Condensed Interim Financial Statements at June 30, 2023

Contributing to people's wellbeing by helping them make informed food choices. Promoting awareness of the health benefits of plant-based foods. Spreading knowledge of healthy eating responsibly and with passion.
That's Valsoia. And that's the mission expressed in our logo with the Italian for 'goodness and health' – "bontà e salute".
A mission everyone can experience in all our deliciously healthy products.
It's this commitment to pleasure and health that has made the Valsoia brands some of Italy's leading and best-loved household names, thanks to the quality of our products and constant research and innovation.

* Brand in exclusive distribution in the Italian territory

News:

SANTA ROSA ZERO

From Santa Rosa experience, the new line: ZERO.
A proposal for low-calorie jams,
source of fiber and no added sugar.
The range consists of 4 flavors, from classic strawberry and apricot
to delicious figs and red fruits.

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1 / General information

Condensed Interim Financial
Statements at June 30, 2023

GENERAL INFORMATION

Corporate offices and positions

Board of Directors [1]

Chairman	Lorenzo Sassoli de Bianchi
Deputy Chairman	Furio Burnelli
	Gregorio Sassoli de Bianchi
Chief Executive Officer and General Manager [2]	Andrea Panzani
Directors	Susanna Zucchelli
	Francesca Postacchini
	Camilla Chiusoli
	Ilaria Monetti
	Marco Montefameglio

Board of Statutory Auditors [1]

Chairman	Gianfranco Tomassoli
Statutory Auditors	Claudia Spisni
	Massimo Mezzogori
Alternate Auditors	Massimo Bolognesi
	Simonetta Frabetti

Supervisory Board [3]

Chairman	Gianfranco Tomassoli
Standing members	Maria Luisa Muserra
	Giulia Benini [3.1]

Independent Auditors [4]

KPMG S.p.A.

Manager in charge of financial reporting [5]

Nicola Mastacchi

(1) Appointed on April 27, 2023, in office until the approval of the 2025 Financial Statements.

(2) Chief Executive Officer (since April 23, 2015) and General Manager (since February 04, 2014).

(3) Appointed on March 13, 2023, in office until the approval of the 2025 Financial Statements.
(3.1) Internal member, Legal Specialist of Valsoia S.p.A. since November 2018;

(4) Appointed on April 23, 2015, in office until the approval of the 2023 Financial Statements.

(5) Appointed by the Board of Directors on May 23, 2019, Manager of Valsoia S.p.A., Statutory Auditor.

Corporate data and Group structure

Company Name: Valsoia S.p.A.
Registered office: Via Ilio Barontini 16/5 - 40138 Bologna (BO) - Italy
Telephone no. +39 051 6086800
Fax no. +39 051 248220
Certified e-mail: valsoia@legalmail.it
Website: www.valsoiaspa.com - Investor Relations section

Share Capital - fully paid up: Euro 3,541,615.01.
Tax Code and registration number in the Companies Register of Bologna: 02341060289
VAT no.: 04176050377
Enrolment with the Chamber of Commerce of Bologna: BO-338352

Production facility:
C.so Matteotti 13 - 13037 Serravalle Sesia (VC) – Italy

The structure of the Valsoia Group, at the period-end date, in addition to the parent company Valsoia S.p.A., included the following subsidiary:

Company Nale	Share Capital	Main Office	% Held
Valsoia Pronova d.o.o.	€ 100,000	Lubiana (Slovenia)	100
Swedish Green Food Company AB	SEK 50,000	NYKVARN (Sweden)	100

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the closing of this period, Valsoia does not own any other investments above 10% of the share capital, represented by shares with rights of voting, in non-listed companies, nor does it own shares in limited liability companies.

The Company has no branch offices.

Valsoia S.p.A. has decided to take the option authorised by art. 70, par. 8 and art. 71, par. 1-bis of Consob Regulation No. 11971/99 (as amended) and therefore to dispense with the obligation to provide disclosure to the public in the event of significant mergers, spin-offs, share capital increases through contributions in kind, acquisitions and disposals.

2 / Directors Report

Condensed Interim Financial Statements at June 30, 2023

INTERIM MANAGEMENT REPORT

KEY FINANCIAL HIGHLIGHTS

Income statement ratios (EUR 000)	06/30/2023		06/30/2022		Change	
	Euro	%	Euro	%	Euro	%
Total sales revenue	55,810	*100.0*	49,544	*100.0*	6,266	*+12.6%*
Revenue and income	57,034	*102.2*	50,297	*101.5*	6,737	*+13.4%*
Gross Operating Result (EBITDA) (*)	6,086	*10.9*	6,571	*13.3*	(485)	*- 7.4%*
Net operating result (EBIT)	4,682	*8.4*	5,253	*10.6*	(571)	*- 10.9%*
Net profit for the period	3,673	*6.6*	3,756	*7.6*	(83)	*- 2.2%*

(*) The interim result is not defined as an accounting measure pursuant to the IFRSs, therefore the definition criteria for this parameter may not be consistent with those adopted by other companies. This result is (positively) impacted by the application of IFRS 16 "Leases" for a value of EUR 367 thousand with reference to the EBITDA value at 06/30/23 (EUR 330 thousand with reference to that at 06/30/2022).

Financial ratios (*) (EUR 000)	Value			Changes 06/30/23	
	06/30/23	12/31/22	06/30/22	Vs 12/31/22	Vs 06/30/22
Net Working Capital (*)	7,090	299	2,061	6,792	5,029
Non-current assets	58,917	57,199	54,222	1,718	4,695
Net Financial Position - positive - (**)	18,657	27,089	22,088	-8,432	-3,431

(*) With regard to the composition of the Items indicated, see the Notes at the end of this Report;

(**) The figures include the investment of liquidity in medium/long-term financial assets as better specified later and the (negative) effect on the NFP deriving from the application of IFRS 16 Leases, amounting to EUR (2,222) thousand at 06/30/23; the same effect was EUR (2,370) thousand at 12/31/2022 and EUR (2,186) thousand at 06/30/22.

MAIN EVENTS FOR THE PERIOD AND BUSINESS PERFORMANCE

In the first half of 2023, the Company reported revenue of EUR 55.81 million compared to EUR 49.54 million in the previous period of 2022. The increase is EUR 6.26 million (+12.6%) over the same half-year 2022, which had already recorded a similar growth of +6.8% (EUR +3.15 million) over the corresponding half-year 2021.

As shown in the table below, growth in the first half-year was above all due to Italian sales (+13.9%), while foreign sales recorded less vigorous growth (+0.9%). In Italy, both Health Division revenue (+6.5%) and Food Division revenue (+31.0%) increased.
Since January 1, 2023, the company distributes the Haagen-Dazs brand (ice cream) in Italy, which contributed EUR 2.39 million to the total revenue of the Food division. Excluding this amount, and thus on a like-for-like basis, revenue growth in 2023 is +7.8% compared to the first half of 2022 and, in particular, for the Food division, comes to +16.6%.

The first half of 2023 showed a trend of +10.2% in value and -3.3% in volume for the total Italian "Grocery" markets (Source: Nielsen IQ progressive at June 2023).
In this scenario, still characterised by rising inflation - particularly for food products (+12.7% in June 2023) - and a growing contraction in consumption, several markets in which the Company operates are also showing a slowdown compared to the first half of 2022.

In the first half of 2023, the consumption performance of the Company's Brands was broadly in line with the performance of their respective markets. In 13 of the 21 main markets covered by the Company's Brands, the volume of market shares increased in the six months to June 2023 (Source: Nielsen IQ).

In the period under review, the Company faced a further significant increase in the cost of products and services from January onwards, in addition to what it had already suffered in FY 2022.
In the course of 2023 there are particular improvements in energy and gas costs, which show average purchase values for the year declining but still higher than those of the year 2022, which still have a marginal effect on the containment of total extra costs.

The Company has agreed, in particular with the large-scale retail trade brands in Italy and abroad and with all its Customers, on a new price list increase, acting responsibly towards the consumer (retail price), its Suppliers and the Retailers themselves. The list price increases negotiated with Trade only took effect in late spring, not fully compensating for the extra costs in this first half-year.

Indeed, there was an acceleration in the second quarter of all economic variables, from revenue to contribution margin to EBITDA for the period, all positive in Q2 2023 compared to the same period last year. However, this positivity is not sufficient to compensate for the delay in the first quarter, at least as far as the EBITDA margin is concerned.

Despite the difficult situation on the cost side, the Company continued to support all its Brands through marketing and sales actions in line with the Annual Plans.
In particular, major investments in communication continued for all of the Company's Brands.

Overhead expenses increased compared to the same period in 2022, albeit in line with the Plan.

The operating margin for the half-year (EBITDA) amounted to EUR 6.09 million, down EUR 0.48 million (-7.4% compared to the same half-year of 2022).
Consequently, the operating margin ratio (Ebitda margin %) in 2023 was 10.9%, compared to 13.3% for the same period of the previous year. In the first half-year, this index reflects cost growth in advance of the new price lists and the resulting revenue.

Net profit for the period amounted to EUR 3.67 million, essentially in line with the same period of 2022 (EUR -0.08 million; -2.2%), standing at 6.6% of sales revenue compared to 7.6% for the same period of 2022.

The following table shows the sales revenue broken down by business area:

Description (EUR 000)	06/30/2023		06/30/2022		Change
	Euro	*% Inc.*	Euro	Euro	*%*
Health Food Products Division (a)	27,924	*50.0%*	26,217	*53.0%*	*6.51%*
Food Products Division (b)	21,688	*38.9%*	16,552	*33.4%*	*31.03%*
Others (c)	1,327	*2.4%*	1,949	*3.9%*	*(31.91%)*
TOTAL ITALIAN REVENUE	50,939	*91.3%*	44,718	*90.3%*	*13.91%*
Sales abroad	4,870	*8.7%*	4,826	*9.7%*	*0.92%*
TOTAL REVENUE	55,810	*100%*	49,544	*100%*	*12.65%*

(a) Valsoia Bontà e Salute, Vitasoya, Naturattiva trademarks
(b) Santa Rosa (jams), Diete.Tic, Loriana, Weetabix, Oreo O's Cereal, Vallè (sales commissions), Haagen-Dazs brands.
(c) Total revenue from Industrial Products (B2B)

The turnover of all Company divisions is up during the half-year, except for Industrial Products (B2B), as shown in the summary table.
These positive trends are shown by all the main Brands owned (Valsoia "Bontà e Salute", "Diete.Tic", "Piadina Loriana", "Santa Rosa") and also by those in distribution ("Vallè", "Weetabix", "Oreo O's Cereali", Haagen-Dazs).

Valsoia "Bontà e Salute" and the entire health division Italy, grew by +6.5%. The spring season was unfavourable for ice cream sales, which were nevertheless positive in value compared to the same period in 2022, which had been characterised by an extraordinarily favourable season.

The sales performance of all Food Division Brands was positive in both volume and value (+31%).
The start of the distribution of the Haagen-Dazs Brand, net of which the like-for-like perimeter of the Food Division grew in revenue by +7.8% over the same period, is in line with the plans.

Of particular note is the growth in volume, as well as in value, of all the Food Division's Brands, with a significant acceleration compared to the same period in 2022 for "Santa Rosa" jams and "Loriana" Piadina.

During the first half of the year, the Company implemented the activities envisaged in its Marketing and Business Plans, together with numerous new product launches in Italy and abroad.

Support for all the Brands continued during the half-year through major advertising planning in parallel with increased investments in the area of store control and optimisation.

Sales abroad were broadly stable (+0.9% over the same period) due, in particular, to a delayed start to ice cream consumption in almost all of Europe, together with some countries generally lagging behind the same period in 2022. Positive, however, was the performance of 7 of the top 10 foreign countries.

During the first half, the Company implemented several significant transactions envisaged in its business plans:

- the kick-off of the exclusive distribution on the Italian territory of the "Haagen-Dazs" Brand ice cream;
- the entry into the first retail chains in Canada with Valsoia ice cream and chocolate cream;
- the finalisation of the "corporate sustainability 2022" document;
- the extension of the "Gran Stecco" ice cream line in Italy and abroad;
- the kick-off of the direct distribution of Valsoia ice creams in the OOH channel on the Adriatic Riviera;
- the launch of the first vegetable alternative to egg, liquid;
- the launch of the vegetable alternative to fish;
- the launch of the first vegetable burger alternative to chicken;
- the launch of the new Santa Rosa Zero line;
- the development of sales to the end consumer, via e-commerce (Amazon and other platforms).

Lastly, the Serravalle plant expansion project is progressing in accordance with the time-line and costs planned, which envisages doubling the usable surface area and completing the expansion of the offices in the Bologna headquarters.

ANALYSIS OF THE STATEMENT OF FINANCIAL POSITION

The following table shows the breakdown of the Net Financial Position at June 30, 2023, December 31, 2022 and June 30, 2022:

Description (EUR 000)	06/30/2023	of which: related parties	12/31/2022	of which: related parties	06/30/2022	of which: related parties
(a) Cash and cash equivalents	2	0	4	0	2	0
(b) Cash equivalents	10,005	0	19,703	0	26,157	0
(c) Current financial assets	0	0	0	0	0	0
(d) Cash and cash equivalents (a)+(b)+(c)	10,007	0	19,707	0	26,159	0
(e) Current financial payables (excluding current portion of non current financial payables)	(678)	0	(668)	0	(594)	0
(f) Current portion of non-current financial payables	(1,682)	0	(2,310)	0	(3,566)	0
(g) Current financial payables (e + f)	(2,360)	0	(2,978)	0	(4,160)	0
(H) NET CURRENT FINANCIAL PAYABLES (g - d)	7,647	0	16,729	0	21,999	0
(i) Non-current financial payables	(8,162)	0	(9,111)	0	(9,892)	0
(j) Debt instruments	0	0	0	0	0	0
(k) Trade payables and other non-current liabilities	0	0	0	0	0	0
(L) Non-current financial indebtedness (I)+(J)+(K)	(8,162)	0	(9,111)	0	(9,892)	0
(M) NET FINANCIAL INDEBTEDNESS (H) + (L)	(515)	0	7,618	0	12,107	0

During the first half of 2023, current operations continued the positive generation of cash with *operating cash flow* of EUR 5.8 million. The increase in the change in net working capital, as a result of the increase in period costs, added to the standard peak cash needs due to the seasonal nature of the ice cream business, absorbed liquidity for approximately EUR 6.3 million. Moreover, investments were made during the period to renew production plant and equipment for about EUR 2.7 million, other financial investments for EUR 0.2 million and paid tax for approximately EUR 0.9 million.

In addition, financial interest of EUR 0.4 million was received in the half-year.
In line with its policy, Valsoia S.p.A. also distributed dividends in the same period for EUR 4.1 million.

As an additional element of information, it should be noted that a significant portion of the cash and cash equivalents, totalling EUR 20,197 thousand, was used for an investment in non-current credit financial instruments measured at fair value at June 30, 2023 in the amount of EUR 19,172 thousand.

For more information, a representation of the Net Financial Position including this non-current asset is shown below:

Description (EUR 000)	06/30/2023	12/31/2022	06/30/2022
Cash	2	4	2
Current accounts and bank deposits	10,005	19,703	26,157
Current financial assets	0	0	0
Total cash and cash equivalents	10,007	19,707	26,159
Current loans and borrowings	(1,682)	(2,310)	(3,566)
Current payables for leases -	(678)	(668)	(594)
Current net financial position	7,647	16,729	21,999
Medium- to long-term financial assets	19,172	19,471	9,981
Non-current loans and borrowings	(6,618)	(7,409)	(8,300)
Non-current payables for leases -	(1,544)	(1,702)	(1,592)
TOTAL NET FINANCIAL POSITION	18,657	27,089	22,088

"Medium- to long-term financial assets" include an investment made starting June 2022, for a nominal EUR 19.9 million, in the Italian government bond BTP "Italia" maturing in June 2030. The value actually invested was EUR 20.2 million and the fair value valuation at June 30, 2023 according to IFRS9 shows a current value of EUR 19.2 million. A reserve of more than EUR 1 million is therefore entered in the shareholders' equity.
The purpose of the investment is to counteract the depreciation of purchasing power due to the recent inflation rates in Italy's economy and the resulting inflation forecasts for the future. For further details, please refer to the Notes to the Financial Statements.

Consequently, at June 30, 2023, the Company's total Net financial position was positive and equal to EUR 18.7 million. Excluding the purely accounting effects of the application of IFRS16, the net financial position amounted to EUR 20.9 million compared to EUR 29.4 million at the beginning of the period (EUR -8.5 million).

MAIN RISKS AND UNCERTAINTIES TO WHICH THE COMPANY IS EXPOSED

Risks of a financial nature and derivative instruments

Foreign Exchange Risk

The Company purchases raw materials for its production in the international market and carries out business transactions in euros and, as regards purchases made from the United States of America, in US dollars. At the same time, the Company makes sales of finished products abroad (EEC and non-EEC) and settles the related business transactions mainly in euros, with the exception of sales in the United States of America which are settled in US dollars.
The exchange rate risk therefore derives from the net exposure in US dollars.
During the year, the Company did not implement currency forward purchase operations.

Credit Risk

The Company deals with customers mainly in the “large-scale retail trade”, which historically have had an overall low insolvency rate and whose risk profile has not been significantly affected by the COVID-19 health emergency. Therefore, the Company monitors carefully the quality of its receivables in terms of risk control.

Interest Rate Risk

Given the capital and financial structure, and in consideration of the conditions under which the outstanding loans were taken out (fixed rate), it is believed that the Company is not particularly exposed to the risk of changes in the interest rates. The investment made in long-term financial assets (BTP Italia) provides a fixed-rate coupon (floor) in addition to a revaluation based on the current inflation rate.

Cash and changes in Cash Flows Risk

Considering the positive net financial position and the strong capacity to generate cash flows from operations, the risk from changes in the cash flows is estimated to be relatively low. Valsoia was also granted significant credit facilities by the banks, not used to date, which are more than adequate with respect to its current needs.

Operating risks

Risks related to the food/health sector

Although Valsoia guarantees effective quality control on its own production and on externally acquired products through the constant monitoring of raw materials, production processes and finished products, it cannot be excluded that, similarly to any other company operating in the food sector, an accidental contamination of the product by external agents, unpredicted in the formulation of the product, may occur.
In particular, Valsoia has always chosen to use only raw materials that are not genetically modified. For this purpose, the Company requires certifications from all the suppliers of raw materials, as a proof of their GMO-free status. In addition, the Company requires CSQA certifications to confirm the absence of genetically

modified organisms both in the raw materials used and in the finished products; however, Valsoia cannot exclude their accidental presence in marketed products.
In general, contamination of products by external agents, including genetically modified organisms above the tolerance threshold, would involve a recall of the products from the market, with related financial burdens, as well as the risk of penalties charged to the Company and to any responsible individual. It also cannot be excluded that, if the use of food produced by Valsoia causes harm to the health of the consumers, the Company may be subject to compensation claims or actions due to these events.

Risks related to safety at the workplace and environmental damages and "Climate Change"
Valsoia owns and manages a production facility in Italy, Serravalle Sesia (VC) for the production of some of the main products of the Company. Valsoia believes that it operates in full compliance with the regulations concerning occupational safety and the protection of the environment. However, it cannot be excluded that, for accidental reasons, the operations at the facility may cause harm to the employees of the Company, to third parties or to the surrounding environment.

In addition, the Company also examined the risk related to Climate Change, i.e. the risk of a catastrophic event resulting from acute weather phenomena that could damage company assets. At the moment, there is no evidence of any trigger events that could generate accounting impacts. In particular, the recoverability of the value of inventories, the potential impacts on the remaining useful life of assets due to the potential need to replace them in order to comply with new policies or for non-compliance with regulations in force, and potential impacts on the demand for products were examined, without finding any critical issues. Given the continuous evolution of the subject, the Company will continue and expand its monitoring of such possible risks in the future.

Risks related to operations carried out at the production facilities of third parties and providers of logistic services
In addition to the Serravalle Sesia production facility, the Company partners with third parties for the supply of some products.
The marketing of products in Italy is carried out through a network of distribution centres specialised in the distribution logistics of food products.
The production facility, the suppliers and the distribution centres are subject to ordinary operating risks, including, but not limited to: malfunctioning of the equipment, non-compliance with applicable regulations, revocation of permits and licenses, insufficient labour force or work disruptions, circumstances that may involve an increase in production or transport costs, natural disasters, significant disruptions in the supply of raw materials or semi-finished products, and terrorist attacks.
Any sudden and extended business disruption, due to the aforementioned events and other events, may have a negative impact on the financial results of the Company. The use of products and distributors involves also some additional risks and charges among which are the resolution of a contract and less control on the supply/production chain. Any delay or defect in the supplied products or services, as well as the disruption or termination of existing agreements without alternative solutions available in the short term, can have a negative

impact on the activities and financial results of Valsoia.

Risks related to relationships with purchasing centres

Valsoia offers its products to large-scale retail distribution and boasts several hundred customers. In Italy, within large-scale retail distribution, it is normal practice that the execution of trade agreements with the suppliers is carried out for the most part by a limited number of purchasing centres involving a large portion of the Italian current distribution. Even if, despite the relative degree of independence of each single affiliate, the possibility of the direct contact of Valsoia with the individual customers cannot be excluded, each centre avails itself of a significant contractual power in defining new price lists and purchasing conditions, and a possible termination of relationships with one or more of these centres may have a strong negative impact on the financial results of the Company.

Therefore, Valsoia, given the recognition of its trademarks, the high reputation of the services associated with its products and the efficient distribution network, has maintained for many years strong business relationships with all the main Italian purchasing centres.

Risks related with the termination of distribution contracts on behalf of third parties

Currently, 11% of the Company's revenue derives from the distribution of third-party branded products.

A termination of these relationships could in fact have a negative impact, although limited, on the financial results of the Company.

Risks associated with the spread of contagion by "COVID-19"

During the most intense two-year period relating to the health emergency, the Company has always taken action, in line with the indications issued from time to time by the competent authorities, to guarantee the safety of all employees, stakeholders and consumers as well as to ensure business continuity.

From the point of view of business continuity, inventory levels and relationships with co-packers and logistics platforms have been carefully analysed. The operational continuity of the logistics centres has been verified and where possible a potential back up has been created. The co-packers have adopted similar prudential solutions to protect continuity.

Other general risks

Risks related to the competition

Given the fact that the Company operates in the consumer packaged food products sector, currently characterised, in particular regarding the Health division, by increased dynamics without particularly high-entry barriers from a production perspective, an increase in competition by current and new competitors operating in related sectors cannot be excluded.

An additional increase in competition could have negative impacts on the profitability of the Company;

therefore, Valsoia S.p.A., a company leader in the main market segments in which it operates, has been developing for years a careful marketing policy aimed at strengthening its trademarks, already widely recognised and established, together with a strategy to expand the portfolio of brands owned (conventional Food division) and distributed, precisely in order to reduce market risks.

Risks related to the price volatility of raw materials

The prices of raw materials used by the Company are subject to the volatility of the relevant markets. This situation concerns also the other costs for production, transport and distribution of the products that are, in many cases, directly affected by the fluctuations in the price of energy components.

In this scenario of uncertainty, there was a sharp increase in the prices of raw materials used, packaging, services and energy sources, which had a negative impact on the Company's margins but without any consequences on its financial and equity solidity. A return to a more normal scenario is also expected in the medium term.

Risks associated with the war in Ukraine

The conflict between the Russian Federation and Ukraine, which started on February 21, 2022, is still ongoing. Economic sanctions on Russia (and in some cases Belarus) adopted as reaction in response by multiple states, including the EU, the UK, Switzerland, the US, Canada, Japan and Australia, are still in place.

From a commercial point of view, Valsoia did not have and does not have any ongoing direct relations with entities residing in the Russian and Ukrainian territories.

The Company closely monitors the development of the situation in Ukraine, and has implemented, since the outset, procedures aimed at monitoring the sanctioning measures published on the websites of the Official Journal of the European Union, the European Council, the Financial Intelligence Unit - FIU and the Financial Security Committee:

1- Prohibition of establishing commercial, financial or any other kind of relations with subjects residing in the Russian Federation and Ukraine;

2- Strengthening of company data back-up policies, of the Disaster recovery procedure and of the cybersecurity system, in general.

At this time, the Directors do not believe that the conflict still currently underway will result in material uncertainties regarding the going concern assumption.

SIGNIFICANT EVENTS AFTER THE INTERIM PERIOD AND BUSINESS OUTLOOK

During the month of July, the revenue trend continued positively for both Italian and foreign sales, with the latter recovering strongly, thanks in particular to ice cream sales.

Communication activities also continued in Italy and abroad with a special focus on ice cream through sampling and visibility operations, both institutional (television) and OOH (posters and sponsorship of summer events).

The Company's efforts to control the costs of both products and services continued.

OTHER INFORMATION

Sustainability project

The Company published the "Sustainability Report 2022" which, although it is not a "NFS" (Non-Financial Statement) pursuant to Legislative Decree no. 254/2016 in transposition of Directive 2014/95/EU, was presented to the Board of Directors on March 13, 2023 and was made public and distributed to all stakeholders.

Work continued during the half-year on achieving the 2023 targets together with the preparation of guidelines for next year's Report.

The level of involvement of internal Stakeholders was raised, in particular by involving the Key People of the Company, identifying among them the "owners" of the various processes and the related working groups aimed at achieving the Plan objectives.

An operational timetable and verification of progress towards the agreed targets at both annual and multi-annual levels has been established.

Research and development activities

During the period, research and development activities continued in line with the Marketing Plans objectives:
- verification of the qualitative performance of the Company's products in respect of market benchmarks with the aim of maintaining our leadership position enjoyed in Quality, in Italy and abroad;
- research and development of new products that represent the plant-based alternative to existing products with high health performance as well as high organoleptic characteristics;
- research and development in the area of Food brands of the product portfolio, also in market segments adjoining the current lines.

Transactions with related parties

During the period Valsoia did not carry out transactions of particular economic and financial importance with related parties. For a complete analysis, please refer to the Notes to the Interim Financial Report.

NOTES

The Interim Financial Report of Valsoia S.p.A. for the period ended June 30, 2023 was prepared in compliance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union, as well as with Article 9 of Italian Legislative Decree 38/2005.

The term IFRS includes all the revised International Accounting Standards ("IAS") and all the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), formerly known as the Standing Interpretations Committee ("SIC").

In detail, this interim financial report was drawn up in compliance with IAS 34 "Interim Financial Reporting", which envisaged a level of disclosure significantly lower than that necessary for the drafting of the annual financial statements, in the event that complete disclosure financial statements drawn up on the basis of the IFRS have previously been made available to the general public.

With regard to the Balance sheet indicators indicated in this report, the following are understood to have the definition indicated below.

- Net Working Capital: Total current assets (excluding Cash and cash equivalents) – Total current liabilities (excluding short-term payables due to banks)
- Non-current assets: Total non-current assets, net of non-current payables
- Net Financial Position: see table presented above.

Bologna, September 4, 2023

The Chairman of the Board of Directors
Lorenzo Sassoli de Bianchi

3 / Condensed Financial Statements

ACCOUNTING STATEMENTS

FIGURES IN EUROS

STATEMENT OF FINANCIAL POSITION	Notes	June 30, 2023	December 31, 2022
CURRENT ASSETS			
Cash and cash equivalents	(1)	10,007,022	19,706,887
Trade receivables	(2)	19,440,218	13,128,169
Inventories	(3)	15,127,394	12,175,539
Other current assets	(4)	2,679,178	2,363,503
Total current assets		**47,253,812**	**47,374,097**
NON-CURRENT ASSETS			
Goodwill	(5)	17,453,307	17,453,307
Intangible assets	(6)	25,974,142	26,185,754
Property, plant and equipment	(7)	12,709,530	10,710,986
Rights of Use assets	(8)	2,222,072	2,372,408
Financial assets	(9)	463,948	420,000
Other non-current financial assets	(10)	19,171,632	19,470,865
Other non-current assets	(11)	94,126	56,478
Total non-current assets		**78,088,757**	**76,669,798**
TOTAL ASSETS		**125,342,569**	**124,043,895**

STATEMENT OF FINANCIAL POSITION	Notes	June 30, 2023	December 31, 2022
CURRENT LIABILITIES			
Current financial liabilities	(12)	1,682,042	2,310,444
Other current financial liabilities	(13)	677,969	667,955
Trade payables	(14)	25,873,100	23,065,173
Current tax liabilities	(15)	602,739	823,725
Provisions	(16)	185,562	156,936
Other current liabilities	(17)	3,494,926	3,322,736
Total current liabilities		**32,516,338**	**30,346,969**
NON-CURRENT LIABILITIES			
Non-current financial liabilities	(18)	6,618,069	7,408,762
Other non-current financial liabilities	(19)	1,543,658	1,701,819
Deferred tax liabilities	(20)	3,138,594	2,368,594
Employee benefits	(21)	251,628	284,213
Total non-current liabilities		**11,551,949**	**11,763,387**
SHAREHOLDERS' EQUITY	(22)		
Share Capital		3,554,101	3,554,101
Legal Reserve		700,605	700,605
Reserve reassessment/realignment		29,377,470	29,377,470
IAS/IFRS adjustments reserve		(1,202,290)	(1,202,290)
Other Reserves		45,171,099	41,527,999
Profit/(loss) for the period		3,673,297	7,975,653
Total Shareholders' equity		**81,274,282**	**81,933,538**
TOTAL		**125,342,569**	**124,043,895**

ACCOUNTING STATEMENTS

FIGURES IN EUROS

INCOME STATEMENT	Notes	June 30, 2023	June 30, 2022
Revenue and income	(23)		
Revenue		55,809,653	49,543,782
Other income		1,224,817	753,122
Revenue and income		**57,034,470**	**50,296,904**
OPERATING COSTS	(24)		
Purchases		(35,408,465)	(29,020,175)
Services		(11,233,762)	(10,266,950)
Personnel costs		(6,176,282)	(5,820,886)
Changes in inventories		2,951,856	1,835,592
Other operating costs and expenses		(1,081,594)	(453,078)
Total operating costs		**(50,948,247)**	**(43,725,496)**
GROSS OPERATING RESULT		**6,086,223**	**6,571,408**
Amortisation, depreciation and write-downs	(25)	(1,404,587)	(1,318,075)
NET OPERATING RESULT		**4,681,635**	**5,253,333**
Financial Income/(Expenses)	(26)	411,662	(79,149)
PROFIT BEFORE TAX		**5,093,297**	**5,174,184**
TAXES	(27)		
Income taxes		(650,000)	(778,287)
Deferred tax assets/liabilities		(770,000)	(640,000)
Total taxes		**(1,420,000)**	**(1,418,287)**
PROFIT/(LOSS) FOR THE YEAR		**3,673,297**	**3,755,897**
Basic EPS	(28)	0.341	0.350
Diluted EPS		0.335	0.349

ACCOUNTING STATEMENTS

FIGURES IN EUROS

STATEMENT OF COMPREHENSIVE INCOME	Notes	June 30, 2023	June 30, 2022
PROFIT (LOSS) FOR THE PERIOD		3,673,297	3,755,897
OTHER COMPREHENSIVE INCOME/(EXPENSE) WHICH WILL NOT BE SUBSEQUENTLY			
RECLASSIFIED TO PROFIT/(LOSS) FOR THE PERIOD			
Revaluations of defined benefit net liabilities/(assets)			
Equity securities valued at FVOCI		(299,233)	(18,850)
including tax effect		*83,486*	*5,259*
Total		**(299,233)**	**(18,850)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (LOSS)		**3,374,064**	**3,737,047**

ACCOUNTING STATEMENTS

FIGURES IN EUROS

	STATEMENT OF CASH FLOWS FOR THE PERIODS ENDED AT	June 30, 2023	June 30, 2022
A	**Cash flows from operating activities**		
	Profit for the year	3,673,297	3,755,897
	Adjustments for:		
	. Amortisation, depreciation and write-down of tangible fixed assets	683,364	666,022
	. Amortisation, depreciation and write-down of intangible fixed assets	354,699	322,275
	. Amortisation, depreciation and write-down of tangible fixed assets for rights of use	366,524	329,777
	. Net financial charges/(income)	(411,662)	79,149
	. Net change in other provisions	(324,637)	359,316
	. Capital (gains) - Losses from asset disposal	0	(5,378)
	. Share-based payment transactions settled with equity instruments	59,281	59,359
	. Income taxes	1,420,000	1,418,287
		5,820,867	*6,984,704*
	Changes in:		
	(Increase)/Decrease in trade receivables	(6,350,704)	(9,489,533)
	(Increase)/Decrease in Inventories	(2,559,936)	(2,059,723)
	Increase/(Decrease) in trade payables	2,807,927	6,849,934
	(Increase)/Decrease in other receivables	(315,675)	129,807
	Increase/(Decrease) in other payables	172,190	143,567
	Increase/(Decrease) in provisions and employee benefits	(34,341)	(16,135)
-	*Changes in Working Capital*	*(6,280,539)*	*(4,442,083)*
	Cash and cash equivalents generated by operating activities	(459,673)	2,542,621
B	**Interest paid**	**(27,676)**	**(63,749)**
C	**Income tax paid**	**(870,986)**	**(612,427)**
	Net cash and cash equivalents generated by operating activities	**(1,358,334)**	**1,866,445**
D	**Cash flows from investment activities**		
-	Net increases in property, plant and equipment	(2,681,909)	(790,308)
-	Net increases in intangible assets	(143,087)	(69,821)
-	Net investments in financial assets	(81,596)	0
-	Interest collected	441,096	(15,400)
	Net cash and cash equivalents absorbed / generated by investment activities	**(2,465,496)**	**(875,529)**
E	**Cash flows from financing activities**		
	Proceeds from the issue of shares	0	7,842
	Investment / (Realisation) Non-current Financial Assets	0	(10,000,000)
	Increase/(decrease) in financial liabilities	(1,419,097)	(1,729,828)
	Payment of lease liabilities	(364,336)	(284,835)
	Dividends paid	(4,092,601)	(4,069,193)
	Net cash and cash equivalents generated from financing activities	**(5,876,035)**	**(16,076,014)**
F	**Net increase/decrease in cash and cash equivalents**	**(9,699,865)**	**(15,085,098)**
	Cash and cash equivalents at January 1	19,706,887	41,245,097
G	**Cash and cash equivalents at June 30**	**10,007,022**	**26,159,999**

ACCOUNTING STATEMENTS

FIGURES IN EUROS

STATEMENT OF CHANGES IN EQUITY	SHARE CAPITAL	LEGAL RESERVE	REALIGNMENT RESERVES	ADJUST. RESERVE IAS/IFRS	OTHER RESERVES	PROFIT/ (LOSS) FOR THE PERIOD	TOTAL SHAREHOLDERS' EQUITY
BALANCE AS AT JANUARY 1, 2022	**3,533,773**	**700,605**	**29,377,470**	**- 1,202,290**	**38,861,731**	**7,364,512**	**78,635,801**
2022 changes							
Allocation of profit for FY 2021:							
- Dividend distribution						(4,069,193)	(4,069,193)
- Reserves					3,295,319	(3,295,319)	0
							0
CS increase for 2019-2022 SOP	7,842						7,842
Reclassification of reserves							
SOP charges					59,359		59,359
Comprehensive income/(loss)							
- Result for the period						3,755,897	3,755,897
- Other components of the income statement					(18,850)		(18,850)
BALANCE AS AT JUNE 30, 2022	**3,541,615**	**700,605**	**29,377,470**	**- 1,202,290**	**42,197,559**	**3,755,897**	**78,370,857**

STATEMENT OF CHANGES IN EQUITY	SHARE CAPITAL	LEGAL RESERVE	REALIGNMENT RESERVES	ADJUST. RESERVE IAS/IFRS	OTHER RESERVES	PROFIT/ (LOSS) FOR THE PERIOD	TOTAL SHAREHOLDERS' EQUITY
BALANCE AS AT JANUARY 1, 2023	**3,554,101**	**700,605**	**29,377,470**	**- 1,202,290**	**41,527,999**	**7,975,653**	**81,933,538**
2023 changes							
Allocation of profit for FY 2022:							
- Dividend distribution						(4,092,601)	(4,092,601)
- Reserves					3,883,052	(3,883,052)	0
							0
CS increase for 2022-2025 SOP							0
Reclassification of reserves							
SOP charges					59,281		59,281
Comprehensive income/(loss)							
- Result for the period						3,673,297	3,673,297
- Other components of the income statement					(299,233)		(299,233)
BALANCE AS AT JUNE 30, 2023	**3,554,101**	**700,605**	**29,377,470**	**- 1,202,290**	**45,171,099**	**3,673,297**	**81,274,282**

NOTES TO THE FINANCIAL STATEMENTS

Introduction

Valsoia S.p.A. (hereinafter "Valsoia" or the "Company") is a joint stock company established in Italy, registered with the Companies Register of Bologna, with fully paid-up share capital of EUR 3,554,100.66, with registered office in Italy, Bologna, Via Barontini 16/5, listed on the Euronext Milan (EXM) of Borsa Italiana S.p.A.

Valsoia, at the closing date of the interim period, holds a controlling equity investment in Valsoia Pronova d.o.o. (SLO) and in the Swedish Green Food Co. AB (SWE). In consideration of the insignificance of the financial figures of these subsidiaries, Valsoia does not prepare consolidated financial statements.
As provided for in the relevant accounting standards, Group reports will be prepared when considered relevant in terms of complete information on the financial and business results of the Group. The relevance will be based, inter alia, on the impact of the balance sheet assets and business volume developed by the subsidiaries, any indebtedness pertaining to them and any other factors that may be relevant for the user of the financial statements or the interim information.

The Interim Financial Report includes:

- The statement of financial position at June 30, 2023, compared with the results of December 31, 2022. In the schedules presented in this section, the statements of financial position provide a classification based on the current, or non-current, nature of the items comprising it, where:
  - current assets are represented by cash or cash equivalents, by assets that are expected to be realised, sold or consumed during the ordinary operations of the company, by assets held for trading, by assets that are expected to be realised within twelve months from the reporting date. All other assets are classified as non-current;
  - current liabilities are the liabilities that will be presumably extinguished during the ordinary operations of the company or within 12 months from the reporting date, or the liabilities that do not have an unconditional right to the deferral of their extinction beyond twelve months. All other liabilities are classified as non-current.

Pursuant to Consob Resolution No. 15519 of July 27, 2006, the financial effects of the transactions with related parties, if significant, are recognised separately in the statement of financial position.

- The income statement for the first half of 2023, compared with the income statement of the same period in the previous year. In particular, it must be noted that the adopted income statement, compliant with the IAS 1 provisions, shows the following interim result, not defined as an accounting measurement according to the IFRSs (therefore it is possible that the definition criteria of such interim results may not be consistent with those adopted by other companies), since Company Management believes that it contains significant information for understanding the Company's results:

- EBITDA: comprises the Net profit (loss) for the period, before taxes, gains and losses arising from financial operations, amortisation/depreciation and write-downs of fixed assets carried out during the relevant period.

- The statement of comprehensive income for the first half of 2023, compared with the income statement of the same period in the previous year presented in accordance with the matters envisaged by IAS 1;

- The statement of cash flows for the first half of 2023, compared with the statement of cash flows of the same period of last year. In preparing the statement of cash flows, the indirect method – by which the profit or loss of the period is adjusted based on the effects of non-monetary operations, by any deferral or allocation of previous or future operating income or payments and by items of costs and revenue related to the financial flows arising from investment or financial activities – was adopted;

- The statement of changes in equity for the first half of 2023 compared with those of the first half of 2022.

This information, in its entirety, represents the interim financial report at June 30, 2023 of Valsoia S.p.A. in accordance with the matters envisaged by IAS 34 and Article 154-ter of Italian Legislative Decree No. 58/1998.

The amounts are expressed in thousands of EUR.

Preparation criteria

This interim financial report for the six-month period ended June 30, 2023 has been prepared in accordance with the provisions of article 154 ter., paragraph 5. of Legislative Decree 58/98 - T.U.F. - and subsequent amendments and additions - in compliance with article 2.2.3. of the Stock Exchange Regulations - and in application of IAS 34. It does not include all the information required by IFRS in the preparation of annual financial statements and should therefore be read in conjunction with the Company's latest annual financial report for the year ended December 31, 2022 (the "latest annual financial statements"). While not including all the information required for full financial statement disclosure under IFRS Standards, specific notes are included to explain events and transactions that are relevant to understanding changes in the Company's financial position and performance since the last annual financial statements.
These condensed interim financial statements were authorised for publication by the Board of Directors on September 4, 2023.

Use of estimates and evaluations

In preparing these condensed interim financial statements, management had to make judgements and estimates that affect the application of accounting standards and the amounts of assets, liabilities, expenses and revenue recognised in the financial statements. However, it should be noted that since these are estimates, the results obtained will not necessarily be the same as those represented in these financial statements.

Management's significant judgements in the application of accounting standards and the main sources of estimation uncertainty are unchanged from those already explained in the last annual financial statements.

Fair value measurements

The fair value of financial instruments traded on an active market is based on listed market prices at the reporting date. The fair value of instruments that are not traded on an active market is determined by using measurement techniques with a variety of methods and assumptions that are based on market conditions at the reporting date.

The classification of the fair value of financial instruments is based on the following hierarchy:
- Level 1: fair value determined with regard to quoted prices (unadjusted) in active markets for identical financial instruments;
- Level 2: fair value determined using valuation techniques, based on inputs that are observable in active markets;
- Level 3: fair value determined using valuation techniques, based on market inputs that are not observable.

Financial instruments exposed to fair value are classified in level 2 and the general criterion used to calculate it is the present value of the expected future cash flows of the instrument being measured.

Liabilities related to bank debt are measured according to the amortised cost method. Trade receivables and payables have been valued at book value, net of the allowance for doubtful accounts, as they are considered to approximate current value.
The following table provides a breakdown of financial assets and liabilities by category at June 30, 2023 and December 31, 2022:

Period ended June 30, 2023				
	Loans and receivables	Fair value Government securities (Level 1)	Other liabilities	Total
Financial assets not measured at fair value				
Cash and cash equivalents	**10,007,022**	**-**	**-**	**10,007,022**
Trade receivables	**19,440,218**	**-**	**-**	**19,440,218**
Other assets	**2.773.304**	**-**	**-**	**2.773.304**
Financial assets measured at fair value				
Non-current financial assets		**19,171,632**		**19,171,632**
Financial liabilities not measured at fair value				
Financial liabilities	**-**	**-**	**8,300,111**	**8,300,111**
Trade payables	**-**	**-**	**25,873,100**	**25,873,100**
Other liabilities	**-**	**-**	**3,494,926**	**3,494,926**
Other financial liabilities	**-**	**-**	**2,221,626**	**2,221,626**
Financial liabilities measured at fair value				
Other financial liabilities	**-**	**-**	**-**	**-**

Period ended December 31, 2022				
	Loans and receivables	Fair value Government securities (Level 1)	Other liabilities	Total
Financial assets not measured at fair value				
Cash and cash equivalents	**19,706,887**		**-**	**19,706,887**
Trade receivables	**13,128,169**		**-**	**13,128,169**
Other assets	**2,419,980**		**-**	**2,419,980**
Financial assets measured at fair value				
Non-current financial assets		**19,470,865**		**19,470,865**
Financial liabilities not measured at fair value				
Financial liabilities	**-**		**9,719,207**	**9,719,207**

Trade payables	-	**23,065,173**	**23,065,173**
Other liabilities	-	**3,322,736**	**3,322,736**
Other financial liabilities	-	**2,369,774**	**2,369,774**
Financial liabilities measured at fair value			
Other financial liabilities	-	-	-

Accounting Standards, Amendments and Interpretations endorsed by the EU and effective from January 1, 2023

The following documents published by the IASB Board on March 2, 2022 were adopted by effect of Regulation (EU) No. 2022/357 of March 3, 2022, published in the Official Journal of the European Union on February 12, 2021:

- Disclosure of accounting standards (Amendments to IAS 1 Presentation of financial statements)

- Definition of accounting estimates (Amendments to IAS 8 Accounting standards, changes in accounting estimates and errors)

Disclosure of accounting standards (Amendments to IAS 1 Presentation of financial statements)

With the Amendments to IAS 1, the IASB Board set out some guidelines for selecting accounting standards to be described in the notes to the financial statements.

IAS 1, prior to the amendments, required entities to disclose information on adopted accounting standards that were significant, leading to difficulties and confusion among drafters and primary users of financial statements as IFRS Standards lacked a definition of "significant".

However, IAS 1 provides the definition of relevant ("material") and, therefore, the IASB amended IAS 1 to clarify that an entity must disclose in the notes to the financial statements the relevant information on the accounting standards adopted and not describe all significant accounting standards. The Amendments to IAS 1 describe certain circumstances in which an entity might normally conclude that information about an accounting policy is relevant to its financial statements.

The "specific" obligation to describe the valuation criteria ("measurement basis") adopted for the preparation of the financial statements has been eliminated, as this information requirement is already included in the "general" obligation to provide relevant information on accounting standards.

As a result of the Amendments to IAS 1, the following accounting standards were also adjusted to align the disclosure requirements on accounting standards with the provisions of IAS 1 described above:

- IFRS 7 Financial Instruments: Disclosures

- IAS 26 Pension Fund Recognition and Presentation

- IAS 34 Interim Financial Reporting.

The Amendments to IAS 1 will become effective for financial statements of financial years beginning on or after January 1, 2023 and early application is permitted.

- Definition of accounting estimates (Amendments to IAS 8 Accounting standards, changes in accounting estimates and errors)

The purpose of the Amendments to IAS 8 is to resolve the interpretative difficulties, encountered in practice, in distinguishing a change in accounting estimates from a change in accounting policies, for which different accounting treatments are provided:

- the effects of a change in accounting estimates are generally recognised prospectively in the financial statements;
- the effects of a change in accounting policies are generally recognised retrospectively.

The current IAS 8 provides an insufficiently clear definition of "change in accounting estimates", as it lacks a specific definition of "accounting estimates". For this reason, the Amendments to IAS 8 focused, on the one hand, on developing a new definition of "accounting estimates" and, on the other hand, on clarifying the relationship between "accounting estimates" and "accounting policies".

The Amendments to IAS 8 will become effective for financial statements for financial years beginning on or after January 1, 2023 and must be applied prospectively. Early application is permitted.

- Regulation (EU) no. 2022/1392 of August 11, 2022 endorsed "Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes)", published by the IASB Board on May 7, 2021.

The Amendments to IAS 12 clarify the accounting treatment of deferred taxes ("DTA/DTL") relating to assets and liabilities recognised in the financial statements as a result of an individual transaction, the carrying amounts of which differ from the tax bases.

The IASB Board has clarified the following:

- the exceptions to the initial recognition of deferred tax assets and liabilities do not apply if a single transaction results in a taxable and deductible temporary difference of equal value in the financial statements;
- deductible and taxable temporary differences must be calculated by considering separately the asset and liability recognised in the financial statements as a result of a single transaction and not on their net value. Deferred tax assets related to deductible temporary differences, determined as indicated above, are recognised in the financial statements only if deemed recoverable.

Finally, the IASB Board has clarified that if taxable and deductible temporary differences relating to the initial recognition of an asset and a liability in the financial statements as a result of a single transaction have a different value, the entity should not recognise the assets and liabilities for deferred taxes, as their initial recognition would result in an initial adjustment to the carrying amount of the asset or liability to which they relate, making the financial statements less transparent.

The Amendments to IAS 12 are effective for financial statements for financial years beginning on or after January 1, 2023. Early application is permitted by providing adequate disclosure in the notes to the financial statements.

The transitional provisions for first-time application of the Amendments to IAS 12 provide as follows:

- the Amendments to IAS 12 are to be applied to all transactions entered into since the opening date of the first comparative period presented;
- at the opening date of the earliest comparative period presented, the entity shall recognise as an adjustment to the opening balance of retained earnings (or, based on the specific circumstances, other component of equity) deferred tax assets, if deemed recoverable, and deferred tax liabilities with respect to all deductible and taxable temporary differences regarding:

- right-of-use assets and lease liabilities; and

- provisions for decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the relevant asset.

The above transitional provisions are also applicable by entities that prepare their financial statements in accordance with IFRS Standards for the first time ("first-time adopters"). In this case, the opening date of the first comparative period presented coincides with the date of transition to IFRS ("transition date").

- First-time application of IFRS 17 and IFRS 9 - Comparative information (Amendments to IFRS 17 Insurance contracts)

Effective for financial statements for annual periods beginning on or after January 1, 2023, will be IFRS 17 Insurance contracts, which is the new accounting standard, replacing IFRS 4, applicable to the recognition, measurement, presentation and disclosure of insurance contracts issued by an entity and/or reinsurance contracts held by an entity.

Entities primarily engaged in the business of insurance and which, as of January 1, 2018, had exercised

the option to postpone the application of IFRS 9 Financial Instruments, while continuing to apply the provisions of IAS 39 Financial Instruments: Recognition and measurement for the recognition, measurement and presentation of financial instruments, both IFRS 17 and IFRS 9 will have to be applied for the first time from January 1, 2023.

The Amendments to IFRS 17 are intended to eliminate accounting mismatches that may arise in comparative financial statement data as a result of the first-time application of IFRS 17 and IFRS 9.

The transitional provisions of IFRS 17, in fact, stipulate that the new standard must be applied retrospectively for the first time with restatement of comparative data, unlike the transitional provisions of IFRS 9, which do not require the restatement of comparative data and, in particular, do not require the application of the new provisions of IFRS 9 with regard to the classification and measurement of financial assets, if such financial assets have been derecognised under IAS 39 during the comparative period.

In particular, with the Amendments to IFRS 17, the IASB Board included among the transitional provisions of IFRS 17 a new option, called "classification overlay", which allows insurance entities applying IFRS 17 and IFRS

9 at the same time to classify and measure insurance-related financial assets in the comparative financial statements according to the requirements of IFRS 9.

- By Regulation (EU) no. 2021/2036 of November 19, 2021, the European Commission endorsed IFRS 17 Insurance Contracts, in the version published by the International Accounting Standards Board on May 18, 2017 and subsequently amended on June 25, 2020.

IFRS 17, which replaces IFRS 4 Insurance contracts, is effective for annual periods beginning on or after January 1, 2023. Early application is permitted for entities that already apply IFRS 9 Financial Instruments or that begin to apply this standard from the date of first-time application of IFRS 17.

The main amendments introduced by the new standard include, in particular:

- valuation of technical provisions at, essentially, current values
- transformation of the estimate of the expected profit of insurance contracts into an accounting measure; IFRS 17 introduces the concept of the expected profit of insurance contracts to be recognised in the profit/(loss) for the year over the life of the contract
- introduction of the concept of a “portfolio of insurance contracts”, which in turn is subdivided into “groups of insurance contracts”
- new presentation in the statement of profit/(loss) for the year significantly different from the past and more aligned to a “by margin” logic.

The following is a list of documents applicable beginning with the Financial Statements for fiscal years beginning on January 1, 2023 described above:

Document Title	Issue date	Effective date	EU endorsement regulation date (OJEU publication date)
Disclosure of accounting standards (Amendments to IAS 1) (*)	February 12, 2021	January 1, 2023	(EU) 2022/357 of March 2, 2022 (March 3, 2022)
Definition of accounting estimates (Amendments to IAS 8)	February 12, 2021	January 1, 2023	(EU) 2022/357 of March 2, 2022 (March 3, 2022)
Deferred taxes related to assets and liabilities arising from a single transaction (Amendments to IAS 12)	May 7, 2021	January 1, 2023	(EU) 2022/1392 of August 11, 2022 August 12, 2022
IFRS 17 Insurance Contracts (**) (including amendments of June 25, 2020)	May 18, 2017 June 25, 2020	January 1, 2023	(EU) 2021/2036 of November 19, 2021 (November 23, 2021)
First-time application of IFRS 17 and IFRS 9 - Comparative information (Amendments to IFRS 17)	December 9, 2021	January 1, 2023	(EU) 2022/1491 of September 8, 2022 (September 9, 2022)

(*) The document published by the IASB Board includes amendments to "IFRS Practice Statements 2 - Making Materiality Judgements", which is not subject to EU endorsement as it is not an accounting standard or interpretation.

(**) The EU endorsed IFRS 17 with a change from the version published by the IASB Board. In particular, the EU has provided entities with an option and not an obligation to group contracts characterised by intergenerational mutualisation and cash flow matching into annual cohorts.

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

Document Title	Issue date	Effective date	EU endorsement regulation date (OJEU publication date)
Standards			
IFRS 14 Regulatory deferral accounts	January 30, 2014	January 1, 2016 (*)	Unscheduled
Amendments			
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	September 11, 2014 December 17, 2015	Indefinite (**)	Unscheduled
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) + Non-current Liabilities with Covenants (Amendments to IAS 1)	January 23, 2020 July 15, 2020 October 31, 2022	January 1, 2024	TBD
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	September 22, 2022	January 1, 2024	TBD

(*) IFRS 14 entered into force on January 1, 2016, but the European Commission has decided to suspend the approval process pending the new accounting standard on "rate-regulated activities".

(**) In December 2015, the IASB Board published the document "Effective date of amendments to IFRS 10 and IAS 28", by which it removed the mandatory effective date (which was scheduled to become effective on January 1, 2016) pending completion of the equity method project.

Analysis of the breakdown of the main items of the statement of financial position

VALSOIA SpA

Current assets

Note (1) – Cash and cash equivalents

This item breaks down as follows:

Description	06/30/2023	12/31/2022
Cash	2	4
Current accounts and bank deposits	10,005	19,703
Total cash and cash equivalents	10,007	19,707

At June 30, 2023, the Company availed itself of receivable interest rates on current account balances. Following are details on the Net Financial Position at June 30, 2023, December 31, 2022 and June 30, 2022.For details on the changes in the Net Financial Position, please refer to the Directors' Report, which accompanies this interim financial report:

Description (EUR 000)	06/30/2023	of which: related parties	12/31/2022	of which: related parties	06/30/2022	of which: related parties
(a) Cash and cash equivalents	2	0	4	0	2	0
(b) Cash equivalents	10,005	0	19,703	0	26,157	0
(c) Current financial assets	0	0	0	0	0	0
(d) Cash and cash equivalents (a)+(b)+(c)	10,007	0	19,707	0	26,159	0
(e) Current financial payables (excluding current portion of non current financial payables)	(678)	0	(668)	0	(594)	0
(f) Current portion of non-current financial payables	(1,682)	0	(2,310)	0	(3,566)	0
(g) Current financial payables (e + f)	(2,360)	0	(2,978)	0	(4,160)	0
(H) NET CURRENT FINANCIAL PAYABLES (g - d)	7,647	0	16,729	0	21,999	0
(i) Non-current financial payables	(8,162)	0	(9,111)	0	(9,892)	0
(j) Debt instruments	0	0	0	0	0	0
(k) Trade payables and other non-current liabilities	0	0	0	0	0	0

(L) Non-current financial indebtedness (I)+(J)+(K)	(8,162)	0	(9,111)	0	(9,892)	0
(M) NET FINANCIAL INDEBTEDNESS (H) + (L)	(515)	0	7,618	0	12,107	0

As an additional element of information, it should be noted that during the previous year, in several tranches, a significant portion of the cash and cash equivalents (totalling EUR 20,197 million) was used for an investment in non-current credit financial instruments measured at fair value in this report in the amount of EUR 19,172 million (*see note 10*).

Note (2) - Trade receivables

Trade receivables derive from ordinary sale transactions, mainly with national operators in the Large-scale retail and Wholesale sectors.
This item breaks down as follows:

Description	06/30/2023	12/31/2022
Trade receivables (nominal value)	20,658	14,307
Allowance for doubtful accounts	(1,218)	(1,179)
Total trade receivables	19,440	13,128

The increase in trade receivables is inherent and partly due to the seasonal performance of business volumes (in consideration of ice cream sales concentrated in the summer months with collection deferred to the autumn months) and partly due to the rise in turnover in the period under review, as compared with the same period of last year.
The receivables are stated net of the Allowance for doubtful accounts determined in accordance with accounting standard IFRS 9, based on a prudent estimate of the collection risks, having taken into account the information available as regards the solvency risk of the individual positions, their ageing and the losses on receivables recognised in the past for similar types of receivables, as well as the projections of the average collection time-scales by type of counterparty and geographic area. The following table shows a summary of the afore-mentioned Trade receivables, broken down by ageing. There have been no particular changes in the collection conditions with respect to the previous year.

Description	06/30/2023	12/31/2022
Trade receivables (nominal value)		
- past due by over 12 months	617	551

- past due by over 30 days	581	1,141
- past due within 30 days	3,882	2,697
- with subsequent expiry	15,578	9,918
Total trade receivables (gross)	20,658	14,307

Receivables past due by more than 12 months at the end of the last financial year consisted mainly of receivables from legal counsel: to date, a total of EUR 24 thousand of these have been carried at a loss.
The changes in the allowance for doubtful accounts are shown below:

Description	06/30/2023	12/31/2022
Opening balance	1,179	1,069
- (usage)	(24)	(31)
- allocations	63	141
Total allowance for doubtful accounts	1,218	1,179

The allowance made for Doubtful Accounts at 06/30/2023 are included in the item "Other overheads" in the Income Statement.

Note (3) - Inventories

This item breaks down as follows:

Description	06/30/2023	12/31/2022
Raw materials, ancillary and consumable materials	2,906	2,620
Work in process	757	695
Finished goods	11,464	8,861
Total inventories	15,127	12,176

The value of the raw and ancillary materials was up with respect to last December 31 due to the seasonal nature of the activities linked to ice cream. At June 30, 2023, the value of the inventory of finished products showed a more marked increase due to two main factors: the new distribution of the Haagen-Dazs ice-cream line, which exacerbates the "seasonality" factor, and a general delayed start to sales of the Ice Cream line due to adverse weather factors in May and June.
The measurement of the closing inventories is carried out net of the provision for inventory obsolescence, amounting to a total of EUR 320 thousand at the end of the period (EUR 712 thousand at December 31,

2022), in order to adjust its assessment to the presumed realisable value.
Inventories are not subject to any obligations or restrictions related to property rights.

Note (4) - Other current assets

This item breaks down as follows:

Description	06/30/2023	12/31/2022
Tax receivables	632	1,219
Prepayments and accrued income	516	0
Other current receivables	1,531	1,145
Total other current assets	2,679	2,364

"Tax receivables" refer to the VAT credit position at year-end and to gas and energy tax credits allocated by virtue of the various legislative measures that followed in the first half of 2023 to mitigate the increase in energy costs.
The item "Other current receivables" includes advances to suppliers granted on orders in progress related to the major investments planned at the Serravalle Sesia (VC) production site.

Non-current assets

Note (5) - Goodwill

The item *Goodwill* shows the following changes for the period:

Description	12/31/2022	Changes	06/30/2023
	Net value	Increases / (Decreases)	Net value
Santa Rosa Goodwill	3,230	0	3,230
Diete.tic goodwill	4,968	0	4,968
Loriana goodwill	9,255	0	9,255
Total goodwill	17,453	0	17,453

The goodwill recognised derives:

- with regard to Santa Rosa, from the allocation of the residual amount from the premium of the investment value, compared with the fair value of the assets and liabilities of J&T Italia S.r.l., a company to which the Santa Rosa business made reference, following the merger by incorporation of the same finalised in previous years;

- with regard to Diete.Tic, from the process of Purchase Price Allocation as regards the positive difference between the Business Unit value concerning the liquid sweetener "Diete.Tic" acquired on October 2, 2017 and the fair value of the single assets that compose it;
- as regards Loriana, from the Purchase Price Allocation process of the positive difference between the value of the business unit relating to the "Loriana" Piadina acquired on December 31, 2021, and the fair value of the individual assets that comprised it.

Pursuant to the IAS/IFRS standards, goodwill is not amortised but is tested for impairment annually at the time of the drawing up of the annual financial statements, in accordance with the matters envisaged by IAS 36. Since no trigger events or potential indicators of impairment have been identified, the Company, in line with what has been done in previous years, has not updated the impairment test performed in 2022, deferring this to when preparing the annual financial statements.

Note (6) – Intangible assets

The item Intangible assets shows the following changes for the period:

Description	12/31/22	Changes for the period		06/30/23
	Net value	Net Increases/ (decreases)	Amort./Write-downs	Net value
Trademarks	24,155		(166)	23,988
Industrial patents and intellectual property rights	1,854	9	(146)	1,717
Other	178	133	(42)	269
Intangible assets	26,186	142	(354)	25,974

There have been no particular increases in the period.

The item Trademarks mainly refers to the Santa Rosa trademark of EUR 20,060 thousand, valued at fair value as part of the allocation of the value of the investment in J&T Italia S.r.l. following the aforementioned merger by incorporation.

The Santa Rosa trademark, as allowed by IAS 38 and in line with that applied in previous years, has been considered as having an indefinite useful life and therefore it is not amortised, based on the following reasons:

- it has a priority role in the Valsoia strategy;
- the trademark is owned and appropriately registered and constantly protected, pursuant to the law, with options for the renewal of the legal protection at the expiry of the registration periods, with limited

costs incurred;

- the products marketed by the Company under this trademark are not subject to technological obsolescence, as is also typical of the food sector in which the Company operates;
- the sector of reference of the "Santa Rosa" trademark shows characteristics of stability with a limited impact from product innovation or changes in the market demand;
- the level of trade investments needed to obtain the financial benefits expected from this business sector is sustainable for the Company and falls within the scope of the corporate strategies.

The value of the Santa Rosa trademark is tested for impairment at least annually at the time of the drawing up of the annual financial statements, in accordance with the matters envisaged by IAS 36.

Intangible assets also include trademarks and patents, valued upon their first recognition at fair value, belonging to the Business Unit producing the liquid sweetener "Diete.Tic", acquired during 2017. The net book value, at June 30, 2023, of the "Diete.Tic" trademark was EUR 788 thousand and the patents were EUR 1,461 thousand.

The fair value of the Diete.Tic trademark and of the Patents protecting the production process was measured with the support of a third party independent expert, using a market method called "relief from royalties". This method of measurement, which uses inputs that are observable from the market, is a methodology that is preferred by the accounting standards.

The Patents are amortised according to their residual useful life based on their expiry date; the "Diete.Tic" trademark, according to the considerations above, is amortised based on its useful life, estimated at 15 years.

Intangible assets, under Trademarks, also include the Loriana brand (EUR 3,104 thousand), which was measured at fair value upon initial recognition and belongs to the related business unit acquired at the end of the 2021 financial year.

The fair value of the Loriana brand was assessed, with the support of a third-party and independent expert, using a market method called "relief from royalties". This method of measurement, which uses inputs that are observable from the market, is a methodology that is preferred by the accounting standards. The Loriana brand, based on the considerations already set out above, is amortised on the basis of an estimated useful life of 15 years.

Note (7) – Property, plant and equipment

The breakdown of Property, plant and equipment at June 30, 2023 is summarised below:

Description	Historical cost	Accumulated depreciation	Net book value
Land and buildings			
Land:			

- located in the Rubano municipality	908		908
- located in the Serravalle Sesia municipality	1,543		1,543
Buildings:			
- house in Serravalle Sesia	134	(20)	114
- industrial facilities in Serravalle Sesia	6,314	(3,336)	2,978
- light constructions	35	(8)	27
Total land and buildings	8,934	(3,364)	5,570
Plant and equipment			
- fixed systems for offices	160	(141)	19
- specific plant and equipment for the production of plant extracts	6,143	(5,517)	626
- specific plant and equipment for ice cream production	12,524	(10,523)	2,001
- specific plant and equipment for other food production	253	(253)	0
- general plant and equipment for establishments Serravalle	1,604	(1,362)	242
- silos, vats, tanks at the facility of Serravalle	446	(441)	5
- photovoltaic system	372	(370)	2
- plants for jams production	3,960	(3,371)	589
- generic plant at the facility of Sanguinetto	233	(109)	124
- sweeteners production plants	144	(97)	47
- supplement production plant	60	(15)	45
Total plant and equipment	25,899	(22,199)	3,700
Industrial and commercial equipment			
- furniture and equipment for the laboratory	480	(419)	61
- other small equipment	236	(211)	25
- other transportation means	259	(250)	9
Total industrial and commercial equipment	975	(880)	95
Other assets			
- electric and electronic machinery	874	(602)	272
- furniture and equipment for the offices	515	(386)	129
- cell phones	84	(80)	4
- vehicles	321	(250)	71
Total other assets	1,794	(1,318)	476
Fixed assets in progress	2,869	-	2,869
Total property, plant and equipment	40,471	(27,762)	12,709

The item “Property, plant and equipment” shows the following changes for the period:

Description	12/31/22	Changes for the period			06/30/23
	Value	Increases / purchases	Other changes	Decreases / Dep.	Value
Historical Cost					
Land and buildings	8,897	37			8,934
Plant and equipment	25,653	247			25,900
Industrial and commercial equipment	936	39			975
Other assets	1,613	181			1,794
Fixed assets in progress	690	2,179			2,869
Tot. Historical Cost (A)	37,789	2,682			40,471
Accumulated depreciation					
Land and buildings	3,235			130	3,365
Plant and equipment	21,726			473	22,199
Industrial and commercial equipment	865			15	880
Other assets	1,252			66	1,318
Tot. Acc. depreciation (B)	27,078			684	27,762
Total property, plant and equipment (A-B)	10,711	2,682		(684)	12,709

The increases in property, plant and equipment recorded mainly refer to investments in progress for the expansion of the Serravalle Sesia plant (building works) and, in particular, for the renovation of the “extracts” department (plant and machinery). These investments will be consistent with the directives of the “Industry 4.0” project and will only begin the related depreciation process once they become operational, which is expected to be by the end of next year.

There are no restrictions or encumbrances on the fixed assets.

Note (8) - Right-of-use assets

The item right-of-use assets shows the following changes for the period:

Description	12/31/2022	Changes for the period			06/30/2023
	Value	Increases	Decreases	Other changes	Value
Historical Cost					
Leased buildings	2,442	69			2,511
Leased vehicles	1,158	147	(79)		1,226
Rented electronic equipment	897				897
Tot. Historical Cost (A)	4,496	216	(79)		4,633
Depreciation					
Leased buildings	973	163			1,136
Leased vehicles	765	119	(79)		804
Rented electronic equipment	386	85			471
Tot. Acc. depreciation (B)	2,124	366	(79)		2,411
Total right-of-use assets (A-B)	2,372	(150)			2,222

Note (9) – Financial assets

This item is composed of Investments in subsidiaries and shows the following changes for the period:

Description	Holding in share capital	12/31/22 Value	Changes in the period Increases/ Decreases	06/30/23 Value

Valsoia Pronova d.o.o. - Slovenia	100%	110	-	-	110
Swedish Green Food Co. - Swe	100%	310	44		354
Tot. Financial assets		420	44	-	464

In the first half of 2023:
- the subsidiary Valsoia Pronova d.o.o. recorded sales for EUR 500 thousand with a provisional pre-tax profit of around EUR 52 thousand.
- the subsidiary Swedish Green Food Co. AB realised a turnover of SEK 2,587,227 during the half-year (equal to about EUR 220 thousand) with a provisional loss of SEK 481,483 (equal to about EUR 40 thousand).

To cover these losses, the shareholder Valsoia SpA during H1 2023 converted the loan paid out during the year of about EUR 44 thousand into capital (SEK 500,000).

To date, Valsoia considers that no impairment losses have occurred and no indicators suggesting an impairment test would be appropriate, have been revealed.

Note (10) - Other non-current financial assets

This item breaks down as follows:

Description	06/30/2022	12/31/2022
BTP “Italia” June 2030 Eur	19,172	19,471
Total non-current financial assets	19,172	19,471

This item consists of a nominal EUR 19.921 million investment made last year in the Italian government debt security BTP “Italia” maturing in June 2030, for the sole purpose of counteracting the depreciation of purchasing power due to the recent inflation rates recorded in Italy’s economy and the consequent negative inflation forecasts for the future.

Upon initial recognition, the financial asset was classified and presented using the fair value method with recognition of changes in other comprehensive income. The valuation and classification of the stock was made according to the business model adopted by the company and whether the stock passed the SPPI test, as required by IFRS 9.

The fair value of the BTP is of the stage 1 type, the inputs being quoted prices (unmodified) in active markets for identical assets or liabilities to which the company has free access at the valuation date.

The subscription value of the Security was formed as follows:

- 1st tranche: 10 million subscribed “at par” upon issue on June 27, 2022;
- 2nd tranche: 7 million subscribed at an average price of 102.8895 on August 4, 2022;
- 3rd tranche: 2.921 million subscribed at an average price of 102.5131 between October 27 and November 7, 2022.

Its “fair value” is the official daily quotation on the MOT.

On June 30, 2023, the company updated the valuation of the stock to the listing value of 96.2383. The company therefore recorded a capital loss of EUR 1,025,041 shown in the Statement of Comprehensive Income.

Stock characteristics:

- Type: Italian State Stock,
- Issuer: Ministry of Economy and Finance, Cod. ISIN: IT00005497000,
- Subordination: Senior Stock,
- Bond structure: Inflation-indexed stock,
- Currency negotiation: EUR,
- Market: MOT,
- Coupon rate: 1.60% (“floor” guaranteed),
- Coupon periodicity: Half-yearly,
- Revaluation: FOI former tobacco index.

Note (11) - Other non-current assets

This item breaks down as follows:

Description	06/30/2023	12/31/2022
Guarantee deposits	41	47
Investments in other companies	9	9
Receivables from subsidiaries	44	0
Total other non-current assets	94	56

Receivables from subsidiaries refer to an interest-bearing loan granted to the subsidiary Swedish Green Food Co. AB., in order to support ongoing business investments.

Liabilities and shareholders’ equity

Current liabilities

Note (12) - Current financial liabilities

This item breaks down as follows:

Description	06/30/2023	12/31/2022
Bank loans and borrowings (current instalments)		2,310

1,682

Total Current financial liabilities	1,682	2,310

The item Bank loans and borrowings refers primarily to the instalments, maturing in less than 12 months, referring to non-current loans still in the process of amortisation. There are no covenants or negative pledges on these loans.

Note (13) - Other current financial liabilitiesThis item breaks down as follows:

Description	06/30/2023	12/31/2022
Other current financial liabilities	678	668
Total Other current financial liabilities	678	668

Other current financial liabilities refer to the effects of the application of IFRS16 on Assets for which there is a right of use.

Note (14) – Trade payables

This item breaks down as follows:

Description	06/30/2023	12/31/2022
Trade payables due to suppliers within 12 months	25,873	23,065
Total trade payables	25,873	23,065

The increase in trade payables at June 30, 2023 is partly inherent in relation to the seasonal nature of the production and marketing of ice cream and partly due to the general increase in business volumes during the period and the purchase prices of numerous commodities. In addition, it should also be noted that the increase in the balance also derives from trade payables for the distribution of the “Haagen-Dazs” branded ice cream line commencing on January 1, 2023.
There have been no essential changes in the payment conditions.

Note (15) – Current tax liabilities

This item breaks down as follows:

Description	06/30/2023	12/31/2022
Due to the Tax Authorities for:		
- stamp duty and other	7	3
- withholding taxes applied	562	424
- value added tax	33	0
- substitute tax (current portion)	0	397
Total Current tax liabilities	602	824

Tax payables essentially refer to the payables due to the Tax Authorities for withholdings made on income from employment and freelance work and VAT payables.

Note (16) – Provisions

This item breaks down as follows:

Description	06/30/2023	12/31/2022
Sales return provision	133	99
Provision for customer disputes	53	58
Total provision	186	157

The Sales return provision is a reliable estimate of the returns to be seen during the period after June 30, 2023, with reference to Sales revenue booked during said period.
The provision for customer disputes refers to requests for liquidations of commercial items by customers, with reference to sales made until June 30, 2023 and for which the Company is assessing effective recognition.

Note (17) - Other current liabilities

This item breaks down as follows:

Description	06/30/2023	12/31/2022
Amounts payable to social security institutions	510	495
Amounts due to employees and on-going collaboration contracts	2,603	2,538
Amounts due to others	236	209

Accrued liabilities	146	81
Total Other current liabilities	3,495	3,323

The *Other current liabilities*are mainly composed of payables to employees for salaries, bonuses payable for the period and for the deferred monthly payments accrued at June 30, 2023. Amounts due to others include advance payments received from customers.

Non-current liabilities

Note (18) - Non-current financial liabilities

This item breaks down as follows:

Description	06/30/2022	12/31/2022
Non-current financial liabilities	6,618	7,409
Total Non-current financial liabilities	6,618	7,409

Non-current financial liabilities refers primarily to the instalments, maturing beyond 12 months, relating to existing non-current loans still in the process of amortisation. None of the existing loans have covenants, restrictions or encumbrances.

For comments on the Statement of financial position, see the Directors' Report. The company does not consider a sensitivity analysis of financial payables to changes in interest rates to be meaningful, as these were obtained at fixed rates.

With reference to the information required by IFRS 7, a summary is presented below of the nominal amounts due on the basis of the maturities envisaged in the Loans and borrowings repayment plans mentioned above:

Year	Euro
2024	894
2025	1,689
2026	1,590
2027	1,374
2028	714
2029	357
Non-current loans and borrowings	6,618

Note (19) - Other non-current financial liabilities

This item breaks down as follows:

Description	06/30/2022	12/31/2022
Other non-current financial liabilities	1,543	1,702
Other non-current financial liabilities	1,543	1,702

Other non-current financial liabilities refer to the effects of the application of IFRS16 on Assets for which there is a right of use.

Note (20) - Deferred tax liabilities

This item breaks down as follows:

Description	06/30/2023		12/31/2022	
	Taxable amount	Taxes	Taxable amount	Taxes
Deferred tax assets/Provision for deferred taxes with balancing entry in the Income Statement				
IRES/IRAP CHANGES				
- Trademarks and deferred charges not capitalised pursuant to IAS/IFRS	*9*	*3*	*32*	*9*
- Misalign. of accounting-tax amounts for "Santa Rosa" trademark	*(13,205)*	*(3,684)*	*(11,319)*	*(3,158)*
- Misalign. of accounting-tax amounts for the "Santa Rosa" brand	*2,782*	*776*	*3,589*	*801*
- Misalign. of accounting-tax amounts for the "Diete.Tic" brand	*(1,519)*	*(424)*	*(1,105)*	*(308)*
- Misalign. of accounting-tax amounts for the "Loriana" brand	*(1,285)*	*(359)*	*(1,028)*	*(287)*
- Civil and fiscal variances of the amortisation of Brands	*181*	*51*	*154*	*43*

Description	06/30/2023		12/31/2022	
	Taxable amount	Taxes	Taxable amount	Taxes
- Taxed risk and write-down provisions	2,003	498	2,054	503
- Others	0	0	103	29
Total	(11,034)	(3,139)	(7,520)	(2,368)

The item "Deferred tax assets/(Provision for deferred taxes)" refers to the recognition of temporary differences between the values recorded in the statement of financial position of the assets and liabilities and the related amounts recognised for tax purposes. The credit items are estimated to refer to differences that will be reabsorbed in the medium and long term.

Note (21) - Employee benefits

In the first half of 2023, there were no major changes.

Note (22) - Shareholders' equity

Share capital

The share capital of the Company is fully subscribed and paid up and amounts to EUR 3,554,100.66.

Legal reserve

This is the reserve accrued pursuant to Art. 2430 of the Italian Civil code.

Revaluation reserve

This item is made up of the Revaluation Reserve set aside pursuant to Law 488/2001 and Law 350/2003, as well as the Reserves deriving from all subsequent laws that have allowed the realignment between book and fiscal values.

IAS/IFRS adjustments reserve

The effects of the IFRS adjustments on Shareholders' equity at January 1, 2004 have been recorded in the IAS/IFRS reserve.

Other reserves

The other reserves include:

- extraordinary reserve deriving from the allocation of profits accrued but not yet distributed on a voluntary basis in previous periods, as set forth by the Shareholders' Meeting;
- retained earnings resulting from the application of the IAS/IFRS accounting standards starting from the transition date of January 1, 2004;

- reserve set up within the scope of the Allowance for doubtful accounts, in application of the IAS 8 accounting standard occurring in 2006;
- actuarial gains (losses) reserve: this includes the actuarial gains/losses deriving from the application of the IAS 19 standard;
- reserve from valuation of financial assets to FVOCI arising from the application of IFRS9;
- stock option reserve. This item includes:
    - the 2011-2015 Stock Option Plan reserve set aside for a total amount of EUR 490 thousand, corresponding to the charges applicable to the 5 validity periods of the Plan;
    - the 2016-2019 Stock Option Plan reserve set aside for a total amount of EUR 844 thousand, corresponding to the charges applicable to the 3 validity periods of the Plan;
    - the 2019-2022 Stock Option Plan reserve set aside for a total amount of EUR 1,159 thousand, corresponding to the charges applicable to the 3 validity periods of the Plan;
    - the 2022-2025 Stock Option Plan reserve accrued for a total of EUR 75 thousand, corresponding to the portion pertaining at June 30, 2023 relative to the estimated charges for the years of validity of the Plan, based on reasonable internal forecasts of the achievement of the objectives.

- reserve of EUR 201 thousand following the effects of the first time application (FTA) of the accounting standard IFRS 15.

For details on the items composing the Shareholders' Equity, see the table below:

Description	06/30/2023	12/31/2022	Possibility of use
Share capital	3,554	3,554	-
Legal reserve	701	701	B
Tax revaluation/realignment reserves	29,377	29,377	A, B, D
IAS/IFRS adjustments reserve	(1,202)	(1,202)	-
Other reserves:			
IAS 8 adjustment reserve	469	469	A, B, C
earnings brought forward for transition to IAS/IFRS	417	417	A, B, C
extraordinary reserve	42,718	38,836	A, B, C
S.O.P. reserve 2011-2015	490	490	A, B, C
S.O.P. reserve 2016-2019	844	844	A, B, C
S.O.P. reserve 2019-2022	1,160	1,160	A, B, C
S.O.P. reserve 2022-2025	75	15	A, B, C
Cash flow hedge reserve	0	0	
actuarial gains/losses reserve	13	13	-

valuation reserve IFRS 9	(1,025)	(726)
foreign exchange gains reserve	10	10
Total other reserves	45,171	41,528
Profit/(loss):		
Profit for the period	3,673	7,976
Total Shareholders' equity	81,274	81,934

Key for the possibility of use:

A. Available for share capital increases;

B. Available for loss hedging;

C. Available for shareholders distribution;

D. Available for the distribution to shareholders with the loss of the benefit of tax suspension.

It should also be noted that, during the first half of the year, dividends were distributed to the shareholders for a total of EUR 4.1 million, as an appropriation of profits for the year 2022.

Analysis of the breakdown of the main items of the income statement

Note (23) - Revenue and Income

This item breaks down as follows:

Description	06/30/2023	06/30/2022
Revenue:		
- Revenue - Italy	50,939	44,718
- Revenue - Abroad	4,871	4,826
Total revenue	55,810	49,544
Other income	1,224	753
Total Revenue and Income	57,034	50,297

The revenue is concentrated essentially within the Italian territory and its geographic breakdown is not believed to be significant.

Please see the Directors' Report for the description of the trend of sales broken down by main product lines.

The item "*Other income*" is detailed as follows:

Description	06/30/2023	06/30/2022
- Chargeback to third parties	724	243
- Capital gains on sale of assets	0	5
- Other	500	505
Total other income	1,224	753

The Chargeback to third parties is to be attributed to business and promotional costs incurred pursuant to distribution agreements charged to the counterparty and the recovery of costs incurred on behalf of third parties.

Other income refers to contingent assets and insurance reimbursements, including the portion of the consideration agreed upon following the execution of the Third Party Licensing Agreement for the "Pomodorissimo" Santa Rosa line.

Note (24) - Operating costs

This item breaks down as follows:

Description	06/30/2023	06/30/2022
Purchase costs		
- Raw materials	8,143	7,150
- Ancillary materials	1,854	1,658
- Consumable materials	398	435
- Finished products and goods	25,013	19,777
Total purchases	35,408	29,020
Services		
- Industrial	2,616	2,238
- Marketing and sales	6,521	5,919
- Administrative and general	1,979	2,029
Cost of use of assets owned by other, of third party assets	118	81
Total services	11,234	10,267
Personnel costs- Wage and salaries		
- Social security charges	4,318	4,075

- Post employment benefits (*)	1,376	1,276
- Personnel charges pursuant to SOP	296	248
- Other labour costs	59	59
	127	163
Total labour costs	6,176	5,821
Changes in raw materials inventory	(2,952)	(1,836)
Other overheads	1,082	453
Total Operating costs	50,948	43,725

(*) = in the previous year, this item was included in the line "Social security charges"

The increase in Operating costs is due to greater Costs for Purchases in all product categories partly as a consequence of the increase in business volumes in the reference period as compared with the same period of last year and partly for the effect of the inflationary spiral seen in the last 12 months.

At the end of the period under review, the workforce of the company was composed as follows:

Description	06/30/2023	06/30/2022
- Executives	11	11
- Employees and managers	102	97
- Factory workers	26	23
- Seasonal workers	30	32
Total employees	169	163

The item *Other overheads* breaks down as follows:

Description	06/30/2023	06/30/2022
Other overheads:		
- Taxes and excise licence and other non-deduc.	202	51
- Losses/provisions for risks on receivables	63	131
- Contingent liabilities	276	103
- Membership fees	92	99
- Other charges	449	69
Total other overheads	1,082	453

The Other charges mainly consist of costs for the disposal of obsolete products, contingent liabilities,

entertainment costs and contributions to trade associations and donations or other similar. In the half-year 2022, the amount was adjusted by the utilisation of a provision for contingent liabilities, which was set aside in the amount of EUR 220,000.
Contingent liabilities refer to operating costs recognised in the period pertaining to previous years.

Note (25) – Amortisation, depreciation and write-downs of fixed assets

This item breaks down as follows:

Description	06/30/2023	06/30/2022
- Amortisation of intangible assets	355	322
- Depreciation of property, plant and equipment	683	666
- Depreciation of right-of-use assets	367	330
Total amortisation, depreciation and write-downs	1,405	1,318

There were no particular changes in amortisation and depreciation. For greater details on the change in fixed assets, please see the matters described in *Notes 6), 7) and 8)*

Note (26) – Financial Income/(Expenses)

This item breaks down as follows:

Description	06/30/2023	06/30/2022
- Interest income and other financial income	34	2
- Interest income on non-current financial assets	441	0
- Interest expense, currency discounts and bank charges	(58)	(64)
- Operative lease interest expense	(4)	(2)
- Foreign exchange gains/(losses)	(2)	(15)
Total Financial Income/(Expenses)	412	(79)

Interest income on non-current financial assets refers to interest accrued during the first half and paid at June 30, 2023 on the investment detailed in Note 10) above. The amount of interest paid is calculated on a fixed coupon equal to 1.60% per annum in addition to the revaluation component due to the effect of the inflation protection mechanism, specific to the security (indexing FOI index - tobacco as of 31-12-2022).
Financial income comprises interest income from current bank accounts.
Interest expenses refer to the financing lines contracted and being amortised *(see Notes 12, 18)*

VALSOIA SpA

Note (27) – Taxes

This item breaks down as follows:

Description	06/30/2023	06/30/2022
- Income taxes (IRES - IRAP)	650	778
- Deferred tax liabilities/(assets)	770	640
Total taxes	1,420	1,418

Income taxes also include deferred tax liabilities (net of the prepaid tax) which were calculated on allowances and other temporary differences, the tax benefits of which are deferred.
Details about the recognition of deferred taxes were provided in Note 20.

Note (28) - Basic and diluted earnings per share

The basic earnings per share are determined by dividing the profit for the year by the number of shares, which compose the share capital. The diluted earnings per share is determined by dividing the profit for the year by the number of shares composing the share capital plus the shares of potential future issue to service the 2022-2025 SOP plan.

Non-recurring significant transactions and events

During the period ended June 30, 2023, no significant events/transactions, falling within the scope of the Consob Communication DEM/6064293 of July 28, 2006, were recorded. As instructed in said Communication, "atypical and/or unusual transactions are those that, because of their significance, importance, nature of the counterparties, purpose of the transaction, method for determining the transfer price or time of their occurrence (close to the end of the year), could give rise to doubts relating to: the accuracy and completeness of the information in the financial statements, a conflict of interest, the safeguarding of the company's assets or the protection of non-controlling shareholders".

Information on transactions carried out with the holding company and related parties

During the period under review, Valsoia S.p.A. provided the parent company Finsalute S.r.l. with accounting data processing and custody services which generated the following economic-financial impacts (amounts in euro):

Holding company	revenue/(costs)	receivables/(payables)		collections/(payments)
	1st half 2023	01/01/23	06/30/23	1st half 2023
Finsalute S.r.l.	3,000	1,830	1,830	3,660

During the first half of the year, the following transactions with related parties, including therein the subsidiaries Valsoia Pronova d.o.o. and Swedish Green Food Co. AB , were carried out on an arm's length basis (NOTE 9), classified by nature:

Related party	revenue/(costs)	receivables/(payables)		collections/(payments)
	1st half 2023	01/01/23	06/30/23	1st half 2023
Membership fees	(60,676)	(2,500)	(21,960)	(103,750)
Directors' remuneration	(19,090)	(20,800)	(20,800)	(34,152)
(Purch.) / Sales of goods and services	12,405	21,819	30,195	(14,429)
Commercial transactions with subsidiaries	520,050	207,812	499,910	228,247
Total transactions with related parties	452,689	206,331	487,345	75,916

Membership Fees shown here refer to the fees paid to the associations (UPA, ENSA, Conosrzio Italia del Gusto, Cavakeri del Lavoro and Centromarca) in which they hold thematic positions related to Valsoia SpA or have a significant influence on the decision making of the association itself.
There were no other transactions between the Company and related parties.

Commitments

At June 30, 2023, there were no other undertakings besides those described in the interim financial report.

/

Bologna, September 4, 2023

The Chairman of the Board of Directors
Lorenzo Sassoli de Bianchi

4 /

Statement pursuant to Art. 154-bis of Legislative Decree 58/98

STATEMENT PURSUANT TO ART. 154 *BIS*, PARAGRAPH 5 OF ITALIAN LEGISLATIVE DECREE NO. 58/98

The undersigned, Andrea Panzani, General Manager and Chief Executive Officer, and Nicola Mastacchi, Manager in charge of financial reporting for Valsoia S.p.A., hereby certify, also taking into account the provisions of Art. 154 *bis*, paragraphs 3 and 4 of Italian Legislative Decree no. 58 of February 24, 1998:

- the adequacy in the relation to the characteristics of the company, and
- the actual application

of the administrative and accounting procedures for the preparation of the Interim Financial Report as at June 30, 2023.

It is also hereby certified that:

a) the abridged interim financial statements at June 30, 2023 fully reflect the accounting records and books;

b) the abridged interim financial statements at June 30, 2023 were prepared in compliance with the International Financial Reporting Standards, ratified by the European Union, as well as all provisions issued in implementation of Italian Legislative Decree no. 38/2005; they provide a truthful and correct representation of the equity, business and financial situation of the issuer;

c) The interim management report contains a reliable analysis of the references to the important events which took place in the first six months of the year and to their incidence on the abridged interim financial statements, together with a description of the main risks and uncertainties for the remaining six months of the year. The interim management report also contains a reliable analysis of the information of the significant transactions with related parties.

Bologna, Italy, September 04, 2023

Direttore Generale
Amministratore Delegato

Andrea Panzani

Dirigente Preposto alla redazione
dei documenti contabili societari

Nicola Mastacchi

5 / Independent Auditors Report

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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Report on review of condensed interim financial statements

To the shareholders of
ValsoiaS.p.A.

Introduction

We have reviewed the accompanying condensed interim financial statements of Valsoia S.p.A., comprising the statement of financial position as at 30 June 2023, the income statement and the statements of comprehensive income, cash flows and changes in equity for the six months then ended and notes thereto. The directors are responsible for the preparation of these condensed interim financial statements in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of the review

We conducted our review in accordance with Consob (the Italian Commission for Listed Companies and the Stock Exchange) guidelines set out in Consob resolution no. 10867 dated 31 July 1997. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim financial statements of Valsoia S.p.A. as at and for the six months ended 30 June 2023 have not

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been prepared, in all material respects, in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union.

Bologna, 5 September 2023

KPMG S.p.A.

(signed on the original)

Enrico Bassanelli
Director of Audit

www.valsoiaspa.com