Newlat FOOD SpA

A multibrand company

HALF-YEAR FINANCIAL REPORT

AT 30 JUNE 2022

DIRECTORS' REPORT ON OPERATIONS AT 30 JUNE 2022

Contents

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

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

Operations in the first half of 2022 show a positive pre-tax result of Euro 3,073 thousand and a total net result of Euro 2,182 thousand.
In the Directors' Report on Operations for the six months ended 30 June 2022 herein, to represent the financial, economic and balance sheet performance it was necessary to include proforma financial information reflecting the six months of operations of the subsidiary Symington's LTD, which was acquired on 4 August 2021 and therefore consolidated in 2021 for the last five months only.
During the first half of the year, the Group recorded an increase in turnover (+10.1%) compared to the proforma figures for the same period of the previous year thanks to the ability to acquire new customers in the Dairy segment (+34%) and in the Pasta segment (+24%) and an increase in the average sales price as a consequence of the high inflation that characterised H1 2022.
The Group also confirmed its great ability to keep its margins unchanged (EBITDA margin of 7.5% as at 30 June 2022, 8.4% as at 30 June 2021).

With regard to corporate management, we saw a sharp increase in some costs of supplying goods and services, first of all those relating to the cost of raw materials, packaging and transport. Personnel costs improved significantly as a result of some retirements and resignations, which were not followed by any new hires for the moment.

In short, the highlights of the half year can be summarised as follows:

- The results achieved by the Group in a highly unstable environment and with a market characterised by high inflation in general are quite extraordinary, with a substantially linear trend in margins (EBITDA of Euro 25.2 million, or 7.5%, versus Euro 25.4 million as at 30 June 2021, or 8.4%). This result is even more significant if one considers the inflationary effects in Italy, with continuous increases in the main cost components of the finished product. With this in mind, the Group sought to keep its customer base intact by acquiring new customers with the aim of creating value in the medium to long term at the expense of its margins in the short term.
- The recovery of tourism and the reopening of Horeca-related businesses bode well for a recovery of the sector, with a consequent improvement in business performance, especially in Q3 2022.
- On 1 April the purchase of the Lylag brand and its industrial assets for a total value of Euro 300 thousand was finalised. An initial valuation revealed capital gains in the acquired assets, about Euro 60 thousand in plant and equipment, about Euro 20 thousand in intangible assets, and the remainder of Euro 220 thousand in goodwill. The purchase price allocation process is still being defined and may change over the coming months. Management expects to conclude the final valuation of the assets and liabilities at fair value by the end of the next year as at 31 December 2022.

Particularly worthy of note is the extraordinary performance of the dairy sector (+34%) and the pasta sector (+24%) thanks to the acquisition of new important customers, which led to an increase in sales volumes.
The other business units also enjoyed organic growth above company forecasts and significantly better than the market as a whole.
These figures augur well for the end of the financial year and provide a solid basis to develop the guidelines of the business plan and to embark on external growth.
Growth figures by geographical area are also reassuring: +13% in the German market and +14% in the United Kingdom thanks to the first synergies in the commercial area.
Finally, the financial data once again confirm the Group's great ability to generate cash from operations that made it possible to maintain the margins recorded in the same period of the previous year (7.5% EBITDA margin at 30 June 2022 v 8.4% at 30 June 2021) and a net financial position improving by Euro 10.6 million and with a cash conversion of 81.8%.
The first half of 2022 closed with a net profit after tax of Euro 2.2 million, down compared to Euro 6 million in the first half of 2021. This figure was positively impacted by the release of deferred taxes of Euro 5.1 million, relating to the clearance of misalignments in the value of trademarks and subsequently reinstated following further clarifications by the Italian Inland Revenue Agency on the timing and method of deductibility of the existing values.

Outlook

Considering the short period of time historically covered by the Group's order book and the difficulties and uncertainties of the current global economic situation, it is not easy to develop forecasts for H2 2022, which in any case seems to be very positive. The Group will continue to pay particular attention to cost controls and financial management in order to maximise the generation of free cash flow, to be allocated both to organic growth externally and to the remuneration of Shareholders.
At the date of approval of the half-year report, the conflict between Russia and Ukraine that had broken out in February 2022 was still ongoing. Since the beginning of the conflict there has been a crisis in the Oil & Gas sector and in the procurement of raw materials that has injected a great deal of uncertainty into the world economy, not to mention a progressive increase in the prices of raw materials, packaging (both primary and secondary), transport and electricity, which is influencing the Group's commercial policies, leading to a redefinition of sales conditions with the main customers. In view of the above, the Group is unable to predict the extent to which these events might affect the outlook for the Group for 2022, but, based on the data available when this report was being prepared, the Directors believe they can reasonably exclude the possibility of significant negative impacts.

Going concern

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

- The considerable level of cash reserves available at 30 June 2022.
- The presence of authorised and unused Group credit lines.
- the continual support given by the leading banks to the Newlat Group, partly because of its market-leading status.

Note that the Group's economic and financial performance in H1 2022 was higher than budgeted. It should also be noted that the cash and cash equivalents, amounting to Euro 340 million, the credit lines currently available and the cash flows that will be generated by operational management are considered more than sufficient to fulfil obligations and finance the Group's operations.

EVENTS AFTER THE END OF H1 2022

After 30 June 2022 there were no atypical or unusual transactions requiring changes to the interim financial statements at 30 June 2022.

BOARDS AND OFFICERS

Board of Directors

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

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

(**) Executive director.

(***) Non-executive director.

Board of Statutory Auditors

Name and surname	Position
Massimo Carlomagno	Chairman
Ester Sammartino	Standing Auditor
Antonio Mucci	Standing Auditor
Giovanni Carlozzi	Alternate Auditor
Giorgio de Franciscis	Alternate Auditor

Remuneration and Appointments Committee

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

Control and Risks Committee

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

Related Party Transactions Committee

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

Financial Reporting Officer

Rocco Sergi

Independent Auditing Firm

PricewaterhouseCoopers S.p.A.

General information

Newlat Food S.p.A. (hereinafter also "Newlat" or the "Company" and, together with its subsidiaries, the "Newlat Group" or the "Group") is incorporated in Italy in the form of a public limited company and operates under Italian law. The Company has its registered office at 16, Via J. F. Kennedy, Reggio Emilia.

The Newlat Group is a group operating in the food sector with a large and structured product portfolio organised into the following business units: Pasta, Milk Products, Bakery Products, Dairy Products, Special Products, Instant Noodles and Other Products.

The Company is subject to management and coordination by the parent Newlat Group S.A. (hereinafter "Newlat Group"), a company that as at 30 June 2022 directly owns 61.64% of the share capital, while the remaining part (29.30%) is held primarily by institutional investors and 9.06% by Newlat Food.

This report on operations contains economic, equity and financial information of the Newlat Group at 30 June 2022, 31 December 2021 and 30 June 2021. For a more consistent understanding of the Group's economic performance, the comparative economic data at 30 June 2021 include the proforma economic balances of the company Symington's as at 1 January 2021 instead of from the actual acquisition date of 4 August 2021.

Alternative performance indicators

The following financial report presents and comments on some financial indicators and reclassified statements (relating to the statement of financial position and the statement of cash flows) not defined by IFRSs.

These amounts, defined below, are used to comment on the Group's business performance in compliance with the provisions of the Consob Communication of 28 July 2006 (DEM 6064293), as subsequently amended and supplemented (Consob Communication no. 0092543 of 3 December 2015 implementing the ESMA/2015/1415 guidelines).

The alternative performance indicators listed below constitute additional information beyond IFRS requirements to help users of the financial report to better understand the Group's results, assets and liabilities and cash flows. Note that Newlat Food's method of calculating these indicators, which is consistent from one year to the next, may differ from the methods used by other companies.

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

- EBITDA: the operating income (OI) before depreciation, amortisation and write-downs, as well as income from business combinations.
- Gross Income (GI) / Profit (Loss) before taxes: operating income less financial expense.
- Net profit (NP): gross profit less taxes;
- Cash conversion: the ratio of EBITDA to the difference between EBITDA and total investments.

Net financial position is given by the algebraic sum of:

- Cash and cash equivalents
- Non-current financial assets, recorded under other non-current assets
- Current financial assets, recorded under 'other receivables'
- Payables to banks
- Non-current financial liabilities, recorded under 'other non-current liabilities'.

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

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

Corporate governance

Corporate governance is the set of rules, systems and mechanisms designed to effectively implement the organisation's decision-making processes in the interest of all Group stakeholders. The parent company Newlat Food S.p.A. complies with the Corporate Governance Code for Listed Companies, which was last updated in July 2018. A traditional governance system is in place which includes three structures: the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors.

Board of Directors

The Board of Directors is the body charged with administering the company using the powers allocated to it by law and by the by-laws. It is structured and operates to ensure that its functions are performed efficiently and effectively. Directors act and make decisions to create value for shareholders, and they report on operations during the Shareholders' Meeting. With regard to appointing and replacing the entire Board of Directors and/or some of its members, the Company's Articles of Association require board members to be elected on the basis of candidate lists in accordance with the methods outlined in more detail in the Report on Corporate Governance and Ownership Structure and in compliance with existing legislation on gender representation. On 8 July 2019, the Shareholders' Meeting appointed a four-person Board of Directors, increased to seven when the Company's shares began trading on the MTA, which will remain in office until the 2024 financial statements are approved.

Board Committees

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

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

directors and managers with strategic responsibilities, overseeing their application and making general recommendations on the matter. The Remuneration Committee is composed of three members, all of whom are non-executive and independent directors. All members have suitable financial and accounting experience and knowledge. With regard to determining remuneration for board members, the Shareholders' Meeting allots a salary for the duration of the mandate which may consist of a fixed portion and a variable portion commensurate with the achievement of certain targets and/or with the Company's financial results. To be able to list on the STAR segment, exchange regulations require the Remuneration Committee to ensure that a significant share of the pay for executive directors and senior managers be incentive-linked.

Please see the report on remuneration published in accordance with article 123-*ter* of the Consolidated Law on Finance (TUF) for information on the general remuneration policy and the remuneration of executive directors, managers with strategic responsibilities and non-executive directors. For this purpose, the Committee has three members with sufficient financial and accounting experience: Eric Sandrin, as Chairman, Maria Cristina Zoppo and Valentina Montanari, all of whom are non-executive and independent directors.

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

<u>Board of Statutory Auditors</u>

Members of the Board of Auditors are selected on the basis of their ability to meet requirements of professionalism, independence and integrity in accordance with legislation and regulations. The Company's Board of Statutory Auditors was appointed during the Shareholders' Meeting on 8 July 2019 and will remain in office until the approval of the 2024 financial statements.

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

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

The purpose of the ICRMS is to help the Group achieve its performance and profit objectives, obtain reliable economic and financial information and ensure compliance with existing laws and regulations, while shielding the Company from reputational damage and financial loss. In this process, particular importance is given to identifying corporate objectives and classifying and controlling related risks by implementing specific containment actions.

There are various types of potential business risks - strategic, operational (related to the effectiveness and efficiency of business operations), reporting (related to the reliability of economic/financial information), compliance (related to compliance with existing legislation and regulations to avoid damage to the company's reputation and/or financial losses). In view of this, the Internal Audit Department verifies the suitability of the ICRMS through an audit schedule that is approved by the Board of Directors and makes provision for regular reports containing sufficient information on the performance of its activities, as well as timely reports on events of particular importance.

The Board of Directors annually assesses the effectiveness of the ICRMS and its suitability in view of the characteristics of the business based on information and evidence received with the support of the investigative activities performed by the Control and Risks Committee, the Head of Internal Audit and the Supervisory Board pursuant to Italian Legislative Decree 231/2001.

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

The Newlat Food S.p.A. Board of Directors approved its Organisation, Management and Control Model in accordance with Italian Legislative Decree 231/2001 (hereinafter also "Model 231") on 30 March 2016, updating it most recently on 9 August 2019. The Model was drawn up on the basis of guidelines issued by Confindustria (the Italian industry confederation) in accordance with the relevant legislation, and sets out standards for behaviour, procedures and control activities, in addition to powers and mandates designed to prevent the offences outlined in Italian Legislative Decree 231/2001.

The Model 231 was published and communicated to all personnel, third-party contractors, customers, suppliers and partners.

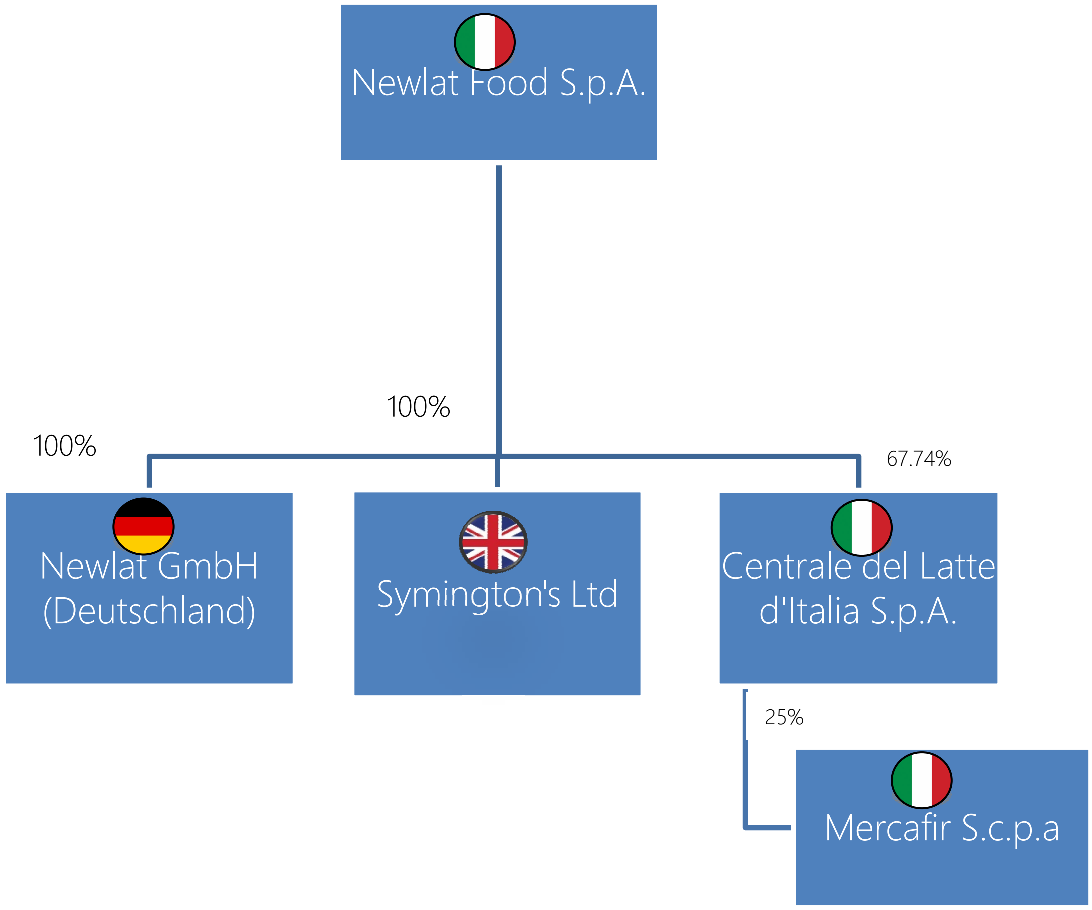
No reports of non-compliant behaviour or violations of the Code of Ethics were received during the year.

In order to ensure that the Model is correctly implemented, a Supervisory Board (SB) has been established, currently comprising Massimo Carlomagno, as Chairman, and Ester Sammartino.

The SB sends the Board of Directors a written report every six months on how the Model 231 is being implemented and disseminated within each Company department. The implementation of adequate regular and/or sporadic information flows to the SB is another important tool helping it to fulfil its legal monitoring responsibilities and ensuring that the Model serves its purpose of preventing liability.

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

Group Structure



The table below shows the main information regarding the Newlat Group companies:

Name	Registered Office	Currency	Share capital at 30 June 2022	Control percentage At 30 June 2022	Control percentage At 31 December 2021
Newlat Food S.p.A.	Italy - Via J.F. Kennedy 16, Reggio Emilia	EUR	43,935,050	Parent company	Parent company
Newlat GmbH	Germany - Franzosenstraße 9, Mannheim (Germany)	EUR	1,025,000	100%	100%
Centrale del Latte d'Italia S.p.A.	Via Filadelfia 220, 10137 Turin	EUR	28,840,041	67.74%	67.74%
Symington's Ltd	Thornes Farm Business Park, Pontefract Ln, Leeds LS9	GBP	100	100%	100%

A table summarising the carrying amount of each subsidiary recorded in the Company's separate financial statements at 30 June 2022 and the equity and profit/loss data for the period for each subsidiary is provided below:

Name	Carrying amount of equity investment (in thousands of euros) 30/06/2022	Shareholders' equity (thousands of euros) 30/06/2022	Profit/loss for the period (in thousands of euros) 30/06/2022
Newlat GmbH (Deutschland)	68,873	33,649	1,210
Centrale del Latte d'Italia S.p.A.	25,426	65,410	2,273
Symington's Ltd	63,914	22,426	925

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

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

HALF-YEAR FINANCIAL REPORT

DIRECTORS' OBSERVATIONS ON PERFORMANCE AT 30 June 2022

MANAGEMENT REPORT

The Newlat Group is an important player in the Italian and European agri-food sector. In particular, as at 30 June 2022 the Group has a strong position in its domestic market and a significant presence in the German market.
The Newlat Group is mainly active in the pasta, dairy and baked goods sectors, as well in special products such as health & wellness, gluten free and baby food. The Newlat Group's product range is divided into the following business units:

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

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

(In thousands of euros and as a percentage of revenue from contracts with customers)	Half-year ended 30 June				Changes	
	2022	%	2021 proforma	%	2022 v 2021	%
Revenue from contracts with customers	335,478	100.0%	304,656	100.0%	30,822	10.1%
Cost of sales	(274,200)	(81.7%)	(243,619)	(80.0%)	(30,581)	12.6%
Gross operating profit/(loss)	61,279	18.3%	61,037	20.0%	241	0.4%
Sales and distribution costs	(42,915)	(12.8%)	(38,104)	(12.5%)	(4,811)	12.6%
Administrative costs	(10,900)	(3.2%)	(14,236)	(4.7%)	3,337	(23.4%)
Net write-downs of financial assets	(387)	(0.1%)	(920)	(0.3%)	533	(57.9%)
Other revenues and income	4,438	1.3%	5,649	1.9%	(1,211)	(21.4%)
Other operating costs	(3,797)	(1.1%)	(6,380)	(2.1%)	2,583	(40.5%)
Operating profit/(loss) (EBIT)	7,718	2.3%	7,046	2.3%	673	9.5%
Financial income	1,274	0.4%	462	0.2%	812	175.8%
Financial expenses	(5,919)	(1.8%)	(3,860)	(1.3%)	(2,059)	53.3%
Profit/(loss) before taxes	3,073	0.9%	3,648	1.2%	(574)	(15.7%)
Income taxes	(891)	(0.3%)	2,368	0.8%	(3,259)	(137.6%)
Net profit/(loss)	2,182	0.7%	6,015	2.0%	(3,834)	(63.7%)

Operating income amounted to Euro 7.7 million, an increase compared with the same period of the previous year. In absolute terms, EBITDA (Euro 25.2 million in 2022 and Euro 25.4 million in 2021) and the EBITDA Margin (7.5% in 2022 and 8.4% in 2021) were slightly down compared to the proforma figures for the same period last year. The following is a brief commentary on the most significant changes to the main income statement items that occurred in the half years under review:

Revenue from contracts with customers

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

SEGMENT REPORTING

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

(In thousands of euros and as a percentage)	Half-year ended 30 June				Changes	
	2022	%	2021 Proforma	%	2022 v. 2021	%
Pasta	91,942	27.4%	73,865	24.2%	18,077	24%
Milk Products	116,229	34.6%	113,144	37.1%	3,085	3%
Bakery Products	20,274	6.0%	19,593	6.4%	681	3%
Dairy Products	21,009	6.3%	15,669	5.1%	5,340	34%
Special Products	16,885	5.0%	16,122	5.3%	763	5%
Instant noodles	62,077	18.5%	59,161	19.4%	2,916	5%
Other Products	7,062	2.1%	7,101	2.3%	(39)	(1%)
Revenue from contracts with customers	335,478	100.0%	304,656	100.0 %	30,823	10.1%

Revenues in the Pasta segment increased in the period under review due to higher sales volumes, the acquisition of new customers and an increase in the average sales price.
Revenues from the Milk Products segment were up because of higher average sales prices.
Revenues from the Bakery Products segment were up because of higher average sales prices.
Revenues in the Dairy Products segment increased in the period under review due to higher sales volumes, the acquisition of new customers and an increase in the average sales price.
Revenues from the Special Products segment were up because of higher average sales prices.
Revenues from the Instant Noodles segment were higher because of higher average sales prices.
Revenues from the Other Products segment were in line with the same period of 2021.

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

(In thousands of euros and as a percentage)	Half-year ended 30 June				Changes	
	2022	%	2021 Proforma	%	2022 v. 2021	%
Mass Distribution	204,754	61.0%	176,467	57.9%	28,287	16%
B2B partners	30,803	9.2%	27,691	9.1%	3,112	11%
Normal trade	41,005	12.2%	41,348	13.6%	(343)	(1%)
Private labels	52,724	15.7%	52,977	17.4%	(253)	0%
Food services	6,193	1.8%	6,174	1.9%	19	0%
Total revenue from contracts with customers	335,478	100.0%	304,656	100.0%	30,822	10.1%

Revenues from the Mass Distribution channel increased, mainly due to higher demand due to the acquisition of new customers and higher average sales prices.
Revenues from the B2B Partners channel increased mainly because of higher average sales prices.
Revenues from the Normal Trade channel were essentially in line with the same period of 2021.
Revenues from the Private Label channel were essentially in line with the same period of 2021.
Revenues from the Food Services channel were essentially in line with the same period of 2021.

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

(In thousands of euros and as a percentage)	Half-year ended 30 June				Changes	
	2022	%	2021 Proforma	%	2022 v. 2021	%
Italy	178,951	53.3%	163,894	53.8%	15,058	9%
Germany	57,050	17.0%	50,370	16.5%	6,680	13%
United Kingdom	68,820	20.5%	60,252	19.8%	8,568	14%
Other countries	30,657	9.1%	30,141	9.9%	516	2%
Total revenue from contracts with customers	335,478	100%	304,657	100.0%	30,821	10.1%

Revenues from *Italy* increased mainly because of higher sales volumes in Pasta and Dairy and higher average sales prices.
Revenues from *Germany* increased mainly because of higher sales volumes in the Pasta and Dairy sector and higher average sales prices.
Revenues from the United Kingdom increased mainly because of higher sales volumes in the Pasta and Dairy sector and higher average sales prices.
Revenues from *Other Countries* were broadly in line with the first half of 2021.

Operating costs

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

(In thousands of euros and as a percentage of revenue from contracts with customers)	Half-year ended 30 June				Changes	
	2022	%	2021 Proforma	%	2022 v. 2021	%
Cost of sales	(274,200)	(81.7%)	(243,619)	(80.0%)	(30,581)	12.6%
Sales and distribution costs	(42,915)	(12.8%)	(38,104)	(12.5%)	(4,811)	12.6%
Administrative costs	(10,900)	(3.2%)	(14,236)	(4.7%)	3,337	(23.4%)
Total operating costs	(328,015)	(97.8%)	(295,959)	(97.1%)	(32,056)	1.7%

Cost of sales represented 81.7% of sales revenues (80% at 30 June 2021). In absolute terms, the increase in the cost of sales is directly linked to the increase in sales volumes recorded in the first half of 2022. The increase in terms of impact is related to increases in the average cost of the main finished product components.

Sales and distribution expenses are in line with the same period of the previous year. The increase in absolute values is mainly due to an increase in sales volumes.

Administrative expenses were 23.4% lower than in H1 2021 as a result of some retirements and resignations, which were not followed by any new hires for the time being.

EBITDA amounted to Euro 25.2 million (7.5% of sales revenues), compared with Euro 25.4 million at 30 June 2021 (8.4% of sales revenues), substantial consistent on a like-for-like basis.

The following table shows EBITDA by activity segment:

(In thousands of euros)	Half-year as at 30 June 2022							
	Pasta	Milk products	Bakery Products	Dairy products	Special Products	Instant Noodles	Other Products	Consolidated Financial Statements total
Revenue from contracts with customers (third parties)	91,942	116,229	20,274	21,009	16,885	62,077	7,062	335,478
EBITDA (*)	4,137	9,531	2,240	2,143	1,825	5,089	226	25,191
EBITDA margin	4.50%	8.20%	11.05%	10.20%	10.81%	8.20%	3.20%	7.51%
Amortisation, depreciation and write-downs	2,193	7,249	935	167	1,143	5,129	271	17,087
Net write-downs of financial assets	-	-	-	-	-	-	387	387
Operating profit/(loss)	1,944	2,282	1,305	1,976	682	(40)	(432)	7,718
Financial income	-	-	-	-	-		1,274	1,274
Financial expenses	-	-	-	-	-		(5,919)	(5,919)
Profit/(loss) before taxes	1,944	2,282	1,305	1,976	682	(40)	(5,077)	3,073
Income taxes	-	-	-	-	-		(891)	(891)
Net profit/(loss)	1,944	2,282	1,305	1,976	682	(40)	(5,968)	2,182

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

(In thousands of euros)	Half-year as at 30 June 2021							
	Pasta	Milk products	Bakery Products	Dairy products	Special Products	Instant Noodles	Other Products	Total Proforma Consolidated Financial Statements
Revenue from contracts with customers (third parties)	73,865	113,144	19,593	15,669	16,122	59,161	7,101	304,656
EBITDA (*)	4,246	10,439	2,770	2,320	1,737	3,742	191	25,446
EBITDA margin	5.75%	9.23%	14.14%	14.81%	10.77%	6.33%	2.69%	8.35%
Amortisation, depreciation and write-downs	2,193	7,126	1,094	167	1,143	5,398	359	17,480
Net write-downs of financial assets	-	-	-	-	-	-	920	920
Operating profit/(loss)	2,053	3,313	1,676	2,153	594	(1,656)	(1,088)	7,046
Financial income	-	-	-	-	-	-	462	462
Financial expenses	-	-	-	-	-	-	(3,860)	(3,860)
Profit/(loss) before taxes	2,053	3,313	1,676	2,153	594	(1,656)	(4,486)	3,648
Income taxes	-	-	-	-	-	-	2,368	2,368
Net profit/(loss)	2,053	3,313	1,676	2,153	594	(1,656)	(2,118)	6,015

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

EBIT amounted to Euro 7.7 million (2.3% of sales) compared with Euro 7 million at 30 June 2021 (2.3% of sales), up by 9.5%.

The tax rate was 29%.

Net profit for the six months ended 30 June 2022 amounted to Euro 2.2 million, a decrease compared to the six months ended 30 June 2021, as the period was affected by the release of deferred taxes of Euro 5.1 million related to the clearance of misalignments in the value of trademarks and subsequently reinstated following further clarifications by the Italian Revenue Agency on the timing and method of deductibility of the existing values.

EBITDA

The table below provides a reconciliation of EBITDA, the EBITDA margin and cash conversion at 30 June 2022 and 2021.

(In thousands of euros and as a percentage)	Half-year ended 30 June	
	2022	2021 Proforma
Operating profit/(loss) (EBIT)	7,717	7,046
Amortisation, depreciation and write-downs	17,087	17,480
Net write-downs of financial assets	387	920
EBITDA (*) (A)	25,190	25,446
Revenue from contracts with customers	335,478	304,656
EBITDA margin (*)	7.5%	8.4%
investments (B)	4,582	4,228
Cash conversion [(A)-(B)]/(A)*	81.8%	83.4%

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

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

(In thousands of euros and as a percentage of revenue from contracts with customers)	Half-year ended 30 June				Changes	
	2022	%	2021	%	2022 v 2021	%
Pasta	4,137	4.5%	4,246	5.7%	(109)	(2.6%)
Milk Products	9,531	8.2%	10,439	9.2%	(908)	(8.7%)
Bakery Products	2,240	11.0%	2,770	14.1%	(530)	(19.1%)
Dairy Products	2,143	10.2%	2,320	14.8%	(177)	(7.6%)
Special Products	1,825	10.8%	1,737	10.8%	88	5.1%
Instant Noodles	5,089	8.2%	3,742	6.3%	1,347	36.0%
Other Products	226	3.2%	191	2.7%	35	18.3%
EBITDA	25,191	7.5%	25,446	8.4%	(255)	(1.0%)

EBITDA for the Pasta segment was down compared to the same period in 2021 as a result of a policy aimed at building customer loyalty.

EBITDA for the Milk Products segment decreased due to a worsening in the purchasing conditions for all components of the finished product, which was not fully passed on to end customers.

EBITDA for the Bakery Products segment decreased due to a worsening in the purchasing conditions of all components of the finished product, which was not fully passed on to end customers.

EBITDA for the Dairy Products segment decreased due to a deterioration in the purchasing conditions of all components of the finished product, which was not fully passed on to end customers.

EBITDA from the Special Products segment was in line with the same period of 2021.

EBITDA for the Instant Noodles segment increased compared to the same period in 2021 due to an increase in the average sales price.

EBITDA in the Other Products segment was in line with the same period of the previous year.

Net financial debt

The following table provides details of the composition of the Group's net financial debt as at 30 June 2022 and 31 December 2021, determined in accordance with the provisions of Consob Communication DEM/6064293 of 28 July 2006 and in accordance with paragraph 175 et seq. of the recommendations contained in the document prepared by ESMA, no. 32-382-1138 of 4 March 2021 (guidelines on disclosure requirements under Regulation EU 2017/1129, so-called "Prospectus Regulation"):

(In thousands of euros) Net financial debt	At 30 June 2022	At 31 December 2021
A. Cash and cash equivalents	340,417	384,888
B. Other current financial assets	5,344	35
C. Cash and cash equivalents (A)+(B)	345,761	384,923
D. Current financial debt	(81,996)	(104,642)
E. Current portion of non-current financial debt	(37,689)	(30,525)
F. Current financial indebtedness (E)+(F)	(119,685)	(135,167)
G. Net current financial indebtedness (C)+(F)	226,076	249,756
H. Non-current financial debt	(94,278)	(119,937)
I. Debt instruments	(199,310)	(198,455)
J. Trade and other non-current liabilities	-	-
K. Non-current financial indebtedness (I)+(J)+(H)	(293,589)	(318,392)
L. Net financial indebtedness (G)+(K)	(67,513)	(68,636)
Total treasury shares	25,270	15,759
M. Proforma net financial debt	(42,243)	(52,877)

Comparing the net financial position at 30 June 2022 with the corresponding data at 31 December 2021 demonstrates a significant improvement of Euro 10.6 million thanks to the Newlat Group's ability to generate cash flows from operations.

Without considering lease liabilities, the positive net financial position was as follows:

(In thousands of euros)	At 30 June 2022	At 31 December 2021
Net financial debt	(42,243)	(52,877)
Current lease liabilities	9,344	7,887
Non-current lease liabilities	25,079	31,175
Net Financial Position	(7,820)	(13,815)

Changes in net financial position as of 30 June 2022 are shown below, in summary:

Net Financial Position at 31 December 2021 (million euros)	(52.9)
EBITDA	25.2
Net working capital	(2.4)
Interest and taxes	(5.5)
Investments	(4.6)
Other minor operating costs	(2.0)
Net Financial Position at 30 June 2022 (million euros)	(42.2)

The net financial position compared with 31 December 2021 has improved considerably by some Euro 10.6 million due to the positive half-year performance and the Group's ability to generate cash from operations.

INVESTMENTS

The following table provides a breakdown of the Group's investments in property, plant and equipment and intangible assets in the half year ended 30 June 2022:

(In thousands of euros and as a percentage)	At 30 June	
	2022	%
Land and buildings	76	1.6%
Plant and machinery	3,825	83.5%
Industrial and commercial equipment	107	2.3%
Other assets		0.0%
Assets under construction and payments on account	72	1.6%
Investments in property, plant and equipment	4,080	89.0%
Patents and intellectual property rights	502	11.0%
Concessions, licences, trademarks and similar rights	-	0.0%
Investments in intangible assets	502	11.0%
Total investments	4,582	100.0%

During the reporting period, the Group made investments totalling Euro 4,582 thousand.
The Group's investment policy is aimed at innovation and diversification in terms of product supply. In particular, the Group attaches importance to the development of new products, with the aim of continuously improving customer satisfaction.

Investments in property, plant and equipment relate mainly to purchases of plant and machinery, mostly in connection with projects for updating and renovating production and packaging lines, as well as in connection with the new warehouse at the production site of Centrale del Latte d'Italia SpA in Turin.

Investments in intangible assets relate mainly to the purchase and updating of software.

The following table provides a breakdown by business unit of the Group's investments in H1 2022:

(In thousands of euros and as a percentage)	At 30 June	
	2022	%
Special Products	250	5.5%
Pasta	996	21.7%
Bakery Products	535	11.7%
Milk Products	1,010	22.0%
Dairy Products	-	0.0%
Instant Noodles	1,751	38.2%
Other assets	40	0.9%
Total investments	4,582	100.0%

Investments in the Milk Products business unit relate to efficiency improvements of the production facilities at the plants used by the Centrale del Latte d'Italia.
Investments in the Special Products business unit relate mainly to new software and packaging systems.
Investments in the Pasta business unit relate mainly to the new packaging facility for pasta products, located at the Sansepolcro (AR) plant.
Investments in the Bakery Products business unit mainly relate to the new packaging facility for baked products at the Sansepolcro (AR) plant.

OTHER INFORMATION

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

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

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

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

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

STRATEGIC RISKS

Risks relating to the macroeconomic and sector situation.

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

Risks connected with the external growth strategy

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

OPERATING RISKS

Risks related to the high level of competitiveness of the sector

The food & beverage market in which the Group operates is characterised by a particularly significant level of competition, competitiveness and dynamism. This market is characterised in particular by (i) increasing competitiveness of companies that produce so-called private label products with prices lower than those charged by the Group; (ii) increasing prevalence of online sales (where the Group is starting to have a presence) resulting in a decrease in product prices, especially in the mass distribution channel, through which the Group generates a significant percentage of its revenues, namely 61% on an aggregate basis at 30 June 2022; (iii) frequent promotional campaigns over time and with significant discounts; (iv) consolidation of existing operators (through M&As), especially in the mass distribution channel. The Group pursues its aim of increasing its industrial efficiency and improving its production capacity while reducing overheads and being competitive in its reference markets. Moreover, thanks to the presence of some "unique" products, the Group is able to face the competition.

ENVIRONMENTAL AND CLIMATE RISKS

With regard to climate change impacts, the subsidiary Centrale del Latte d'Italia S.p.A. has one plant close to a water course and one plant located not far from a reservoir, which have not caused significant problems in recent years. More potential impacts related to climate change can be found at the level of the supply chain, since agriculture and livestock breeding are closely linked to the climatic conditions of the areas the raw materials come from.

Other potential risks that are not considered critical may relate to the transition of business to a green economy.

FINANCIAL RISKS

Management of financial risks

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

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

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

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

Exchange risk

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

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

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

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

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

- At the beginning of the hedge there is a formal designation and documentation of the hedging relationship.
- The hedge is assumed to be highly effective.

- Effectiveness can be reliably measured and the hedge itself is highly effective during the designated periods.

The method of accounting for derivative financial instruments changes depending on whether
the conditions and requirements of IFRS 9 are fulfilled or not. Specifically:

Cash flow hedges

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

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

Fair value hedges of monetary assets and liabilities

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

Interest rate risk

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

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

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

(In thousands of euros)	Impact on profit net tax		Impact on shareholders' equity net of tax	
	- 50 bps	+ 50 bps	- 50 bps	+ 50 bps
Half-year as at 30 June 2022	(216)	216	(216)	216

Credit risk

The Group is exposed to the credit risk inherent in the possibility of its customers becoming insolvent and/or less creditworthy, so it monitors the situation continually.
Credit risk derives essentially from the Group's commercial activity, where its counterparties are predominantly mass and retail distribution operators. Retail receivables are extremely fragmented, while the mass distribution segment is characterised by a larger exposure to a single client.

The following table provides a breakdown of trade receivables (from consolidated financial statements) at 30 June 2022 and 31 December 2021 grouped by maturity, net of the provision for bad debts:

(In thousands of euros)	Not overdue	1-90 days overdue	91-180 days overdue	More than 181 days overdue	Total
Gross trade receivables at 30 June 2022	45,693	16,660	1,342	16,937	80,632
Provision for bad debts	-	(1,825)	(1,178)	(16,937)	(19,940)
Net trade receivables at 30 June 2022	45,693	14,835	164	-	60,692
Gross trade receivables at 31 December 2021	52,423	16,587	862	16,937	86,809
Provision for bad debts	-	(1,825)	(862)	(16,937)	(19,624)
Net trade receivables at 31 December 2021	52,423	14,762	-	-	67,184

Liquidity risk

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

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

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

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

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

(In thousands of euros)	Carrying amount at 30 June 2022	Within one year	Expiry Beyond one year	Beyond 5 years
Total financial liabilities	378,850	110,341	258,642	9,867

Positions or transactions deriving from atypical and/or unusual transactions

Pursuant to CONSOB Communication no. 6064293 of 28 July 2006, note that during the first half of 2022 no atypical and/or unusual transactions occurred outside the normal operation of the company that could give rise to doubts regarding the correctness and completeness of the information in the financial statements, conflicts of interest, protection of company assets and safeguarding the minority shareholders.

Treasury shares and shares of parent companies

In compliance with the provisions of article 2428 of the Italian Civil Code, note that at 30 June 2022 the Parent company holds 3,978,762 treasury shares, for a purchase cost of approximately Euro 25.3 million, which decreased consolidated shareholders' equity.
Subsequent to the closure of the first half of 2022, in July and August 2022 the Parent Company purchased a further 114,088 own shares for a total value of approximately Euro 651,230 million.

Transactions with related parties

The Group's transactions with related parties (hereinafter, "Related Party Transactions"), identified based on criteria defined by IAS 24 – Related Party Disclosures, are mainly of a commercial or financial nature and are carried out under normal market conditions. On 6 September 2019 the Board of Directors resolved to adopt the Procedure for Transactions with Related Parties.
The explanatory notes to the half-yearly financial statements report on the income statement items at 30 June 2022 and 30 June 2021 and the statement of financial position items at 30 June 2022 and 31 December 2021 pertaining to related party transactions. This information has been extracted from the consolidated financial statements based on accounting findings.
The Group did not carry out Related Party Transactions that were unusual in terms of characteristics, or significant in terms of amount, other than those of an ongoing nature.
The Group deals with the following related parties:

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

Reggio Emilia (RE), 09 September 2022

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

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

Reggio Emilia, 09 September 2022

Rocco Sergi
Officer in charge of preparing the company's financial reports

Financial statements and explanatory notes

Consolidated statement of financial position

(In thousands of euros)	At 30 June 2022	At 31 December 2021
Non-current assets		
Property, plant and equipment	153,233	157,417
Right-of-use assets	34,860	38,572
of which from related parties	*2,567*	*3,948*
Intangible assets	95,896	97,824
Equity investments in associates	1,401	1,401
Non-current financial assets measured at fair value through profit or loss	731	731
Financial assets measured at amortised cost	800	801
of which from related parties	*735*	*735*
Deferred tax assets	8,394	7,580
Total non-current assets	295,315	304,326
Current assets		
Inventories	84,894	63,881
Trade receivables	60,692	67,184
of which from related parties	*19*	*19*
Current tax assets	3,249	3,324
Other receivables and current assets	13,057	11,262
Current financial assets measured at fair value through profit or loss	5,344	35
Cash and cash equivalents	340,417	384,888
of which from related parties	*155,694*	*126,552*
Total current assets	507,653	530,574
TOTAL ASSETS	802,968	834,900
Shareholders' equity		
Share capital	43,935	43,935
Reserves	78,293	81,447
Translation reserve	(1,496)	(478)
Net profit/(loss)	1,285	5,134
Total shareholders' equity attributable to the Group	122,017	130,038
Shareholders' equity attributable to minority interests	15,357	14,477
Total consolidated equity	137,375	144,515
Non-current liabilities		
Provisions for employee benefits	13,912	14,223
Provisions for risks and charges	2,057	2,030
Deferred tax liabilities	19,470	19,097
Non-current financial liabilities	268,510	287,216
Non-current lease liabilities	25,079	31,175
of which from related parties		*1,261*
Total non-current liabilities	329,027	353,741
Current liabilities		
Trade payables	190,135	179,024
of which from related parties	*184*	*163*
Current financial liabilities	110,341	127,280
of which from related parties	*48,738*	*40,435*
Current lease liabilities	9,344	7,887
of which from related parties	*2,712*	*2,881*
Current tax liabilities	3,791	3,364
Other current liabilities	22,955	19,087
of which from related parties		*411*
Total current liabilities	336,566	336,643
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	802,968	834,900

Consolidated income statement

(In thousands of euros)	Half-year ended 30 June	
	2022	2021
Revenue from contracts with customers	335,478	245,495
Cost of sales	(274,200)	(194,321)
of which from related parties	*(1,707)*	*(1,693)*
Gross operating profit/(loss)	60,921	51,173
Sales and distribution costs	(42,915)	(31,285)
Administrative costs	(10,900)	(11,810)
of which from related parties	*(153)*	*(82)*
Net write-downs of financial assets	(387)	(920)
Other revenues and income	4,438	5,649
Other operating costs	(3,797)	(4,104)
Operating profit/(loss)	7,718	8,702
Financial income	1,274	462
of which from related parties	*32*	
Financial expenses	(5,919)	(3,798)
of which from related parties	*(40)*	*(74)*
Profit/(loss) before taxes	3,073	5,366
Income taxes	(891)	1,794
Net profit/(loss)	2,182	7,160
Profit/(loss) attributable to minority interests	897	2,396
Group net profit/(loss)	1,285	4,764
Basic net profit/(loss) per share	0.03	0.11
Diluted net profit/(loss) per share	0.03	0.11

Consolidated statement of other comprehensive income

(In thousands of euros)	Half-year ended 30 June	
	2022	2021
Net profit/(loss) (A)	2,182	7,160
a) Other components of comprehensive income that will be subsequently reclassified to the income statement:		
Hedging instruments net of tax effect	284	-
Translation reserve	(1,018)	-
Total other components of comprehensive income that will be subsequently reclassified to the income statement	(735)	-
Total other components of comprehensive income, net of tax effect (B)	(735)	-
Total comprehensive net profit/(loss) (A)+(B)	1,447	7,160
Profit/(loss) attributable to minority interests	897	2,396
Group net profit/(loss)	550	4,763

Consolidated statement of changes in equity

(In thousands of euros)	Share capital	Reserves	Net profit/(loss)	Total shareholders' equity attributable to the Group	Shareholders' equity attributable to minority interests	Total
At 31 December 2020	43,935	61,136	37,556	142,626	13,431	156,056
Allocation of net profit/(loss) for the previous year	-	37,556	(37,556)	-	-	-
Treasury shares	-	(5,642)	-	(5,642)	-	(5,642)
Total treasury shares		(5,642)		(5,642)		(5,642)
Net profit/(loss)			4,763	4,763	2,396	7,160
Other changes					(67)	(67)
Total comprehensive net profit/(loss) for the year			4,763	4,763	2,329	7,093
At 30 June 2021	43,935	93,051	4,763	141,747	15,761	157,508
Treasury shares		(10,117)		(10,117)		(10,117)
Total treasury shares		(10,117)		(10,117)		(10,117)
Other changes		(541)	-	(541)	-	(541)
Net profit/(loss)			370	370	(1,290)	(920)
Hedging instruments		(779)	-	(779)	-	(779)
Translation reserve		(478)	-	(478)	-	(478)
Actuarial gains/(losses) net of the related tax effect		(166)	-	(166)	7	(159)
Total comprehensive net profit/(loss) for the year		(1,423)	370	(1,053)	(1,283)	(2,336)
At 31 December 2021	43,935	80,970	5,134	130,038	14,477	144,515
Allocation of net profit/(loss) for the previous year	-	5,134	(5,134)	-	-	-
Treasury shares	-	(8,588)	-	(8,588)	-	(8,588)
Total treasury shares		(8,588)		(8,588)		(8,588)
Other changes	-	17		17	(17)	-
Net profit/(loss)	-	-	1,285	1,285	897	2,182
Hedging instruments	-	284	-	284	-	284
Translation reserve	-	(1,018)	-	(1,018)	-	(1,018)
Total comprehensive net profit/(loss) for the year		(735)	1,285	550	897	1,447
At 30 June 2022	43,935	76,798	1,285	122,017	15,357	137,375

Consolidated cash flow statement

(In thousands of euros)	Half-year ended 30 June 2022	2021
Profit/(loss) before taxes	3,073	5,366
- Adjustments for:		
Amortisation, depreciation and write-downs	17,473	13,002
Financial expense/(income)	4,645	3,336
of which from related parties	*(8)*	*(74)*
Cash flow generated /(absorbed) by operating activities before changes in net working capital	25,191	21,704
Change in inventory	(21,013)	(4,454)
Change in trade receivables	6,106	15,935
Change in trade payables	11,111	(5,252)
Change in other assets and liabilities	1,647	1,511
Use of provisions for risks and charges and for employee benefits	(285)	(564)
Taxes paid	(832)	(1,105)
Net cash flow generated /(absorbed) by operating activities	21,925	27,777
Investments in property, plant and equipment	(4,080)	(3,075)
Investments in intangible assets	(502)	(21)
Disposal of property, plant and equipment	-	-
Investments of financial assets	(5,599)	(4,745)
Deferred fee for acquisitions		(600)
Acquisition of Lylag assets	(300)	
Net cash flow generated /(absorbed) by investment activities	(10,481)	(8,441)
New long-term financial debt	-	29,452
Repayments of long-term financial debt	(35,646)	(13,607)
Issuance of bond loan		198,336
Repayments of lease liabilities	(7,019)	(6,934)
of which from related parties	*(1,430)*	*(1,397)*
Net interest expense	(4,645)	(3,336)
Acquisition of minority interests	(17)	(67)
Treasury shares	(8,588)	(5,642)
Net cash flow generated/(absorbed) by financing activities	(55,915)	198,202
Total changes in cash and cash equivalents	(44,471)	217,537
Cash and cash equivalents at start of year	384,888	182,127
of which from related parties	*126,552*	*38,629*
Total changes in cash and cash equivalents	(44,471)	217,537
Cash and cash equivalents at end of year	340,417	399,665
of which from related parties	*155,694*	*107,275*

Explanatory notes

Basis of preparation

The condensed consolidated half-year financial statements at 30 June 2022 were prepared in accordance with the international accounting principles (IAS/IFRS) adopted by the European Union for interim financial statements (IAS 34). The financial statements were prepared in accordance with IAS 1, while the explanatory notes were prepared in condensed form applying the option provided for in IAS 34 and therefore do not include all the information required for an annual report prepared in accordance with IFRSs. The condensed consolidated half-year financial statements at 30 June 2022 should therefore be read in conjunction with the consolidated annual financial statements for the year ended 31 December 2021.

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

Measurement criteria

The measurement criteria used for the preparation of the consolidated financial statements for the six months ending 30 June 2022 are the same as those used for the consolidated financial statements at 31 December 2021, except for the new accounting standards, amendments and interpretations applicable from 1 January 2022, which are described below and which – it is noted – did not have a material impact on the equity and economic situation as at 30 June 2022.

Accounting standards, amendments and interpretations effective from 1 January 2022 and adopted by the Group:

- Amendments to IAS 37 "Onerous Contracts - Cost of Fulfilling a Contract", aimed at providing clarification on how to determine the onerousness of a contract. The amendment clarifies that when estimating whether a contract is onerous, it is necessary to take into account all costs directly attributable to the contract, including incremental costs and all other costs that the company cannot avoid as a result of entering into such contract.

- Amendments to IAS 16 "Property, Plant and Equipment: Proceeds before Intended Use", intended to define that revenues from the sale of goods produced by an asset before it is ready for its intended use are recognised in profit or loss together with the related production costs.
- Amendments to IFRS 3 "Reference to the Conceptual Framework". The amendments are intended to update the reference in IFRS 3 to the Conceptual Framework in the revised version, without entailing changes to the provisions of the standard.
- Issuance of the document "Annual Improvements to IFRS Standards 2018-2020 Cycle", containing amendments essentially of a technical and editorial nature to the following international accounting standards: "IFRS 1 – First-time Adoption of International Financial Reporting Standards", "IFRS 9 – Financial Instruments, "IAS 41 – Agriculture" and examples of '"IFRS 16 – Leases".

These amendments have now been approved following their publication in the Official Journal of the European Union on 02/07/2021.

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

At the date of this document, the competent bodies of the European Union have not yet concluded the endorsement process required for the adoption of the amendments and standards described below.
- On 23/01/2020, the IASB issued "Amendments to IAS 1 Presentation of Financial Statements: classification of liabilities as current or non-current" to clarify the requirements for classifying liabilities as "current" or "non-current". More specifically, the amendments (i) specify that conditions existing at the end of the reporting period are those that should be used to determine whether a right to defer settlement of a liability exists; (ii) specify that management's expectations about events after the balance sheet date are not relevant; and (iii) clarify the situations that should be considered as settling a liability. The amendments enter into force on 01/01/2023.
- On 18/05/2017, the IASB issued the standard "IFRS 17 – Insurance Contracts", which is intended to replace the current "IFRS 4 – Insurance Contracts". Applicable for financial years beginning on or after 01/01/2023, the new standard governs the accounting treatment of insurance contracts issued and reinsurance contracts held.
- On 12/02/2021, the IASB issued the document "Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies".

The objective of the amendments is to develop guidance and examples to assist companies in applying a judgement of materiality in disclosing accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to disclosures about accounting policies. The amendments are effective for financial years beginning on or after 01/01/2023.
- On 12/02/2021 the IASB issued the document "Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates". The amendments provide some clarification regarding the distinction between changes in accounting estimates and changes in accounting policies: the

former are applied prospectively to future transactions and other future events, the latter are generally also applied retrospectively to past transactions and other past events. The amendments are effective from financial years beginning on or after 01/01/2023.

- On 07/05/2021, the IASB issued the document "Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The document addresses from a practical point of view the application of the exemption envisaged by paragraphs 15 and 24 of IAS 12 to transactions that give rise to both an asset and a liability upon initial recognition, and may result in temporary tax differences of the same amount. Under the proposed amendments, the exemption from initial recognition in IAS 12 would not apply to transactions that give rise to equal and offsetting amounts of taxable and deductible temporary differences when executed. The amendments are effective from financial years beginning on or after 01/01/2023.

The company will adopt these new standards, amendments and interpretations as per their expected date of application. Any impact on the annual financial statements resulting from the new standards/interpretations is still being assessed.

Explanatory notes as at 30 June 2022

Scope of consolidation and goodwill

Name	Registered Office	Currency	Share capital at 30 June 2022	Control percentage At 30 June 2022	Control percentage At 31 December 2021
Newlat Food S.p.A.	Italy - Via J.F. Kennedy 16, Reggio Emilia	EUR	43,935,050	Parent company	Parent company
Newlat GmbH	Germany - Franzosenstraße 9, Mannheim (Germany)	EUR	1,025,000	100%	100%
Centrale del Latte d'Italia S.p.A.	Via Filadelfia 220, 10137 Turin	EUR	28,840,041	67.74%	67.74%
Symington's Ltd	Thornes Farm Business Park, Pontefract Ln, Leeds LS9	GBP	100	100%	100%

Consolidation criteria and methodology

The condensed half-year consolidated financial statements illustrate the Group's equity, economic and financial situation in accordance with IFRS.
The subsidiaries were consolidated using the line-by-line method. With regard to the subsidiary Centrale del Latte d'Italia S.p.A. (also listed on the Milan Euronext STAR segment and owned 67.74% as at 30 June 2022), minority interests were recognised.
The associate company Marcafir, in which the subsidiary Centrale del Latte d'Italia S.p.A. has a 25% stake, was consolidated using the equity method.

Sectoral information

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

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

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

The table below shows the main statement of financial position and income statement items examined by the chief operating decision maker in order to assess the Group's performance at and for the half year ended 30 June 2022:

	Half-year as at 30 June 2022							
(In thousands of euros)	Pasta	Milk products	Bakery Products	Dairy products	Special Products	Instant Noodles	Other Products	Consolidated Financial Statements total
Revenue from contracts with customers (third parties)	91,942	116,229	20,274	21,009	16,885	62,077	7,062	335,478
EBITDA (*)	4,137	9,531	2,240	2,143	1,825	5,089	226	25,191
EBITDA margin	4.50%	8.20%	11.05%	10.20%	10.81%	8.20%	3.20%	7.51%
Amortisation, depreciation and write-downs	2,193	7,249	935	167	1,143	5,129	271	17,087
Net write-downs of financial assets							387	387
Operating profit/(loss)	1,944	2,282	1,305	1,976	682	(40)	(432)	7,718
Financial income	-	-	-	-	-		1,274	1,274
Financial expenses	-	-	-	-	-		(5,919)	(5,919)
Profit/(loss) before taxes	1,944	2,282	1,305	1,976	682	(40)	(5,077)	3,073
Income taxes	-	-	-	-	-		(891)	(891)
Net profit/(loss)	1,944	2,282	1,305	1,976	682	(40)	(5,968)	2,182
Total assets	75,418	187,796	15,521	563	16,935	62,783	443,952	802,968
Total liabilities	91,944	185,100	23,234	213	11,616	66,510	286,912	665,594
Investments	996	1,010	535		250	1,751	40	4,582
Employees (number)	492	589	188	72	157	622	72	2,192

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

(In thousands of euros)	Half-year as at 30 June 2021							
	Pasta	*Milk products*	Bakery Products	*Dairy products*	Special Products	Instant Noodles	Other assets	Consolidated Financial Statements total
Revenue from contracts with customers (third parties)	73,865	113,144	19,593	15,669	16,122	59,161	7,101	304,656
EBITDA (*)	4,246	10,439	2,770	2,320	1,737	3,742	191	25,446
EBITDA margin	5.75%	9.23%	14.14%	14.81%	10.77%	6.33%	2.69%	8.35%
Amortisation, depreciation and write-downs	2,193	7,126	1,094	167	1,143	5,398	359	17,480
Net write-downs of financial assets						-	920	920
Operating profit/(loss)	2,053	3,313	1,676	2,153	594	(1,656)	(1,088)	7,046
Financial income	-	-	-	-	-	-	462	462
Financial expenses	-	-	-	-	-	-	(3,860)	(3,860)
Profit/(loss) before taxes	2,053	3,313	1,676	2,153	594	(1,656)	(4,486)	3,648
Income taxes	-	-	-	-	-	-	2,368	2,368
Net profit/(loss)	2,053	3,313	1,676	2,153	594	(1,656)	(2,118)	6,015
Total assets	109,960	244,525	16,017	942	16,814	54,548	392,094	834,900
Total liabilities	90,480	185,627	18,661	588	10,287	24,098	360,644	690,385
Investments	632	3,139	268	73	66		50	4,228
Employees (number)	489	539	188	65	153	656	59	2,149

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

The table above shows the main income statement items at 30 June 2021 and the main statement of financial position items at 31 December 2021 examined by the chief operating decision maker in order to assess the Group's performance, and the reconciliation of these items with respect to the corresponding amount included in the half-year financial report:

Acquisition of the Symington's Ltd Group

The continuous search for growth through external lines led to the Group's acquisition of 100% of the ordinary shares and voting rights of the Symington's Group in Q3 2021.
As already disclosed in the consolidated financial statements for the year ended 31 December 2021, the company operates in the UK and produces – both under its own brands and for third-party brands – a wide range of instant noodles (Naked) where it is a market leader in the authentic and Asian inspiration segment, soups and various ready meals under the Mug Shot brand, rice and couscous ready meals (Twistd), baked goods including croutons (Rochelle brand), cake and cake mixes (with about 75% market share in the private label segment), Chicken Tonight brand condiments and Ragu brand sauces. These products are mainly sold in the United Kingdom, the United States and Australia. The company has three production plants and a logistics distribution centre located in northern England, with annual revenues of approximately Euro 123 million.
The acquisition served to consolidate Newlat Food's presence in the UK market, leveraging Symington's national distribution platform.
The acquisition of Symington's falls perfectly within the plans and timings envisaged by the external growth and capital utilisation strategies announced during the IPO phase, thus allowing the Newlat Group to exceed the annual revenue threshold of over Euro 600 million already from August 2021.
The transaction will generate significant synergies between Newlat Food and Symington's, including:

- The instant food market.
- Cross-selling and expansion of the Group's product portfolio.
- Internalisation or production.
- Synergies in the supply of raw materials.

Business combinations

Business combinations, in which the control of a business is acquired, are recognised in accordance with IFRS 3 "Business combination", applying the acquisition method. In particular, identifiable assets, liabilities and potential liabilities are recognised at fair value at the date of acquisition, i.e. the date when control is acquired (the acquisition date), except for deferred tax assets and liabilities, assets and liabilities relative to employee benefits and assets held for sale, which are recognised based on the relative accounting standards. If positive, the difference between the cost of acquisition and the current value of the assets and liabilities is recorded in intangible assets as goodwill; if negative, after having checked that the current values of the assets and liabilities acquired and the cost of acquisition have been properly measured, it is recorded directly in the statement of other comprehensive income, as revenue. Minority interests on the date of acquisition can be measured at fair value or at the pro-rata of the value of the net assets recognised for the acquired company. The valuation method is chosen on a transaction-by-transaction basis. When the assets and liabilities of the acquired business are calculated on a provisional basis, this must be completed within twelve months of the date of acquisition, taking into account only information relating to facts and circumstances existing at the Acquisition Date. In the year in which the aforementioned calculation is concluded, the provisionally recognised values are adjusted with retrospective effect. The ancillary expenses of the transaction are recognised in the income statement at the moment at which they are incurred. The cost of acquisition is represented by the fair value on the Acquisition Date of the assets transferred, the liabilities assumed and the equity instruments issued for the purpose of the acquisition, and also includes the contingent consideration, i.e. the part of the fee whose amount and disbursement are dependent on future events. The contingent consideration is recognised on the basis of its fair value at the Acquisition Date, and subsequent changes in fair value are recognised in the income statement if the contingent consideration is a financial asset or liability, while contingent considerations classified as equity are not restated and the subsequent elimination occurs directly in equity. Where control is acquired in subsequent phases, the acquisition cost is determined by adding the fair value of the investment previously held in the acquiree and the amount paid for the additional portion. Any difference between the fair value of the investment previously held and its carrying value is charged to the income statement. When control is acquired, any amounts previously recognised as other components of comprehensive income are recognised in the statement of other comprehensive income or, if such reclassification is not envisaged, in another shareholders' equity item. The following table provides the book values of the net assets acquired as part of the Symington's Group Acquisition.

(In thousands of euros)	As at 1 August 2021
Property, plant and equipment	9,412
Right-of-use assets	26,514
Intangible assets	1,630
Prepaid taxes	2,952
Inventories	18,121
Trade receivables	11,965
Current tax assets	444
Other receivables and current assets	3,645
Cash and cash equivalents	275
Non-current lease liabilities	(23,111)
Trade payables	(22,321)
Current lease liabilities	(3,757)
Current tax liabilities	(2,135)
Total net assets acquired	23,632
Payment by bank transfer	(63,914)
Goodwill	40,282

The transaction was booked in accordance with the guidance contained in IFRS 3 – "Business Combinations" since it can be categorised as an acquisition of a business.

In 2021 management carried out a valuation of assets and liabilities at fair value with the aid of independent third-party consultants.

The analysis did not identify contingent considerations and the following allocations were found:

(In thousands of euros)	As at 1 August 2021	Adjustments to fair value	As at 1 August 2021
Property, plant and equipment	9,412		9,412
Right-of-use assets	26,514		26,514
Intangible assets	1,630	47,423	49,053
Prepaid taxes	2,952		2,952
Inventories	18,121		18,121
Trade receivables	11,965		11,965
Current tax assets	444		444
Other receivables and current assets	3,645		3,645
Cash and cash equivalents	275		275
Non-current lease liabilities	(23,111)		(23,111)
Trade payables	(22,321)		(22,321)
Deferred tax liabilities		(7,141)	(7,141)
Current lease liabilities	(3,757)		(3,757)
Current tax liabilities	(2,135)		(2,135)
Total net assets acquired	23,632		23,632
Payment by bank transfer	(63,914)		(63,914)
Goodwill	40,282	(40,282)	-

Intangible assets with a finite useful life where the gains arising from the acquisition have been allocated are shown below, along with the remaining Goodwill:

(In thousands of euros)	As at 1 August 2021	Deferred tax liabilities 2021	As at 1 August 2021
Core brands definite defined useful life	10,806		10,806
Other brands defined useful life	2,936		2,936
Customer relationships defined useful life	17,618		17,618
Know how defined useful life	6,225		6,225
Goodwill	2,697	7,141	9,838
Initial potential Total Goodwill (difference between price paid and initial book value)	40,282	7,141	47,423

As planned, the purchase price allocation process, provisionally defined in the consolidated financial statements as at 31 December 2021, was completed during the first half of 2022 and no significant differences emerged with respect to the figures presented in the annual report as at 31 December 2021.

Non-current assets

(In thousands of euros)	At 30 June 2022	At 31 December 2021
Non-current assets		
Property, plant and equipment	153,233	157,417
Right-of-use assets	34,860	38,572
Intangible assets	95,896	97,824
Equity investments in associates	1,401	1,401
Non-current financial assets measured at fair value through profit or loss	731	731
Financial assets measured at amortised cost	800	801
Deferred tax assets	8,394	7,580
Total non-current assets	295,315	304,326

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

Fixed assets, plant and equipment

(In thousands of euros)	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Leasehold improvements	Assets under construction and payments on account	Total
Historical cost at 31 December 2021	106,393	307,293	26,335	5,042	2,012	2,630	449,708
Investments	76	3,825	107	-	-	72	4,079
Disposals	-	(51)	(54)	-	-	-	(105)
Change to the consolidation scope	-	212	27	-	-	-	239
Exchange rate effect	(2)	(12)	(5)	-	-	-	(19)
Reclassifications	-	(887)	-	-	-	-	(887)
Historical cost at 30 June 2022	106,467	310,379	26,410	5,042	2,012	2,702	453,015
Accumulated depreciation as at 31 December 2021	(37,866)	(224,869)	(24,329)	(4,726)	(500)	-	(292,290)
Depreciation	(1,233)	(5,678)	(910)	(44)	(84)	-	(7,949)
Disposals	-	38	54	-	-	-	92
Change to the consolidation scope	-	(158)	(21)	-	-	-	(179)
Reclassifications	-	542	-	-	-	-	542
Accumulated depreciation as at 30 June 2022	(39,099)	(230,125)	(25,206)	(4,770)	(584)	-	(299,784)
Net carrying amount at 31 December 2021	68,527	82,424	2,006	316	1,512	2,630	157,417
Net carrying amount at 30 June 2022	67,368	80,255	1,204	273	1,428	2,702	153,233

The items "plant and machinery", "leasehold improvements" and "industrial and commercial equipment" include investments made mainly in the milk products, pasta and instant noodles sectors.

Right-of-use assets

Real estate right-of-use assets relate mainly to the production plants in Sansepolcro (AR), Ozzano Taro (PR), Reggio Emilia, Lodi, Lecce, Bologna, Corte de' Frati (CR) and Eboli (SA) used by Newlat or Centrale del Latte d'Italia under agreements entered into with the related party New Property S.p.A. and those relating to the subsidiary Symington's. The agreements entered into with the related party New Property S.p.A. fall within the scope of the agreements with related parties. The right-of-use assets at 30 June 2022 also refer to the Delverde production plant, located at Fara San Martino (CH), used by Newlat Food under a financial lease with third parties.

Machinery right-of-use assets refer mainly to the lease of capital goods used in the production process.

The change compared with 31 December 2021 was due mainly to depreciation for the period.

Intangible assets

(In thousands of euros)	Goodwill	Patents and intellectual property rights	Concessions, licences, trademarks and similar rights	Other assets	Assets under development	Total
Historical cost at 31 December 2021	13,701	5,125	132,499	36,061	26	187,410
Investments	-	-	31	471	-	502
Change to the consolidation scope	220	-	10	10	-	240
Exchange rate effect	(179)	(241)	-	(7)		(427)
Reclassifications					458	458
Historical cost at 30 June 2022	13,742	4,884	132,540	36,535	484	188,183
Accumulated amortisation as at 31 December 2021	-	(4,226)	(73,157)	(12,203)	-	(89,586)
Amortisation	-	(163)	(2,104)	(433)	-	(2,700)
Accumulated amortisation as at 30 June 2022	-	(4,389)	(75,261)	(12,636)	-	(92,286)
Net carrying amount at 31 December 2021	13,701	899	59,342	23,858	26	97,824
Net carrying amount at 30 June 2022	13,742	495	57,279	23,899	484	95,896

The change compared with 31 December 2021 was due mainly to depreciation for the period.

Goodwill

The goodwill of Euro 13,742 thousand refers to:

- Euro 3,863 thousand refers entirely to Newlat Food's acquisition of Centrale del Latte di Salerno S.p.A. in December 2015, which was subsequently merged by incorporation into Newlat in December 2019. As at 31 March 2022, the Group's management did not detect any negative effects relating to the activities of the Salerno plant that would require another impairment test in addition to the one that returned positive results performed for the financial statements as at 31 December 2021.
- Euro 9,838 thousand for Newlat Food's acquisition of the Symington's Ltd Group in August 2021.
- Euro 220 thousand for the purchase of the Lylag brand and related industrial assets.
- Euro 179 thousand for the negative exchange rate effect recorded in the period.

While there are no indicators of impairment from internal sources, considering the target market affected by a strong inflationary pressure and the expected trend of discount rates (potentially increasing), the Company's management has nevertheless decided to update its impairment assessment by reviewing the financial years up to 31 December 2021 considering the expected evolution of revenues and margins and taking into account an increasing discount rate. The review conducted did not reveal any indicators of impairment.

Concessions, licences, trademarks and similar rights

The following table shows a breakdown of "Concessions, licences, trademarks and similar rights reported among intangible assets":

(In thousands of euros)	**At 30 June 2022**	**At 31 December 2021**
Trademarks with an indefinite useful life *(a)*	44,799	44,799
Trademarks with a finite useful life *(b)*	633	695
Symington's assets with a definite useful life *(c)*	35,305	36,444
Total net book value	80,737	81,938

Trademarks with an indefinite useful life
This item refers to the following trademarks:

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

While there are no indicators of impairment from internal sources, considering the target market affected by a strong inflationary pressure and the expected trend of discount rates (potentially increasing), the Company's management has nevertheless decided to update its impairment assessment by reviewing the financial years up to 31 December 2021 considering the expected evolution of revenues and margins and taking into account an increasing discount rate. The review conducted did not reveal any indicators of impairment.

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

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

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

Non-current financial assets measured at fair value through profit or loss
The balance includes the minority interest in Futura S.r.l. for a total of approximately Euro 657 thousand (less than 5% stake).

Financial assets measured at amortised cost
At 30 June 2022, this item totalled Euro 800 thousand (Euro 801 thousand at 31 December 2021) and referred mainly to security deposits paid by the Parent Company under the production premises lease agreements.

Deferred tax assets

At 30 June 2022, this item totalled Euro 8,394 thousand (Euro 7,580 thousand in December 2021). The increase was mainly due to a reclassification from deferred tax liabilities in terms of the net presentation of the item.

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

Current assets

(In thousands of euros)	At 30 June 2022	At 31 December 2021
Current assets		
Inventories	84,894	63,881
Trade receivables	60,692	67,184
Current tax assets	3,249	3,324
Other receivables and current assets	13,057	11,262
Current financial assets measured at fair value through profit or loss	5,344	35
Cash and cash equivalents	340,417	384,888
Total current assets	507,653	530,574

Inventories

Closing inventories increased by Euro 21,013 thousand compared to 31 December 2021 due to an increase in inventories as a result of both an increase in sales volumes and a general increase in the average purchase price of finished product components and raw materials.

(In thousands of euros)	At 30 June 2022	At 31 December 2021
Raw materials, supplies, consumables and spare parts	50,173	34,353
Finished products and goods	35,196	29,850
Semi-finished products	2,062	2,535
Advance payments	28	26
Total gross inventories	87,459	66,764
Inventory write-down reserve	(2,565)	(2,883)
Total inventories	84,894	63,881

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

Balance at 31 December 2021	2,883
Uses/Releases	(351)
Increases	33
Balance at 30 June 2022	2,565

Trade receivables

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

(In thousands of euros)	At 30 June 2022	At 31 December 2021
Trade receivables from customers	80,613	86,790
Trade receivables from related parties	19	19
Trade receivables (gross)	80,632	86,809
Provision for doubtful trade receivables	(19,940)	(19,624)
Total trade receivables	60,692	67,184

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

The provision for doubtful receivables changed as follows during H1 2022 and the for the period reflects the exposure of the receivables – net of the provision for doubtful receivables – at their presumed realisable value.

Balance at 31 December 2020	18,677
Provisions	1,201
Uses	(317)
Change to the consolidation scope	63
Balance at 31 December 2021	19,624
Provisions	387
Exchange rate effect	-
Uses	(71)
Balance at 30 June 2022	19,940

Current tax assets

Current tax assets totalled Euro 3,249 thousand (Euro 3,324 thousand at 31 December 2021).

Other receivables and current assets

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

(In thousands of euros)	At 30 June 2022	At 31 December 2021
Tax assets	3,486	2,573
Receivables from social security institutions	1,094	3
Accrued income and prepaid expenses	639	3,270
Advance payments	3,764	1,936
Other receivables	4,074	3,480
Total other receivables and current assets	13,057	11,262

Cash and cash equivalents

"Cash and cash equivalents" mainly consist of sight current accounts with banks.
At 30 June 2022, cash and cash equivalents were not subject to restrictions or constraints. Part of the aforementioned cash and cash equivalents, amounting to Euro 155,694 thousand, is attributable to the cash pooling relationships of Newlat Food with the parent company Newlat Group S.A., and are immediately callable by the Group.
See the statement of cash flows for changes in the "Cash and cash equivalents" item during the half years under review.

Shareholders' equity

Share capital

As at 30 June 2022, the Company's fully subscribed and paid-up share capital totalled Euro 43,935,050, divided into 43,935,050 ordinary shares that were dematerialised as a result of the IPO operation in October 2019.

As reported in the statement of changes in consolidated equity, the changes as at 30 June 2022 related to:

- Recognition of the total net profit for the period, in the amount of Euro 2,182 thousand.
- Negative translation reserve of Euro 1,018 thousand.
- Hedging instruments for Euro 284 thousand.
- other minor changes in the amount of Euro 17 thousand;
- Purchase of treasury shares for Euro 8.6 thousand.

Non-current liabilities

(In thousands of euros)	At 30 June 2022	At 31 December 2021
Non-current liabilities		
Provisions for employee benefits	13,912	14,223
Provisions for risks and charges	2,057	2,030
Deferred tax liabilities	19,470	19,097
Non-current financial liabilities	268,510	287,216
Non-current lease liabilities	25,079	31,175
Total non-current liabilities	329,027	353,741

Provisions for employee benefits

At 30 June 2022, this item totalled Euro 13,912 thousand, down from Euro 311 thousand at 31 December 2021, mainly due to the departure of employees through retirement and resignation.

Provisions for risks and charges

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

(In thousands of euros)	Provision for agents' indemnities	Provision for legal risks	Other provisions for risks and charges	Total provisions for risks and charges
Balance at 31 December 2021	1,212	690	127	2,030
Provisions	58			58
Uses	(31)			(31)
Balance at 30 June 2022	1,239	690	127	2,057

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

Deferred tax liabilities

Deferred-tax liabilities amounted to Euro 19,470 thousand at 30 June 2022. The increase of Euro 373 thousand compared to the liability as at 31 December 2021 was mainly due to a reclassification between deferred tax liabilities and deferred tax assets.

Non-current and current financial liabilities

The table below contains a breakdown of "Current and non-current financial liabilities":

(In thousands of euros)	At 30 June 2022 Current portion	At 30 June 2022 Non-current portion	At 31 December 2021 Current portion	At 31 December 2021 Non-current portion
Debt to Newlat Group SA for cash pooling	48,738		40,435	
Total financial debt to Newlat Group	48,738	-	40,435	-
Deutsche Bank loan agreement	3,000	4,500	3,000	6,000
BPM loan agreement	3,171	4,830	3,153	6,420
BPER loan agreement	2,000	4,060	1,990	5,062
BPER loan agreement	7,500	-	7,500	7,500
Unsecured BPM loan	7,500			
Trade credit facilities	20,487		20,309	
Coomerzbank	-		30,000	
Bond	1,165	199,310	4,530	198,455
Other lines of credit	1,250	3,750	625	4,375
Current account overdrafts	13		13	
UNICREDIT	771	1,543	962	1,929
UNICREDIT FILIERA	467	3,580	465	3,813
ICREA BANCA D'ALBA	400	300	400	500
MEDIOCREDITO	453	465	447	693
BANCA POPOLARE DI SONDRIO (SWITZERLAND)	253	106	251	235
UNICREDIT CDP	391	3,285	386	3,483
BANCO BPM	2,595	3,568	3,013	4,648
INVITALIA LOAN ACCOUNT	329	2,969	325	3,135
CARIPARMA			317	
CREDITO COOP CENTROVENETO	-		42	
BANCA CAMBIANO 1884	1,017	256	1,010	766
MPS CAPITAL SERVICES BANCA PER LE IMPRESE	1,577	11,538	1,485	12,302
CHIANTI BANCA	406	412	403	616
BPER BANCA	625	4,375		5,000
BANCA PASSADORE	677	-	671	340
BANCO DESIO	502	596	499	848
MONTE DEI PASCHI DI SIENA	4,054	19,067	4,049	21,096
Debt to other lenders	1,000		1,000	
Total financial debt to banks and other lenders	61,603	268,510	86,845	287,216
Total financial liabilities	110,341	268,510	127,280	287,216

The verification of compliance with financial covenants is performed only on the annual data at 31 December based on the requests of the related contracts. The Group believes that these covenants will be respected at 31 December 2022, also considering the results achieved at 30 June 2022. The decrease in financial liabilities is mainly due to the repayment of instalments maturing on 30 June and the lower use of short-term credit lines. Moreover, in February 2022 the interest on the bond loan of approximately Euro 5.2 million was paid.

Current and non-current lease liabilities

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

Liabilities were recognised in compliance with the IFRS 16 accounting standard and determined as the present value of future lease payments discounted at a marginal rate of interest which, based on the length of each individual agreement, was identified in a range between 1% and 3%.

There are no payables due beyond five years.

The change compared with 31 December 2021 was due mainly to the reimbursement of rental fees according to existing contractual agreements.

Current liabilities

(In thousands of euros)	At 30 June 2022	At 31 December 2021
Current liabilities		
Trade payables	190,135	179,024
Current financial liabilities	110,341	127,280
Current lease liabilities	9,344	7,887
Current tax liabilities	3,791	3,364
Other current liabilities	22,955	19,087
Total current liabilities	336,566	336,643

Trade payables

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

(In thousands of euros)	At 30 June 2022	At 31 December 2021
Trade payables to suppliers	189,951	151,225
Trade payables to related parties	184	163
Total trade payables	190,135	151,388

There are no particular changes in supplier payment terms.

Current financial liabilities

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

Current tax liabilities

Current tax liabilities totalled Euro 3,791 thousand (Euro 3,364 thousand at 31 December 2021). The change compared with 31 December 2021 was due to taxes for the period.

Other current liabilities

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

(In thousands of euros)	At 30 June 2022	At 31 December 2021
Employees liabilities	12,113	9,263
Social security institutions liabilities	4,368	3,606
Tax liabilities	2,161	2,200
Accrued expenses and deferred income	2,177	2,407
Miscellaneous liabilities	2,136	1,610
Total other current liabilities	22,955	19,087

The change compared with 31 December 2021 was due mainly to higher payables to employees.

Income statement

Please refer to the Report on Operations for an analysis of the income statement items for the first half of 2022, which – for the purposes of a greater understanding of the Group's economic performance on a uniform basis – were compared with the proforma income statement figures for the first half of 2021, calculated by retro-dating the acquisition of Symington's to 1 January 2021 for proforma accounting purposes, which actually took place on 4 August 2021 and therefore did not generate any impact on the consolidated income statement for the first half of 2021.

Earnings per share

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

	Half-year ended 30 June	
	2022	2021
Profit for the year attributable to the Group in thousands of euros	1,285	4,764
Weighted average number of shares in circulation	39,956,288	42,818,350
Earnings per share (in Euro)	0.03	0.11

Related party transactions

The Group's transactions with related parties, identified based on criteria defined by IAS 24 – Related party disclosures, are mainly of a commercial or financial nature and are carried out under normal market conditions.

Despite this, there is no guarantee that, if these transactions had been conducted between or with third parties, said third parties would have negotiated and entered into the relevant contracts, or executed the transactions themselves, under the same conditions and in the same manner.

The Group deals with the following related parties:

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

The table below provides details of the statement of financial position items relating to the Group's transactions with related parties at 30 June 2022 and 31 December 2021:

(In thousands of euros)	Parent company	Companies controlled by the parent companies		Total	Total statement of financial position items	% of statement of financial position item
	Newlat Group	New Property	Other companies controlled by the parent companies			
Right-of-use assets						
At 30 June 2022	-	2,567	-	2,567	34,515	7.4%
At 31 December 2021	-	3,948	-	3,948	38,572	10.2%
Non-current financial assets at amortised cost						
At 30 June 2022	-	735	-	735	801	91.7%
At 31 December 2021	-	735	-	735	800	91.9%
Trade receivables						
At 30 June 2022	-	-	19	19	60,692	0.0%
At 31 December 2021	-	-	19	19	67,184	0.0%
Cash and cash equivalents						
At 30 June 2022	155,694	-	-	155,694	340,417	45.7%
At 31 December 2021	126,552	-	-	126,552	384,888	32.9%
Non-current lease liabilities						
At 30 June 2022	-	-	-	-	25,079	0.0%
At 31 December 2021	-	1,261	-	1,261	31,175	4.0%
Trade payables						
At 30 June 2022	105	-	79	184	190,135	0.1%
At 31 December 2021	105	-	58	163	179,024	0.1%
Current financial liabilities						
At 30 June 2022	48,738	-	-	48,738	110,341	44.2%
At 31 December 2021	40,435	-	-	40,435	127,280	31.8%
Current lease liabilities						
At 30 June 2022	-	2,712	-	2,712	9,344	29.0%
At 31 December 2021	-	2,881	-	2,881	7,887	36.5%
Other current liabilities						
At 30 June 2022	-	-	-	-	22,955	0.0%
At 31 December 2021	-	411	-	411	19,087	2.2%

The following table provides details of the income statement items relating to the Group's transactions with related parties for the half years ended 30 June 2022 and 2021:

(In thousands of euros)	Parent company	Companies controlled by the parent companies		Total	Total statement of financial position items	% of statement of financial position item
	Newlat Group	New Property	Other companies controlled by the parent companies			
Cost of sales						
At 30 June 2022	-	1,608	130	1,738	274,200	0.6%
At 30 June 2021	-	1,664	29	1,693	194,321	0.9%
Administrative costs						
At 30 June 2022	153	-	-	153	10,900	1.4%
At 30 June 2021	82	-	-	82	11,810	0.7%
Financial income						
At 30 June 2022	32	-	-	32	1,274	2.5%
At 30 June 2021	-	-	-	-	462	0.0%
Financial expenses						
At 30 June 2022	2	38	-	40	5,919	0.7%
At 30 June 2021	-	74	-	74	3,798	1.9%

Disputes and potential liabilities

The Parent Company and its subsidiaries are parties to some legal disputes, for relatively small amounts. The future resolution of such disputes is unlikely to generate significant liabilities for the Group for which specific risk provisions have not already been allocated in the financial statements. As at 30 June 2022 there were no substantial changes to the situations regarding disputes or contingent liabilities from 31 December 2021.

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

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

of the administrative and accounting procedures for preparing the condensed consolidated half-year financial statements during the first half of 2022.

2. Assessment of the adequacy of the administrative and accounting procedures for drawing up the condensed half-year consolidated financial statements at 30 June 2022 is based on a process defined by Newlat Food S.p.A. in compliance with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which is a generally internationally accepted framework of reference.
3. We can also certify that:
    a. the condensed consolidated half-year financial statements:
        - were drafted in conformity with the applicable international accounting standards endorsed by the European Community under the terms of Regulation (EC) N° 1606/2002 of the European Parliament and Council, of 19 July 2002;
        - correspond to the accounting records;
        - Provide a true and correct representation of the asset, economic and financial situation of the Issuer and of the companies included in the consolidation.

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

Reggio Emilia (RE), 09 September 2022

Angelo Mastrolia Chairman of the BoD	Rocco Sergi Financial Reporting Officer

REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the shareholders of
Newlat Food SpA

Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of Newlat Food SpA and its subsidiaries (the Newlat Group) as of 30 June 2022, comprising the consolidated statement of financial position, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement and related explanatory notes. The directors of Newlat Food SpA are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the international accounting standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of Review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution No. 10867 of 31 July 1997. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope 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 consolidated condensed interim financial statements.

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated condensed interim financial statements of Newlat Group as of 30 June 2022 are not prepared, in all material respects, in accordance with the international accounting standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milano, 9 September 2022

PricewaterhouseCoopers SpA

signed by
Davide Abramo Busnach
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers