



**THE BOARD OF ECOMEMBRANE S.P.A. APPROVES THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2023**

*BUSINESS VOLUMES, COMBINED WITH THE ORDERS PORTFOLIO, CONFIRM THE GROUP'S GROWTH EXPECTATIONS FOR BOTH THE BIOGAS/BIOMETHANE MARKET AND FOR THE NEW GENERATION CO<sub>2</sub> AND HYDROGEN CONTAINMENT SYSTEMS*

**Value of production:** €4.9 million

**Orders Portfolio:** €10.8 million

**EBITDA:** €-0.4 million

**EBIT:** €-0.9 million

**Result for the year:** €-1.0 million

**Shareholders' equity:** €13.2 million

**Net financial position:** €-7.2 million (Liquid Assets amounting to €9.1 million and Bank Payables for €1.9 million)

*Gadesco Pieve Delmona (CR), 28 September 2023* – The Board of Directors of **Ecomembrane S.p.A.**, (ISIN IT0005543332), leader in the design and creation of gas storage and containment systems for the production of green energy, listed on the EGM segment of Borsa Italiana S.p.A., hereby notifies that it has approved the consolidated interim report as at 30 June 2023, subject to limited auditing.

Lorenzo Spedini, CEO of Ecomembrane, has declared: *"In the first six months of the year, Ecomembrane went through an in-depth transformation and reorganisation in order to sustain the business growth volume expected. This ended with the listing process on the Euronext Growth Milan market. Of the most important events occurring I would like to recall the appointment of the new Board of Directors and a Board of Statutory Auditors with the entry of persons with proven experience and a truly high professional standing; completion of the production facility to become fully operational by the end of October and the steel processing one; approval of a new management and control organisation model pursuant to Legislative Decree 231/2001 and simultaneous appointment of a supervisory body; a tight new staff employment program which brought in new figures mainly dedicated to the technical area.*

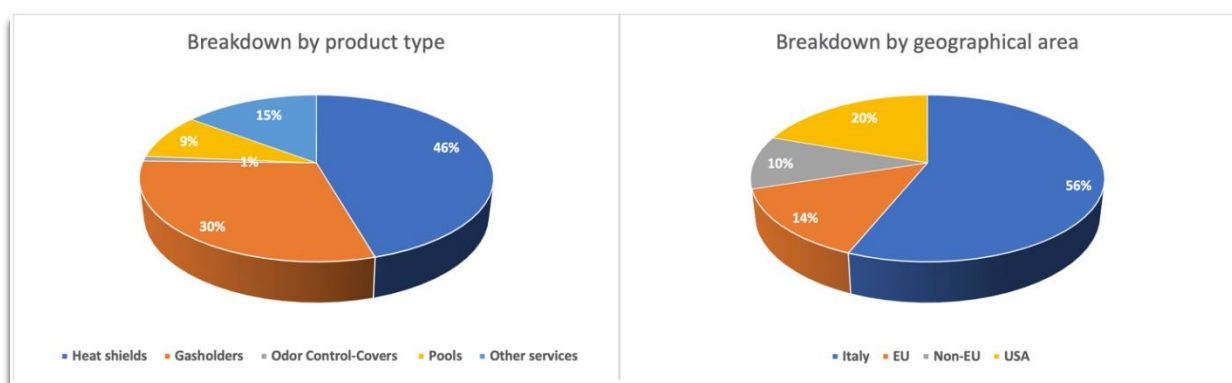
*In parallel, the business volume implemented in the first 6 months of the year, historically involving a high seasonal level for the parent company and the highest generation of revenue occurring in the last quarter of each financial year; but above all the current orders portfolio confirm a full growth potential for the Group which, thanks to its current strategic position, high technological level achieved and confirmed by the recent patent obtained for the storage of hydrogen at low temperature, and the financial resources obtained through the listing process, will be able to grasp the new future opportunities. I would also like to remind readers that the Company conducted two M&A transactions between August and September: (i) the sale of investments in Alvus and Favus to VORN Bioenergy GmbH which, at closing, planned this year, will enable capital gains of about €0.6 million and (ii) purchase of 100% of the shares of Splash SuperPools Ltd, a transaction enabling the reorganisation and consolidation of the Ecomembrane presence and its positioning on the US market, expected to grow considerably. Those transactions confirm the ability to quickly complete the extraordinary transactions it had forecast at the time of listing”*

\*\*\*

#### CONSOLIDATED ECONOMIC FINANCIAL DATA AS AT 30 JUNE 2023 AND THE BUSINESS TREND

In the first half of 2023, Production Value amounted to **€4.9 million**, whereas **period** revenues were **€4.4 million** compared to **€6.1 million** in the first half of 2022. For what concerns the Parent Company, revenues reflect a **marked seasonal effect** envisaging a significant generation of revenues concentrated in the second half of the year, especially the third quarter. This is a **recurrent historical trend** mainly linked to the sale of gasholders and heat shields for the biogas and biomethane sector. During the first half of 2023, that seasonal effect was much more marked than in the past seeing that, in both Italy and abroad, especially the USA, operators waited for access to incentives instead of starting their sites.

Having said that, as at 30 June, the Group submitted an **“orders portfolio”** made up of: (i) signed order confirmations and (ii) orders awaiting confirmation as at 30 June (and confirmed in the following 30 days), for about **€10.8 million**. The **sum of the “orders portfolio”** and **revenues as at 30 June 2023** amounting to about **€15.2 million**, thus greater than final revenues for the whole of **2022, amounting to €14.2 million**. Please also note that those figures do not yet reflect, for a time reason, potential from the New Biomethane Decree where effects will be felt from the next financial year. Here below please find a breakdown of revenue by product type and geographical area:



The incidence of the cost of raw and subsidiary materials is 44.2% of the “revenues for sales and services” against 40.1% in the last financial year. However, also including the “variations in inventories of products in progress, semi-finished and finished products” that incidence is aligned with the previous financial year and amounted to about 41%.

**EBITDA as at 30 June 2023** amounted to **€-0.4 million**. Besides being significantly **influenced by seasons**, that revenue result is affected by the **increase in structure costs**, moreover already **envisaged in the Budget**, needed to adapt the Group structure to the growth in business volumes. More specifically: (i) costs for services, €1.6 million as at 30 June 2023, also include: Processing assigned to third parties to complete installations, insurance, energy costs, professional consultancy costs, maintenance; (ii) personnel costs amounting to €1.4 million and reflecting the new staff hired in the period, consistent with the plan to strengthen the structure established in the Budget; (iii) the cost for use of third party assets, amounting to €0,3 million as at 30 June 2023, reflecting the cost for the rent of real estate assets no longer within the company scope following the real estate split of last March.

Depreciation of tangible assets and amortisation of intangible ones amounted to a total of €455 thousand against €471 thousand in the last financial year. For the period being analysed, the intangible asset amortisation item was especially influenced by the capitalisation of costs related to the EGM market listing and amortisation of costs and R&D. The self-propelled welders purchased to support the production automation process also started depreciation (tangible) in the period.

No credit write-downs were recorded in the period. In the light of what has been described, the result for the year is negative for about €1.0 million.

As at 30 June 2023 the **Shareholders’ Equity**, including result for the financial year, amounted to **€13.2 million** against a Pro-Forma 2022 Shareholders’ Equity (reflecting the effects of the real estate split as if it had occurred in 2022) of €2.8 million. Net of the period result, the increase was due to the increase in capital subscribed at the time of listing.

The **fixed assets** amounted to €4.7 million mainly due to recognition of **listing costs** under intangible assets and the capitalisation of R&D costs. Tangible assets mainly increased due to the investment in two robotised, self-propelled welders purchased from a Polish supplier.

**Commercial working capital** and the **net current assets** amounted to respectively €3.7 million and €2.0 million **consistent**, in absolute value, with 31 December 2022 figures.

The net financial position **presents an overall positive balance of €7.2 million** as the Liquid Assets, of €9.1 million, are considerably higher than bank payables which, in turn, compared to Pro-Forma 31 December 2022 figures, have dropped to €1.9 million from €2.5 million. The main reason for the change in net financial debt compared to 31 December 2022 figures is due to capital collected at the time of listing, net of the relative costs.

#### **MAIN IMPORTANT FACTS OCCURRING DURING THE FIRST HALF OF 2023**

With the company reorganisation and the logic of considering a different way to manage company assets, through notary deed dated 29 March 2023 and relative registration with the Company

Register of Cremona on 31 March 2023, a **partial, proportional split occurred**. Through this, the **asset elements** related to the entire real estate component of the Company were transferred to the newly-constituted beneficiary Mondo Verde Srl. Considering the book equity of Ecomembrane amounted, on 31 December 2022, to a total of €3.4 million, through the split the Beneficiary was transferred asset elements for a net book value of €1.6 million.

2023 was a turning point for Ecomembrane. Following the shareholders' meeting resolution of 5 April last, the Company **was transformed** from its prior limited liability form to that of **stock company**, with the resulting adoption of new by-laws, a new company name and share capital adjustment with a free increase in capital by using the reserves available.

Still on 5 April, the Shareholders' Meeting approved the project to admit Company shares to trading on Euronext Growth Milan, also approving new by-laws text effective from admission to trading. On 26 April, the Company received permission from Borsa Italiana **to trade ordinary shares on Euronext Growth Milan** and trading started on 28 April 2023. The transaction involved 1,758,800 ordinary shares, of which 1,294,117 ordinary shares from the increase in capital, 235,294 put up for sale by Lorenzo Spedini and 229,389 ordinary shares, purpose of the over-allotment option, for a total **countervalue of about €15 million**.

On 16 May, the Company notified that -as the Examination stage had ended positively- the Italian Patent and Trademarks Office (U.I.B.M.) of Rome had notified the granting of the **patent** called: "Pneumatic Gasholder with membrane for the storage of low-pressure gassy hydrogen". Thanks to that patent, Ecomembrane can now create systems that can store **low pressure hydrogen** produced from renewable sources, considerably reducing the costs of managing the hydrogen itself. The gasholder created thanks to this new patent will, in fact, lower energy consumption for storage, making hydrogen cheaper and easier to use as a green energy processing source. Moreover, the patent envisages a number of technical solutions that raise the safety level for storage of the hydrogen itself.

On 27 June, the Company communicated that it had received an **order to supply** the parts to create a **gasholder to be used to store CO2** for the amount of €1.6 million, with *delivery date* envisaged in the current year. The customer is an innovative Italian company that has developed a pioneering technology which uses the CO2, stored in the gasholder, to obtain clean energy in the hours when solar energy is not available. The system uses carbon dioxide stored in the gasholder as a fluid to store energy using pressure peaks.

#### **MAIN IMPORTANT FACTS OCCURRING AFTER THE HALF-YEAR ENDED**

On 9 August last, the Company made it known that it had underwritten with VORN Bioenergy GmbH, a German company that develops, builds and manages biomethane projects, along with other sellers, a preliminary **buying and selling agreement for**: (i) **the shares held** by Ecomembrane in the share capital **of Alvus S.r.l.**, amounting to 18.9466% of the share capital of Alvus itself, and (ii) the shares held by Ecomembrane in the share capital of **Favus S.r.l.**, amounting to 18.9466% of the share capital of Favus.

The shareholdings in Alvus and Favus are recognised in the Company's financial statements for a total amount of €0.2 million; the sale of its shares, for about €0.8 million, will give the company a **capital gain of €0.6 million**. The price also envisages positive and negative adjustments, market standards and consistent with similar transactions. Besides including a set of declarations and sureties for transactions of this kind, the contract envisages certain conditions precedent before closing, envisaged by the end of 2023.

On 21 September, the Company communicated that it had signed an agreement with Little Rock Holdings, Inc, through its subsidiary Ecomembrane LLC, **to purchase 100% of the Splash SuperPools Ltd shares** (hereinafter also "Splash"), a US company with registered office in Little Rock, Arkansas, operating in the treatment and production of PVC membranes for pools and biogas plants, for a **sum of USD 2.3 million**.

The agreement envisages a package of declarations and sureties issued by the seller, as is customary for transactions of this kind, and the closing is expected to take place by 31 October.

Splash SuperPools Ltd has twenty employees and had Revenue and Ebitda of respectively about USD 3.3 million and USD 0.6 million in 2022, with a Net Financial Position as at 31 December in the same year of USD -0.4 million, thus with cash exceeding its debt exposure. The same company was already a partner of Ecomembrane LLC through a service contract whereby, with payment of a monthly fee, it supplied the latter with the resources and facilities needed to guarantee operations on the US market.

The **purchase of Splash**, financed with part of the funds collected through the IPO, will enable Ecomembrane **to consolidate its presence and position on the US market**, expected to grow considerably from now until 2030.

## **BUSINESS OUTLOOK**

Having lived an in-depth transformation during 2023, especially due to its listing on the Euronext Growth Milan market, the Group is consolidating into a modern, structured company, ready to grasp all the opportunities in an extremely dynamic market, growing both in Italy and abroad. More specifically, besides the expected increase in the demand for domes and gasholders for the biomethane and biogas segment, powered in Italy by the NRRP and the Biomethane Decree, and in the EU and US by funds available respectively with REPowerEU and the Inflation Reduction Act, developments are expected in the Co2 and Hydrogen storage segments; in the first case, also following the reference maturing due to the recent order for the supply of parts to build a Co2 storage gasholder, for about €1.6 million, received from an innovative Italian company whereas, related to hydrogen, also following: (i) the recent technological evolution that management had proof of on taking part in international fairs and through discussions with important sector players, and (ii) the recent patent obtained for the storage of low pressure hydrogen.

To handle the growth expected, the Group will carry on hiring new staff, especially mechanical engineers, in line with what has already happened in the year with employment of 7 new resources, and Group personnel level currently reaching 45 units. Investment in the R&D of new products will also continue, consistent with what the Company has always done in recent years. Production will start in the new Vescovato production facility, expected to be fully operational by the end of

October, and where the new laser cutting machine will soon start operating; thus consolidating the ongoing production automation process with the self-propelled welding machines.

Downstream of the Splash purchase closing, internal reorganisation of the Group's American companies is also planned, and will concern the twenty employees arriving with the acquisition; in order to improve the production processes and guarantee more efficient coverage of the US market.

#### **FILING OF DOCUMENTS**

Documents related to the Financial Statements as at 30 June 2023, envisaged by laws in force, will be made available to the public with publication on the Company website <https://www.ecomembrane.com> in the Investors section within legal terms, and on the website [www.borsaitaliana.it](http://www.borsaitaliana.it), Corporate Documents section.

*ANNEXES:*

- RECLASSIFIED CONSOLIDATED INCOME STATEMENT
- RECLASSIFIED BALANCE SHEET
- CONSOLIDATED FINANCIAL REPORT

## **Information on Ecomembrane**

*Ecomembrane S.p.A., with registered office in Gadesco Pieve Delmona (Cremona) and North Little Rock (Arkansas, USA), has been operating in the renewable energies and biogas sector since 2000 and is managed by its Founder and CEO, Lorenzo Spedini. Ecomembrane considers itself one of the founding fathers of the modern era membrane gasholders and is specialised in producing gasholders, domes for anaerobic digesters, odor control-covers made in PVC-coated fabric membrane and all parts of products needed for the combustion of biogas and the production of electricity. With 10 patents active in the sector, the Company designs, produces, markets and installs components for biogas and biomethane production plants and gas storage systems such as biogas, methane, CO<sub>2</sub>, hydrogen. The Company currently has 45 employees and is present commercially on all continents and in 40 countries, with offices and production units in Italy and the USA. There are more than 1200 products installed and tested all over the world, from Minnesota (United States) to South Korea, from Italy to Turkey and Malesia. The commercial network is managed directly by Ecomembrane personnel for the Italian and American market, whereas it uses a widespread distributor network for the rest of the world.*

### **Contact details:**

#### **Ecomembrane S.p.A.**

Operating office

Via Pari Opportunità, 9

Gadesco Pieve Dalmona – Cremona

Tel. +39 0372 463599

[info@ecomembrane.com](mailto:info@ecomembrane.com)

#### **Euronext Growth Advisor**

Equita SIM S.p.A.

Marcello Daverio

Tel: +39 02 62041

[m.daverio@equita.eu](mailto:m.daverio@equita.eu)

#### **Press Office**

Spriano Communication & Partners

Matteo Russo +39 3479834881 [mrusso@sprianocommunication.com](mailto:mrusso@sprianocommunication.com)

Fiorella Girardo +39 3488577766 [fgirardo@sprianocommunication.com](mailto:fgirardo@sprianocommunication.com)

Cristina Tronconi +39 3460477901 [ctronconi@sprianocommunication.com](mailto:ctronconi@sprianocommunication.com)



## Annex 1: Reclassified consolidated income statement\*

<b>Profit and loss account (Figures in Euro/000)</b>	<b>30.06.2023</b>	<b>% (* )</b>	<b>31.12.2022 Pro-forma</b>	<b>% (* )</b>	<b>31.12.2022</b>	<b>% (* )</b>
Revenue from sales and services	4.353	100,0%	14.227	100,0%	14.227	100,0%
Change to inventories of products in progress, semi-finished and finished products	306	7,0%	(441)	-3,1%	(441)	-3,1%
Increases in fixed assets for internal work	210	4,8%	457	3,2%	457	3,2%
Other revenue and proceeds	44	1,0%	67	0,5%	67	0,5%
<b>Value of production</b>	<b>4.912</b>	<b>112,9%</b>	<b>14.310</b>	<b>100,6%</b>	<b>14.310</b>	<b>100,6%</b>
Raw, ancillary and consumable materials and goods	(1.926)	-44,2%	(5.700)	-40,1%	(5.700)	-40,1%
Cost of services	(1.584)	-36,4%	(2.833)	-19,9%	(2.833)	-19,9%
Leased assets	(319)	-7,3%	(502)	-3,5%	(370)	-2,6%
Variation to inventories of raw, subsidiary materials, consumables and goods	19	0,4%	904	6,4%	904	6,4%
Personnel costs	(1.439)	-33,1%	(2.804)	-19,7%	(2.804)	-19,7%
Sundry operating expenses	(69)	-1,6%	(154)	-1,1%	(165)	-1,2%
<b>EBITDA **</b>	<b>(406)</b>	<b>-9,3%</b>	<b>3.222</b>	<b>22,6%</b>	<b>3.342</b>	<b>23,5%</b>
Amortisation of Intangible assets	(315)	-7,2%	(258)	-1,8%	(258)	-1,8%
Depreciation of Tangible assets	(140)	-3,2%	(213)	-1,5%	(242)	-1,7%
Provisions for risks	(51)	-1,2%	(147)	-1,0%	(147)	-1,0%
Bad debts	-	-	(74)	-0,5%	(74)	-0,5%
<b>EBIT ***</b>	<b>(911)</b>	<b>-20,9%</b>	<b>2.529</b>	<b>17,8%</b>	<b>2.621</b>	<b>18,4%</b>
Financial result	(18)	-0,4%	14	0,1%	(19)	-0,1%
<b>EBT</b>	<b>(929)</b>	<b>-21,3%</b>	<b>2.543</b>	<b>17,9%</b>	<b>2.602</b>	<b>18,3%</b>
Income taxes	(28)	-0,6%	(785)	-5,5%	(785)	-5,5%
<b>Result for the year</b>	<b>(957)</b>	<b>-22,0%</b>	<b>1.759</b>	<b>12,4%</b>	<b>1.817</b>	<b>12,8%</b>

(\*) Percentage incidence on revenues from sales and services

(\*\*) EBITDA indicates the operational management result before income tax, of financial proceeds and expenses, of fixed asset amortisation, of credit write-downs and allocations to provisions for risks and charges. The EBITDA is not identified as an accounting measurement as part of Italian accounting principles so must not be considered as an alternative measurement to assess the operating results trend of the Issuer. As the EBITDA composition is not regulated by accounting principles of reference, the calculation criterion applied by the Issuer might not be uniform with the one adopted by other companies, so not be comparable to them.

(\*\*\*) EBIT indicates the result before income tax and of financial proceeds and expenses. The EBIT represents the operating management result before remunerating capital, both own and that of third parties. The EBIT is not identified as an accounting measurement as part of Italian accounting principles so must not be considered as an alternative measurement to assess the operating results trend of the Issuer. As the EBIT composition is not regulated by accounting principles of reference, the calculation criterion applied by the Issuer might not be uniform with the one adopted by other companies, so not be comparable to them.

\*As established by article 2423-ter, paragraph 5, of the Italian Civil Code, for comparability purposes please note that 30 June 2023 is the first half year where the Group has drafted the consolidated financial statements, as required by the EGM Issuers' Regulation and that, as at 30 June 2022, that obligation did not exist; so there are no comparative items related to the same period in 2022 but, as required by OIC 30, data from the financial year closed as at 31 December 2022.

Please also note that, to better understand and compare results with the last financial year, 2022 pro-forma figures are also being reported; prepared to retroactively present the accounting effects of the splitting transaction of the real estate business branch.

## Annex 2: Reclassified consolidated Balance Sheet\*

<b>Balance Sheet</b>	<b>30.06.2023</b>	<b>%</b>	<b>31.12.2022</b>	<b>%</b>	<b>31.12.2022</b>	<b>%</b>
<b>(Figures in Euro/000)</b>		<b>(*)</b>	<b>Pro-forma</b>		<b>(*)</b>	
Intangible fixed assets	2.962	50,1%	1.199	31,6%	1.508	22,5%
Tangible fixed assets	1.476	25,0%	1.122	29,6%	3.620	54,1%
Financial fixed assets	256	4,3%	296	7,8%	296	4,4%
<b>Fixed Assets**</b>	<b>4.694</b>	<b>79,4%</b>	<b>2.616</b>	<b>69,0%</b>	<b>5.423</b>	<b>81,1%</b>
Inventories	3.180	53,8%	2.729	71,9%	2.729	40,8%
Trade receivables	2.393	40,5%	3.236	85,3%	3.236	48,4%
Trade payables	(1.864)	-31,5%	(2.316)	-61,1%	(2.316)	-34,6%
<b>Commercial Current Assets</b>	<b>3.709</b>	<b>62,7%</b>	<b>3.649</b>	<b>96,2%</b>	<b>3.649</b>	<b>54,6%</b>
Other current assets	263	4,5%	420	11,1%	420	6,3%
Other current liabilities	(2.099)	-35,5%	(1.730)	-45,6%	(1.730)	-25,9%
Net tax receivables and payables	682	11,5%	(102)	-2,7%	(102)	-1,5%
Net accruals and deferrals	(577)	-9,8%	(347)	-9,2%	(260)	-3,9%
<b>Net Current Assets***</b>	<b>1.979</b>	<b>33,5%</b>	<b>1.889</b>	<b>49,8%</b>	<b>1.976</b>	<b>29,6%</b>
Other provisions	(339)	-5,7%	(334)	-8,8%	(334)	-5,0%
Severance Indemnity Fund	(420)	-7,1%	(378)	-10,0%	(378)	-5,7%
<b>Net Invested Capital (Uses)****</b>	<b>5.914</b>	<b>100,0%</b>	<b>3.794</b>	<b>100,0%</b>	<b>6.688</b>	<b>100,0%</b>
Payables to banks	1.866	31,5%	2.510	66,2%	3.839	57,4%
Payables to other lenders	-	-	192	5,1%	192	2,9%
Liquid assets and cash equivalents	(9.107)	-154,0%	(1.665)	-43,9%	(1.665)	-24,9%
<b>Net Financial Debt*****</b>	<b>(7.241)</b>	<b>-122,4%</b>	<b>1.037</b>	<b>27,3%</b>	<b>2.367</b>	<b>35,4%</b>
Share capital	1.427	24,1%	15	0,4%	15	0,2%
Reserves	12.442	210,4%	740	19,5%	2.246	33,6%
Consolidation reserve	243	4,1%	243	6,4%	243	3,6%
Result for the year	(957)	-16,2%	1.759	46,4%	1.817	27,2%
<b>Shareholders' Equity (Own funds)</b>	<b>13.155</b>	<b>222,4%</b>	<b>2.757</b>	<b>72,7%</b>	<b>4.321</b>	<b>64,6%</b>
<b>Total Sources</b>	<b>5.914</b>	<b>100,0%</b>	<b>3.794</b>	<b>100,0%</b>	<b>6.688</b>	<b>100,0%</b>

(\*) Incidence percentage on the item "Total Sources".

(\*\*) The "Fixed Assets" are calculated as the sum of tangible and intangible assets, goodwill and other non-current assets.

(\*\*\*) The "Net Current Assets" are calculated as the sum of inventories, trade receivables, trade payables, other current assets, current liabilities, tax receivables and payables and net accruals and deferrals. The "Net Current Assets" are not identified as an accounting measurement by the accounting principles of reference. The calculation criterion applied by the Group might not be uniform with the one adopted by other Companies so the balance obtained by the Group cannot be compared with the one calculated by the former.

(\*\*\*\*) The "Net Capital Invested" is calculated as the sum of "Fixed Assets", "Net Current Assets" and "Non-current Liabilities" (including Provisions for risks and charges, which also include deferred and prepaid taxes, and the Severance Indemnity Fund). The "Net Invested Capital" is not identified as an accounting measurement by the accounting principles of reference. The calculation criterion applied by the Group might not be uniform with the one adopted by other Companies so the balance obtained by the Group cannot be compared with the one calculated by the former.

(\*\*\*\*\*) Please note that the "Net Financial Debt" is calculated as the sum (i) of liquid assets and cash equivalents, (ii) of Financial Receivables and (iii) non-current financial payables, and was calculated in compliance with what is set forth in the "Guidelines on information obligations pursuant to the statement regulation" (ESMA32-382-1138), published by the ESMA (European Securities and Markets Authority).

\*As established by article 2423-ter, paragraph 5, of the Italian Civil Code, for comparability purposes please note that 30 June 2023 is the first half year where the Group has drafted the consolidated financial statements, as required by the EGM Issuers' Regulation and that, as at 30 June 2022, that obligation did not exist; so there are no comparative items related to the same period in 2022 but, as required by OIC 30, data from the financial year closed as at 31 December 2022.

Please also note that, to better understand and compare results with the last financial year, 2022 pro-forma figures are also being reported; prepared to retroactively present the accounting effects of the splitting transaction of the real estate business branch.

## Annex 3: Consolidated Financial Report

### CONSOLIDATED FINANCIAL REPORT

#### INDIRECT METHOD

	30.06.2023	31.12.2022
<b>A) CASH FLOWS FROM OPERATIONS</b>		
Profit (loss) for the year	-956.563	1.817.488
Income taxes	27.591	784.586
Interest payable/(receivable)	51.764	18.602
(Dividends)	-37.897	
(Capital gains)/Losses from the sale of assets		-3.833
<b>1) Profit (loss) for the year before income taxes, interest, dividends and capital gains/losses on disposal</b>	<b>-915.106</b>	<b>2.616.843</b>
Adjustments for non-monetary items with no net working capital counterpart		
Provisions to funds	105.011	345.604
Amortisation of assets	454.677	500.387
<b>Total adjustments for non-monetary items with no net working capital counterpart</b>	<b>559.688</b>	<b>845.991</b>
<b>2) Cash flow before changes in net working capital</b>	<b>-355.417</b>	<b>3.462.834</b>
Changes in net working capital		
Decrease/(Increase) in inventories	-450.325	-480.680
Decrease/(increase) in trade receivables	842.851	-196.769
Increase/(Decrease) in trade payables	-455.737	209.041
Decrease/(increase) in prepayments and accruals	113.420	5.295
Decrease/(Increase) in accrued liabilities and deferred income	203.043	-2.455
Other decreases/(Other increases) in net working capital	-301.491	-57.968
<b>Total changes in net working capital</b>	<b>-48.238</b>	<b>-523.536</b>
<b>3) Cash flow after changes in net working capital</b>	<b>-403.655</b>	<b>2.939.298</b>
Interest received (paid)	-51.764	-64.818
(income taxes paid)	-81.532	-814.832
Dividends received	37.897	
(Use of funds)	-44.970	-206.428
<b>Total other adjustments</b>	<b>-140.369</b>	<b>-1.086.078</b>
<b>CASH FLOW OF THE OPERATING ACTIVITIES (A)</b>	<b>-544.024</b>	<b>1.853.220</b>
<b>B) CASH FLOWS FROM INVESTMENTS</b>		
Tangible assets		
(investments)	-668.893	-1.640.839
Intangible assets		
(investments)	-1.867.884	-874.206

Financial fixed assets		
(investments)	-45.500	-40.000
Price from divestments	80.000	
<b>CASH FLOW FROM INVESTMENTS (B)</b>	<b>-2.502.277</b>	<b>-2.555.045</b>
<b>C) FINANCIAL FLOWS FROM FINANCING ACTIVITIES</b>		
Third-party means		
Increase/(Decrease) in short-term payables to banks		-1.927
New financing		1.186.560
(Repayment of loans)	-512.130	168.215
Own funds		
Capital increase against payment	10.999.994	
(Dividends and advances on dividends paid)		-540.000
<b>FINANCIAL FLOW OF FINANCING ACTIVITIES</b>	<b>10.487.864</b>	<b>812.848</b>
<b>INCREASE/(DECREASE) OF LIQUID ASSETS</b>	<b>7.441.564</b>	<b>111.023</b>
Liquid assets at the beginning of the year		
Bank and post office deposits	1.664.389	1.552.879
Cash and cash equivalents	600	1.087
Total liquid assets at the beginning of the year	1.664.989	1.553.966
Liquid assets at the end of the year		
Bank and post office deposits	9.106.487	1.664.389
Cash and cash equivalents	65	600
<b>Total liquid assets at the end of the year</b>	<b>9.106.553</b>	<b>1.664.989</b>