company's ability to continue as a going concern. In this context, note that no material risks have arisen for the Company from the application of the individual standards, and no doubts or uncertainties have arisen with regard to events or conditions that might call into question its ability to operate as a going concern. Specifically, the Group constantly monitors the latest regulations on climate-related issues. At this time no laws have been passed that have a direct impact on the Company, which will adjust the key assumptions used in the value-in-use calculations and the sensitivity to changes in assumptions should a change become necessary.

The impact of climate change assessment and the target of zero net carbon emissions for the activities of the Group by 2025 have been taken into account in the evaluation of estimates and judgements in the preparation of the Group's financial statements. The details of the climate risk assessment were deemed proportionate to the nature of the business, and the current assessment was sufficient to identify physical climate risks as well as transition risks that are material to the Group's operations or financial position. The climate change analysis performed since the previous year, which mainly related to emissions and water consumption, did not reveal any issues that could not be attributed to or addressed in the ordinary course of business, and did not reveal any significant material economic issues that had an impact on the preparation of these consolidated financial statements.
The following considerations were made:

- The impact of climate change is not expected to be significant while the business remains a going concern.
- The impact of climate change is more evident on organic goods as all agricultural ingredients are at risk mainly due to water scarcity and high temperatures: to mitigate and keep the risk low.
- The impact of climate change on the cash flow projections used in impairment assessments of the value in use of non-current assets including goodwill.
- The impact of climate change on factors (such as residual values, useful lives and depreciation methods, provisions and onerous contracts) that determine the carrying value of non-current assets: no risk factors were identified in 2024.

INFLATION-RELATED RISKS

The sector the Group competes in has been exposed to the challenges of incremental inflationary pressures. Although there are some favourable factors for the global economy stemming from the further easing of global supply chain pressures due to improving supply and weakening demand, downside risks to global growth persist. The risks arising from the relative weakening of industry sector performance together with changes in consumer behaviour, as well as the overall evolution of the macroeconomic landscape, are constantly monitored by the Group to mitigate any impacts.
During the first half of 2024 these effects gradually diminished with positive effects on company margins, which recorded levels never before reached by the Group.

FINANCIAL RISKS

Management of financial risks

The main business risks identified, monitored and, as specified below, actively managed by the Group are as follows:

- Market risk, arising from the fluctuation of interest rates and of exchange rates between the euro and the other currencies in which the Group operates.
- Credit risk, arising from the possibility of counterparty default.
- Liquidity risk, arising from a lack of financial resources to meet commitments.

The Group's objective is to manage its financial exposure over time so that liabilities are balanced with assets on the statement of financial position and that the necessary operational flexibility is in place by using bank loans and the cash generated by current operating activities.

The ability to generate liquidity from core operations, together with the ability to borrow, allows the Group to adequately meet its operational, working capital financing and investment needs, as well as to comply with its financial obligations. The Group's financial policy and the management of the related financial risks are centrally guided and monitored. In particular, the central finance function is responsible for assessing and approving forecast financial requirements, monitoring performance and taking corrective action where necessary.

Exchange risk

Exposure to the risk of exchange rate fluctuations derives from the Group's commercial activities conducted in currencies other than the euro. Revenues and costs denominated in foreign currency can be influenced by fluctuations in the exchange rate, bringing about an impact on trade margins (economic risk), and trade and financial payables and receivables denominated in foreign currency can be impacted by the conversion rates used, with a knock-on effect on the profit or loss (transaction risk). Finally, fluctuations in exchange rates are also reflected in consolidated results and equity.

The main exchange rates to which the Group is exposed are:

- Euro/USD, in relation to transactions carried out in US dollars.
- Euro/GBP, in relation to transactions carried out in pound sterling.
- GBP/AUD, in relation to transactions carried out in pound sterling.
- Euro/CHF, in relation to transactions carried out in Swiss francs.

The Group has specific policies to hedge against exchange rate fluctuations, particularly in its subsidiary Symington's.

It is the Group's policy not to invest in derivative financial instruments of a speculative nature. However, in cases where derivative financial instruments do not meet all the conditions for hedge accounting, changes in the fair value of such instruments are recognised in the income statement as financial expenses and/or income. Derivative financial instruments are accounted for under hedge accounting rules when:

- At the beginning of the hedge there is a formal designation and documentation of the hedging relationship.
- The hedge is assumed to be highly effective.
- Effectiveness can be reliably measured and the hedge itself is highly effective during the designated periods.

The method of accounting for derivative financial instruments changes depending on whether

the conditions and requirements of IFRS 9 are fulfilled or not. Specifically:

Cash flow hedges

In the case of a derivative financial instrument for which a hedging relationship is formally documented for changes in cash flows originating from an asset or liability or from a future transaction (underlying hedged item) that is deemed to be highly probable and could affect profit or loss, the effective portion resulting from the fair value adjustment of the derivative financial instrument is recognised directly in an equity reserve. When the underlying hedged item becomes manifest, this reserve is removed from equity and allocated to the carrying amount of the underlying item. Any ineffective portion of the change in value of the hedging instrument is immediately allocated to the income statement under financial expenses and/or income.

When a hedging financial instrument matures, is sold or exercised, or the company changes the correlation with the underlying item, and the expected transaction originally hedged has not yet occurred but is still considered probable, the related gains and losses arising from the fair value adjustment of the financial instrument remain in equity and are recognised in the income statement when the transaction occurs as described above. If the likelihood of the underlying transaction ceases to exist, the related gains and losses of the derivative contract originally recognised in equity are immediately recognised in the income statement.

Fair value hedges of monetary assets and liabilities

Where a derivative financial instrument is used to hedge changes in the value of monetary assets or liabilities already recorded in the financial statements that could affect the income statement, profits and losses related to changes in fair value of the derivative financial instruments are immediately recorded in the income statement. Similarly, gains and losses relating to the hedged item change the carrying value of that item and are recognised in the income statement

Cash flow hedges

In the case of a derivative financial instrument for which a hedging relationship is formally documented for changes in cash flows originating from an asset or liability or from a future transaction (underlying hedged item) that is deemed to be highly probable and could affect profit or loss, the effective portion resulting from the fair value adjustment of the derivative financial instrument is recognised directly in an equity reserve. When the underlying hedged item becomes manifest, this reserve is removed from equity and allocated to the carrying amount of the underlying item. Any ineffective portion of the change in value of the hedging instrument is immediately allocated to the income statement under financial expenses and/or income.

When a hedging financial instrument matures, is sold or exercised, or the company changes the correlation with the underlying item, and the expected transaction originally hedged has not yet occurred but is still considered probable, the related gains and losses arising from the fair value adjustment of the financial instrument remain in equity and are recognised in the income statement when the transaction occurs as described above. If the likelihood of the underlying transaction ceases to exist, the related gains and losses of

the derivative contract originally recognised in equity are immediately recognised in the income statement.

Interest rate risk

The Group uses external financial resources in the form of debt and uses the liquidity available in market instruments. Changes in interest rate levels affect the cost and return of the various forms of funding and use, thus affecting consolidated net financial expense. Exposure to interest rate risk is constantly monitored according to the trend of the Euribor curve, in order to assess possible interventions to contain the risk of a potential rise in market interest rates. At the reference dates, there were no hedges carried out by trading in derivatives.

With reference to interest rate risk, a sensitivity analysis was carried out to determine the effect on the consolidated income statement and consolidated shareholders' equity that would result from a hypothetical positive and negative change of 50 bps in interest rates compared with those actually recorded in each period. The analysis was carried out mainly with regard to the following items: (i) cash and cash equivalents and (ii) short- and medium-/long-term financial liabilities. With regard to cash and cash equivalents, reference was made to the average inventory and the average rate of return for the period, while for short- and medium-/long-term financial liabilities, the precise impact was calculated.

The table below shows the results of the analysis carried out:

(In thousands of euros)	Impact on profit net tax		Impact on shareholders' equity net of tax	
	- 50 bps	+ 50 bps	- 50 bps	+ 50 bps
Half-year as at 30 June 2024	(427)	427	(427)	427
Half-year as at 31 December 2023	(508)	508	(508)	508

Credit risk

The Group is exposed to the credit risk inherent in the possibility of its customers becoming insolvent and/or less creditworthy, so it monitors the situation continually.

Credit risk derives essentially from the Group's commercial activity, where its counterparties are predominantly mass and retail distribution operators. Retail receivables are extremely fragmented, while the mass distribution segment is characterised by a larger exposure to a single client.

The following table provides a breakdown of trade receivables (from consolidated financial statements) at 30 June 2024 and 31 December 2023 grouped by maturity, net of the provision for bad debts:

(In thousands of euros)	Not overdue	1-90 days overdue	91-180 days overdue	More than 181 days overdue	Total
Gross trade receivables at 30 June 2024	69,295	12,518	3,503	25,020	110,336
Provision for bad debts	-	(166)	(1,405)	(18,852)	(20,423)
Net trade receivables at 30 June 2024	69,295	12,352	2,098	6,168	89,913
Gross trade receivables at 31 December 2023	43,476	36,641	4,303	20,419	104,839
Provision for bad debts	-	(166)	(1,405)	(18,634)	(20,205)
Net trade receivables at 31 December 2023	43,476	36,475	2,898	1,785	84,634

Liquidity risk

Liquidity risk is the risk that, due to the inability to find new funds or to liquidate assets on the market, the Group will not be able to meet its payment obligations, resulting in a negative impact on results if it is forced to incur additional costs to meet its obligations or an insolvency situation.

The liquidity risk to which the Group may be subject comprises the failure to find sufficient financial resources for its operations, as well as for the development of its industrial and commercial activities. The two main factors that determine the Group's liquidity situation are on the one hand the resources generated or absorbed by operating and investment activities, and on the other the maturity and renewal status of payables or the liquidity of financial commitments and market conditions. In particular, the main factor affecting the Group's liquidity is the resources absorbed by operating activities: the sector in which the Group operates has seasonal sales phenomena, with peak liquidity requirements in the third quarter caused by a higher volume of trade receivables compared with the rest of the year. The Company's commercial and finance teams work together to manage the changing liquidity requirements, which involves carefully planning financial requirements related to sales, drafting the budget at the beginning of the year and carefully monitoring requirements throughout the year.

Since they are also subject to seasonal phenomena, liquidity requirements linked to inventory dynamics are subject to analysis: planning purchases of raw materials for the inventory is managed in accordance with established practices, with the Chairman involved in decisions that could have an impact on the Group's financial equilibrium.

Based on established practices inspired by prudence and stakeholder protection, the Group's financing activity involves negotiating credit lines with the banking system and continually monitoring the Group's cash flows.

The table below provides a breakdown of the Group's financial requirements by contractual maturity:

(In thousands of euros)	Carrying amount at 30 June 2024	Expiry		
		Within one year	Beyond one year	Beyond 5 years
Total financial liabilities	407,795	68,831	338,964	-

Positions or transactions deriving from atypical and/or unusual transactions

Pursuant to CONSOB Communication no. 6064293 of 28 July 2006, note that during the first half of 2024 no atypical and/or unusual transactions occurred outside the normal operation of the company that could give rise to doubts regarding the correctness and completeness of the information in the financial statements, conflicts of interest, protection of company assets and safeguarding the minority shareholders.

Treasury shares and shares of parent companies

In compliance with Article 2428 of the Italian Civil Code, note that as of 30 June 2024 the Parent Company held 900,690 treasury shares
An event worthy of note subsequent to the first half of 2024 was the sale in July of treasury shares for a total of 919,841 shares and a market value of Euro 11,222,060, resolved subject to the opinion and approval of the Related Party Transactions Committee.

Transactions with related parties

The Group's transactions with related parties (hereinafter, "**Related Party Transactions**"), identified based on criteria defined by IAS 24 – Related Party Disclosures, are mainly of a commercial or financial nature and are carried out under normal market conditions. On 6 September 2019 the Board of Directors resolved to adopt the Procedure for Transactions with Related Parties.
The explanatory notes to the half-yearly financial statements report on the income statement items at 30 June 2024 and 30 June 2023 and the statement of financial position items at 30 June 2024 and 31 December 2023 pertaining to related party transactions. This information has been extracted from the consolidated financial statements based on accounting findings.
The Group did not carry out Related Party Transactions that were unusual in terms of characteristics, or significant in terms of amount, other than those of an ongoing nature.
The Group deals with the following related parties:

- parent company ("**Parent Company**");
- companies controlled by the parent company other than its own subsidiaries ("**Companies controlled by the parent company**").

Reggio Emilia (RE), 09 September 2024

For the Board of Directors
Angelo Mastrolia
Chairman of the Board of Directors

Pursuant to paragraph 2, article 154-*bis* of the Consolidated Law on Finance, the Financial Reporting Officer Rocco Sergi declares that the accounting information contained in this document corresponds to the contents of accounting documents, books and records.

Reggio Emilia (RE), 09 September 2024

Rocco Sergi
Financial Reporting Officer

Financial statements and explanatory notes

Consolidated statement of financial position

(In thousands of euros)	At 30 June 2024	At 31 December 2023
Non-current assets		
Property, plant and equipment	164,387	164,732
Right-of-use assets	41,366	43,773
of which from related parties	*12,797*	*14,105*
Intangible assets	90,272	91,548
Equity investments in associates	1,401	1,401
Non-current financial assets measured at fair value through profit or loss	777	777
Financial assets measured at amortised cost	803	800
of which from related parties	*735*	*735*
Deferred tax assets	6,770	6,362
Total non-current assets	305,776	309,392
Current assets		
Inventories	79,308	74,099
Trade receivables	89,913	84,634
of which from related parties	*3,933*	*2,493*
Current tax assets	1,454	1,323
Other receivables and current assets	19,762	22,529
Current financial assets measured at fair value through profit or loss	1	69
Financial receivables measured at amortised cost	12,099	13,099
of which from related parties	*12,099*	*13,099*
Cash and cash equivalents	394,236	312,459
of which from related parties	*89,872*	*93,586*
Total current assets	596,773	508,212
TOTAL ASSETS	902,550	817,604
Shareholders' equity		
Share capital	43,935	43,935
Reserves	119,690	102,079
Translation reserve	671	(1,703)
Net profit/(loss)	8,391	14,325
Total shareholders' equity attributable to the Group	172,687	158,636
Shareholders' equity attributable to minority interests	17,674	16,022
Total consolidated equity	190,362	174,658
Non-current liabilities		
Provisions for employee benefits	10,378	10,951
Provisions for risks and charges	2,410	2,337
Deferred tax liabilities	22,398	22,868
Non-current financial liabilities	338,964	290,466
Non-current lease liabilities	33,289	37,160
of which from related parties	*11,931*	*14,092*
Total non-current liabilities	407,439	363,783
Current liabilities		
Trade payables	187,849	172,198
of which from related parties	*3,161*	*823*
Current financial liabilities	68,831	64,653
of which from related parties	*3,025*	*3,916*
Current lease liabilities	7,845	7,694
of which from related parties	*2,468*	*2,457*
Current tax liabilities	7,437	2,988
Other current liabilities	32,786	31,630
of which from related parties	*73*	*0*
Total current liabilities	304,749	279,163
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	902,550	817,604

Consolidated income statement

(In thousands of euros)	Half-year ended 30 June	
	2024	2023
Revenue from contracts with customers	370,129	413,294
of which from related parties		
Cost of sales	(293,789)	(336,735)
of which from related parties	*(1,885)*	*(1,642)*
Gross operating profit/(loss)	76,340	76,559
Sales and distribution costs	(44,952)	(45,109)
Administrative costs	(11,711)	(10,954)
of which from related parties	*(84)*	*(84)*
Net write-downs of financial assets	(311)	(459)
Other revenues and income	4,537	4,534
Income from business combinations		1,685
Other operating costs	(3,242)	(3,312)
Operating profit/(loss)	20,661	22,945
Financial income	6,334	3,637
of which from related parties	*3,046*	*1,395*
Financial expenses	(11,375)	(11,939)
of which from related parties	*(268)*	*(458)*
Profit/(loss) before taxes	15,619	14,642
Income taxes	(5,577)	(3,919)
Net profit/(loss)	10,042	10,724
Profit/(loss) attributable to minority interests	1,652	1,265
Group net profit/(loss)	8,391	9,460
Basic net profit/(loss) per share	0.19	0.22
Diluted net profit/(loss) per share	0.19	0.22

Consolidated statement of other comprehensive income

(In thousands of euros)	Half-year ended 30 June	
	2024	2023
Net profit/(loss) (A)	10,042	10,724
b) Other components of comprehensive income that will not be subsequently reclassified to the income statement:		
Actuarial gains/(losses)	-	-
Total other components of comprehensive income that will not be subsequently reclassified to the income statement:	-	-
c) Components of comprehensive income that will not be subsequently reclassified to the income statement:		
Hedging instruments net of tax effects	(110)	(155)
Translation reserve	1,614	2,556
Total other components of comprehensive income that will not be subsequently reclassified to the income statement	1,504	2,401
d) Total other components of comprehensive income, net of tax effect (B+C)	1,504	2,401
Total comprehensive net profit/(loss) (A)+(D)	11,546	13,125
Profit/(loss) attributable to minority interests	2,916	1,265
Group net profit/(loss)	8,630	11,861

Consolidated statement of changes in equity

(In thousands of euros)	Share capital	Reserves	Net profit/(loss)	Total shareholders' equity attributable to the Group	Shareholders' equity attributable to minority interests	Total
At 31 December 2022	43,935	74,313	6,223	124,472	14,834	139,306
Allocation of net profit/(loss) for the previous year		6,223	(6,223)	-		-
Treasury shares		21,044		21,044		21,044
Total treasury shares		21,044		21,044		21,044
Other changes		-		-	-	-
Net profit/(loss)			9,460	9,460	1,265	10,724
Hedging instruments net of tax effects		(155)		(155)		(155)
Translation reserve		2,558		2,558		2,558
Actuarial gains/(losses) net of the related tax effect		-		-	-	-
Total comprehensive net profit/(loss) for the year		2,403	9,459	11,863	1,265	13,127
At 30 June 2023	43,935	103,983	9,459	157,379	16,098	173,477
Treasury shares		(2,191)		(2,191)		(2,191)
Total treasury shares		(2,191)		(2,191)		(2,191)
Other changes						
Net profit/(loss)			4,866	4,866	(77)	4,789
Hedging instruments net of tax effects		(96)		(96)		(96)
Translation reserve		(1,243)		(1,243)		(1,243)
Actuarial gains/(losses) net of the related tax effect		(78)		(78)		(78)
Total comprehensive net profit/(loss) for the year		(1,417)	4,866	3,449	(77)	3,372
At 31 December 2023	43,935	100,375	14,325	158,636	16,021	174,658
Allocation of net profit/(loss) for the previous year		14,325	(14,325)	-		-
Treasury shares		652		652		652
Total treasury shares		652		652		652
Other changes						
Net profit/(loss)			8,391	8,391	1,652	10,042
Hedging instruments net of tax effects		3,396		3,396		3,396
Translation reserve		1,614		1,614		1,614
Actuarial gains/(losses) net of the related tax effect						
Total comprehensive net profit/(loss) for the year		5,010	8,391	13,400	1,652	15,052
At 30 June 2024	43,935	120,362	8,391	172,687	17,674	190,362

Consolidated cash flow statement

(In thousands of euros)	At 30 June	
	2024	2023
Profit/(loss) before taxes	15,619	14,643
- Adjustments for:		
Amortisation, depreciation and write-downs	18,622	17,252
Financial expense/(income)	5,041	8,302
of which from related parties	*2,778*	*937*
Other non-monetary changes	-	(1,685)
Cash flow generated /(absorbed) by operating activities before changes in net working capital	39,281	38,511
Change in inventory	(5,721)	(1,094)
Change in trade receivables	(5,943)	14,435
Change in trade payables	15,651	(15,405)
Change in other assets and liabilities	6,740	8,566
Use of provisions for risks and charges and for employee benefits	(500)	(864)
Taxes paid	(1,489)	(2,873)
Net cash flow generated /(absorbed) by operating activities	48,019	41,275
Investments in property, plant and equipment	(9,388)	(8,093)
Investments in intangible assets	(700)	(1,092)
Divestment of financial assets	954	(3,959)
Acquisitions	-	(1,000)
Net cash flow generated /(absorbed) by investment activities	(9,133)	(14,144)
New long-term financial debt	77,000	19,500
Repayments of long-term financial debt	(24,324)	(36,783)
Repayments of lease liabilities	(5,396)	(4,196)
of which from related parties	*(2,980)*	*(2,980)*
Net interest expense	(5,041)	(8,302)
Sale (purchase) of own shares	652	21,044
Net cash flow generated/(absorbed) by financing activities	42,891	(8,737)
Total changes in cash and cash equivalents	81,777	18,394
Cash and cash equivalents at start of year	312,459	287,820
of which from related parties	*93,586*	*97,909*
Offsetting of cash and cash equivalents	-	(3,024)
Total changes in cash and cash equivalents	81,777	18,394
Cash and cash equivalents at end of year	394,236	303,191
of which from related parties	*89,872*	*79,430*

Explanatory notes

Basis of preparation

The condensed consolidated half-year financial statements at 30 June 2024 were prepared in accordance with the international accounting principles (IAS/IFRS) adopted by the European Union for interim financial statements (IAS 34). The financial statements were prepared in accordance with IAS 1, while the explanatory notes were prepared in condensed form applying the option provided for in IAS 34 and therefore do not include all the information required for an annual report prepared in accordance with IFRSs. The condensed consolidated half-year financial statements at 30 June 2024 should therefore be read in conjunction with the consolidated annual financial statements for the year ended 31 December 2023.

The preparation of interim financial statements in accordance with IAS 34 Interim Financial Reporting requires judgements, estimates and assumptions that have an effect on the values of revenues, costs and assets and liabilities, and on the disclosures relating to contingent assets and liabilities at the reporting date. It should be noted that these estimates may differ from the actual results achieved in the future. The financial statement items that most require greater subjectivity on the part of the Directors when producing the estimates and for which a change in the conditions underlying the assumptions used could have a significant impact on the financial statements are: goodwill, depreciation and amortisation of non-current assets, deferred taxes, the provision for doubtful receivables, the provision for inventory write-downs, the provisions for risks, the defined benefit plans for employees, payables for the purchase of equity investments contained in the other liabilities and the determination of the fair value of the assets and liabilities acquired as part of the business combinations.

Measurement criteria

The measurement criteria used for the preparation of the consolidated financial statements for the six months ending 30 June 2024 are the same as those used for the consolidated financial statements at 31 December 2023, except for the new accounting standards, amendments and interpretations applicable from 1 January 2024, which are described below and which – it is noted – did not have a material impact on the equity and economic situation as at 30 June 2024.

Accounting standards, amendments and interpretations effective from 1 January 2024 and adoptable by the Group:

Effective date	New accounting standard/amendment	Date of EU approval (OJEU publication date)
1 January 2024	Amendments to IFRS 16: Lease liabilities in a sale and leaseback transaction (Amendments to IFRS 16)	21 Nov 2023 (EU) 2023/2579
1 January 2024	Amendments to IAS 1: - Classification of liabilities as current or non-current - Classification of liabilities as current non-current - Deferment of the date of entry into force - Non-current liabilities with covenants	20 Dec 2023 (EU) 2023/2822

1) With Regulation (EU) No. 2023/2579 of 20 November 2023, the European Commission endorsed the document "Lease Liability in a Sale and Leaseback (Amendments to IFRS 16 Leases)", published by the IASB® Board on 22 September 2022.

With the Amendments to IFRS 16, the IASB Board clarified the following accounting treatment for subsequent measurement of the lease liability arising from a sale and leaseback:

- The lessee-seller applies the requirements of IFRS 16.36-46 for the subsequent measurement of lease liabilities arising from the leaseback.
- In applying the above paragraphs of IFRS 16, the seller-lessee shall determine the "lease payments payable" or the "revised lease payments payable" in a manner that does not recognise any amount of gain or loss that relates to the right-of-use asset retained thereby. The lease liability is then reduced by the amount of the initially estimated lease payments payable, with any difference between the estimated and actual payments recognised in profit/(loss) for the year.
- The application of the above provisions does not preclude the lessee-seller from recognising in profit or loss the gain or loss arising from the partial or total termination of the contract as required by paragraph IFRS 16.46(a).

The lessee-seller must establish its own accounting policy for determining the lease payments to be included in the initial estimate of the lease liability.

The Amendments to IFRS 16 become effective with financial statements for financial years beginning on or after 1 January 2024. Early application is permitted by providing adequate disclosure in the notes to the financial statements.

2) With Regulation (EU) No. 2023/2822 of 19 December 2023, the European Commission endorsed the following documents published by the IASB Board:

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 Presentation of Financial Statements), published on 23 January 2020.
- Non-current Liabilities with Covenants (Amendments to IAS 1 Presentation of Financial Statements), published on 31 October 2022.

Amendments to IAS 1

Right to defer settlement of a liability for at least 12 months after the end of the financial year

The IASB Board's first objective was to clarify the apparently conflicting concepts expressed in paragraphs 69(d) and 73 of IAS 1.

Specifically, IAS 1.69(d) provided as a general criterion for classifying a liability as non-current the existence of an "unconditional right of the entity to defer settlement of the liability for at least 12 months after the reporting period" and IAS 1.73 referred instead to "an entity's discretion to refinance or roll over the obligation for at least 12 months after the reporting period of an existing financing arrangement". It was therefore unclear from a combined reading of these two paragraphs whether it was sufficient to have a right to defer settlement of a liability for at least 12 months at the end of the financial year, or whether it was also relevant to the classification of a liability in the financial statements whether the entity intended to exercise that right or not.
With the Amendments to IAS 1, the IASB Board clarified that:

- The right to defer the settlement of a liability for a period of at least 12 months after the end of the reporting period, referred to in paragraph 69(d), need not be unconditional but need only be "substantive and...must exist at the end of the reporting period".
- The classification of a liability as current or non-current must not be affected by an entity's intentions to exercise or not to exercise the right to defer payment beyond 12 months (e.g. an intention to refinance or roll over a loan by extending its maturity) and by decisions made between the end of the reporting period and the date of its publication (e.g. a decision to repay a loan early).

Methods for settling a liability

The Amendments to IAS 1 clarified that, for the purposes of classifying a liability as current or non-current, the term settled (in paragraph 69(a), (c) and (d)) refers to a transfer to the counterparty that results in the settlement of the liability. The transfer could be of:

a) cash or other economic resources, e.g. goods or services; or

b) the entity's own equity instruments, unless paragraph 76B applies.

Contractual provisions in a liability that allow the counterparty to require the liability to be settled by the transfer of the entity's own equity instruments (e.g. a convertible bond) do not affect the classification of the liability as current or non-current if, by applying IAS 32 Financial Instruments: presentation in the financial statements, the entity classifies the option as an equity instrument, recognising it separately from the financial liability as a component of equity of a compound financial instrument (e.g. an option to convert into a fixed number of shares of a convertible bond).

Financial reporting

An entity must disclose information in the financial statements about events that occur between the end of the reporting period and the date the financial statements are authorised for issue that are specifically defined in IAS 1 as non-adjusting subsequent events in accordance with the requirements of IAS 10 Events after the Reporting Period:

a) Long-term refinancing of a liability classified as current.

b) Rectification of the breach of a long-term financing contract classified as current.

c) Granting by the lender of a grace period to rectify a breach of a long-term financing contract classified as current.

d) Settlement of a liability classified as non-current.

If management intends or expects to settle a liability classified as non-current within twelve months after the reporting period, it does not change the classification in the financial statements but must disclose the timing of such settlement in the notes.

Liabilities from loan contracts with covenants

The IASB Board has clarified that where the right to defer the settlement of a liability arising from a loan contract for at least 12 months after the reporting period is subject to compliance with specific covenants, the liability is classified as non-current if all covenants under the contract have been met up to the reporting period, even if they are calculated in the first few months of the following reporting period.

Compliance with contractual covenants to be calculated after the reporting period is not relevant to the classification of the liability in the statement of financial position.

Disclosure of liabilities arising from loan contracts with covenants

The Amendments to IAS 1 introduced the following disclosure requirements with respect to liabilities arising from loan contracts, which are classified as non-current liabilities in the statement of financial position, and whose right to defer their settlement for at least 12 months after the end of the reporting period is subject to covenant compliance:

a) Information about the covenants (including the nature of the covenants and when the entity is required to comply with them) and the carrying amount of the related liabilities.

b) Information about any facts and circumstances that indicate that the entity may have difficulty complying with the covenants. These facts and circumstances could also refer to the situation where the covenants to be met in the 12 months following the end of the reporting period would not be met using the figures at the end of the financial year.

The Amendments to IAS 1 are effective for financial statements for financial years beginning on or after 1 January 2024 and are to be applied retroactively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Early application is permitted by providing adequate disclosure in the notes to the financial statements.

IFRS accounting standards, amendments and interpretations not yet approved by the European Union

At the reporting date of this document, the competent bodies of the European Union had not yet concluded the approval process required for the adoption of the amendments and principles described above.

• On May 30, 2024, the IASB published the document "Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7". This document clarifies some problematic aspects that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary upon the achievement of ESG objectives (i.e. green bonds). In particular, the amendments aim to:

- clarify the classification of financial assets with variable returns and linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the assessment of the SPPI test;

- determine that the date on which the liabilities are settled by electronic payment systems is the date on which the liability is settled. However, an entity is allowed to adopt an accounting policy to allow a financial liability to be derecognised before delivering cash on the settlement date under certain specific conditions. With these amendments, the IASB has also introduced additional disclosure requirements with regard in particular to investments in equity instruments designated as FVOCIs.

The amendments will apply from the financial statements for the years beginning on or after 1 January 2026.

• On May 9, 2024, the IASB published the new IFRS 19 Subsidiaries without Public Accountability: Disclosures.

This standard introduces some simplifications referring to the disclosure required by other internationalaccounting standards. The principle can be applied by an entity that meets the following main criteria:

- It is a subsidiary company;
- Has not issued equity or debt instruments listed on a market and is not in the process of issuing them;
- Has its own parent company that prepares consolidated financial statements in accordance with IFRS.

The new standard will come into force from 1 January 2027, but early application is allowed.

• On April 9, 2024, the IASB published the new IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1 Presentation of Financial Statements. This standard aims to improve the presentation of the main financial statements and introduces important changes with reference to the income statement. In particular, the new standard requires to:

- Classify revenues and expenses into three new categories (operating section, investment section and financial section), in addition to the categories of taxes and discontinued operations already present in the income statement;
- Present two new sub-totals, the operating result and the result before interest and taxes(I.e. EBIT).

Furthermore:

- Requests more information on the performance indicators defined by management;
- Introduces new criteria for the aggregation and disaggregation of information; and
- Introduces some changes to the cash flow statement format, including the request to use the operating result as a starting point for the presentation of the cash flow statement prepared using the indirect method and the elimination of some classification options for some currently existing items (such as interest paid, interest received, dividends paid and dividends received).

This standard will enter into force from 1 January 2027, but early application is allowed.

- On 15 August 2023, the IASB published an amendment titled "Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability". The document requires an entity to apply a methodology in a consistent manner in order to verify whether a currency can be converted into another and, when this is not possible, how to determine the exchange rate to be used, as well as the disclosure to provide in the Notes. The amendments will take effect as of 1 January 2025, but early application is allowed.

- On 30 January 2014, the IASB published the standard IFRS 14 – Regulatory Deferral Accounts which permits those adopting IFRS for the first time to continue to report amounts relating to Rate Regulation Activities according to the previous accounting standards adopted.

The directors didn't expect any significant impact linked to the introduction of these amendments and accounting standards

Explanatory notes as at 30 June 2024

Scope of consolidation and goodwill

Name	Registered Office	Currency	Share capital at 30 June 2024	Control percentage At 30 June 2024	Control percentage At 31 December 2023
Newlat Food S.p.A.	Italy - Via J.F. Kennedy 16, Reggio Emilia	EUR	43,935,050	Parent company	Parent company
Newlat GmbH	Germany - Franzosenstraße 9, Mannheim (Germany)	EUR	1,025,000	100%	100%
Centrale del Latte d'Italia S.p.A.	Via Filadelfia 220, 10137 Turin	EUR	28,840,041	67.74%	67.74%
Symington's Ltd	Thornes Farm Business Park, Pontefract Ln, Leeds LS9	GBP	100,000	100%	100%
EM Foods Sas	951 Rue Denis Papin, 54710 Ludres, France	EUR	4,165,000	100%	100%

Consolidation criteria and methodology

The condensed half-year consolidated financial statements illustrate the Group's equity, economic and financial situation in accordance with IFRS.

The subsidiaries were consolidated using the line-by-line method. With regard to the subsidiary Centrale del Latte d'Italia S.p.A. (held at 30 June 2024 for a share of 67.74%), minority interests were recognised.

The associate company Marcafir, in which the subsidiary Centrale del Latte d'Italia S.p.A. has a 25% stake, was consolidated using the equity method.

Sectoral information

IFRS 8 - *Operating Segments* defines an operating segment as a component:

- That engages in business activities from which it may earn revenues and incur expenses.
- Whose operating results are reviewed regularly by the entity's chief operating decision maker.
- For which discrete financial information is available.

For the purposes of IFRS 8, the Group's activity is identifiable in the following business segments: Pasta, Milk Products, Bakery Products, Dairy Products, Special Products and Other Products.

The table below shows the main statement of financial position and income statement items examined by the chief operating decision maker in order to assess the Group's performance at and for the half year ended 30 June 2024:

(In thousands of euros)	Half-year as at 30 June 2024							
	Pasta	Milk products	Bakery Products	Dairy products	Special Products	Instant Noodles & Bakery Mixes	Other Activities	Consolidated Financial Statements total
Revenue from contracts with customers (third parties)	95,363	127,914	24,746	30,079	9,575	75,377	7,076	**370,129**
EBITDA (*)	12,112	11,664	3,954	3,740	1,167	6,082	563	**39,282**
EBITDA margin	12.70%	9.12%	15.98%	12.43%	12.19%	8.07%	7.96%	**10.61%**
Amortisation, depreciation and write-downs	3,255	5,421	1,319	184	1,621	6,348	164	**18,311**
Net write-downs of financial assets							311	**311**
Operating profit/(loss)	8,857	6,243	2,636	3,556	(454)	(266)	89	**20,660**
Financial income	-	-	-	-	-		6,333	**6,333**
Financial expenses	-	-	-	-	-		(11,375)	**(11,375)**
Profit/(loss) before taxes	8,857	6,243	2,636	3,556	(454)	(266)	(4,954)	**15,618**
Income taxes	-	-	-	-	-		(5,577)	**(5,577)**
Net profit/(loss)	8,857	6,243	2,636	3,556	(454)	(266)	(10,531)	**10,041**
Total assets	125,750	143,830	29,457	11,507	32,178	58,516	501,310	**902,549**
Total liabilities	57,343	93,741	20,695	17,576	18,181	61,567	443,084	**712,187**
Investments	2,912	2,505	458		1,216	2,800	196	**10,087**
Employees (number)	615	542	198	65	136	740	12	**2,308**

(*) EBITDA is calculated as the absolute sum of the operating result, net write-downs of financial assets and depreciation/amortisation and write-downs.

(In thousands of euros)	Half-year as at 30 June 2023							
	Pasta	Milk products	Bakery Products	Dairy products	Special Products	Instant Noodles	Other Activities	Consolidated Financial Statements total
Revenue from contracts with customers (third parties)	108,491	136,098	27,384	26,524	22,977	84,618	7,203	**413,294**
EBITDA (*)	12,393	12,011	3,697	3,215	2,417	4,384	395	**38,511**
EBITDA margin	11.42%	8.83%	13.50%	12.12%	10.52%	5.18%	5.48%	**9.32%**
Amortisation, depreciation and write-downs	2,177	7,834	825	184	956	4,720	98	**16,793**
Net write-downs of financial assets							459	**459**
Income from business combinations							1,685	**1,685**
Operating profit/(loss)	10,217	4,177	2,872	3,031	1,461	(336)	1,523	**22,944**
Financial income	-	-	-	-	-		3,637	**3,637**
Financial expenses	-	-	-	-	-		(11,939)	**(11,939)**
Profit/(loss) before taxes	10,217	4,177	2,872	3,031	1,461	(336)	(6,779)	**14,642**
Income taxes	-	-	-	-	-		(3,919)	**(3,919)**
Net profit/(loss)	10,221	4,177	2,872	3,031	1,461	(336)	(10,698)	**10,724**
Total fixed assets as at 31 December 2023	125,278	145,706	22,487	8,073	30,767	67,212	418,081	**817,604**
Total liabilities as at 31 December 2023	76,025	90,842	17,721	14,374	16,818	69,308	357,858	**642,946**
Investments as at 31 December 2023	10,750	2,234	740	268	3,102	6,611	1,519	**25,224**
Employees (number)	501	524	194	63	155	643	73	**2,153**

(*) EBITDA is calculated as the absolute sum of the operating result, net write-downs of financial assets and depreciation/amortisation and write-downs.

The table above shows the main income statement items at 30 June 2023 and the main statement of financial position items at 31 December 2023 examined by the chief operating decision maker in order to assess the Group's performance, and the reconciliation of these items with respect to the corresponding amount included in the half-year financial report.

Non-current assets

(In thousands of euros)	At 30 June 2024	At 31 December 2023
Non-current assets		
Property, plant and equipment	164,387	164,732
Right-of-use assets	41,366	43,773
Intangible assets	90,272	91,548
Equity investments in associates	1,401	1,401
Non-current financial assets measured at fair value through profit or loss	777	777
Financial assets measured at amortised cost	803	800
Deferred tax assets	6,770	6,362
Total non-current assets	305,776	309,392

The following is a description of the main items that make up intangible assets:

Fixed assets, plant and equipment

(In thousands of euros)	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and payments on account	Total
Historical cost at 31 December 2023	124,437	358,950	26,014	8,960	6,967	525,327
Investments	379	5,387	1,157	10	2,455	9,388
Disposals		(604)	(120)	(7)		(731)
Net exchange rate effect	44	214	28			286
Reclassifications		186			(186)	-
Historical cost at 30 June 2024	124,859	364,133	27,079	8,963	9,236	534,271
Accumulated amortisation/depreciation as at 31 December 2023	(49,863)	(280,680)	(23,025)	(7,028)	-	(360,597)
Depreciation/Amortisation	(1,572)	(7,786)	(596)	(65)		(10,019)
Disposals		604	120	7		731
Accumulated amortisation/depreciation as at 30 June 2024	(51,435)	(287,862)	(23,502)	(7,086)	-	(369,885)
Net carrying amount at 31 December 2023	74,574	78,270	2,989	1,932	6,967	164,732
Net carrying amount at 30 June 2024	73,424	76,271	3,577	1,877	9,236	164,387

The items "plant and machinery", "leasehold improvements" and "industrial and commercial equipment" include investments made during H1 2024. See the investment section of this half-yearly report for more details.

Right-of-use assets

Real estate right-of-use assets relate mainly to the production plants in Sansepolcro (AR), Ozzano Taro (PR), Reggio Emilia, Lodi, Lecce, Bologna, Corte de' Frati (CR) and Eboli (SA) used by Newlat or Centrale del Latte d'Italia under agreements entered into with the

related party New Property S.p.A. and those relating to the subsidiary Symington's. The agreements entered into with the related party New Property S.p.A. fall within the scope of the agreements with related parties. The right-of-use assets at 30 June 2024 also refer to the Delverde production plant, located at Fara San Martino (CH), used by Newlat Food under a financial lease with third parties, the warehouse rented from a third party and used by the subsidiary Newlat Gmbh and plants and buildings used by the subsidiary Symington's limited.
Machinery right-of-use assets refer mainly to the lease of capital goods used in the production process.
The change compared with 31 December 2023 was due mainly to depreciation for the period.

Intangible assets

(In thousands of euros)	Goodwill	Patents and intellectual property rights	Concessions, licences, trademarks and similar rights	Other assets	Assets under development	Total
Historical cost at 31 December 2023	13,070	6,024	133,091	36,637	26	188,848
Investments		27	112	562		700
Net exchange rate effect		-	2	31		33
Historical cost at 30 June 2024	13,070	6,051	133,204	37,231	26	189,581
Accumulated amortisation/depreciation as at 31 December 2023	-	(4,740)	(77,796)	(14,764)	-	(97,300)
Allocation	-	-	-	-	-	-
Depreciation/Amortisation	-	(61)	(330)	(1,616)	-	(2,007)
Accumulated amortisation/depreciation as at 30 June 2024	-	(4,801)	(78,126)	(16,380)	-	(99,907)
Net carrying amount at 31 December 2023	13,070	1,284	55,295	21,873	26	91,548
Net carrying amount at 30 June 2024	13,070	1,250	55,078	20,850	26	90,273

The change from 31 December 2023 is mainly due to amortisation for the period and investments in EM Foods and Symington's.

Goodwill

The goodwill of Euro 13,070 thousand refers to:

- Euro 3,863 thousand refers entirely to Newlat Food's acquisition of Centrale del Latte di Salerno S.p.A. in December 2015, which was subsequently merged by incorporation into Newlat in December 2019.
- Euro 9,207 thousand for Newlat Food's acquisition of the Symington's Ltd Group in August 2021.

As at 30 June 2024, considering the results achieved in the first half of 2024, the Group's management did not identify any negative conditions that would have required the performance of an additional impairment test with respect to the positive assessment made for the financial statements as at 31 December 2023.

Concessions, licences, trademarks and similar rights

Trademarks with an indefinite useful life

This item refers to the following trademarks:

- the Drei Glocken and Birkel brands registered by the subsidiary Newlat GmbH in 2014 following the acquisition of the relevant business unit from Ebro Foods, for a total of Euro 18,844 thousand;
- the Centrale del Latte Rapallo-Latte Tigullio, Mukki and Centrale del Latte di Vicenza brands recorded in the separate financial statements of the subsidiary Centrale del Latte d'Italia S.p.A. for a total of Euro 19,132 thousand, revalued during purchase price allocation as part of the acquisition by Newlat Food for a total of Euro 6,823 thousand.

As at 30 June 2024, considering the results achieved in the first half of 2024, the Group's management did not identify any negative conditions that would have required the performance of an additional impairment test with respect to the positive assessment made for the financial statements as at 31 December 2023.

Trademarks with a finite useful life

This item includes brands owned by Newlat Food S.p.A., amortised according to the residual useful life, estimated on the basis of the period of time over which it is considered that they are guaranteed to generate cash flows.

Symington's assets with a definite useful life

This item includes allocations to trademarks with a finite useful life, know-how and customer lists defined in the purchase price allocation following the acquisition of Symington's.

Equity investments in associates

Investments in associated companies amount to Euro 1.4 million and refer to the company Mercafir for an amount of Euro 1,397 thousand and Filat for an amount of Euro 4 thousand. Both companies generated results in the half year close to breakeven.

Non-current financial assets measured at fair value through profit or loss

The balance includes the minority interest in Futura S.r.l. for a total of approximately Euro 657 thousand (less than 5% stake).

Financial assets measured at amortised cost

At 30 June 2024, this item totalled Euro 803 thousand (Euro 800 thousand at 31 December 2023) and referred mainly to security deposits paid by the Parent Company under the production premises lease agreements.

Deferred tax assets

As at 30 June 2024 this item totalled Euro 6,770 thousand (Euro 6,362 thousand as at 31 December 2023).

Prepaid taxes refer mainly to the appropriation of taxed provisions. Based on the multi-year business plans prepared, management believes that these receivables can be fully recovered through future taxable income.

Current assets

(In thousands of euros)	At 30 June 2024	At 31 December 2023
Current assets		
Inventories	79,308	74,099
Trade receivables	89,913	84,634
Current tax assets	1,454	1,323
Other receivables and current assets	19,762	22,529
Current financial assets measured at fair value through profit or loss	1	69
Financial receivables measured at amortised cost	12,099	13,099
Cash and cash equivalents	394,236	312,459
Total current assets	596,773	508,212

Inventories

Closing inventories were up by Euro 5,209 thousand on 31 December 2023 because of an increase in stock to cover certain promotional activities in July and August.

(In thousands of euros)	At 30 June 2024	At 31 December 2023
Raw materials, supplies, consumables and spare parts	38,886	40,949
Finished products and goods	44,113	35,757
Semi-finished products	1,584	2,391
Advance payments	404	502
Total gross inventories	84,987	79,598
Inventory write-down reserve	(5,679)	(5,499)
Total inventories	79,308	74,099

The change in the provision for inventory write-downs is shown below:

(In thousands of euros)	Inventory write-down reserve
Balance at 31 December 2023	5,499
Provisions	600
Uses/Releases	(473)
Exchange rate effect	33
Balance at 30 June 2024	5,679

Trade receivables

There are no significant changes in the receipt conditions. Receivables are shown net of the provision for write-downs estimated prudentially on the basis of information held in order to adjust their value to the presumed realisable value.

(In thousands of euros)	At 30 June 2024	At 31 December 2023
Trade receivables from customers	106,403	102,347
Trade receivables from related parties	3,933	2,493
Trade receivables (gross)	110,336	104,840
Provision for doubtful trade receivables	(20,423)	(20,205)
Total trade receivables	89,913	84,635

At each reporting date, customer receivables are analysed to check their recoverability in accordance with IFRS 9. To perform this analysis, the Group assesses whether there are expected losses from trade receivables over the entire duration of these receivables and takes into account the expertise it has accrued regarding losses on receivables, grouped into similar categories, based on specific factors pertaining to the Group's receivables as well as on the general economic environment. Customer receivables are written down when there is no reasonable expectation that they will be recovered and the write-down takes place in the income statement under "amortisation, depreciation and write-downs". The provision for doubtful receivables changed as follows during H1 2024 and the for the

period reflects the exposure of the receivables – net of the provision for doubtful receivables – at their presumed realisable value.
The change in the provision for write-downs is mainly due to the allocation for the period totalling Euro 311 thousand and use of Euro 93 thousand.

Current tax assets

Current tax assets totalled Euro 1,454 thousand (Euro 1,323 thousand at 31 December 2023).

Other receivables and current assets

"Other receivables and current assets" consist of tax receivables, advances to suppliers, prepaid expenses and other short-term receivables:

(In thousands of euros)	At 30 June 2024	At 31 December 2023
Tax assets	10,613	11,154
Receivables from social security institutions	1,687	1,344
Accrued income and prepaid expenses	2,640	1,809
Advance payments	2,032	1,440
Other receivables	2,790	6,782
Total other receivables and current assets	19,762	22,529

Current financial assets measured at fair value through profit or loss

The following table provides a breakdown of "Current financial assets measured at fair value through profit or loss" at 30 June 2024 and 31 December 2023:

(In thousands of euros)	At 30 June 2024	At 31 December 2023
Derivative financial instruments	-	-
Listed bonds	1	69
Total current financial assets measured at fair value through profit or loss	1	69

This item mainly includes government bonds held for the temporary management of excess liquidity and with a view to sale.

Financial receivables measured at amortised cost

Financial receivables measured at amortised cost refer to financial receivables from the related party Newlat Property SpA for a total amount of Euro 12,099 thousand.

Cash and cash equivalents

"Cash and cash equivalents" mainly consist of sight current accounts with banks.
At 30 June 2024, cash and cash equivalents were not subject to restrictions or constraints.
Part of the aforementioned cash and cash equivalents, amounting to Euro 89,827

thousand, is attributable to the cash pooling relationships of Newlat Food with the parent company Newlat Group S.A., and are immediately callable by the Group.
See the statement of cash flows for changes in the "Cash and cash equivalents" item during the half years under review.

Shareholders' equity

Share capital
As at 30 June 2024, the Company's fully subscribed and paid-up share capital totalled Euro 43,935,050, divided into 43,935,050 ordinary shares that were dematerialised as a result of the IPO operation in October 2019.

As reported in the statement of changes in consolidated equity, the changes as at 30 June 2024 related to:

- Recognition of the total net profit for the period, in the amount of Euro 10,042 thousand.
- Positive translation reserve of Euro 1,614 thousand.
- Hedging instruments negative for Euro 110 thousand.
- Other positive changes in the amount of Euro 3,506 thousand.
- Sale of treasury shares for Euro 652 thousand.

Non-current liabilities

(In thousands of euros)	At 30 June 2024	At 31 December 2023
Non-current liabilities		
Provisions for employee benefits	10,378	10,951
Provisions for risks and charges	2,410	2,337
Deferred tax liabilities	22,398	22,868
Non-current financial liabilities	338,964	290,466
Non-current lease liabilities	33,289	37,160
Total non-current liabilities	407,439	363,783

Provisions for employee benefits
At 30 June 2024, this item totalled Euro 10,378 thousand, down from Euro 573 thousand at 31 December 2023, mainly due to the departure of employees through retirement and resignation.

Provisions for risks and charges
The table below shows a breakdown of and changes in the item "Provisions for risks and charges":

(In thousands of euros)	Provision for agents' indemnities	Provision for legal risks	Other provisions for risks and charges	Total provisions for risks and charges
Balance at 31 December 2023	1,363	224	749	2,337
Provisions	85			85
Uses	(13)			(13)
Balance at 30 June 2024	1,436	224	749	2,410

The provision for agents' indemnities represents a reasonable forecast of the charges that would be borne by the Group in the event of future interruption of agency relationships.

Deferred tax liabilities

As at 30 June 2024, deferred tax liabilities amounted to Euro 22,398,000 and mainly refer to the tax effect related to the surplus values allocated following the completion of the purchase price allocation.

Non-current and current financial liabilities

See the Group's net financial position.

The verification of compliance with financial covenants is performed only on the annual data at 31 December based on the requests of the related contracts. The Group believes that these covenants will be respected at 31 December 2024, also considering the results achieved at 30 June 2024. In February the interest on the bond loan of approximately Euro 5.2 million was paid.

Current and non-current lease liabilities

This item includes financial debt relating mainly to multi-year lease agreements for properties used by the Parent Company and by its subsidiaries and to the lease of industrial facilities and machinery.

Liabilities were recognised in compliance with the IFRS 16 accounting standard and determined as the present value of future lease payments discounted at a marginal rate of interest which, based on the length of each individual agreement, was identified in a range between 4% and 6%.

Payables over 5 years amounted to Euro 7,593 thousand.

The change compared with 31 December 2023 was due mainly to the reimbursement of rental fees according to existing contractual agreements.

Current liabilities

(In thousands of euros)	At 30 June 2024	At 31 December 2023
Current liabilities		
Trade payables	187,849	172,198
Current financial liabilities	68,831	64,653
Current lease liabilities	7,845	7,694
Current tax liabilities	7,437	2,988
Other current liabilities	32,786	31,630
Total current liabilities	304,749	279,163

Trade payables

Trade payables refer to purchases of raw materials, services and assets, as shown below:

(In thousands of euros)	At 30 June 2024	At 31 December 2023
Trade payables to suppliers	184,688	171,375
Trade payables to related parties	3,161	823
Total trade payables	187,849	172,198

There are no particular changes in supplier payment terms.

Current financial liabilities

Current financial liabilities refer to maturities within 12 months relating to medium-to-long-term loans and the use of credit lines for down payments.

Current tax liabilities

Current tax liabilities totalled Euro 7,437 thousand (Euro 2,988 thousand at 31 December 2023). The change from 31 December 2023 is related to taxes for the period and the payment of the balance for the previous year.

Other current liabilities

This item consists mainly of tax payables and payables to employees and social security bodies, as shown below:

(In thousands of euros)	At 30 June 2024	At 31 December 2023
Payables to employees	15,791	14,449
Payables to social security institutions	4,972	4,216
Tax liabilities	4,547	4,425
Accrued expenses and deferred income	4,129	4,477
Miscellaneous payables	3,347	4,062
Total other current liabilities	32,786	31,629

The change compared with 31 December 2023 was due mainly to higher payables to employees.

Income statement

Please refer to the management report for an analysis of the income statement items for the first half of 2024.

Earnings per share

Basic earnings per share are calculated on the basis of the consolidated profit for the period attributable to the shareholders of the Parent Company divided by the weighted average number of ordinary shares, calculated as follows:

(in EUR)	Half-year ended 30 June	
	2024	2023
Profit for the year attributable to the Group in thousands of euros	8,391	9,459
Weighted average number of shares in circulation	43,034,090	42,926,529
Earnings per share (in Euro)	0.19	0.22

Related party transactions

The Group's transactions with related parties, identified based on criteria defined by IAS 24 – Related party disclosures, are mainly of a commercial or financial nature and are carried out under normal market conditions. Despite this, there is no guarantee that, if these transactions had been conducted between or with third parties, said third parties would have negotiated and entered into the relevant contracts, or executed the transactions themselves, under the same conditions and in the same manner. The Group deals with the following related parties:

- Newlat Group S.A., Swiss parent company; and
- companies controlled by the parent company other than its own subsidiaries and associates ("Companies controlled by the parent companies").

The table below provides details of the statement of financial position items relating to the Group's transactions with related parties at 30 June 2024 and 31 December 2023:

(In thousands of euros)	Parent company	Companies controlled by the parent companies		Total	Total statement of financial position items	% of statement of financial position item
	Newlat Group	New Property	Other companies controlled by the parent companies			
Right-of-use assets						
At 30 June 2024		12,797		12,797	41,366	30.9%
At 31 December 2023		14,105		14,105	43,773	32.2%
Non-current financial assets at amortised cost						
At 30 June 2024		735		735	803	91.5%
At 31 December 2023		735		735	800	91.9%
Trade receivables						
At 30 June 2024	3,933			3,933	89,913	4.4%
At 31 December 2023	2,493			2,493	84,634	2.9%
Financial receivables measured at amortised cost						
At 30 June 2024		12,099		12,099	12,099	100.0%
At 31 December 2023		13,099		13,099	13,099	100.0%
Cash and cash equivalents						
At 30 June 2024	89,872			89,872	394,236	22.8%
At 31 December 2023	93,586			93,586	312,459	30.0%
Non-current lease liabilities						
At 30 June 2024		11,931		11,931	33,289	35.8%
At 31 December 2023		14,092		14,092	37,160	37.9%
Trade payables						
At 30 June 2024	393	2,383	385	3,161	187,849	1.7%
At 31 December 2023	71	533	219	823	172,198	0.5%
Current financial liabilities						
At 30 June 2024	3,025			3,025	68,831	4.4%
At 31 December 2023	3,916			3,916	64,653	6.1%
Current lease liabilities						
At 30 June 2024		2,468		2,468	7,845	31.5%
At 31 December 2023		2,457		2,457	7,694	31.9%
Other current liabilities						
At 30 June 2024			73	73	32,786	0.2%
At 31 December 2023		0		-	31,630	0.0%

The following table provides details of the income statement items relating to the Group's transactions with related parties for the half years ended 30 June 2024 and 2023:

(In thousands of euros)	Parent company	Companies controlled by the parent companies		Total	Total statement of financial position items	% of statement of financial position item
	Newlat Group	New Property	Other companies controlled by the parent companies			
Cost of sales						
At 30 June 2024		1,391	494	1,885	293,789	0.6%
At 30 June 2023		1,396	246	1,642	336,735	0.5%
Administrative costs						
At 30 June 2024	84			84	11,711	0.7%
At 30 June 2023	84	-	-	84	10,954	0.8%
Financial income						
At 30 June 2024	3,046			3,046	6,334	48.1%
At 30 June 2023	1,395			1,395	1,157	120.6%
Financial expenses						
At 30 June 2024		268		268	11,375	2.4%
At 30 June 2023	8	450		458	11,939	3.8%

Disputes and potential liabilities

As at 30 June 2024 there were no substantial changes to the situations regarding disputes or contingent liabilities from 31 December 2023. There was no significant litigation outstanding as at 30 June 2024.

CERTIFICATION OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 154-*BIS* OF ITALIAN LEGISLATIVE DECREE 58/98

1. Taking into consideration article 154-*bis* (3) and (4) of Italian Legislative Decree no. 58 of 24 February 1998, the undersigned, Angelo Mastrolia, as Chairman, and Rocco Sergi, as Financial Reporting Officer, of Newlat Food S.p.A. certify:
    - The financial statements are adequate, in relation to the characteristics of the company, and
    - The effective application

of the administrative and accounting procedures for preparing the condensed consolidated half-year financial statements during the first half of 2024.

2. Assessment of the adequacy of the administrative and accounting procedures for drawing up the condensed half-year consolidated financial statements at 30 June 2024 is based on a process defined by Newlat Food S.p.A. in compliance with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which is a generally internationally accepted framework of reference.
3. We can also certify that:
    a. the condensed consolidated half-year financial statements:
        - Were drafted in conformity with the applicable international accounting standards endorsed by the European Community under the terms of Regulation (EC) N° 1606/2002 of the European Parliament and Council, of 19 July 2002.
        - Correspond with the accounting books and records.
        - Provide a true and correct representation of the asset, economic and financial situation of the Issuer and of the companies included in the consolidation.

    b. The interim report on performance includes a reliable analysis of the references to important events that occurred in the first six months of the year and to their impact on the condensed consolidated half-year financial statements together with a description of the main risks and uncertainties for the remaining six months of the financial year. The interim report on operations also includes a reliable analysis of the information on the significant transactions with related parties.

Reggio Emilia (RE), 09 September 2024

Angelo Mastrolia	Rocco Sergi
Chairman of the BoD	Financial Reporting Officer