

Press Release

THE BOARD OF DIRECTORS APPROVES THE 2023-2025 BUSINESS PLAN, THE DRAFT FINANCIAL STATEMENTS AND THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

ROADMAP TO 2025

Significant acceleration of organic growth and margins thanks to the Talea Group's new strategy, introduced to the market on 14 February 2023, aimed at developing new revenue opportunities in the Industrial area, dedicated to business services through Talea Media and Valnan, and at consolidating the leadership in the Consumer area, thanks to the commercial brands Farmaè, Amicafarmacia, Farmaeurope, Beautyè and Sanort

TARGETS TO 2025

- Turnover: between Euro 220 and 230 million
- EBITDA between Euro 13 and 14 million
- Long-term sustainable EBITDA margin of around 6%
- Net Financial Debt: Euro 11-10 million

2022 CONSOLIDATED RESULTS

- Consolidated ADJ REVENUES¹, including co-marketing activities, of Euro 120,9 million, up of 40.8% from Euro 85.9 million in 2021;
- Consolidated adj EBITDA of Euro 2.5 million compared to Euro 2.7 million in 2021;
- Consolidated Net Result negative for Euro 0.8 million compared to negative Euro 0.1 million in 2021;
- Consolidated Net Financial Debt of Euro 21.3 million compared to Euro 14.1 million as of 31 December 2021 and Euro 19.7 million as of 30 June 2022.

STOCK OPTION PLAN 2023-2028 APPROVED

Viareggio, 28 March 2023 – The Board of Directors of **Farmaè S.p.A.** – Farmaè S.p.A. – a company listed on the Euronext Growth Milan market of Borsa Italiana, a leading integrated platform in Italy in the healthcare, beauty and wellness sectors ("**Farmaè**" or the "**Company**") – under the chairmanship of Riccardo Iacometti,

¹ Following the new Group strategy that envisages two revenue-generating areas, Consumer and Industrial, Adj Revenues include revenues from **co-marketing activities**, which, for IAS/IFRS reporting purposes, are accounted for partly as a reduction of Cost of Sales and partly as a reduction of Selling & Distribution Costs.

approved the 2023-2025 Business Plan, the draft statutory financial statements and the consolidated financial statements as at 31 December 2022, prepared in accordance with International Accounting Standards ("IAS/IFRS").

Riccardo Iacometti, Founder and Managing Director of Farmaè, commented as follows: *“On 14 February we presented the rebranding of the Group into Talea Group - Digital People Oriented and our strategy for the next years: a major growth and development project, which has the goal of enhancing our strengths, which we have cultivated and helped to grow by looking at our stakeholders, just like a cutting that becomes a strong and healthy plant. Today we add further substance to this plan, presenting, in a challenging and non-linear market context, our economic-financial targets for 2025, the result of those industrial KPIs already anticipated a month ago. These objectives start from the solid results achieved in 2022 which, despite the inflationary scenario and the recessionary economic scenario, showed significant growth in terms of industrial KPIs and revenues, with the maintenance of a positive margin, albeit slightly down due to the commercial choice to only partially pass on the increase in costs to final consumers for the benefit of developing market share. In the awareness that a healthy growth is such only if accompanied by adequate profitability, we are convinced that it is increasingly necessary to broaden the product categories treated by the consumers area ever closer to the concept and philosophy of personal well-being "Talea well-being" and the development of a business area, such as the Industrial one, through the Talea Media project and the consolidation of the positioning of Valnan on the market. The development of the Industrial area is being appreciated by the Industries of the sector and we believe that in the long-term it could be one of the main drivers of our growth in terms of profitability. I also underline the positive trend of these first months of the year, which makes us confident about the possibility of achieving continuously improving results and in line with the plan objectives presented today.”*

ROADMAP TO 2025

On 14 February 2023, the Group presented **the rebranding project from Farmaè Group to Talea Group**, the evolution of the **growth strategy**, as well as the main **industrial KPIs to 2025** (see press release [here](#)).

The growth strategy is driven by the principle of sustainable development to guarantee a balance between economic development, environmental impact and social wellbeing; it envisages:

- **consolidating market leadership in the e-retailing** of health, wellness and beauty products (the Group's core business) with the Farmaè, AmicaFarmacia, Farmaeurope, Sanort and Beautyè brands;
- **seizing new revenue opportunities in business services with the creation of Talea Media**, the Group's new brand for managing an ecosystem of digital opportunities for companies;
- pursuing growth by **acquiring new companies in cross-border markets**, with the aim of expanding the product offering;
- **starting the internationalisation process** with the development of the multi-store approach in the main European countries (Germany, France, Spain, England) and through strategic industrial partnerships.

The key pillars of the growth strategy

Underlying the Group's growth strategy is the desire to support the evolution of companies in the current digital scenario, not only by offering proprietary platforms for the sale of products, but also through strategic advisory services for the digital evolution of business models.

The Group's strategy rests on three key pillars:

- **needs**, thanks to the ability to intercept the expressed and unexpressed demands of the relevant communities, therefore no longer just of the consumer or customer, but of the individual and of

companies, identifying the most suitable markets to satisfy the different needs, offering evolved engagement experiences through a universe of reliable, simple, secure digital solutions;

- **digital evolution**, through the ability to evolve companies' business models thanks to digital culture, making them more competitive in their relevant markets and closer to the needs of people and companies, building new services, channels and positioning capable of exploiting all the skills and capacities to generate performance, even in cross-cutting markets, based on digital know-how;
- **data economy**, with the ability to generate growth in the Group's relevant markets through a business analytics approach that analyses the data of millions of active customers who interact daily on the Group's platforms. It is thanks to the exploitation of data that the Group is also able to offer direct services to businesses.

Talea Media is born

Talea Media is the Group's new brand, designed and created to **manage an ecosystem of digital opportunities** for businesses. It offers services on the Group's digital platforms (eCommerce) ranging from strategic consulting – to understand the actual needs of end consumers and devise customised engagement solutions – to Data Analysis, supporting companies in analysing their positioning and drafting new models, up to the construction of new digital languages, both visual and content-related, and the development of digital marketing strategies aimed at engaging and acquiring leads and customers through proprietary digital channels and the use of Media.

The evolution of the supply chain

Talea Logistics is the Group's new logistics core that is entrusted with the efficient and fast delivery of products sold on proprietary digital platforms. To optimise services and offer consumers a fast and streamlined shopping experience, new logistics hubs are planned. In particular, **a new 12,000 square metre automated logistics hub in Piedmont will be opened by 2023, in addition to the current 5,000 square metre logistics hub in Tuscany.**

In addition, new investments in technology are being considered for greater automation of processes and operations in the logistics hubs and thus greater cost efficiency. The Group also intends to capitalise on its logistics know-how and the investments made over the years by offering its logistics services to all those small/medium-sized Italian companies approaching online business. The Group's entire logistics-supply chain strategy will be marked by sustainability, with the aim of implementing solutions that are not only economically efficient, but that can make a concrete contribution to the well-being of people and the environment.

Talea Group structure and industry targets to 2025

The Talea Group's business model is based on two main areas of activity:

- the Consumers Area, namely the current e-retailing business of Farmaè, AmicaFarmacia, Farmaeurope, Sanort and Beautyè;
- the Industrial Area, dedicated to media services and digital transformation with Valnan and Talea Media.

The model develops from the need to resolve a state of necessity by the integrated commercial platforms (consumers area: online+retail) of the Group's current brands (Farmaè, Amicafarmacia, Farmaeurope, Sanort and Beautyè) thanks to their service vocation (product, delivery and advice).

Thanks to the work of the proprietary digital platforms, a highly profiled audience is generated capable of generating value for those industries in the sector (and not) that intend to invest in Talea Media.

The model in its circularity (circular economy) is enhanced by the profitability of the data economy.

Main consolidated targets to 2025

- Revenues Adj: Euro 220-230 million (CAGR 2022-2025 equal to 23%)
- EBITDA Adj: Euro 13-14 million (CAGR 2022-2025 equal to 71%)

- EBITDA Adj margin about 6%
- Net Financial Debt: Euro 11-10 million
- Capex 2023-2025: Euro 20 million

Consumers Area

- Number of orders on platforms: 4 Mln (CAGR 2022-2025 equal to +18.8%)
- Number of products sold: 21.6 Mln (CAGR 2022-2025 equal to +21.4%)
- Number of active customers (Consumer): 1,700,000 (CAGR 2022-2025 equal to +16.5%)
- Platform sessions: 90 Mln
- SKUs: 150,000 thanks to the entrance of new category

Industrial Area

- Number of customers (Industrial): 400 (CAGR 2022-2025 equal to +30.5%)

Talea Group

- Media Budget: Euro 15 million

MAIN ECONOMIC AND FINANCIAL RESULTS AS AT 31 DECEMBER 2022

Volume growth accelerated for Farmaè, which achieved a **40% increase in orders** and consolidated Adj revenues of **Euro 120,9 million** in FY2022, up **+40.8%** year-on-year. The growth in volumes and turnover was driven by the **excellent performance of the online platforms** and the **consolidation of the retail experience for the Farmaè, AmicaFarmacia, FarmaEurope, Beautyè and Sanort brands**, as well as the growth and ongoing introduction of new product categories – such as **PET – and the expansion of the offer in the beauty, orthopaedics and homeopathy segments**. This growth was not sufficient, particularly in the second half of the year, to fully offset **inflation** resulting from the combined effects of the war in Ukraine, geopolitical tensions and uncertainty over commodity prices. These dynamics were therefore reflected in a sharp **increase in costs that were entirely absorbed by the Group and only partially passed on to end customers. This choice resulted in a strong benefit for the engagement of new consumers that are an added value also on the trend of this first trimester of 2023**. The **EBITDA² seems growing by 9% to Euro 2.2 million with an EBITDA margin equal to 1.8%**.

The Consolidated Report for the year ended 31 December 2022 is prepared by Farmaè in accordance with the IAS/IFRS principles issued by the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Standard Interpretation Committee (IFRS IC, formerly IFRIC) and the former Standing Interpretations Committee (SIC) (hereinafter referred to as "IAS/IFRS Principles"), endorsed by the European Union following the entry into force of Regulation (EC) No. 1606/2002 issued by the European Parliament and the European Council in July 2002.

² EBITDA indicates the result before financial charges, taxes, depreciation of fixed assets and non-recurring income and charges.

Consolidated revenues Adj 2022 amounted to Euro 120,9 million, up 40.8% compared to the Euro 85.9 million Adj recorded at 31 December 2021, and include Euro 115 million (+42.2%) relating to the Consumer Area, in which the Farmaè, AmicaFarmacia, Farmaeurope, Sanort and Beautyè brands operate today, dedicated to e-retailing, and Euro 5.9 million (+ 18.3% YoY) pertaining to the Industrial Area and related to co-marketing revenues and the subsidiary Valnan in 2022.

Orders on platforms in 2022 grew by **40.0%** to **2 million 384 thousand** compared to 1 million 707 thousand recorded in 2021 by Farmaè alone, and by 15.3% compared to **2 million 68 thousand** on a like-for-like basis as at 31 December 2021.

In 2022, **12 million 77 thousand** products were sold, up **42.0%** compared to 8 million 513 thousand products sold by Farmaè alone, and up **18.5%** compared to **10 million 190 thousand** at the end of 2021 on a like-for-like basis.

The Commercial Margin stood at Euro 38.4 million, up 37% from Euro 27.8 million in 2021, with an incidence on revenues of 31.7%, slightly lower than the previous year when it was 32.5%.

The EBITDA is equal to Euro 2.2 million, growing by 7% compared to the previous year.

Adj EBITDA, adjusted for costs related to the integration of Amicafarmacia post-acquisition, revamping of sites, non-recurring costs for acquisition activities and other non-recurring activities, totalling Euro 0.4 million, amounted to **Euro 2.5 million compared to Euro 2.7 million in 2021**. The incidence on turnover was 2.1% compared to 3.2% in the previous year, mainly due to inflation that led to an increase in the prices to buy the products and in operating costs (transport, energy, personnel) that the Company has chosen to pass only up to a point on the final consumers. Personnel costs totalled Euro 10.2 million and reflect the strengthening of the structure and the hiring of managerial figures for business development.

EBIT for the financial year 2022 substantially broke even at Euro -38,000 compared to Euro 307,000 for the financial year 2021, after depreciation and amortisation of Euro 2.2 million (EUR 1.7 million in 2021).

After financial expenses of about EUR 0.8 million, the **Net Profit** is a loss of EUR 0.9 million, compared to a loss of EUR 90 thousand in FY2021.

The change net working capital is positive for Euro 0.8 millions.

The **Net Financial Debt** of the Farmaè Group was Euro 21.3 million compared to Euro 14.1 million as of 31 December 2021 and Euro 19.7 million as of 30 June 2022 .

The Net Financial Debt as at 31 December 2022 changed compared to 31 December 2021 mainly in relation to the investments made in the period, linked both to the group's logistic strengthening projects and to the acquisition of the Farmaeurope.it domain, entailing significant development plans to upgrade the consumer strategy. The increase in working capital also has an impact, mainly due to the accrual of receivables from the tax authorities for VAT recoverable from 2023.

ECONOMIC AND FINANCIAL RESULTS OF THE PARENT COMPANY FARMAE

Farmaè revenues grew YoY by +40.1%, going from Euro 80.3 million in 2021 to Euro 112.5 million in 2022. Adjusted EBITDA amounted to Euro 2.2 million. The result closes with a loss of 1 million Euros. The Net Financial Debt amounted to Euro 20.6 million mainly in relation to the investments made in the period, linked both to the group's logistics expansion projects and to the acquisition made during the period of the

Farmaeurope.it domain. The increase in working capital also has an impact, mainly due to the accrual of receivables from the tax authorities for VAT recoverable from 2023.

OUTLOOK FOR OPERATIONS

The results of the year just ended confirm the effectiveness of our platforms, of the synergies between channels with physical points of sale and confirm the positioning achieved by the Group as sector leader thanks to its capacity for organic growth and the acquisitions made during the two-year period. These results were achieved despite a very uncertain geo-political context, a gradually deteriorating macroeconomic scenario and an inflationary context penalizing our margins, confirming how the nature of the activity, the reference sector and the business model of the Group have demonstrated, up to now, resilient with respect to these effects of an exogenous nature.

We remain convinced that this resilience will increase with the worsening of inflationary pressures and the prospects of recession, which will negatively impact the spending power of consumers, who will find the right price-service mix in the e-commerce channel. The positive trend that we are recording on our sales channels in these first months of 2023 is confirming this.

The expansion of the offer to over 100,000 references with the inclusion of new product categories such as animal feed and the expansion of the homeopathy and beauty sectors with new brands, as well as the development of the new Farmaeurope platform and the launch of platforms abroad make us confident in a positive performance of the Group during the year. This is joined by the expected growth of the new Industrial Business Area, which envisages the development of new services on the Group's digital platforms (eCommerce) through the newly born Talea Media brand, as illustrated in the context of the new Group strategy which envisages the rebranding of the same into Talea Group.

ALLOCATION OF THE PROFIT FOR THE YEAR 2022

The Board of Directors has decided to propose to the Shareholders' Meeting to carry forward the loss equal to Euro 1.047.926.

SIGNIFICANT EVENTS DURING THE PERIOD

At the beginning of **February 2022**, Valnan S.r.l. was appointed Google Premier Partner. Google selected Valnan S.r.l., an online communication and marketing agency, for its professional skills, placing it in the top 3% of Italian agencies that develop strategies, plan and implement digital campaigns in Italy and abroad. The American company, recognizing Valnan as Premier Partner 2022, qualifies it as an excellence in the sector.

On **2 March 2022**, Farmaè Group expanded its offer and entered the pet world with a wide range of products for the feeding, care and wellbeing of pets, so as to better meet the purchasing needs of the thousands of customers active on the farmae.it and amicafarmacia.com portals.

On **11 March 2022**, Farmaè approved the Short-Term Monetary Incentive Plan - MBO Plan 2022. Beneficiaries will be granted a bonus in cash subject to the achievement of specific individual objectives as well as a certain consolidated turnover target of the Farmaè Group for the year 2022, in accordance with the terms and conditions set out in the relevant Regulations.

On **31 March 2022**, the Farmaè Group was certified as a carbon neutral company, the first company in the industry to achieve this goal.

On **29 April 2022** Farmaè announced that the Shareholders' Meeting approved the authorisation for the purchase and subsequent disposal of treasury shares pursuant to Articles 2357 et seq. of the Italian Civil Code, as well as Article 25-bis of the Euronext Growth Milan Regulations, in light of the reasons and according to the terms and conditions illustrated.

On **2 May 2022** Farmaè announced that, as part of a process of reorganisation and strengthening of the corporate finance function, Marco Baroni was appointed Chief Financial Officer of the Group.

On **16 May 2022** Farmaè announced that it had acquired from Farmaeurope S.r.l. the "Farmaeurope" trademark and the related internet domain www.farmaeurope.eu.

On **23 September 2022** Farmaè won two Netcomm Awards, respectively in the "Digital marketing" and "Customer Care & CRM" categories. The Netcomm AWARD, now in its 11th edition, rewards the best Italian e-commerce companies that stand out for the innovation of their business model, technological innovation, creativity, usability and transparency of the procedures adopted, effectiveness and clarity of the information of the project developed.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

On **14 February 2023**, Farmaè's Board of Directors resolved to submit to the Company's shareholders the change of the Company's name to Talea S.p.A.. The Shareholders' Meeting to be convened on 28 April 2023 will be called to approve, inter alia, changes to the Articles of Association that will lead to a new name and a new web platform.

CALL OF ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING

The Board of Directors resolved to convene the Shareholders' Meeting of the Company, in ordinary and extraordinary session, on 28 April 2023, the notice of which, detailing the agenda and the procedures for participation, as well as the other documentation relating to the Shareholders' Meeting itself required by current regulations - including the explanatory reports approved by the Board of Directors on the related agenda - will be published on the Company's website www.farmaegroup.it. (section "Governance" - "Shareholders' Meetings") and on the website of Borsa Italiana www.borsaitaliana.it (section "Shares" - "Documents") within the terms set forth by law.

APPROVAL OF THE 2023-2028 STOCK OPTION PLAN

The Board of Directors also approved the 2023-2028 Stock Option Plan to be submitted to the Shareholders' Meeting for approval (the "**Plan**").

With a view to providing incentives and building loyalty aimed at maintaining and improving performance as well as contributing to the growth and success of the Group, the Plan is aimed at executive directors, managers with strategic responsibilities, at co-workers, including external consultants, other employees and other managerial figures of the Company and of other Farmaè's subsidiaries who hold roles deemed relevant within the Group and with a significant impact on the creation of value for the Company, the Group and the shareholders, the identification of which is delegated to the Board of Directors, at the proposal of the Chief Executive Officer and, where appointed, of the Remuneration Committee of Farmaè. The names of the beneficiaries will be provided in accordance with the procedures and terms set forth in Article 84-bis, paragraph 5, letter a), of the Issuers' Regulation.

The purpose of the Plan is the assignment, free of charge, to the beneficiaries of a maximum of 240,000 options that grant the right to purchase and, if necessary, to subscribe shares of the Company at a ratio of 1 share for every 1 option exercised. In particular, the options granted are exercisable by the beneficiaries - against the payment to the Company of the exercise price (determined according to the parameters set forth in the Plan regulation) - upon the achievement of certain targets - connected to the achievement of economic-financial indicators listed in the budget approved by the Company for each year of the Plan or in the 2023-2025 business plan approved by the Company's Board of Directors - defined by the Board of Directors and subsequently verified by the same Board.

The Plan provides for a vesting period of 36 months starting from the relevant grant date of the options, during which the options cannot be exercised. At the end of the vesting period, the options may be exercised, even in more than one tranche, until 31 December 2028, provided that the aforesaid targets are met. Options that have accrued and have not been exercised by 31 December 2028 are considered for all purposes to have expired.

The Plan envisages, inter alia, a lock-up period on 20% of the shares purchased, as better detailed in the Regulation, which varies depending on whether the beneficiaries are executives with strategic responsibilities linked to the Company (or a subsidiary) by a permanent employment relationship or executive directors. Naturally, the option rights granted under the Plan are subject to the beneficiary's continued employment, or collaboration and/or consulting relationship or directorship between the beneficiary and the Company (or its subsidiaries).

For any further information on the proposed adoption of the Plan, please refer to the explanatory report prepared pursuant to Article 114-bis of the Consolidated Law on Finance as well as the information document prepared pursuant to Article 84-bis of the Issuers' Regulations, which will be published on the Company's website www.farmaegroup.it (section "Governance" - "Shareholders' Meetings") and on the website of Borsa Italiana www.borsaitaliana.it (section "Shares" - "Documents") within the terms provided by law.

The Roadmap to 2025 and the results to 31 December 2022 will be presented to the financial community today Tuesday 28 March 2023 during a video conference at 4:00 PM CET (3:00 PM UK).

To participate in the conference, please log on to the following link:

<https://us02web.zoom.us/j/89328111299?pwd=cUN4WjN2THZ6dkdWaHdwbmFsT0V5UT09>

The presentation will be available on <https://www.farmaegroup.it/investor-relations/presentations-2023/>.

FILING OF DOCUMENTATION

The documents relating to the Financial Statements as at 31 December 2022, required by current regulations, will be made available to the public at the Company's registered office (via Marco Polo 190, Viareggio) as well as through publication on the Company's website www.farmaegroup.it, Investor Relations/Financial Statements and Reports' section within the terms of the law.

It should be noted that the audit of the draft financial statements has not yet been finalized and that the report of the Independent Auditors will therefore be made available within the legal deadlines. Finally, it should be noted that the income statement and balance sheet attached to this press release represent reclassified statements and as such are not subject to audit.

This press release is available in the Investor Relations section of the Company's website www.farmaegroup.it

This press release contains forward-looking statements regarding the intentions, beliefs or current expectations of the Farmaè Group in relation to financial results and other aspects of the Group's activities and strategies. The reader of this press release should not place undue reliance on such forward-looking statements as actual results could differ materially from those contained in such forecasts as a result of multiple factors, most of which are beyond the Group's control.

Established in Viareggio in 2014 and listed since July 2019 on Euronext Growth Milan market of Borsa Italiana, Farmaè is a media platform and a benchmark, a leader in Italy in the Healthcare, Beauty and Wellness sectors. Farmaè Group today controls Farmaè, AmicaFarmacia, Beautyè, Sanort, FarmaEurope and the media company Valnan Communications. The Group places the customer at the center of its circular activities, responding immediately, quickly and pragmatically to every need, ensuring a unique customer experience, regardless of the purchase channel used. Farmaè Group is also the primary reference for industries investing in the millions of visitors to online platforms, thus recognizing the Group's main brands as true Media.

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Attached are the reclassified consolidated income statement, balance sheet and cash flow statement of the Farmaè Group and Farmaè S.p.A. as at 31 December 2022

FARMAÈ GROUP INCOME STATEMENT

	Note	31/12/2022	31/12/2021
Revenue	26	116,307,529	82,481,158
Cost of sales	27.1	(77,949,205)	(54,728,317)
Commercial margin		38,358,324	27,752,841
Distribution and selling expenses	27.2	(30,645,928)	(21,694,456)
Administrative expenses	27.3	(7,785,558)	(5,695,531)
Write-down of receivables included in current assets	27.4	(45,263)	(58,229)
Other operating income	27.5	80,267	34,017
Other operating costs	27.6		(31,200)
Operating income		(38,158)	307,442
Financial income	27.7	4,746	18,200
Financial charges	27.8	(808,380)	(352,415)
Result before tax		(841,793)	(26,773)
Taxes		(65,763)	(62,937)
Net profit/(loss)		(907,556)	(89,710)

BALANCE SHEET OF THE FARMAÈ GROUP

	Note	31/12/2022	31/12/2021
Property, plant, machinery and other equipment	5	4,640,938	3,310,552
intangible assets	6	17,192,807	15,735,861
Goodwill	7	37,770,889	37,770,889
Rights of use	8	8,031,435	6,967,267
Other non-current financial assets and derivative instruments	9	239,904	40,703
Other non-current assets	10	1,415,834	1,044,172
Deferred tax assets	11	1,215,391	907,371
TOTAL NON-CURRENT ASSETS		70,507,199	65,776,814
Inventories	12	29,322,435	18,218,998
Commercial credits	13	9,525,202	5,867,923
Other current financial assets and derivative instruments	14	3,689,317	3,391,705
Current tax credits	15	3,309,524	765,193
Other current non-financial assets	16	1,215,108	1,635,097
Cash and cash equivalents	17	6,905,195	10,429,624
TOTAL CURRENT ASSETS		53,966,780	40,308,541
TOTAL ACTIVITY'		124,473,979	106,085,356
Social capital		3,423,135	3,423,135
Other reserves		37,172,366	36,910,730
Operating result		(907,556) -	89,709
TOTAL SHAREHOLDERS' EQUITY	18	39,687,945	40,244,156
Non-current bank payables	19.1	12,573,909	13,873,525
Financial liabilities for non-current leases	19.2	5,942,846	5,384,941
Other non-current financial liabilities and derivative financial instruments	19.3	135,832	87,966
Employee Benefit Fund	20	1,414,136	1,497,510
Deferred tax liabilities	21	3,759,815	3,726,816
TOTAL NON-CURRENT LIABILITIES		23,826,538	24,570,758
Current bank payables	22.1	12,469,952	7,725,808
Financial liabilities for current leases	22.2	1,062,530	829,793
Other current financial liabilities and derivative financial instruments	22.3		3,551
Current tax payables	23	798,317	889,087
Other current liabilities	24	1,808,154	1,740,060
Current trade payables	25	44,820,543	30,082,144
TOTAL CURRENT LIABILITIES		60,959,496	41,270,443
TOTAL PASSIVITY'		84,786,035	65,841,201
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		124,473,979	106,085,357

FARMAÈ GROUP CASH FLOW STATEMENT

	31/12/2022	31/12/2021
A) OPERATIONAL ACTIVITY		
Profit (loss) for the year	(907,556)	(89,709)
Income taxes	65,763	135,663
Net financial charges	219,070	261,489
(Capital gains)/Capital losses deriving from the sale of assets		
Provisions (including for employee benefits)	267,346	246,075
Depreciation of tangible and intangible assets and rights of use	2,182,671	1,696,779
Cash Flow generated by operational management before changes in the cap. circular net	1,827,294	2,250,297
Decrease/(Increase) in inventories	(11,103,437)	(2,018,149)
Decrease/(Increase) in trade receivables	(2,810,580)	(3,047,324)
Decrease/(Increase) in tax credits	(2,517,718)	684,683
Decrease/(Increase) in other current non-financial assets	(199,201)	803,079
Increase/(Decrease) in trade payables	14,738,397	2,433,095
Increase/(Decrease) of tax payables	(32,416)	650,511
Other increases/(Other decreases) in other assets and liabilities	1,920,326	(1,361,582)
Cash Flow generated by operational management after changes in the cap. circular net	949,354	394,610
Interest received/(paid)	(688,851)	(190,720)
(Income Tax Paid)	(58,354)	(99,280)
(Using funds - including for employee benefits)	(131,867)	(44,160)
Net cash flow generated by operating activities (A)	70,282	60,450
B) INVESTMENT ACTIVITIES		
(Investments in tangible and intangible fixed assets)	(4,113,072)	(1,123,142)
Divestments in tangible and intangible fixed assets		
(Business combinations)		(6,857,840)
(Purchase of shares)		
(Investments)/Disinvestments in financial assets	(344,477)	1,590,114
Cash Flow from investing activities (B)	(4,457,549)	(6,390,869)
C) FINANCING ACTIVITIES		
Increases in payables to banks	12,073,290	12,408,054
(Repayment of debts to banks)	(8,628,762)	(3,982,321)
Increases in payables to other lenders		
(Repayment of payables to other lenders)	(11,450)	(4,648)
(Repayment of the capital portion of lease financial liabilities)	(2,570,240)	(826,470)
Capital increase (net of transaction costs where applicable)		
(Charges incurred for capital increase)		(57,200)
Cash Flow from financing activities (C)	862,838	7,537,415
Increase (decrease) in liquid assets (A ± B ± C)	3,524,429	1,206,996
Cash and cash equivalents at the beginning of the year	10,429,642	9,222,629
Cash and cash equivalents at year end	6,905,195	10,429,624

INCOME STATEMENT FARMAÈ S.P.A.

	Note	31/12/2022	31/12/2021
Revenue	27	112,479,285	80,301,134
Cost of sales	28.1	(76,312,819)	(53,635,118)
Commercial margin		36,166,466	26,666,016
Distribution and selling expenses	28.2	(28,904,887)	(20,928,039)
Administrative expenses	28.3	(7,624,627)	(5,904,203)
Write-down of receivables included in current assets	28.4	(45,769)	(25,163)
Other operating income	28.5	80,267	34,594
Other operating costs	28.6		
Operating income		(328,550)	(156,796)
Financial income	28.7	4,615	95,453
Financial charges	28.8	(691,951)	(317,990)
Result before the taxes		(1,015,885)	(379,332)
Taxes	29	(32,041)	(21,847)
Net profit/(loss)		(1,047,926)	(401,179)

BALANCE SHEET FARMAÈ S.P.A.

	Note	31/12/2022	31/12/2021
Property, plant, machinery and other equipment	6	4,577,275	3,258,488
Intangible assets	7	17,115,954	15,721,038
Goodwill	8	33,376,429	33,376,429
Rights of use	9	7,815,966	6,699,260
Equity investments in subsidiaries	10	5,700,000	5,700,000
Other non-current financial assets and derivative instruments	11	229,425	36,996
Other non-current assets	12	1,385,399	1,032,715
Deferred tax assets	13	948,518	847,405
TOTAL NON-CURRENT ASSETS		71,148,965	66,672,331
Inventories	14	29,017,592	17,944,113
Commercial credits	15	9,001,230	5,095,491
Other current financial assets and derivative instruments	16	3,602,190	3,338,602
Current tax credits	17	3,594,981	761,637
Other current non-financial assets	18	66,088	9,768
Cash and cash equivalents	19	6,717,226	10,094,175
TOTAL CURRENT ASSETS		51,999,307	37,243,784
TOTAL ACTIVITY'		123,148,273	103,916,115
Social capital		3,423,135	3,423,135
Other reserves		37,836,918	38,010,044
Operating result		(1,047,926)	(401,179)
TOTAL SHAREHOLDERS' EQUITY	20	40,212,126	41,032,000
Non-current bank payables	21.1	12,204,962	13,262,757
Financial liabilities for non-current leases	21.2	5,763,671	5,165,172
Other non-current financial liabilities and derivative financial instruments	21.3	135,832	80,066
Employee Benefit Fund	22	927,098	970,542
Deferred tax liabilities	23	3,759,815	3,726,816
TOTAL NON-CURRENT LIABILITIES		22,791,378	23,205,352
Current bank payables	21.1	12,019,981	7,110,585
Financial liabilities for current leases	21.2	1,018,342	776,390
Other current financial liabilities and derivative financial instruments	21.3		66,953
Current tax payables	24	552,342	312,502
Other current liabilities	25	2,158,910	1,308,014
Current trade payables	26	44,395,194	30,104,317
TOTAL CURRENT LIABILITIES		60,144,768	39,678,761
TOTAL PASSIVITY'		82,936,147	62,884,113
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		123,148,273	103,916,114