

# REPORT ON OPERATIONS 2023







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# **FOREWORD**

Dear Shareholders, the Explanatory Notes provide information related to the Financial Statements as at 31/12/2023; pursuant to what envisaged by Article 2428 of the Italian Civil Code, this document aims at providing information about the situation and trend of the Oropan management (hereinafter referred to as the Company). This report, drawn up with the values expressed in Euro units, is submitted together with the Financial Statements closed on 31/12/2023 and prepared in compliance with the civil law in order to provide equity-related, financial and management information about the Company, as well as, where possible, its historical elements and outlook.

It has to be noted that this report encompasses all information envisaged and required by Article 2428 of the Italian Civil Code as well as information specified by the National Board of Certified Accountants and Auditors and considered useful for a fair, balanced and comprehensive analysis of Oropan and of the trend of the operating result as a whole and in each sector in which the company operates, by paying particular attention to the costs, revenues and investments, and a description of the main risks and action complexity to which the Company is exposed.

Such analysis, which we consider consistent with the entity and the type of business activity of the company, includes - to the extent required to understand the situation and the trend of the Company - the indexes of the financial, economic and equity-related result as well as the non-financial ones related to the specific activity of the Company, including information related to environment and personnel.

# ORDINARY FINANCIAL STATEMENTS AS AT 31.12.2023 OROPAN

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# **LETTER**

# FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

The human resources of Oropan, which have been an integral part of my Family for over 50 years, are the driving force of these successes and I am really grateful for the tireless commitment and passion that all of them use to serve our customers and to develop our business. The team spirit has been, and will continue to be, the key of our success. Together, we have faced, and we will continue to face, difficult challenges by supporting each other and by showing and extraordinary adaptability. Dedication and professionalism of each of them are the required ingredient to achieve the business objectives.

Oropan, in its role as a guardian and innovator, represents a virtuous example of how the industrial sector may play a key role in preserving traditions and, at the same time, in contributing to the economic development of the territory. By implementing state-of-the-art production processes, which respect the environment, and appreciating the workers' job, it is possible to keep alive the Altamura traditional baking art and, at the same time, to integrate modern technologies, which increase the efficacy and the sustainability.

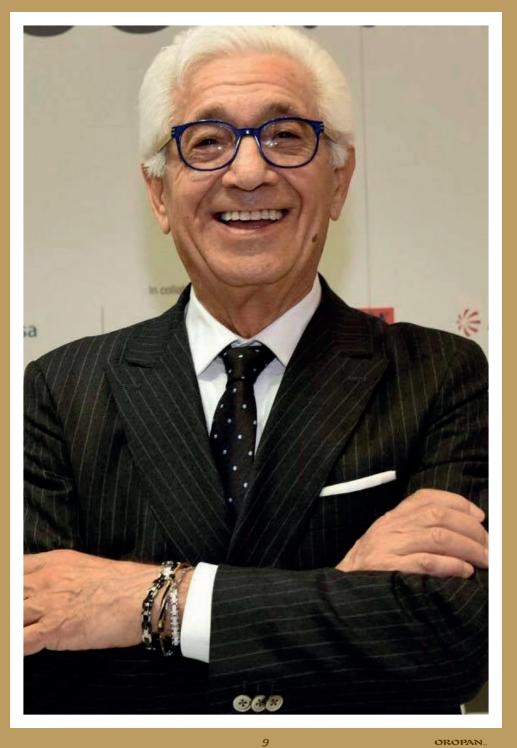
This combination of past and future, history and evolution, tradition and innovation, is translated into a production which not only ensures high-quality standards, but also promotes employment and social welfare, by supporting the local economy and by strengthening the link between the community and its cultural heritage.

Thanks to the collaboration with local suppliers in selecting the best semolina, and to the sharing of knowledge with the new generations, we not only produce an excellent bread, but we also actively contribute to tell a story which is worth to be told, disclosed and preserved.

The combination of past and present, tradition and innovation, craftsmanship and industrial process, may and shall continue to give life to a unique and cohesive net which reflects the whole business journey of the company.

The company shall therefore go beyond the simple sale of a product or the appeal generated by its brand, and it shall establish a dialogue with the consumer which connect him/her to the most genuine essence of the brand and of the company itself. Only in this way the loyalty process may result from an authentic involvement, from a feeling of belonging to the values and the culture that the company, through its product, aims at celebrating and promoting.

Looking ahead, I am confident that we will be able to face any challenge we encounter. We have proven to be a strong and united team able to overcome difficulties and to grow in a sustainable way. Each single member of our team has significantly contributed to our success and I am grateful to have a so extraordinary team next to me.



## **LETTER**

### OF THE CEO

Even in an uncertain global economic context, in 2023 the Company has been able to follow its ambitious structural, economic and commercial growing plans. The company keeps growing and has recorded +13% of gross turnover and +7% of ebitda compared to the previous fiscal year, corresponding to 33.2% of the revenues from sales and services. The production capacity is completely composed by the sale of 17 mln Kilos of bread in a year, an organisational structure based on 164 employees. Over the years, Oropan has triggered a "virtuous circular system" in which the company receives its identity from the territory, which is transformed into business competitive advantage and then it is given back to the territory in terms of added value through employment increase. Know-how development, and social welfare, by means of an eco-sustainable system aimed at meeting the current consumer needs, without jeopardising the need of the future generations. The food sustainability is a mission for Oropan, for which we have been working for over 15 years and which represents a distinctive added value of our business identity. For us, sustainability is a voluntary choice not imposed by law and which makes us competitive and pioneers in the new global scenarios. Starting from 2021, the definition of a Strategic Sustainability Plan and the drawing-up of a Report on Sustainability have been a natural evolution of this process that we started years ago with the aim of reporting and officially certificate the commitment of the business toward a business management always more sustainable, transparent and, above all, shared with stakeholders and shareholders

### All this is based on four key pillars, such as:

- Sostenibilità in azienda: considered as business welfare, protection, valorisation and inclusion
  of the human resources, promotion of equal opportunity and diversity, ethics and business integrity certified by the achievement of the legality rating assigned by the Autorità Garante della
  Concorrenza e del Mercato (AGCM) (the Italian Competition Authority) with the highest score of
  three stars \*\*\*, which proves that the business management is based on principles of legality,
  compliance, transparency and corporate social responsibility.
- 2. Care of the environment: we have committed to progressively reduce the energy consumptions, to promote the self-production and the usage of clean energy from renewable sources, such as our photovoltaic systems, and to reduce waste and emissions, greenhouse gasses and CO2, by contributing in this way to a cleaner future. Already during the year 2023, the first evidence mainly related to the energy sources and the water footprint has been recorded.
- 3. Value for the market, the supply chain and the territory for us one of the most important goals is the "health care through a healthy and balanced diet". Our business plan 2023-2025 envisages, among others, important investments in Research and Development aimed at improving the technological/organoleptic properties and the level of food safety, and in research projects aimed at innovating high healthy value products.
- 4. Valore per il mercato, la filiera e il territorio: we carry out in-depth audits for the social and environmental assessment of our suppliers in order to ensure that they work in an ethical and sustainable way. We obtained the certification SA8000, that is the management standard promoting the protection of the workers' rights along the entire supply chain. It is a cross-cutting standard, which is not simple to be implemented and which includes international conventions on human rights, safety and health at workplace; freedom of association and collective bargai-



LUCIA FORTE

ning; no discrimination; regulations concerning working hours and remuneration. This approach allows to enhance the personnel' worker conditions, contributes to the wellness of the company and promotes ethical and fair treatments. We **have increased by 35%** the added value **distributed along the supply chain**, which shows that it is possible to economically grow without losing sight of the responsibility towards suppliers, personnel and the whole community.

Over almost 70 years in business, we have combined the traditional knowledge concerning bread production and the needs of researching and innovating new production processes in order to open up to the global world, which today requires high performances in terms of certified quality, also and above all with regard to sustainability, flexibility and response speed, stability, research and constant product innovation, processes and business culture; these are all elements underlying our value chain and on which we have built our competitive advantage leverages. The strategical ingredient, which allowed Oropan to realize all this and to affirm its exclusivity on the market, has been - and still is - the tenacious commitment of the company to innovating the baking processes and products and the business culture by maintaining strong links with the traditional tastes and flavours of our territory. Over the years, I personally have set these goals for myself: managing and professionalising a sector mainly characterized by artisans and males, such as the bakery one. We have looked for people, and we are always looking for talented people, who are driven by passion and dedication, motivated and continuously trained, ensuring that the right people are at the right place. In this way, it has been possible to achieve significant results as well as the set goals, which increasingly project Oropan into the global market.

In the new year we also want to continue our journey in innovation and sustainability: a path that we are following together day by day. We are maybe convinced and want not only to be a company, but also an example for the integration of sustainability in the way we do business. Any result achieved is just a little part of the team success which contributes to make our growth path memorable also in terms of business culture.

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# **CORPORATE BODIES AND GOVERNANCE**

### **BOARD OF DIRECTORS**

- CHAIRMAN-VITO FORTE

- DIRECTOR AND CEO-LUCIA FORTE

- MANAGING DIRECTOR AND VICE CHAIRMAN-FRANCESCO FORTE

- DIRECTORS –
DANIELE FORTE
TOMMASO MONGELLI

### **BOARD OF STATUTORY AUDITORS**<sup>2</sup>

- CHAIRMAN – ANTONIO MARIA LA SCALA

- MEMBERS OF THE BOARD OF STATUTORY AUDITORS-

ANTONIETTA LOMURNO TOMMASO PORZIOTTA

AUDITING FIRM, DELOITTE & TOUCHE S.P.A.

<sup>1</sup> The end of the mandate corresponds to the approval of the Financial Statements as at 31.12.2025

<sup>2</sup> The end of the mandate corresponds to the approval of the Financial Statements as at 31.12.2025

<sup>3</sup> The end of the mandate corresponds to the approval of the Financial Statements as at 31.12.2025



FRANCESCO FORTE

Managing director and vice chairman

VITO FORTE

Chairman

LUCIA FORTE

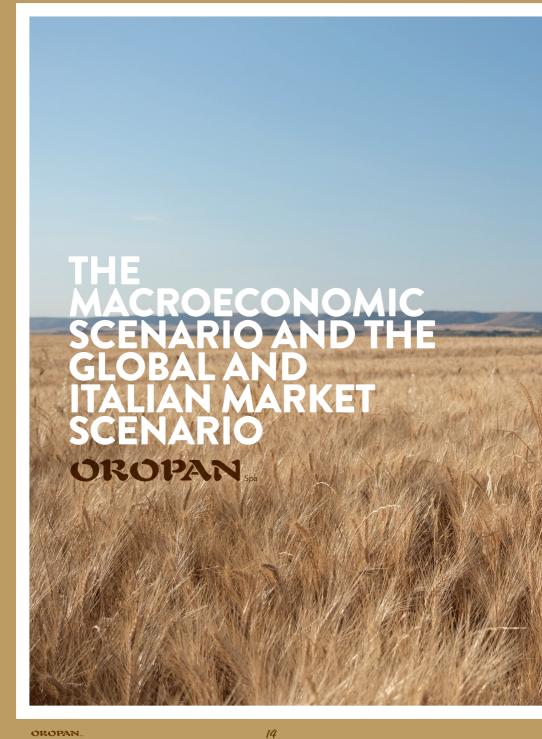
Director and CEO

DANIELE FORTE

Directors

TOMMASO MONGELLI Directors

OROPAN Spa





# THE MACROECONOMIC

### SCENARIO AND THE GLOBAL AND ITALIAN MARKET SCENARIO

The global growth outlook in macroeconomic terms for the fiscal year 2024 is between 3.1% and 3.2% in 2025. Inflation is decreasing more rapidly than expected in the main countries, even if we are witnessing a general supply contraction and a restrictive monetary policy. The global inflation should decrease to 5.8% in 2024 and to 4.4% in 2025, and the forecast for 2025 has been revised downwards. A fiscal policy more easy-going than required and what assumed in the forecast may involve a temporary higher growth, however with the risks of a more expensive adjustment thereafter. A greater momentum of the structural reforms may support the production with positive cross-border effects. The new price peaks of raw materials due to geopolitical shocks, including the continuous attacks in the Red Sea and the supply interruptions or the more persistent underlying inflation, may extend the restrictive monetary conditions. Targeted structural and carefully sequenced reforms would strengthen the production growth and the debt sustainability and would speed the convergence towards higher income levels. Besides, it is necessary a more efficient multilateral coordination to resolve the debt, to avoid the debt difficulties and to create room for the required investments as well as to mitigate the effects of the climate changes.

As far as the Italian scenario is concerned, the GDP is expected to grow by 0.7% both in 2023 and in 2024, slowing down compared to 2022. In the two-year forecast period, the increase in GDP would be mainly supported by the domestic demand net of stocks (+0.8 percentage points in 2023 and +0.7 percentage points in 2024) against a net foreign demand marginally negative in 2023 (-0.1 p.p.) and equal to zero in 2024. The domestic demand will be mainly driven by the private consumptions (+1.4% in 2023 and +1.0% in 2024) supported by the slowdown in inflation, by a progressive (even if partial) increase in remunerations and by the employment growth. Investments are expected to slow sharply compared to the previous two years (+0.6% in both years). Employment, assessed in terms of unit of work (ULA), will increase in line with the GDP (+0.6% in 2023 and +0.8% in 2024), accompanied by a drop in the unemployment rate (7.6% this year and 7.5% next year). Inflation will decrease as a result of the falling of the energy prices and of the consequences of the restrictive monetary policies implemented by the ECB. The forecast assumes a further decrease in the consumer prices and price lists of the imported raw materials, a progressive recovery of the worldwide trade and the progressive implementation of the investment plans envisaged by the Italian National Recovery and Resilience Plan (PNRR - Piano Nazionale di Ripresa e Resilienza).

As far as the international market is concerned, the macroeconomic scenario in 2023 has been mainly characterized by a widespread global deflation compared 2022; by way of example, just think that in the advanced economies the inflation has reached +2.3% in the last quarter of the considered fiscal year

with a significant reduction compared to the peak of +9.5% reached in the second quarter of 2021. This data is however accompanied by a moderate macroeconomic growth of about +3.2% in 2023, with similar growth rates estimated for the year 2024 and 2025, as a result of restrictive monetary policies and of the reduction of tax support in many Countries. In details, in 2023 there has been an increase in the European GDP equal to +0.4% while in the United States and in China the growth has been +2.5%

and 5.2%, respectively<sup>2</sup>. The aforesaid economic performances are also confirmed by the evolution of the global trade of goods and services, especially there has been a reduction by -7.5% related to the

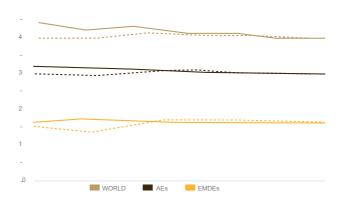
manufacturing sector compared 20223.

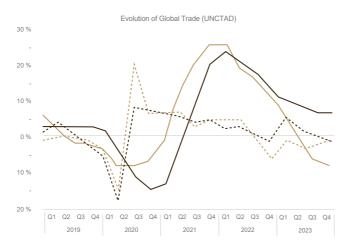
<sup>4</sup> World Economic Outlook April 2024, IMF

<sup>5</sup> As above

<sup>6</sup> Global Trade Update December 2023, UNCTAD







Not of secondary importance are the macro-political aspects occurred in the current year and that surely will still have an impact on the next quarter, first of all the worsening of the Israeli-Palestinian conflict and the Russian-Ukrainian one which threaten to destabilise the now precarious international political and social balances.

# TREND OF THE MARKET RELATED

### TO THE FOOD INDUSTRIES.

The bakery market is confirmed to be the most interesting and dynamic at global level with a value exceeding €500 billion, and it is expected to exceed €600 billion over the next three years, with Italy being one of the main players at international level.

The market trends move towards healthy products with a higher focus on tradition and craftsmanship. In this regard, the products containing sourdough are mainly appreciated both for the perception of craftsmanship that sourdough gives to the bakery products and for their higher digestibility and better nutritional profile. Furthermore, the customer is increasingly searching for low-processed and artificial-additive-free bakery products, and is also willing to pay extra to have them.

As far as raw materials are concerned, the analyses of the worldwide production of wheat show a production decrease by about 2% in 2023/24 mainly due to a less size of the areas under cultivation as a result of the reduction in the sale price. The price increase moderated due to the Russian-Ukrainian conflict, the diversification of the sources implemented by the importing countries and the creation of the first safe maritime humanitarian corridor in the Black Sea for the Ukrainian exportations has contributed to significantly limit the uncertainty of the continuity of the global supply flows, and therefore to bring the prices of the raw materials back to very low levels compared to the previous campaign. As far as the ingredient list is concerned, the consumer increasingly requires it to be more essential, and likewise looks for less-processed and artificial-additives-free bakery products. In short, the consumer prefers products having natural ingredients in order to better perceive that it is healthy food.

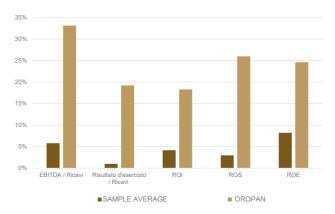
With regard to the first seven months 2023 (January-July), there is a positive trend of the export of bakery-made products in Italy: the trend change (compared to the same period of the previous year) has been +20.4% in value, even if much more limited in terms of volume (+3.1%).

<sup>1</sup> Data resulting from the market analysis Food - year 2024

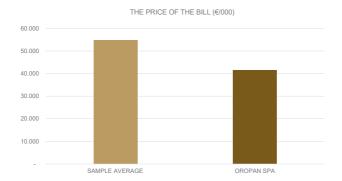
# THE COMPETITIVE POSITIONING

### COMPARED TO THE REFERENCE MARKET

Oropan periodically verifies its competitive positioning compared to the sector to which it belongs (ATE-CO code 10.71.10, Production of bakery products), and to each Competitor; following such analysis, also for the year 2023, the Company confirms to have the best performance compared to the sector average.



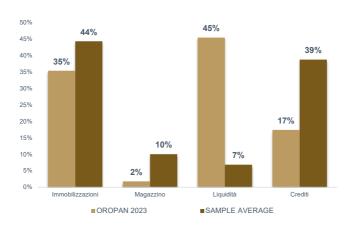
Such results are taken from the data analysis of the Oropan Financial Statements 2023 with data referred to the available and public financial statements (referred to the fiscal year 2022), of a sample of the sector composed by 8 competitive companies1 operating on the market in which the Company works. A sample which generated a turnover equal to about €400 million in 20222.



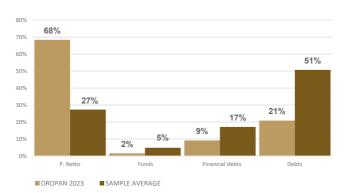
<sup>1</sup> The sample includes both Italian and foreign companies with a turnover not lower than €7MLN and among the best competitors in the production, among others, of salted bakery products.

<sup>2</sup> Especially, the Financial Statements available on the date on which this document has been drawn up have been selected. All financial statements, therefore, may be referred to 31-12-2022, except from one company whose available financial statements closed on 30-06-2023

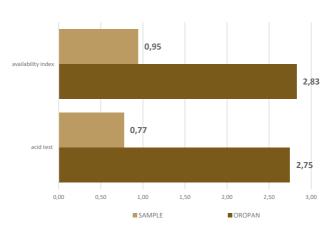
### **COMPOSITION OF ASSET EQUITY**



### **COMPOSITION OF LIABILITY EQUITY**

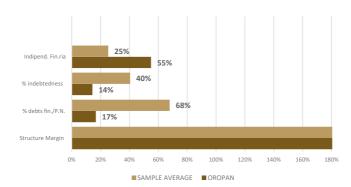






- Availability index: (non-fixed assets) / (trade payables + short-term financial payables)
- Acid test: (non-fixed assets Inventories) / (trade payables + short-term financial payables)

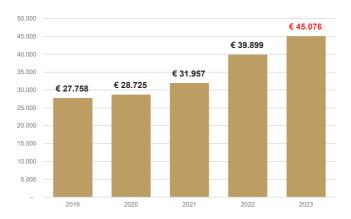
### OTHER FINANCIAL STRUCTURE RATIOS



- · Financial independence index: Net equity /total assets
- % indebtedness: financial payables / (financial payables + Net equity)
- % financial payables / Net equity
- · Structure margin: Internal financing / fixed assets

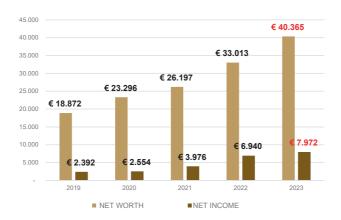
# HIGHLIGHTS OF THE FINANCIAL YEAR MANAGEMENT 2023

### **GROSS REVENUES**



The table above shows the constant growth in gross revenues from sales and services with an increase of 13% compared to the previous year.

### TREND OF SHAREHOLDERS' EQUITY AND NET INCOME FOR THE YEAR

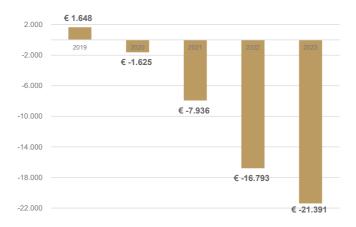


Shareholders' equity recorded an increase of 22% compared to the previous year and of approximately 114% compared to 2019.

### **NET PROFIT TREND ON SALES REVENUES AND SERVICES**



### **NET FINANCIAL POSITION**



The Net Financial Position is largely positive with an increase compared to the previous year of 27.3%10.110.

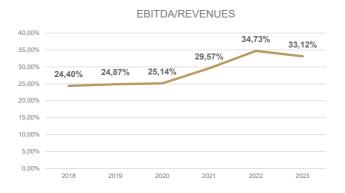
<sup>10</sup> For graphical reasons only, the NFP is reported with a positive balance; however, the real data is negative as financial debts are significantly lower than financial credits and cash

### **EBITDA ANALYSIS**

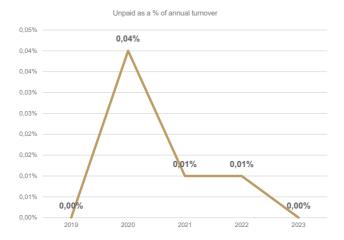


The 2023 figure is equal to €13,739 thousand with an increase of €922 thousand compared to the last financial year. In percentage terms compared to sales revenues it is equal to 33.12% with a slight decrease compared to the last financial year in which it stood at 34.9%.

### EBITDA TREND ON REVENUES FROM SALES AND SERVICES



### **UNSOLVED AS A % OF THE ANNUAL TURNOVER**



The amount of trade receivables increased by 19% compared to the previous year, less than proportional to the increase recorded in turnover. During the year, the incidence of credit losses on total revenues was confirmed at 0.001%, equal to approximately €1 thousand on a total revenue from sales and services of €41,485 thousand. This analysis highlights the adequacy of the control procedures carried out by the relevant offices and the excellent solvency index of corporate customers.



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# **ANALYSIS**

### OF THE ECONOMIC, EQUITY-RELATED AND FINANCIAL RESULTS

Here below the summary results of the year 2023 compared to the year 2022 and the relevant changes are shown

€/000	Fiscal year 2023	Fiscal year 2022	Change	Change %
Revenues	41,485	36,688	4,797	13.08%
Gross Operating Margin	14,414	13,290	1,124	8.46%
Net Profit	7,972	6,940	1,032	14.88%
Net financial Position	- 21,391	- 16,793	- 4,598	27.38%
Net equity	40,365	33,013	7,353	22.27%
EBITDA Margin	33.12%	34.94%		-1.82%
EBITDA	13,739	12,817	922	7.19%
GOM / Revenues	34.74%	36.22%		- 1.48%
Net Equity / Net Financial Position	1.89	1.97	- 0.08	- 4.01%
Net Financial Position /GOM	1.48	1.26	0.22	17.45%

Despite the general increase in the costs of raw materials, packaging and energy sources, which have also characterized the current fiscal year, the Financial Statements 2023 closed with a profit after the taxes equal to  $K \in 7,972$ , increasing compare to the data of the fiscal year 2022 which was equal to  $K \in 1,032$  (+14.88%).

This data is even more appreciable if it is considered that it includes amortisations and provisions equal to  $K \in 2,959$  and taxes related to the fiscal year amounting to  $K \in 3,118$ .

The resulting EBITDA 2023 equal to K€ 13,739 has increased (+7.19%) compared to EBITDA in 2022 amounting to K€ 12,817.

This result has been mainly determined by the effect of the following macro-components:

- Increase by 13.08% in the item Revenues from Sales and Services. Thanks to a careful trade policy, the expected inflationary pressure, which has affected the whole food market and in particular the bakery products, has been efficiently absorbed.
- The increase in the purchase costs of raw materials, packaging, semi-finished products and energy sources has been anyway lower than the increase in the costs on the domestic and international markets, thanks to a careful purchase policy and to other production factors.

The combined effect of the dynamic related to the revenues from sales and of the efficiency of the costs has determined a further increase in the gross margin in the fiscal year 2023 compared to the previous fiscal year.

# **EQUITY**

### **RELATED AND FINANCIAL STRUCTURE**

Equity-related position €/000	2023	2022	Changes
Intangible Fixed Assets	1,781	1,805	- 25
Tangible Fixed Assets	19,074	17,314	1,760
Financial Fixed Assets	2	2	-
Receivables from Prepaid taxes	139	92	47
Other non-current assets	-	-	-
Non-current Assets	20,995	19,213	1,782
Employee Severance Indemnity	- 212	- 188	- 23
Deferred Taxes	- 463	- 495	32
Provisions for risks and charges	- 249	- 76	- 173
Other non-current liabilities	- 31	- 31	0
Non-current liabilities	- 955	- 790	- 165
Inventories	1,058	1,294	- 236
Net Trade Receivables	7,765	7,220	545
Trade payables	- 7,740	- 6,581	- 1,159
Advanced payments	- 38	- 30	- 8
Net Working Capital	1,046	1,904	- 858
Other net assets (liabilities)	- 2,112	- 4,107	1,995
Working capital	- 1,066	- 2,204	1,138
Net Invested Capital	18,974	16,219	2,755

Share Capital	- 6,490	- 6,490	-
Reserves and profits carried forward	- 25,904	- 19,583	- 6,321
(Profit)/Loss of the period	- 7,972	- 6,940	- 1,032
Net equity	- 40,365	- 33,013	- 7,353
Medium/long-term financial receivables	3	9	- 6
Portion of medium/long-term financing	- 4,200	- 1,283	- 2,918
Payables to shareholders	-	-	-
Medium/long term net financial position	- 4,197	- 1,274	- 2,924
Bank and cash accounts	26,788	18,209	8,579
Short-term financial receivables	-	-	-
Short-term financing and bonds	- 1,200	- 143	- 1,058
Short-term net financial position	25,588	18,067	7,522
Net financial position	21,391	16,793	4,598
Total financing sources	- 18,974	- 16,219	- 2,755

# **ANALYSIS**

### OF THE NET FINANCIAL POSITION

Balance Sheet item €/000	2023	2022	Changes
Medium/long-term financial receivables	- 3	- 9	6
Portion of medium/long-term financing	4,200	1,283	2,918
Medium/long-term Net Financial Position	4,197	1,274	2,924
Bank current accounts and cash	- 26,788	- 18,209	- 8,579
Short-term financing and securities	1,200	143	1,058
Short-term Net Financial Position	- 25,588	- 18,067	- 7,522
Net Financial Position	- 21,391	- 16,793	- 4,598

According to the previous reclassification, the following balance sheet indexes have been calculated:

FINANCIAL/EQUITY-RELATED INDICATOR	Fiscal year 2023	Fiscal year 2022	Fiscal year 2021	Delta % 2023/2022			
Primary hedging indicator							
= [ A) Net Equity] / [ B) Fixed Assets - B.III.2) Receivables (within the following fiscal year) ]	194%	173%	123%	12%			
The Ratio of Net Worth to Fixed Assets represents - in relative value - the portion of fixed assets hedged with internal financing							
Secondary hedging indicator							
= [A) Net Equity + B) Provisions for risks and charges + C) Em- ployment Severance Indemnity + D) Payables (beyond the following fiscal year) ] / [B) Fixed assets - B.III.2) Receivables (within the following fiscal year) ]	218%	183%	126%	19%			

It is composed by the ratio of the Consolidated Share Capital to the net fixed assets. It represents - in relative value ¬- the portion of the fixed assets hedged through consolidated sources.

### Primary treasury index = [A) Receivables due from shareholders + B.III.2) Receivables (within the following fiscal year) + Tangible fixed assets addressed to sale + C.II) Receivables (within the following fiscal year) + C.III) Financial assets not included in 272% 210% 137% 30% the fixed assets + C.IV) Cash and cash equivalent + D) Accrued liabilities/deferred assets] / [ D) Payables (within the following fiscal year) + E) Accrued liabilities and deferred income]

It measures the ability to pay current payables with cash monetary resources or short-term receivables

Duration of the Extension – Customers - days				
Trade receivables / (net sales /365)	68	72	73	-5%

It is a "prompt" index and therefore it does not reflect the actual collection conditions, but it is influenced by the situation at the end of the fiscal year: generally, its reduction over time is appreciable and demonstrates the ability to collect faster (it should be assessed together with the turnover trend, that means that it is really positive when it decreases with increasing turnovers).

Duration of the Suppliers' Extended Payment terms				
Trade payables / (Purchase of Raw Materials, Services, Other Expenses/365)	131	121	115	8%

It is a "prompt" index and therefore it does not reflect the actual payment conditions, but it is influenced by the situation at the end of the fiscal year: generally, its extension over time is appreciable and demonstrates the ability to pay slower (it should be assessed together with the purchase trend, that means that it is really positive when it increases with increasing purchases).

Duration of the Inventories - days.				
Inventories / (Sales /365)	9	13	12	-28%

It is a "prompt" index and therefore it does not reflect the actual conditions of the inventory turnover, but it is influenced by the situation at the end of the fiscal year: generally, its reduction over time is appreciable and demonstrates the ability to carry out a faster inventories turnover (it should be assessed together with the purchase and sale trend, that means that it is really positive when it decreases when there are increasing purchases/sales).

To better understand the operating result of the Company, here below a reclassification table of the Profit and Loss Account is provided.

Profit and Loss Account	Fiscal year	% Production	Fiscal year	% Production	Fiscal year	% Production	Change 2023 / 2022	
FIGHT AND LOSS ACCOUNT	2023	Value	2022	Value	2021	Value	Absolute €	%
PRODUCTION VALUE	42,778,216	100,00%	39.249.062	100,00%	30.779.872	100,00%	3.529.154	8,99%
- Consumption of raw materials	-13,681,967	-32,0%	-12.893.415	-32,9%	-9.143.491	-29,7%	-788.552	6,1%
- Overheads	-7,366,272	-17,2%	-6.462.654	-16,5%	-6.226.347	-20,2%	-903.617	14,0%
ADDED VALUE	21,729,977	50,8%	19.892.993	50,7%	15.410.033	50,1%	1.836.984	9,23%
- Personnel cost	-7,156,234	-16,7%	-6.602.536	-16,8%	-6.280.868	-20,4%	-553.698	8,4%
- Provisions	- 159,807	-0,4%	0	0,0%	0	0,0%	-159.807	
GROSS OPERATING MARGIN	14,413,936	33,7%	13.290.456	33,9%	9.129.165	29,7%	1.123.480	8,45%
- Amortisations and depreciations	-2,791,738	-6,5%	-3.097.962	-7,9%	-3.214.969	-10,4%	-306.224	-9,5%
TYPICAL OPERATING RESULT (Net Opera- ting Margin)	11,622,198	27,2%	10.192.494	26,0%	5.914.196	19,2%	1.429.704	14,03%
+ Other revenues and								
- Other operating charges	-834,976	-2,0%	-473.414	-1,2%	-451.634	-1,5%	-361.562	76,3%
INCOME BEFORE FINANCIAL MANA-	10,787,222	25,2%	9.719.080	24,8%	5.462.562	17,7%	1.068.142	10,99%
+ Financial income	377,360	0,9%	7.816	0,0%	12.700	0,0%	369.544	4.728%
+ Gains and losses on exchange rates								
OPERATING RESULT (Current Margin before financial charges)	11,164,583	26,1%	9.726.896	24,8%	5.475.261	17,8%	1.437.687	14,78%
+ Financial Charges	-74,436	-0,2%	-25.765	-0,1%	-25.522	-0,1%	-48.671	188,9%
INCOME BEFORE TAXES	11,090,147	25,9%	9.701.132	24,7%	5.449.740	17,7%	1.389.015	14,32%
- Income taxes for the fiscal year	-3,118,279	-7,3%	-2.761.587	-7,0%	-1.474.151	-4,8%	-356.702	11,4%
NET INCOME	7,971,868	18,6%	6.939.544	17,7%	3.975.588	12,9%	1.032.324	14,88%

According to the previous reclassification, the following balance sheet indicators are calculated:

ECONOMIC INDICATOR  GOM / Turnover	Fiscal year 2023	Fiscal year 2022	Fiscal year 2021	Delta value in % 2023/2022
= Production Value – Purchase of RM – Services – Personnel Cost	35%	36%	31%	-3%

The index measures the typical operating margin net of the effect of the amortisations

R.O.E. (Net of taxes)				
Profit (loss) of the fiscal year / A) Net equity	25%	27%	18%	-8%
The index measures the profitability of the capital invested in the company				
R.O.I. (Invested capital)				
= [A) Production value (ordinary portion) - A.5) Other revenues and income (ordinary portion) - B) Production costs (ordinary portion) + B.14) Other operating expenses (ordinary portion) ] / Net invested capital (internal financing and third-party financing)	18%	20%	14%	-10%

The index measures the profitability and efficiency of the invested capital compared to the typical business activity

R.O.S.				
= Operating income (EBIT) / Net sales	26%	26%	19%	-2%

It measures the ability to generate revenues from sales, i.e. the operating income realised for each revenue unit

E.B.I.T.D.A. Margin on revenues from sales and services (not on other revenues)				
= [ revenues from sales and services - B) Raw materials, Services, Use of third party assets, Personnel costs, Other operating charges compared to the total sales and services without considering other revenues and the inventory delta	33%	35%	30%	-5%

It measures the operating result without considering extraordinary items, financial charges, amortisations and taxes

Turnover of the invested capital				
Net sales / Total Assets	0,70	0,76	0,76	-8%

It indicates the ability to turn capital and therefore to use little (if the value is high) capital in order to develop a certain sales volume; the higher the better.



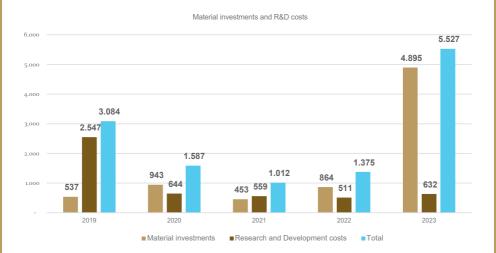
# **INVESTMENTS 2023**

### **DURING THE FISCAL YEAR, THE COMPANY HAS INVESTED**

During the fiscal year, the Company has invested an amount of  $K \in 4,895$  in Tangible fixed assets ( $K \in 864$  during the previous fiscal year); here below the most significant investments, which are better explained in the Explanatory Notes, are shown:

- Land and buildings for a total of K€ 119, mainly referred to construction works and similar works supporting plants and machineries;
- Plants and machineries for a total of K€ 173, mainly referred to the purchase of 2 blast chillers, some cold rooms, a phyto-purification system and a radiator;
- Industrial and commercial equipment for a total of K€ 66, mainly referred to a chain on Line 3 (K€ 20), to the purchase of a phyto-purification tanks (K€ 9), to the purchase of a compressor and litre counter (K€ 9), and to the purchase of a floor cleaner and of 3 vacuum cleaners (K€ 13) Other tangible fixed assets for a total amount of K€ 50.
- Assets under construction and advanced payments for a total of K€ 4,484, mainly referred to advanced payments on supply contracts concerning specific machineries and plants and related to the investments subsidised through the Piano Integrate di Agevolazione (Integrated Program for Investment benefits) financed by Puglia Region under the FESR P.O: 2014-2020 funds.

The amount of K€ 4,895 is added to the investments in the Research and Development activities - not capitalised as the assets - carried out during the year 2023, which are equal to K€ 632 and whose details are shown in the following paragraphs.





### **PERSONNEL**

#### **AS HUMAN CAPITAL**

The personnel cost during the fiscal year has been equal to  $K \in 7,156$  ( $K \in 6,603$  as at 31st December 2022) showing an increase equal to  $K \in 554$  compared to the previous fiscal year. This increase is mainly due, on one hand, to the rise of the resources to 164 (160 in 2022), because of the turnover increase, and, on the other hand, to the increase in the personnel remuneration pursuant to the updating envisaged by the National Collective Labour Agreement and to the career advancements.

As far as safety at the workplace is concerned, during the fiscal year no accidents with serious consequences have occurred. As part of the ongoing efforts in mitigating the accident risks and in enhancing the safety, the Company has envisaged an action plan including further investments in training, communication and purchasing of new plants and equipment that meet the safety standards and adopt the most recent precautions.

In order to parametrise the accident rate within the company, the SMEA' report has been analysed. This report shows that the average number of employees working in the "bakery products" sector in Italy has been 17519 units in the considered three years. Such data is obviously extended to the companies of the sector, including also the small and very small ones, and it is referred to the whole reference sector. INAIL (National Institute for Insurance against Accidents at Work) has tried to examine and analyse some data that may be relevant for the bakery product sector despite the inner limit related to the different company size, which ranges from the little local bakery to the industrial production on large scale. In the attempt to break down

the reference taxonomy, in the item "C 107-Production of bakery products and starchy food", INAIL² shows the average existence of 3,000 reports of accident per year. Therefore, if we consider 17,519 employees and about 3,000 reports of accident per year, the result is a report of accident every 6 employees per year. If it is considered that the workforce in Oropan is, on average, 160 people, according the above-mentioned proportion there should be an average between 25 and 30 reports of accident per year. However, if the accident trend is analysed, it has to be noted that the number of 5 reports of accident per year has never been exceeded, and besides no serious events has occurred, i.e. without permanent disability.

#### **SUMMARY TABLE**

Number of Employees "bakery products in ITALY"	Number of accidents (average) ITALY	Accidents/ Employees Percentage	Number of employees OROPAN SPA	Number of accidents OROPAN SPA (max number)	Accidents/ Employees Percentage OROPAN SPA (max number)
17.519	3.000	1 out of 6	160	3	1 out of 53

TOTAL COMPANIES	WORKED HOURS	WORKED HOURS FOR EACH COMPANY (no. of employees* hours in a year)	WORKED HOURS OROPAN (no. of employees* hours in a year) about	
1.404	24.647.000	17. 554	300.000	

<sup>1</sup> Taken from "L'industria alimentare in Italia" (The food industry in Italy) SMEA Report – Federalimentare August 2020

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<sup>2</sup> Issue no. 4 / 2021 (LATEST OFFICIAL REPOR) "Trend of the accidents at work and of the professional illnesses"

Therefore, it is clear that the internal Oropan cases summarise a value much better than the national average, showing the virtuosity and attention to the health and safety policies at the workplaces. Instead, with regard to the continuous training, in order to enhance the competitiveness on its reference market, the Company yearly identifies the training need of all its resources.

The key subjects on which Oropan focuses in order to support the innovation culture, and its relevance to the business mission and vision are defined in the training programmes, the so-called "Calibration Meeting", mainly aimed at improving the team building techniques, as well as at measuring, monitoring and implementing the individual awareness.

The training is addressed to the management and to each resource working in the production, logistics, maintenance, and Quality system, but also to young people not yet in the labour market, on whose training the company invests time and resources in collaboration with Educational institutions and prestigious universities by financing scholarships aimed at promoting scientific research activities in the relevant sector.

Illustrative and non-exhaustive list of the standard training plans:

- General concepts and principles of the Workers' Chart and of the National Collective Labour Agreement;
- Issues on the health and safety risks linked to the Company's activity and on specific risks to
  which the employee is exposed in relation to the activity carried out, Italian Legislative Decree
  dated 9th April 2008, no. 81: Consolidated Law on Safety;
- Environmental impacts of the working activity and the energy performances connected to it, Italian Legislative Decree dated 3rd April 2006, no. 152: Environmental standards and ISO 14001;
- Code of Conduct and M.O.G.C. (Modello di Organizzazione, Gestione e Controllo Organisation, Management and Control Model), Italian Legislative Decree dated 8-6-2001, no. 231:
   Administrative liability for companies and institutions;
- Italian Legislative Decree no. 196/2003: Privacy Code;
- Quality and Uni ISO 9001 BRC Certifications and IFS Standards;
- SA8000:2014 Certification;
- Use of work equipment and tools, especially management information system, cyber security

To support the path envisaged by the Strategic Sustainability Plan, which identifies a set of actions aimed at innovating the product, the process and the business culture, further training paths related to the Soft Skills will be defined.

Training hours by employee category	31.12.2023
Executives	67
Managers	8
Employees	255
Workers	1.316
Total	1.646

Training hours by training area	31.12.2023
Technical	1.106
Law	139
Safety	318
Other	83
Total	1.646

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Oropan has always been careful to combine the personal welfare and the professional one and, therefore, as a producer of a primary commodity, such as the bakery products, it guarantees its employees further benefits, such as:

- Discounts on the purchase of bakery products at partner stores;
- Possibility to freely collect a certain quantity of Oropan products for the family needs on a daily basis;
- Activation of the national welfare programme with some leading banks
- Thanks to the credit rating recognised to Oropan, all employees may:
  - i. Sign agreements to obtain better conditions related to:
    - Supplementary health insurance
    - o Supplementary social security
    - Free time, culture and sport
    - Fringe benefits
    - Education and childcare
  - ii. Access to financing and insurance coverage with competitive costs and through simple and fast procedures
- Fringe benefits supporting energy-price rises and the high cost of living (credit cards and TBS fuel)

The Strategic Sustainability Plan 2023-2025 envisages initiatives in favour of the business Welfare on a systemic basis.

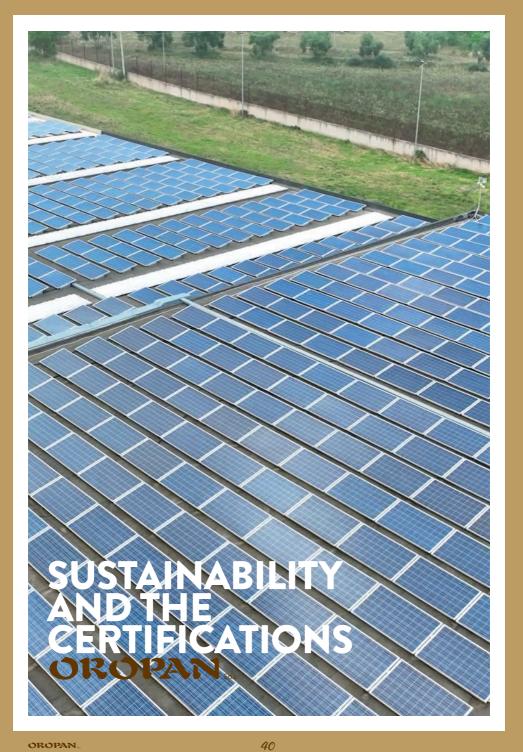
It has to be noted that during the fiscal year 2023, on the occasion of Christmas, the Company has decided to give an extraordinary bonus amounting to €200 to each employee to be spent on purchasing any kind of vehicle fuel, as a support to the daily struggle against the high energy prices and inflation. Even the year 2023 closed with the drafting of the business House Organ "FORTE", a publishing project conceived to consolidate what has always characterised Oropan, making it a real team: a clear, transparent and shared communication.

The magazine was founded four years ago with the aim of not only providing the employees with all news, projects and initiatives implemented during the past year in a transparent way, as well as the results and the acknowledgments received by the company, but also, and above all, with the aim of spreading and sharing the values of the "Bread Family", the principles at the base of the constant growth and of the unstoppable business development.

A tool welcomed also by the Oropan Business Community, to which the House Organ was delivered with its best wishes for Merry Christmas.

A partnership that goes beyond the playground is an investment in the education and in the social structure of the whole Altamura community. Based on this principle, the Company has decided to sponsor a local football team and has taken the opportunity to promote its employees' welfare.

Besides the football team sponsorship, this initiative has been entered into a welfare programme which has given the employees the possibility to have the tickets of the Sunday home matches through a weekly raffle.



# SUSTAINABILITY AND CERTIFICATIONS

In Oropan, sustainability is not a regulatory obligation, but a strategic and voluntary choice, an evolutionary journey deeply rooted in our business culture. Sustainability is a central pillar of our identity, which characterises our company and makes it a pioneer in facing the global market challenges. Our commitment to food sustainability is a mission that we have fervently embraced for 15 years and that has become a characteristic of our business identity. The definition of a Strategic Sustainability Plan and the introduction of a Report on Sustainability have represented the structured and natural development of this commitment since 2021. These tools allow us to report on, and officially certificate, our commitment to a business management which is sustainable, transparent, certificated and deeply shared with stakeholders and shareholders at the same time.

The strategic sustainability plan currently in progress is based on 4 Pillars, which summarise the Oropan commitment to the ESG issues defined by the 17 SDGs, which are divided into 19 business macro-goals and into the corresponding 70 planned actions to be taken to pursue them, attributable to 8 strategic areas.



Pursuant to the resolution of the Board of Directors dated 21st February 2023, the Oropan Sustainability Committee has been created and the Organisational Regulations of the Oropan S.p.A. ESG Committee has been drawn up. The Committee includes some of main figures of the company, among which the CEO, the CFO, the Marketing manager, the Corporate Compliance Officer and the Special Project Manager as coordinator. The Committee shall remain in charge for three years and the expected expiry date shall correspond to the publication of the Report on Sustainability 2025, i.e. the last year of the approved Strategic Sustainability Plan. The task assigned to the Committee is to support the Board of Directors in establishing the sustainability strategy with the aim of identifying the most relevant plans and defining a shared business culture on the ESG issues in order to ensure the creation of a sustainable value for all stakeholders over time, especially:

- a) it develops, implements and verifies the implementation of the ESG policies in the business activities and in the relationships with the main stakeholders;
- b) it draws up the Strategic plan and its following reviews to be submitted to the Board of Directors in order to integrate the sustainability in all business processes;

- c) it draws up the Budget proposal for each initiative included in the Plan to be submitted to the Board of Directors;
- d) it supports the Board of Directors in the examination, assessment and approval of the Report on Sustainability;
- e) it promotes training initiatives and those aimed at spreading the sustainability culture among the employees, the trade partners, the customers and, more generally, the Company's stakeholders;
- f) it manages and monitors the initiatives related to sustainability envisaged by the Strategic Sustainability Plan

By setting up this Committee, Oropan confirms its commitment to promoting the sustainable development as a leverage to create value and a fundamental development driver, which looks at the impacts on governance, people, environment and community. The Committee supports the path taken by Oropan and promotes the integration of the ESG criteria into the business mission and business model. For decades, the company has had, and keeps, a high rating, the most prestigious quality system certifications universally recognised at international level which decrees the total compliance of all business processes. For Oropan, the quality management of the food products represents a concreate objective of the utmost importance as it is directly linked to the protection and safeguarding of the health of all

consumers. The uniqueness of the ingredients, together with the artisan know-how, shows the attitude to authenticity of the Forte bread. We start from 4 ingredients, durum wheat semolina, water, sourdough, salt and natural leavening, and then we produce our bread in a company at the forefront of innovation and sustainability, which, however, keeps a strong artisan identity. Our promise is a genuine, simple and authentic product guaranteeing food safety and an excellent quality standard typical of a structured and state-of-the-art producer. Thanks to the IFS and BRC certifications, which allow to meet over 340 safety and health criteria of the food, the introduction of preventive controls and the implementation of GMP (Good Manufacturing Practices), we raise the production and hygiene regulations to standards that may be compared to those of the pharmaceutical sector.

**SA8000:2014** — Obtained in Febbruary 2023, this ethical certification attests the implementation of a social responsibility management system related to the workers' rights and their well-being within the company, which complies with the best international guide lines and with the Social Accountability International (SAI) standard. This certification concerning the business ethics recognises that the company has been able to implement efficient and structured strategies, initiative and business processes aimed at continuously improving the workplaces and conditions for all employees, by taking inspiration from the highest social sustainability standards regarding health and safety at work, diversity and inclusion, freedom of association, right to collective bargaining, working hours and remuneration. We obtained such certification thanks to our desire to ensure the healthy and active sharing of a business culture both within the company and with the suppliers and partners through a continuous improvement process.

An ad-hoc committee, called Social Performance Team, has been created to manage all activities.

<sup>1</sup> SYSTEM CERTIFICATION: they certify the ability to manage resources, production and management processes in order to anticipate and meet the customers' need by committing the Company to continuously improving. They ensure the control and the meeting of the standards related to quality, food safety and legal compliance governing the business sector in the different countries in which the product is distributed. The Company carries out the production and trade activities pursuant to the provisions of the most prestigious certification schemes universally recognised, which establish the total compliance of all business processes. The achievement and maintenance of such certifications make Oropan an important reference partner for the global market.

ISO 14001:2015 - Obtained in April 2023, this certification was achieved at the end of a complex verification process by the technicians belonging to one of the main independent certification bodies at international level; it confirms the efficiency and the reliability of the environmental management system of the Company, especially, the concrete commitment of the company to minimizing the environmental impact of its processes and services. The ISO 14001 standard is the schema most acknowledged and used at international level to assess the Environmental Management Systems. In particular, it requires that the company establishes its own environmental objectives and targets and that it implements an environmental management system aimed at achieving them. The voluntary-based logic of this certification leaves the company room to choose which and how many improvement objectives have to be pursued, however the essential prerequisite is the commitment of the company's management to the legal compliance and to the continuous improvement. Thanks to such schema, the Company started to map and monitor all the environmental impacts (emissions, greenhouse gasses, CO2, waste waters, gases, electrical energy, waste), in order to conceive plans aimed at mitigating, rationalising and reducing them in a sustainable way. Such schema is the first step towards carbon neutrality over the next five years pursuant to the strategic sustainability plan drew up by the company. With the recent extension of the corporate administrative liability to some types of environmental crimes, the development of an environmental management system certified ISO 14001 may be linked to the one of the organisational model pursuant to the Italian Legislative Decree 231/01, which provides evidence that the tools to prevent possible illegal behaviours have been implemented.

ISO 37001:2016 – Obtained in July 2023; the Company achieved this certification concerning the "POLICY FOR THE PREVENTION OF CORRUPTION" because it believes that the objectives related to the growth, the development and the protection of the stakeholders shall and may be combined with the pursuit of the highest ethical standards, the respect of the values at the basis of social life, and with a good governance implemented according to clear and shared rules. The ISO 37001 certification is the first international standard concerning the management system designed to help the enterprises to struggle the corruption risk during their activities and along the entire supply chain and it is addressed to any enterprise which intends to prevent, identify and solve problems related to the corruption phenomenon, from the SME to the large multinational enterprises, passing through those working in the public sector or belonging to any other sector.

#### Therefore, Oropan S.p.A. undertakes:

- a) To implement, maintain and adjust an Anti-corruption Policy and Programme;
- b) To communicate the Policy and the relevant Implementation programme to the entire personnel and to its partners and Stakeholders;
- c) To create a Committee responsible for the Compliance of the Anti-Corruption System in order to supervise and monitor the compliance with the Policy and the Programme.
- d) To verify that the personnel behaves in compliance with what provided for by the Anti-Corruption Policy and, in general, with the Anti-Corruption Management System

This is a real opportunity to develop business policies concerning the corporate social responsibility and it provides the minimum requirements and useful explanations to implement and benchmark the anti-corruption management system. Thanks to this certification, managers, investors, employees, customers and other involved parties are reassured that specific and proper measures have been taken to minimize the corruption risk.

PDR 125:2022 – also obtained in Juluy 2023; it concerns the "POLICY ON GENDER EQUITY, DIVERSITY AND INCLUSION" as a tangible sign of our commitment to the social responsibility, the diversity and the inclusion, and certifies that we are among the first companies producing bakery products that have voluntary adhered to the UNI/PdR 125. By achieving this certification the company aims at strengthening and maintaining an inclusive working environment able to bring benefits in terms of cultural stimuli, business culture and economic value, but also in terms of image and reputation by promoting a sense of connection and mutual respect towards its employees and collaborators, by fostering the professional welfare and the equity at workplace, by guaranteeing a fair access to the jobs, career programmes as well as learning and development opportunities, and by adopting policies aimed at managing the parenthood and at protecting the work life balance. A very useful tool which gives a holistic assessment of the maturity level of the organisation and provides a gender equity management system that allows to monitor the desirable enhancement over time compared to the KPIs with reference to 6 topics:

- a) Culture and strategy: Improvement of the working environment of the company by fostering and supporting the inclusion, the gender equity and the valorisation of the gender diversities.
- b) Governance: implementation of a governance model of the company aimed at establishing the proper organisational controls and the presence of minority genres in the management and supervisory bodies of the company as well as the presence of processes aimed at identifying and solving any non-inclusive event.
- c) HR processes: the implementation of HR processes related to different levels characterising the life cycle of a resource within the company, which are based on inclusion principles and on the respect of the diversities.
- d) Career and inclusion opportunities for the women working in the company: improvement of the ability of the company to create neutral accesses of the genders to internal career and growth processes and the relevant acceleration.
- e) Gender remuneration equity: implementation of processes aimed at balancing the remuneration.
- f) Protection of the parenthood and life-work balance: implementation of policies supporting the personnel in their activities as parents and caregivers.

RATING OF LEGALITY - On 24th October 2023 the Italian Competition Authority (Autorità Garante della Concorrenza e del mercato - AGCM) communicated to the company that it obtained this certification with the **highest score** of ★★★, which is the guarantee of a business based on principles of legality, transparency and corporate social responsibility. The three-star assessment results both from the statements of the company and from the assessments and evaluations carried out by the Authority. The Rating, governed by the AGCM provision dated 14th November 2012 no. 2407, lasting 2 years and renewable on demand, awards those companies working in accordance with high legality standards, in compliance with the voluntary legal, extra-legal and transparency requirements, by fostering the process of introduction of ethical behaviour principles within the company and the supply chain, and the focus on a proper business management also at sustainability level. The achievement of such rating is reserved to those companies that are not subject to attempts at Mafia infiltrations and that have adhered to own codes of conduct and to those adopted by the category associations, which have organisational models aimed at preventing and struggle corruption. Therefore, this is an evidence that the company has implemented procedures and practices that exceed the guarantees required and envisaged by the applicable law in ensuring0020the respect of legality. Upon explicit request of Oropan, the Authority resolved to increase the previous and still valid score of ★★++ related to the Rating of Legality - reconfirmed in

April 2022 - to ★★★. This occurred following the follow-up request submitted by Oropan, in which it was possible to provide a wide evidence of the sustainability process undertaken by the company during that period. Such commitment was confirmed by the publication of the Report on Sustainability related to the years 2021 and 2022, by the drawing up of its own Strategic Sustainability Plan for the three years 2023-2025 and by the achievement of the ISO 14001 Certification concerning the Environmental Management System, the ISO 37001 Certification concerning the Anti-Corruption Management System, the SA8000 Ethical Certification on the Corporate Social Responsibility and the PDR/125 Certification on the gender equality, demonstrating the commitment undertook by the company to the achievement of the highest certified quality standards of the business processes pursuant to the best international best practices. The assignment of the highest score is even more important if you think that among the about twelve thousand companies on the national territory that received the certification on the Rating of Legality (from one to three stars), only a little more than one hundred obtained the highest score. Considering the whole territory in Puglia, only seventy companies achieved this important result. It is an important acknowledgment for the company structure that, besides having met the compulsory and voluntary legal requirements concerning legality at national and international level, has been also awarded for its process related to the ESG policy on transparency and reporting based on the Corporate Social Responsibility standards.

ISO 45001: 2018 - obtained in December 2023, based on the objectives envisaged by the Strategic Sustainability Plan 2023-2025. The ISO 45001 standard provides the companies with the indications to improve employees' safety, reduce the risks at workplace and create better and safer working conditions. This management system may be applied to all companies regardless of their dimensions and the business sector, and it was conceived to be integrated in the existing management processes of a company. This is an "high structure level" certification as it envisages a managerial approach to safety risk management in order to minimize the impacts and the accidents at workplace. For this purpose, over the past months, the conformity of the structure and of the entire production have been assessed in OROPAN. As shown in the previous paragraphs, all employees have been provided with numerous training hours on safety aimed at increasing the importance of working in a safe place, and the safety culture has been spread and developed; at the same time, they have been involved in the management of the processes also through specific training and operational interventions. The objective we want to pursue by means of this certification is to implement a system able to reduce the accident number (and their seriousness compared to the non-certified companies) and the prompt management of the near misses. Thanks to this certification, OROPAN wants to promote the development of a business culture increasingly based on health and safety at workplace, and above all by encouraging employees to actively participate.

According to paragraph 2 Article 2428 of the Italian Civil Code, it has to be noted that during the fiscal year 2023, there were no critical situations or environmental damages caused by Oropan.



# RESEARCH AND DEVELOPMENT ACTIVITIES

During the fiscal year 2023, the company carried out a relevant Research & Development activity and achieved specific objectives concerning the product innovations and the new know-how acquisition, which may guarantee positive effects on the business management. Thanks to the development of new product lines, conceived in accordance with the tangible and intangible resources, the reference market has been extended.

These activities are included among those referred to the eligibility criteria provided for by Law 160/2019 and subsequent amendments and integrations; in this regard the company has dedicated significant resources to the realisation of the projects specified below and carried out at the plant located in Altamura (BA), at S.S. km 96. Over the year 2023, in order to develop such projects, the Company has borne costs for Technology Innovation activities for an amount of K€ 632.

The most relevant project concerned the technology innovation activity aimed at developing new product references from the sustainable supply chain that is 100% Apulian-durum-wheat certified. To confirm that the company has started a transition path towards a sustainable development model inspired by Agenda 2023 of the General Assembly of the United Nations, Oropan has projected a fresh bread line sustainable for the environment, the people and the territory in which it operates. The strong commitment has allowed these products to be compliant with the international ISCCS Plus standard on Sustainability, considered the best among the worldwide certifications on sustainability according to the ONU International Trade Center-ITC agency. The achievement of this certification means offering the quarantee to the consumer that the product is the result of a development model which is responsible, sustainable and ethic along the entire supply chain and that it is the expression of a strong organisational, technical and economic commitment of the entire supply chain of which Oropan is the promoter. The involvement in this ambitious project of the main upstream suppliers, farmers and grain milling personnel, confirms the relevant position of Oropan in the reference sector and its attractiveness. With this first bread in the world realized by a certified sustainable supply chain, Oropan confirms its position as pioneer in implementing production methods able to protect the environment, valuate the territory, and contribute to the people's welfare, by strengthening in this way the competitive advantage against its competitors.

In addition to such ambitious project in terms of sustainability, there is the project of a packaging with a lower environmental impact realised with recyclable and FSC-certified paper, i.e. with paper obtained from cultivations also managed in a responsible way. In this regard, in order to understand the strength of the company in the research, development and innovation area, we quote the co-project of an innovative packaging system for sliced bread, which realises packaging in recyclable and FSC-certified paper, i.e. obtained from sources managed in responsible way.

Another research area concerned the project of a brand product of a premium line distributed by a large-scale retailer considered one of the best players in Europe. Specifically, it is a "frisella" bread made with whole wheat from Italian grain.

For each above-described project, the company has drawn up an experimental plan that envisaged a high number of prototype processing executed by using the process lines and equipment available at the plant. The assessment and control plan of the chemical/physical, hygienic and sensory characteristi-

cs of the pilot productions obtained by evaluating the influence of the independent variables involved in the experimentation on the characteristics of the product during the shelf life turned out to be very effective.

#### **ACCOUNTING TREATMENT**

a) in case of NON-CAPITALISATION:

Given Article 2426 paragraph 5 of the Italian Civil Code, the national accounting standard no. 24 of the National Board of Certified Accountants and Auditors and of the National Research Council, then revised by the OIC (Official Italian Accounting Board) and in compliance with Article 108 of the Italian Presidential Decree 917/86 (TUIR) and following amendments, the cost incurred for the above-mentioned research and development has been considered an operating cost and therefore completely booked in the Profit and Loss account.

#### b) in case of CAPITALISATION:

Pursuant to the National Accounting Standard no. 24 of the National Board of Certified Accountants and Auditors and of the National Research Council, then revised by the OIC (Official Italian Accounting Board), and to Article 2426 of the Italian Civil Code, paragraph 5, we believe that the above-mentioned Technologic Innovation costs are suitable to be capitalised and depreciated within a period not exceeding five years.

In this regard, please note that Oropan does not capitalise the costs incurred for Research & Development.



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## **RELATIONSHIPS WITH SUBSIDIARY**

## AFFILIATED, PARENT COMPANIES AND THOSE SUBJECT TO THE CONTROL OF THE LATTER

In compliance with what provided for by the Italian Civil Code, the Board of Directors follows an assessment and approval process for the transactions with the related parties.

The relationships and the transactions widely described in the Explanatory Notes to these Financial Statements are, therefore, economically and contractually carried out based on market conditions, and they are cost-effective with regard to an optimal usage of the resources, of the knowledge and of the most advantageous conditions that can be used.

The company maintains business relationships with the parent company Oropan International S.a.r.l. and with the company Pane altro S.r.l., with whom it essentially exchanges goods and services; there is also a relationship with the shareholder Vito Forte related to trade and financial transactions.

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# MAIN RISKS AND UNCERTAINTIES LINKED TO THE ACTIVITY

Oropan. 52

## **MAIN RISKS**

#### AND UNCERTAINTIES LINKED TO THE ACTIVITY

The risk management and the compliance are fundamental processes of the Oropan business model in order to keep a steady balance between the activities carried out and the related risks.

The corporate Risk Management process (collection, analysis, assessment and control of the business risks) is coordinated by the corporate governance bodies, first of all the Board of Directors.

Since 2022, Oropan has integrated the ESG factors into its Risk Management process with the aim of improving the risk management approach by specifically focusing on the risks linked to the environmental impacts, to the business ethics and integrity and to the protection of the information systems.

As already mentioned before, downstream of such integration, in November 2023 an internal Board Committee responsible for ESG and RISK was set up.

The risk mapping usually includes four different types:

- Strategic types linked to the activities envisaged by the Business Plan and by the related Investment Plan.
- Operating types which are divided into risks linked to:
  - The compliance and, therefore, linked to cases of non-compliance resulting from the infringements of national and European laws or regulations voluntary adopted by Oropan;
  - The inadequacy of the internal processes;
  - The supply chain and the sales network;
  - The IT system and, therefore, linked to the safety of the information technology infrastructure and the relevant sensitive data;
  - The human resources: protection of health and safety at workplace, evaluation of the resources, training, inclusion and diversity;
  - The interruption of the company business.
- External types, closely linked to the industry and to the reference market of the company: competitiveness of the competitors, development of new technologies, financial risks, climate exchange risks, country risk.
- ESG, concerning the sustainability issues that have to be summarised in the so-called reputation risk.

Pursuant to the first paragraph of Article 2428 of the Italian Civil Code, here below a description of the main risks and uncertainties to which the Company has been exposed during 2022 as well as the description of the tools adopted to prevent, manage and mitigate them is provided.

#### **COUNTRY RISK**

The Company does not operate in geographical areas characterised by macroeconomic risks. In analysing possible new foreign markets to which sales may be directed or from which raw materials, goods and services in general may be purchased, the involved business functions carry out the necessary checks and assessments envisaged by the corresponding business procedure.

#### **OPERATING RISKS**

As in the previous fiscal year, also the year 2023 has been characterised by the price volatility of raw materials, packaging and energy sources.

The careful process used to select the suppliers and to sign contracts with stable prices over a speci-

#### Report on Operations of the Financial Statements as at 31.12.2023

fied period of time have been able to mitigate the pressures of the increase in the prices of the energy sources and raw materials. With regard to the supply of semolina, the most important raw material from an economic viewpoint, the fiscal year 2023 has witnessed the price volatility already existing before the Russian-Ukrainian conflict. The increases have been partially mitigated by a careful procurement policy and by the possibility to obtain good conditions for the purchase of large quantities, thanks to the Company's high standing of seriousness, experience and reputation.

With regard to the quantity and safety of the product, Oropan has always implemented procedures and controls to mitigate the related risks. Decisive in managing this risk type is the presence of the person responsible and the voluntary submission to the ISO 9001, BRC, IFS certifications and to the DOP product certification which represent an important assessment of the procedures implemented in order to immediately take the required corrective measures.

It has to be noted that during the fiscal year 2023 no relevant non-compliances or near misses have occurred.

With regard to the risks linked to the health, safety at workplace and environmental issues, Oropan implements a systemic assessment activity for the specific risks and reduces the non-acceptable ones by organising suitable activities aimed at mitigating the risk. All this is organised within a Management System envisaging both the issues concerning health and safety at workplace and those concerning the quality.

The Legal & Compliance risk is constantly monitored and mitigated by correctly applying the Code of Conduct and the OMCM (Organisation Management and Control Model) provided for by the Italian Legislative Decree 231/2001, voluntary adopted by the Company that, furthermore, is also subject to the continuous assessment carried out by the Supervisory Authority. The Supervisory Authority envisaged by the Italian Legislative Decree 231/2001 guarantees the correct application and the compliance with the procedures through, inter alia, a periodic information flow prepared by all business functions.

The privacy risk and the risk related to the non-compliance with the GDPR is mitigated not only by specific procedures but also by the checks carried out by the DPO.

A final mention goes to the so-called "cyber" risk to which Oropan has invested relevant resources in order to implement a constant operating monitoring in the entire IT structure of the Company with the aim of limiting, detecting and eliminating any cyber-attack or weaknesses. In particular, the Company has implemented a monitoring system using a SIEM (Security Information and Event Management) probe which, every fifteen days, processes a detailed report concerning:

- Detection: continuous monitoring of all data and anomalies coming from outside, and from systems and services in the corporate IT infrastructure;
- Analysis: detailed analysis of the collected data;
- Proactive Response: in case of threat, the IT Manager receives a real-time alert;
- Remediation: detailed plan of the actions required to reduce and/or eliminate the threat.

Moreover, every six months, a V.A. of the corporate IT network is generated with a detailed analysis of the improvements/updates to be carried out.

#### **REPUTATION RISK**

The reputation risk is the possible negative impact on the profitability and on the company value due to the negative perception by the customers, counterparties, shareholders and investors. It is linked to factors such as financial losses, product recall, issues linked to the personnel, lack of attention to the interests of the consumers and investors, infringement of the conduct and communication rules, as well as the non-compliance with the ESG standards. These reputation risks are mitigated by coordinating, supervising and interacting with the business functions responsible for the control and through a continuous internal and external communication

#### **CREDIT RISK**

The history of the customers' and suppliers' payments confirms a low risk that can be summed up in a report on the outstanding debts and a value of bad debts or disputed debts that has been irrelevant or near zero for many years.

The mitigation of this risk is strengthened by the presence in the Financial Statements of proper prudential provisions and by business procedures applied to select and monitor the customers throughout the business relationships.

The risk is further mitigated thanks to the precautions taken with regard to the payment methods and to the customer type, often represented by historical customers with a high reputation standing.

With regard to the above, the Company believes that it is not necessary to have a specific credit insurance policy.

#### RISK RELATED TO THE SUPPLY OF GOODS AND SERVICES

Particular attention is given to the risk related to the non-compliance with the contractual obligations by the suppliers of goods and services. The company mitigates this risk by means of different tools envisaged in the corresponding management procedures, repeatedly mentioned, besides the contractual protection clauses, especially:

- Preliminary assessment of the supplier;
- Analysis and precautions adopted with regard to the payment methods and possible inclusion
  of bank guarantees in favour of Oropan upon first request in case of advanced payments and for the
  fulfilment of the contractual supply obligations;
- Procurement of proper insurance coverages on the main risks related to the supply or the service performance by the supplier;
- Contractual clauses mutually protecting the parties in case particular conditions occur.

#### LIQUIDITY RISK

During the fiscal year 2023, the cash flow and the positive net financial position reduce this risk to zero. With regard to the financial resources to be addressed to the investments in the next future, it has to be noted that thanks to the relevant Net Financial Position and to the granting of the EU benefits of PIA amounting to about € 4.5 million, the requirement of third party financial resources is reduced to a low level; even the signing of a bank loan does not involve a particular risk.

#### **INTEREST-RATE RISK**

The absence of relevant bank debts has eliminated the risk for the fiscal year 2023. The bank loan obtained in 2022 in support of an investment plan co-funded by Puglia Region (PIA) envisages a Euribor increased by a limited spread thanks to the financial reputation of Oropan, which has generated a high rating at all national Bank with which it interacts.

The reduced amount of the financing compared to the total assets and the particular structure of the

bank loan, which envisages a modulated usage on the actual investments carried out by the company, allowed to limit the interest-rate risk to widely suitable values compared to the forecast of the future trend of the bank interest rates.

#### RISK RELATE TO THE ESG ISSUES

During the fiscal year 2023, Oropan has integrated further ESG factors into its risk management plan by paying particular attention to the risks linked to the business ethics and integrity, to the protection of the sensitive data stored in the IT systems, and to the Corporate Social Responsibility.

In particular, the Company identifies the main eight risks to be monitored among those identified by SASB (Sustainability Accounting Standards Board) and concerning the sector in which Oropan operates: Food & beverage; Industry: Processed foods:

- No. 4 risks of a negative impact on the environment: Energy management, Water & wastewater management product design and lifecycle management;
- No. 3 risks of behaviours in violation of the corporate business practices resulting from the business model: Product safety, customer welfare, selling practices and product labelling
- No. 1 risk of breach of the human and workers' right: Supply chain management

The Company has already planned to activate controls to face these risks in the Strategic Sustainability Plan and in the management systems programmed and implemented for this purpose.



## MARKETING PROJECTS,

#### ATTENTION TO THE TERRITORY AND ACKNOWLEDGMENTS

During the fiscal year just ended, the Company has supported many marketing activities at town, regional and national level, such as:

**Bari Med Marathon**, event opened to 22 Mediterranean countries, an appointment not only dedicated to sports but also an occasion to remember the centrality of Bari in the Mediterranean sea, and its attitude to be a welcoming, aggregating and attractive town also thanks to the increasingly sport tourism. A sponsorship to promote a healthy and balanced life style and aimed at promoting our territory.

**Trani festival del Cinema e del Mare** (Festival of Cinema and Sea in Trani), environmental education project carried out in the schools and aimed at sharing these values through the cinema, with the awareness that the ecology, the respect of nature and the knowledge of its dynamics become, in this way, a fundamental part of the cultural background with which future generations will face the global challenges; the basis of a new citizenship principle. Care, respect and protection sense: everything starts from here.

Oropan supporting the **AIRC Foundation** for Cancer Research . Having given to all our employees an Easter egg has been a very important gesture for us. Actually, we believe that rediscovering the powerful of solidarity and kindness with our employees represents the right strength and enthusiasm to build a more aware future to live together. A gift that is also an educational choice: giving importance to the scientific research, actively volunteering, creating a community.

Official partner of the medieval festival **Federicus**, an historical re-enactment that takes place in Altamura in homage to Frederick II of Swabia, founder of the town. A very important event for us because it is a strong link with the territory in which we operate. For us, participating in "Federicus" means feeling the value of the word "community". Traditions belong to us: they are our past, our present, our future.

Sponsor of "Galà sotto le stelle" (Gala under the stars), a charity initiative in Via della Spiga in Milan, in favour of the Unipancreas Association, aimed at collecting funds for the prevention and treatment of pancreatic pathologies and for the fight against the pancreatic cancer, a fundamental organ for the good digestion and for the health of the whole gastrointestinal apparatus. A concreate commitment in support of projects in favour of the health prevention.

Sponsor of the **XXII edition of the Festival "II Libro Possibile"** (the Possible Book"), which aimed at talking about the future through the culture, at establishing a network on the territory to work on the community vision and at extending the audience at international level.

Among the main characters also our CEO Lucia Forte, who participated in an event moderated by the journalist Grazia Rongo together with Oscar Farinetti and Dario Vergassola and dealing with very important issues in the areas of entrepreneurship, sustainability and aware nutrition.

Golden sponsor at **FOOD SUMMIT PUGLIA**, one of the biggest events in the food-farming sector, which was held in Bari on 14th September. A day on which our company brought its contribution during the deepening and comparison meetings, together with the main representatives of the industry and of the large distribution of the Puglia territory. Stories and viewpoints interacted and formed a clear map of the

challenges and opportunities of the food-farming sector.

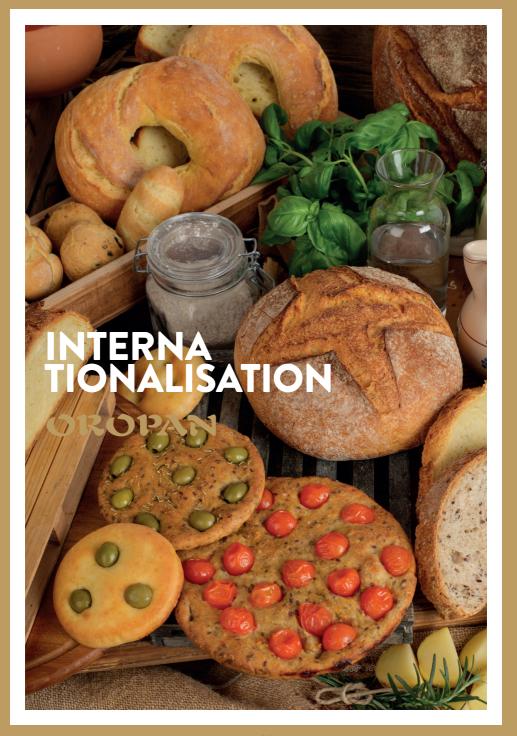
Sponsor of **38°CONVEGNO DI CAPRI DEI GIOVANI IMPRENDITORI DI CONFINDUSTRIA** (38th ME-ETING OF THE YOUNG ENTREPRENEURS OF CONFINDUSTRIA IN CAPRI), an event in which we shared our vision regarding growth and innovation, internationalisation and sustainability within the scope of the conference theme "Correnti" (Trends) which drive the globalisation ways. A journey to face challenges, contradictions and opportunities for our Country.

As a member of the Club of the companies for culture of Confindustria Bari and BAT, the company supports and participates in the project and realisation of the **BIENNALE DEI RACCONTI D'IMPRESA** (BIENNALE ON THE ENTERPRISE STORIES), an event held from 4th to 28th November in Bari. For Oropan, exploring the stories of the enterprises through literature, theatre, cinema, visual arts and design is a source of never-ending inspiration. Creating involving stories by combining the business world and the cultural one, reveals creativity, authenticity and a deep comprehension of the challenges and solutions that the business environment faces every day.

Partner of THE **EUROPEAN HOUSE** – **AMBROSETTI** within the Community Agrifood &Beverage Puglia Region, a Think Tank dedicated to deepening and sharing the issues and the most relevant experiences for the companies of the Puglia food-farming supply chain also as a vehicle for dialogue with the European, national and regional institutions.

**SUPPORT TO THE TERRITORY AND POOR PEOPLE** - Again in 2023, every day the company has freely given no. 54,864 portions of products resulting from the surplus production to the poor people by supplying them to the charity organisations of the surrounding area.





## INTERNATIONALISATION

In 2023, company export has increase by +4.4% compared to the turnover in 2022, thanks to over one million of kilos of products sold abroad despite the current complexity of the international scenario. Think, for example, to the tighten of the Brexit custom controls and procedures that have had an impact on the food-farming imports from Italy. This data strengthens a CAGR equal to +14.93% in the five year period 2019-2023, while exports of Italian food-farming products have registered a CAGR equal to

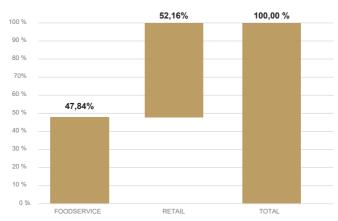
+8.9% in the same period1.

Among the most dynamic Countries, there has been a turnover growth in Germany (+46.92%), Bulgaria (+19.64%) and Australia (+10.29%). Moreover, the growth in markets currently less consolidated, such as North America, United Arab Emirates and Hong Kong, has been relevant.

The turnover in the extra-EU Countries is equal to about 58%, while 42% is generated by the European Union. Among the new markets into which the Oropan products have been introduced, it has to be no-

ticed - among others - Costa Rica, a very interesting market for its internal dynamic (GDP +5.2% 2023<sup>2</sup>, low inflation). The presence in this Country enables to strengthen the presence in the Central America where the company is already active with a distribution partnership in Panama.

With reference to the distribution channels at international level, we can affirm that the foreign turnover is equally balanced between the foodservice channel (restaurants, bars, hotels...) and the gourmet stores and high level supermarket as shown below.



Composition of 2023 foreign turnover by distribution channel

"Turnover by distribution channel (source: Export Office)"

Always during the fiscal year, the Company has implemented three key international trade development project mainly addressed to the European market and the United Kingdom, as summarised below:

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<sup>1</sup> SACE a Cibus 2024

<sup>2</sup> IMF 11/04/2023

- 1. ITACA PROJECT: a trade developing initiative which has involved Germany, France and Spain. We have realised an innovative e-book to introduce the company and the relevant products in different target languages, which is highly interactive and with a high graphic impact. This has also been used for new business actions, after having drawn up a database by market including the most representative players of the frozen bakery products sector. This database has been created ad hoc and it is the result of an accurate research and selection of such players. The project has allowed to create new trade opportunities, to spread the name of the company and of its product on a European-wide scale besides to strengthen the corporate brand positioning in the segment "Italian premium".
- 2. GD/INSTORE BAKERY PROJECT: a trade development action in the United Kingdom focusing on the large distribution channel (baking of the products at the stores), thanks to a partnership with a leading British company specialized in the bakery sector. Therefore, it has been assessed the attractive of the considered channel and the access conditions required to establishing the Oropan products, in order to diversify and extend the distribution channels in the same market. As it is known, the company is already present on that market in the restaurant / specialty stores channel. Thanks to this project the main five buyers of the British large distribution had the chance to familiarise with the company and in some cases to start a first trade negotiation.
- 3. ANUGA 2023 PROJECT: also this year, Oropan S.p.A. has participated in the exhibition Anuga, the biggest event of the sector held in Cologne from 7th to 11th October and the ideal stage to introduce new proposals addressed to an international audience as shown by the numbers of the last edition: 140,000 visitors from 200 Countries, 7,900 exhibitors. The stand was 3.2 "Bread and bakery", inside which the company had a central and easy-to-access position. The project idea arose from the desire to combine the Mediterranean forms and the exhibited bread types to a refined exhibition style able to communicate the distinguishing elements of the company. Therefore, we projected a bakery products display concept with finishing in living wood in which the products were the main characters and had the highest visibility. During the event the products were regularly offered to the visitors and thanks to this interaction it was possible to collect feedbacks and suggestions for improvements. The participation in this exhibition strengthened the relationships with the current international customers, most of them were present at the event, and allowed to acquire new trade contacts and to consolidate Oropan S.p.A. as international reference company in the sector looking ever more at distant markets.





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## **KEY PERFORMANCE INDICATORS**

## ON QUALITY, FOOD SAFETY, SUPPLY CHAIN AND DEVELOPMENT OF THE TERRITORY

The quality and the attention to the food safety are for Oropan a fundamental criterion from which taking inspiration in order to maintain a relevant position in the bakery sector.

The company is at the forefront of adopting technologies which guarantee to the customer a high quality of the product and service, by complying with the food safety standards provided for by the Codex Alimentarius and by the applicable law on hygienic-health self-control (REG. CE 852/2004).

The presence of trained, qualified and specialised personnel, the maintenance of the machinery and infrastructures, the planned cleaning and sanitation activities, the pest management plan, the compliance with the Good Working Practices and with the HACCP plan ensure that the product has appropriate characteristics in terms of hygiene, safety, health, and authenticity and that it complies with the food law and regulations. This guarantee represents a strong commitment of the Management.

The Management undertakes to guarantee that the policy is successfully implemented by paying attention to the development and implementation of its Integrated Management System on Food Quality-Safety, in a perspective of a continuous improvement, and that it is in compliance with the mandatory law and regulations applicable to its activities and to the technical specifications established with its stakeholders

The company carries out checks to ensure the compliance with what provided for by the Integrated Management System on Food Quality-Safety. According to the general objective of improving the quality level of the products, the company formalised a set of realistic and measurable goals generally concerning:

- The improvement of the current production standards in terms of processing and scraps;
- The improvement of the Customer satisfaction level through the NC register and the active listening to the reference market;
- The loyalty of the suppliers through awareness campaigns and the sharing of the policy and of the objectives;
- Minimisation of the risks of product contamination by carrying out checks concerning the compliance with the Good Practices on Processing and Hygiene;
- The maintenance of high level of absolute compliance of the products with the legal standards and those defined by the company through process registrations and checks on the compliance with the standards and procedures adopted by the company;
- The improvement of the pest control plan in order to minimise the related risk by carrying out an
  internal monitoring through weekly checks on the compliance with the threshold limits, and monthly checks performed by an external specialised firm;
- The improvement of the HACCP plan, by monitoring through the NC register;
- The correct and proper information and communication concerning the products sold by the Company.

It has to be noted that during the fiscal year 2023, no cases of non-compliance have occurred which have led to a financial penalty or to a simple notification by a regulatory authority.

## RELEVANT EVENTS AFTER THE FISCAL YEAR CLOSING OROPAN<sub>50</sub>

## **RELEVANT EVENTS**

#### AFTER THE FISCAL YEAR CLOSING

First of all, it has to be noted that there are not events following 31st December 2023 that have had any effect on the values of the Financial Statements as at 31.12.2023 that we have not considered in the drawing up.

In March 2024, following the signing of a 'Temporary Association of Purpose between Oropan SpA, the training institution I.F.O.A., the Technical University Politecnico in Bari, the technical institution De Nora in Altamura and the service company GI GROUP, the first **Academy del Pane** (Academy of Bread) was founded in Altamura. It is an initiative that witnesses the commitment and over 70 years of passion, innovation and tradition by the Company whose history interweaves with the history of bread of Altamura, the indentity symbol of a territory.

The Academy was founded to keep and convey the knowledge of an ancient craft by providing young people with a path of professional, technical and human growth. We selected **15 young people** who after having followed 300 training hours and 500 hours "on the job" may become specialists in bakery or food industrial maintenance, and contribute in this way to preserve the bakery art of Altamura.

The company has invested again in people, who are considered the most precious **capital**, and in the research and innovation in order to keep lively the link with its roots and to pursue, in this way, the product differentiation. Thanks to this project, many doors open up to **talented people** who want to make the difference, and to whom growth opportunities in a context that goes beyond the local borders are offered.

In May 2024, on the occasion of CIBUS 2024, one of the most important sector exhibition in the world, the Company has presented the re-branding of the FORTE brand, and the first fresh bread from a sustainable supply chain in the world certified according to the ISCC Plusq standard, and realised with re-milled durum wheat semolina 100% from Puglia, on the market starting from 20th May 2024.

At the base of the re-branding there are three main values which influence each strategic choice and are reflected in the products that are brought onto the market: craftsmanship, authenticity, welfare.

**CRAFTSMANSHIP**: it is an ethos that permeates every aspect of our production; it evokes the old knowledge concerning the preparation of bread.

**AUTHENTICITY:** the uniqueness of the ingredients together with the artisan know-how show the attitude towards the authenticity of the Forte bread.

**WELL-BEING:** we focus on the welfare of the person, of the community and of the environment in which they live.

At the same time, being the first in the world to produce bread from a sustainable supply chain certified according to the ISCC Plus standard and realised with a re-milled durum wheat semolina 100% from Puglia represents a further challenge.

This latest certification guarantees the consumer that bread is produced according to a sustainable, responsible and ethical model from the cultivation of durum wheat to the production of the bread finished product and its distribution, by protecting the product in terms of food safety and durable freshness thanks to a recyclable paper packaging which has the FSC-certification and, therefore, comes from sources managed in a responsible way.

## **OWN SHARES**

Pursuant to Articles 2435bis and 2428 of the Italian Civil Code, it has to be noted that, on the fiscal year closing date, the Company did not own directly nor through trust companies or through third parties, own shares nor shares of the parent company. During the fiscal year, therefore, the Company has not purchased or sold own shares or shares of the parent company.

# USAGE OF THE FINANCIAL INSTRUMENTS

RELEVANT TO THE ASSESSMENT OF THE EQUITY-RELATED AND FINANCIAL SITUATION AND OF THE OPERATING RESULT OF THE FISCAL YEAR

On the fiscal year closing date and according to Article 2428, paragraph 3, point 6 bis) of the Italian Civil Code, Oropan S.p.A. does not have financial derivative liabilities concerning the financial flows of liabilities.

## **BUSINESS OUTLOOK**

Technology has allowed us to bring our bread all over the world as if it were just baked, by preserving its taste and smell, and its organoleptic and nutritional characteristics. The new generation production techniques have extended the shelf-life (duration) of the product enabling us to reach geographically distant countries with a different food culture and different consumption habits such as China, Australia, United States and Canada. We have, thus, eliminated the geographical distances between Oropan, located in the South of Italy, and rest of the world.

During 2024 and the following years, also thanks to the implementation and presentation of the Integrated Investment Projects, investments amounting to over €20 million are envisaged so that the Company will further increase its production capacity as well as the range of products, and it will reach other objectives such as:

- · Improvement of the quality and safety of the products;
- Standardisation of the packaging process
- Rationalisation of the resources through the streamlining obtained by means of innovation, digitalisation, and automation of the production and management processes.

The achievement of such objectives will not imply in any case the reduction of the human resources, but it will value them. Moreover, the company is carrying out projects aimed at increasing the digitalisation and computerisation processes also related to the production process by implementing the MES system.

The food awareness is increasing in the consumer: actually, not only are labels carefully read, but the products are assessed also according to the transparency and integrity of the production processes. For these reasons too, at the base of our work there is the strong commitment to constantly innovating the processes, the bakery products and the business culture by maintaining strong links with the taste and flavours of the tradition of the territory.

Oropan exports the Made-in-Italy tradition of the Altamura bakery art and it will keep doing this, proud to be the ambassador of a product identifying the territorial tradition with a very high awareness in the world.

Through these actions, our objective is to keep being a leader in this sector by being committed in providing not only high quality food but also products reflecting a responsible ethics towards people and environment.

## FINANCIAL STATEMENTS

#### **APPROVAL**

Pursuant to Article 2364 of the Italian Civil Code, the Company decided to use the possibility of approving the Financial Statements within 180 days from the fiscal year closing because of special and extraordinary needs concerning the increase in the working activities required to implement MES and to integrate such software with the accounting one.

#### **BRANCH OFFICES**

In compliance with what provided for by Article 2428 of the Italian Civil Code, here below the operating branch offices of the company are shown:

ADDRESS	LOCATION	
SS 96 Km Frazione Contrada Lazzaretto - CAP 70022	Altamura (BA)	
Local units of storage / Deposit opened on 20.12.2009		

#### CONCLUSIONS

Dear Shareholders, with regard to what explained in the previous paragraphs, the Board of Directors proposes to the meeting the following allocations of the operating profit according what provided for by number 22-septies, paragraph 1 of Article 2427 of the Italian Civil Code:

€ 270,745.04 to the Legal reserve;

€ 5,701,122.82 to the Extraordinary reserve;

€ 2,000,000.00 to the shareholders as dividends;

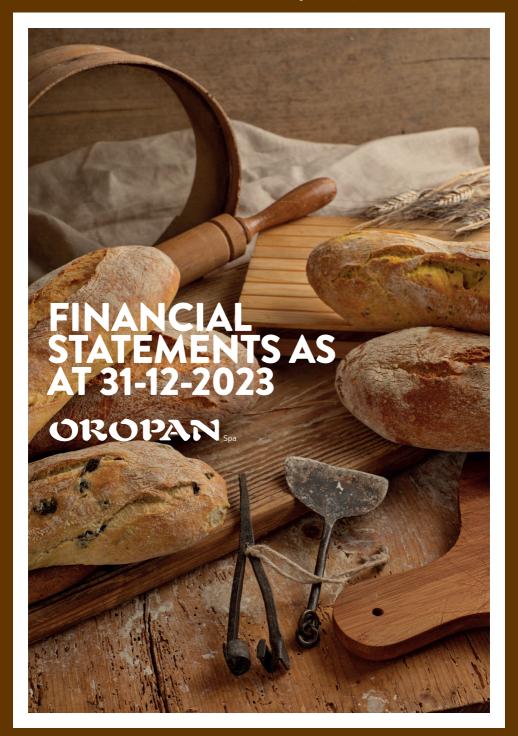
€ 7,971,867.86 Total operating profit

Altamura (BA),18th June 2024

The Chairman of the Board of Directors

Vito Forte

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## **BALANCE SHEET**

Stato patrimoniale		
	31/12/2023	31/12/2022
Balance Sheet		
Assets		
B) Fixed assets		
I – Intangible fixed assets		
Concessions, licenses, trademarks and similar rights	1.608.351	1.715.583
Fixed assets under construction and payments on account	107.994	28.800
7) Other intangible fixed assets	64.407	60.936
Total intangible fixed assets	1.780.752	1.805.319
II - Tangible fixed assets		
1) Land and buildings	7.660.255	7.748.412
2) Plants and machinery	5.029.592	7.603.706
3) Industrial and commercial equipment	165.341	176.131
4) Other tangible fixed assets	127.733	179.332
5) Fixed assets under construction and payments on account	6.090.820	1.606.243
Total tangible fixed assets	19.073.741	17.313.824
III - Financial fixed assets		
1) Shareholdings in		
d-bis) other companies	1.533	1.533
Total Shareholdings	1.533	1.533
2) Receivables		
d-bis) From others		
due within the following fiscal year	2.570	8.870
Total receivables from others	2.570	8.870

Total Receivables	31/12/2023	31/12/2022
Total Financial fixed assets	2.570	8.870
Total Fixed Assets (B)	4.103	10.403
Totale immobilizzazioni (B)	20.858.596	19.129.546
C) Current Assets		
I - Inventories		
Raw materials, subsidiary materials and consum- ables	683.507	800.800
4) Finished products and merchandise	374.887	493.128
Total Inventories	1.058.394	1.293.928
II - Receivables		
1) From customers		
due within the following fiscal year	7.403.015	6.858.229
due beyond the following fiscal year	361.957	361.957
Total Receivables from customers	7.764.972	7.220.186
5-bis) Tax credits		
due within the following fiscal year	1.255.738	1.397.022
Total tax credits	1.255.738	1.397.022
5-ter) Pre-paid tax	138.755	92.051
5-quater) from others		
due within the following fiscal year	760.430	644.919
Total receivables from others	760.430	644.919
Total receivables	9.919.895	9.354.178
IV - Cash and cash equivalents		
1) Bank and postal deposits	26.786.420	18.207.121
2) Cheques	0	0
3) cash and equivalents on hand	2.061	2.050
	L	l

	31/12/2023	31/12/2022
Total cash and cash equivalents	26.788.481	18.209.171
Total Current Assets (C)	37.766.770	28.857.277
D) Accrued income and Prepaid expenses	343.114	77.841
Total Assets	58.968.480	48.064.664
Liabilities		
A) Net equity		
I - Share capital	6.490.000	6.490.000
III - Revaluation reserves	1.372.350	1.371.350
IV - Legal reserve	1.027.255	680.278
VI - Other reserves, separately indicated		
Extraordinary reserve	17.559.110	11.586.542
Reserves from exceptions as per Article 2423 of the Italian Civil Code	2.554.046	2.554.046
Contributions for future capital increase	2.510.000	2.510.000
Miscellaneous reserves	880.741	880.741
Total Other reserves	23.503.897	17.531.329
IX - Profit (loss) of the fiscal year	7.971.858	6.939.545
Total Net equity	40.365.360	33.012.502
B) Provisions for risks and charges		
2) for taxes, including deferred taxes	463.041	494.911
3) Passive derivative financial instruments	0	0
4) others	249.172	75.762
Total Provisions for risks and charges	712.213	570.673
C) Employee Severance Indemnity	211.646	188.179
D) Payables		
4) Payables to banks		

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31/12/2023   31/12/2022     due within the following fiscal year   1.200.000   1.42.500     due beyond the following fiscal year   4.200.000   1.282.500     Total Payables to banks   5.400.000   1.425.000     6) Advances   37.821   29.822     Total Advances   37.821   29.822     Total Advances   37.821   29.822     Total Advances   37.821   29.822     Total Payables to suppliers   7.739.552   6.580.730     due within the following fiscal year   30.753   30.753     Total Payables to suppliers   7.770.305   6.611.483     12) tax payables   47.726   1.727.311     Total tax payables   673.726   1.727.311     Total tax payables   673.726   1.727.311     13) Payables to social security and welfare institutions   284.540   231.373     Total Payables to social security and welfare institutions   284.540   231.373     Total Payables   1.806.723   1.469.331     Total Other Payables   1.5973.115   11.494.320     E) Accrued liabilities and deferred income   1.706.146   2.798.990     Total liabilities   58.968.480   48.064.664			
due beyond the following fiscal year		31/12/2023	31/12/2022
Total Payables to banks 5.400.000 1.425.000 6) Advances due within the following fiscal year 37.821 29.822 Total Advances 37.821 29.822 7) Payables to suppliers due within the following fiscal year 7.739.552 6.580.730 due beyond the following fiscal year 30.753 30.753 Total Payables to suppliers 7.770.305 6.611.483 12) tax payables due within the following fiscal year 673.726 1.727.311 Total tax payables 673.726 1.727.311 3) Payables to social security and welfare institutions due within the following fiscal year 284.540 231.373 Total Payables to social security and welfare institutions 284.540 231.373 14) Other Payables due within the following fiscal year 1.806.723 1.469.331 Total Other Payables 1.5973.115 11.494.320 E) Accrued liabilities and deferred income 1.706.146 2.798.990	due within the following fiscal year	1.200.000	142.500
6) Advances  due within the following fiscal year 37.821 29.822  Total Advances 37.821 29.822  7) Payables to suppliers  due within the following fiscal year 7.739.552 6.580.730  due beyond the following fiscal year 30.753 30.753  Total Payables to suppliers 7.770.305 6.611.483  12) tax payables  due within the following fiscal year 673.726 1.727.311  Total tax payables 673.726 1.727.311  Total tax payables to social security and welfare institutions  due within the following fiscal year 284.540 231.373  Total Payables to social security and welfare institutions 284.540 231.373  Total Payables to social security and welfare 1.806.723 1.469.331  Total Other Payables 1.806.723 1.469.331  Total Other Payables 1.5973.115 11.494.320  E) Accrued liabilities and deferred income 1.706.146 2.798.990	due beyond the following fiscal year	4.200.000	1.282.500
Total Advances   37.821   29.822	Total Payables to banks	5.400.000	1.425.000
Total Advances 37.821 29.822  7) Payables to suppliers  due within the following fiscal year 7.739.552 6.580.730  due beyond the following fiscal year 30.753 30.753  Total Payables to suppliers 7.770.305 6.611.483  12) tax payables  due within the following fiscal year 673.726 1.727.311  Total tax payables 673.726 1.727.311  13) Payables to social security and welfare institutions  due within the following fiscal year 284.540 231.373  Total Payables to social security and welfare institutions 284.540 231.373  14) Other Payables  due within the following fiscal year 1.806.723 1.469.331  Total Other Payables 1.806.723 1.469.331  Total Payables 15.973.115 11.494.320  E) Accrued liabilities and deferred income 1.706.146 2.798.990	6) Advances		
7) Payables to suppliers  due within the following fiscal year  7.739.552  6.580.730  due beyond the following fiscal year  30.753  Total Payables to suppliers  7.770.305  6.611.483  12) tax payables  due within the following fiscal year  673.726  1.727.311  Total tax payables  673.726  1.727.311  13) Payables to social security and welfare institutions  due within the following fiscal year  284.540  231.373  Total Payables to social security and welfare institutions  14) Other Payables  due within the following fiscal year  1.806.723  1.469.331  Total Other Payables  1.806.723  1.469.331  Total Payables  1.5973.115  11.494.320  E) Accrued liabilities and deferred income  1.706.146  2.798.990	due within the following fiscal year	37.821	29.822
due within the following fiscal year       7.739.552       6.580.730         due beyond the following fiscal year       30.753       30.753         Total Payables to suppliers       7.770.305       6.611.483         12) tax payables       673.726       1.727.311         Total tax payables       673.726       1.727.311         13) Payables to social security and welfare institutions       284.540       231.373         Total Payables to social security and welfare institutions       284.540       231.373         14) Other Payables       1.806.723       1.469.331         Total Other Payables       1.806.723       1.469.331         Total Payables       15.973.115       11.494.320         E) Accrued liabilities and deferred income       1.706.146       2.798.990	Total Advances	37.821	29.822
due beyond the following fiscal year       30.753       30.753         Total Payables to suppliers       7.770.305       6.611.483         12) tax payables       673.726       1.727.311         Total tax payables       673.726       1.727.311         13) Payables to social security and welfare institutions       284.540       231.373         Total Payables to social security and welfare institutions       284.540       231.373         14) Other Payables       284.540       231.373         14) Other Payables       1.806.723       1.469.331         Total Other Payables       1.806.723       1.469.331         Total Other Payables       15.973.115       11.494.320         E) Accrued liabilities and deferred income       1.706.146       2.798.990	7) Payables to suppliers		
Total Payables to suppliers 7.770.305 6.611.483  12) tax payables  due within the following fiscal year 673.726 1.727.311  Total tax payables 673.726 1.727.311  13) Payables to social security and welfare institutions  due within the following fiscal year 284.540 231.373  Total Payables to social security and welfare institutions 284.540 231.373  Total Payables to social security and welfare institutions 1.806.723 1.469.331  Total Other Payables 1.806.723 1.469.331  Total Other Payables 1.5973.115 11.494.320  E) Accrued liabilities and deferred income 1.706.146 2.798.990	due within the following fiscal year	7.739.552	6.580.730
12) tax payables       673.726       1.727.311         Total tax payables       673.726       1.727.311         13) Payables to social security and welfare institutions       284.540       231.373         Total Payables to social security and welfare institutions       284.540       231.373         14) Other Payables       284.540       231.373         14) Other Payables       1.806.723       1.469.331         Total Other Payables       1.806.723       1.469.331         Total Payables       15.973.115       11.494.320         E) Accrued liabilities and deferred income       1.706.146       2.798.990	due beyond the following fiscal year	30.753	30.753
due within the following fiscal year       673.726       1.727.311         Total tax payables       673.726       1.727.311         13) Payables to social security and welfare institutions       284.540       231.373         Total Payables to social security and welfare institutions       284.540       231.373         14) Other Payables       1.806.723       1.469.331         Total Other Payables       1.806.723       1.469.331         Total Other Payables       15.973.115       11.494.320         E) Accrued liabilities and deferred income       1.706.146       2.798.990	Total Payables to suppliers	7.770.305	6.611.483
Total tax payables 673.726 1.727.311  13) Payables to social security and welfare institutions  due within the following fiscal year 284.540 231.373  Total Payables to social security and welfare institutions 284.540 231.373  14) Other Payables  due within the following fiscal year 1.806.723 1.469.331  Total Other Payables 1.806.723 1.469.331  Total Payables 15.973.115 11.494.320  E) Accrued liabilities and deferred income 1.706.146 2.798.990	12) tax payables		
13) Payables to social security and welfare institutions       284.540       231.373         due within the following fiscal year       284.540       231.373         Total Payables to social security and welfare institutions       284.540       231.373         14) Other Payables       1.806.723       1.469.331         Total Other Payables       1.806.723       1.469.331         Total Payables       15.973.115       11.494.320         E) Accrued liabilities and deferred income       1.706.146       2.798.990	due within the following fiscal year	673.726	1.727.311
tions  due within the following fiscal year 284.540 231.373  Total Payables to social security and welfare institutions 284.540 231.373  14) Other Payables  due within the following fiscal year 1.806.723 1.469.331  Total Other Payables 1.806.723 1.469.331  Total Payables 15.973.115 11.494.320  E) Accrued liabilities and deferred income 1.706.146 2.798.990	Total tax payables	673.726	1.727.311
Total Payables to social security and welfare institutions 284.540 231.373  14) Other Payables  due within the following fiscal year 1.806.723 1.469.331  Total Other Payables 1.806.723 1.469.331  Total Payables 15.973.115 11.494.320  E) Accrued liabilities and deferred income 1.706.146 2.798.990			
institutions       284.340       231.373         14) Other Payables       1.806.723       1.469.331         Total Other Payables       1.806.723       1.469.331         Total Payables       15.973.115       11.494.320         E) Accrued liabilities and deferred income       1.706.146       2.798.990	due within the following fiscal year	284.540	231.373
due within the following fiscal year       1.806.723       1.469.331         Total Other Payables       1.806.723       1.469.331         Total Payables       15.973.115       11.494.320         E) Accrued liabilities and deferred income       1.706.146       2.798.990		284.540	231.373
Total Other Payables         1.806.723         1.469.331           Total Payables         15.973.115         11.494.320           E) Accrued liabilities and deferred income         1.706.146         2.798.990	14) Other Payables		
Total Payables         15.973.115         11.494.320           E) Accrued liabilities and deferred income         1.706.146         2.798.990	due within the following fiscal year	1.806.723	1.469.331
E) Accrued liabilities and deferred income 1.706.146 2.798.990	Total Other Payables	1.806.723	1.469.331
	Total Payables	15.973.115	11.494.320
Total liabilities 58.968.480 48.064.664	E) Accrued liabilities and deferred income	1.706.146	2.798.990
	Total liabilities	58.968.480	48.064.664

Profit and Loss Account		
	31/12/2023	31/12/2022
Profit and Loss Account		
A) Production value		
1) Revenues from sales and services	41.485.355	36.687.764
Changes in inventories of work-in-progress, semi-finished and finished products	(118.241)	219.177
5) other revenues and income		
Operating grants	327.044	291.939
Others	1.084.058	2.050.182
Total Other revenues and income	1.411.102	2.342.121
Total Production Value	42.778.216	39.249.062
B) Production Costs		
for raw materials, subsidiary materials, consumables and goods	13.672.676	12.893.415
7) for services	7.188.809	6.568.206
8) for use of third party assets	60.169	24.386
9) for personnel		
a) wages and salaries	4.541.438	4.129.341
b) social security	1.324.378	1.126.628
c) employees severance indemnity	352.729	344.352
e) other costs	937.689	1.002.215
Total Personnel costs	7.156.234	6.602.536
10) Amortisations, depreciations and write-downs		
a) amortisation of intangible fixed assets	125.094	121.476
b) depreciation of tangible fixed assets	2.674.582	2.972.454
d) write-downs of receivables recorded among cur- rent assets and cash and cash equivalents	1.352	4.032

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	31/12/2023	31/12/2022
Total Amortisations, depreciations and write-downs	2.801.028	3.097.962
11) Changes in inventory levels of raw materials, subsidiary materials, consumables and goods	117.293	(129.938)
12) Provisions for risks	159.807	-
14) Other operating costs	834.977	473.414
Total Production costs	31.990.993	29.529.981
Difference between Production value and Production costs (A - B)	10.787.223	9.719.081
C) Financial income and charges		
16) Other financial income		
d) Income other than the above		
others	377.360	7.816
Total Income other than the above	377.360	7.816
Total Other financial income	377.360	7.816
17) interests and other financial charges		
Due to affiliated companies	-	25.760
Total interests and other financial charges	74.423	25.760
17-bis) Profits and losses on exchange rates	(13)	(5)
Total Financial Income and charges (15 + 16 - 17 + - 17-bis)	302.924	(17.949)
Result before taxes (A - B + - C + - D)	11.090.147	9.701.132
20) Current, deferred and advance taxes on the operating income		
Current taxes	3.195.853	2.778.060
Deferred and advance taxes	(77.564)	(16.473)
Total Current, deferred and prepaid taxes on the income of the fiscal year	3.118.289	2.761.587
21) Profit (loss) of the fiscal year	7.971.858	6.939.545

	31/12/2023	31/12/2022
Cash Flow Statement, indirect method		
A) Cash flows from operating activities (indirect method)		
Profit (loss) of the fiscal year	7.971.858	6.939.545
Taxes on income	3.118.289	2.761.587
Payable (receivable) interest	(302.924)	17.949
Profit (loss) of the fiscal year before taxes on income, interests, dividends and gains/losses from transfer of assets	10.787.223	9.719.081
Adjustments to non-monetary items that were not offset in the net working capital		
Amounts set aside for provisions	511.429	344.352
Amortisation and depreciation of the fixed assets	2.790.386	3.093.930
Write-downs for long-term value depreciation	1.352	4.032
Total adjustments for non-monetary items that were not offset in the net working capital	3.303.167	3.442.314
Cash flow before changes in the net working capital	14.090.390	13.161.395
Changes in the net working capital		
Decrease/(Increase) in inventories	235.534	(349.114)
Decrease/(Increase) in receivables from customers	(544.786)	(1.400.637)
Increase/(Decrease) in payables to suppliers	1.166.821	1.616.584
Decrease/(Increase) in accrued income and prepaid expenses	(265.273)	(18.309)
Increase/(Decrease) in accrued expenses and deferred income	(1.092.844)	(938.386)
Other decreases/(increases) in the net working capital	369.638	(46.303)
Total changes in the net working capital	(130.910)	(1.136.165)
3) Cash flow after changes in net working capital	13.959.480	12.025.230
Other Adjustments		
Interests collected/(paid)	302.924	(17.949)
((Income taxes paid)	(4.171.884)	(1.809.188)

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	31/12/2023	31/12/2022
(Use of reserves)	(347.774)	(337.550)
Total other adjustments	(4.216.734)	(2.164.687)
Cash flow from current activities (A)	9.742.746	9.860.543
B) Cash flow from investments		
Tangible fixed assets		
(Investments)	(4.425.209)	(864.029)
Intangible fixed assets		
(Investments)	(100.527)	(15.708)
Financial fixed assets		
(Investments)	6.300	(6.300)
Cash flow from investments (B)	(4.519.436)	(886.037)
C) Cash flow from financing activities		
Loan capital		
Increase/(Decrease) in short-term payables to banks	1.057.500	(286.493)
New loans	2.917.500	1.282.500
Internal financing		
(Dividends and advances on dividends paid)	(619.000)	(124.061)
Cash flow from financing activities (C)	3.356.000	871.946
Increase (decrease) in cash and cash equivalents (A $\pm$ B $\pm$ C)	8.579.310	9.846.452
Cash and cash equivalents at the beginning of the fiscal year		
Bank and postal deposits	18.207.121	8.336.615
Cheques	-	25,165
Cash and cash equivalents on hand	2,050	939
Total cash and cash equivalents at the beginning of the fiscal year	18,209,171	8,362,719

	31/12/2023	31/12/2022
Cash and cash equivalents at the end of the fiscal year		
Bank and postal deposits	26.786.420	18.207.121
Cheques	0	0
Cash on hand and equivalents	2.061	2.050
Total cash and cash equivalents at the end of the fiscal year	26.788.481	18.209.171

# INFORMATION AT THE BOTTOM OF THE CASH FLOW STATEMENT

In compliance with Article 2423, paragraph 1, of the Italian Civil Code, the company has drawn up the Cash Flow statement (by using the indirect method layout as per the OIC 10 (O.I.C. - Organismo Italiano di Contabilità- Accounting Standard Board)), by showing also the data as at 31/12/2022 for comparative purposes (pursuant to Article 2425-ter of the Italian Civil Code).

The increase in the item Prepaid expenses and accrued income becomes relevant as a result of the crediting in the following year of interests on time deposits;

The item Receivables from customers decreases as a result of the enhancement of the short-term collections; the item Payables to suppliers increases following the rationalisation of the payment times; The item Other Changes of the net working capital mainly includes the decrease recorded in the items Tax credits and Receivables from Tax authorities for research and development in 2022 and Tax credits for non-gas-consuming companies. The increase in the item Tangible assets mainly refers to the ongoing investments in specific plants and advanced payments for the realization of the new investment project Pia 2014-2020

The item Loan capital increases as a consequence of the new loan amounting to  $\in$  5,700 thousand of which  $\in$  5,400 thousand already granted, attributable to the above-mentioned investment.

## SUPPLEMENTARY NOTE

## FINANCIAL STATEMENTS CLOSED AS OF 12/31/2023 INITIAL PART

Dear Shareholders,

these Explanatory Notes are an integral part of the Financial Statements as at 31/12/2023 and along with the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement, constitute a single inseparable document. In particular, they have the function of highlighting information useful for commenting, integrating, detailing the quantitative data shown in the Financial Statements in order to provide the reader with the information required to a true and fair representation of the equity, financial and economic position of the company. It should be noted that these Financial Statements have been prepared with reference to the Italian Civil Code, as amended by the Italian Legislative Decree dated 18th August 2015 no. 139 and subsequent amendments and integrations. In particular, the drafting of the Financial Statements refers to Articles 2423, 2423-ter, 2424, 2424-bis, 2425-bis, 2425-bis, 2425-ter, 2427, as well as to the principles envisages in Article 2423- bis and to the evaluation criteria imposed by Article 2426 of the Italian Civil Code.

The Company has made use of the longer term of 180 days to convene the Shareholders' Meeting for the approval of these Financial Statements for accounting and administrative purposes linked to the implementation of the MES information system.

#### **CERTIFICATE OF CONFORMITY**

These Financial Statements have been drawn up in compliance with the provisions in force of the Italian Civil Code, in particular the Balance Sheet and the Profit and Loss Account layouts reflect respectively those provided for by Articles 2424 and 2425 of the Italian Civil Code, the Cash Flow Statement reflects the provision under Article 2425-ter, while the Explanatory Notes comply with the minimal content under Article 2427 of the Italian Civil Code and all other provisions that require to be considered. The Balance Sheet, the Profit and Loss Account, the Cash Flow Statement and any other accounting information included in these Explanatory Notes, and constituting these Financial Statements, comply with the book entries from which they directly result. These Financial Statements are submitted along with the Report on Operations drawn up pursuant to Article 2428 of the Italian Civil Code. Please refer to this document for the nature of the business activity, the relationships with subsidiary companies, affiliated companies, parent companies and those subject to the control of the latter as well as for the foreseeable development of the business.

#### **ACCOUNTING CURRENCY AND ROUNDING**

The Financial Statements and the Explanatory Notes are drawn up in Euro without decimal fractions; rounding has been carried out according to what specified in the Circular of the Revenue Agency no. 106/E dated 21st December 2001, establishing the rounding criterion.

#### **DRAWING UP PRINCIPLES**

These Financial Statements have been drawn up by applying the following evaluation criteria and pursuant to the provisions under Article 2423 and subsequent of the Italian Civil Code, updated with the amendments of the Italian Civil Code provided for by the Italian Legislative Decree dated 18th August 2015 no. 139, which implement the Directive 2013/34/EU and subsequent amendments on the Financial Statements and the Consolidated Financial Statements. The evaluation criteria truly and fairly represent the equity-related and financial position of the company as well as the economic result achieved. The evaluation of the items of the Financial Statements has been carried out based on the general prudence

and accrual criteria, on a going concerning basis (Article 2423-bis, paragraph 1, no. 1), by focusing on the substance of the transactions rather than on the legal form (Article 2423-bis, paragraph 1, no. 1-bis). We have carefully followed the prudence principle and only the profits achieved as at the end of the fiscal year have been entered into the Financial Statements, while we have taken into account the risks and the attributable losses even if they have been known after the fiscal year closing. In compliance with the accrual criterion, the effect of the transactions and of other events has been booked and entered into the fiscal year to which these transactions and events referred and not into the fiscal year in which actual monetary movements occurred (collections and payments). Preliminary it is acknowledged that the evaluations have been carried out on a going concern basis as there are no relevant uncertainties in this regard.

Revenues have been recognised in the fiscal year when actually realised, while the costs have been recognised in the fiscal year when referred to the relevant revenues. We have considered the risks and the losses referred to the fiscal year even if we have known them after the fiscal year closing.

The Italian Legislative Decree dated 18th August 2015 no° 139 introduced the 4 paragraph of Article 2423 of the Italian Civil Code referred to the drawing up of the Financial Statements, according to which for a truly and fairy representation it is necessary not to mention in the Explanatory Notes the criteria used to assess certain items when they have not relevant effects.

#### **GOING CONCERN**

The administrative body believes that there are no relevant uncertainties or risk factors with reference to the ability of the company to generate income in the future and for this reason the going concern is not currently at risk.

#### **HETEROGENEOUS ELEMENTS**

There are no heterogeneous elements in the single items.

## EXCEPTIONAL CASES PURSUANT TO ARTICLE 2423, FIFTH PARAGRAPH, OF THE ITALIAN CIVIL CODE

During the fiscal year, the business activity has been regularly performed; no events significantly changing the operational performance or requiring to use the derogations under Article 2423, paragraph 5, of the Italian Civil Code have occurred

#### CHANGES IN THE ACCOUNTING PRINCIPLES

Changing the accounting principles compared to the previous fiscal years has not been necessary.

#### **CORRECTION OF MATERIAL ERRORS**

During the fiscal year, the company has not booked nor accounted for errors occurred in the previous fiscal years and considered material; the material errors are those errors which influence the economic decisions taken by the users according to the Financial Statements.

#### PROBLEMS OF COMPARABILITY AND ADJUSTMENT

There are no problems of comparability and adjustment in the Financial Statements closed on 31st December 2023.

#### **EVALUATION CRITERIA APPLIED**

Here below the evaluation of the items in the Assets and Liabilities of the Balance Sheet and in the Profit

and Loss Account of these Financial Statements is provided.

#### INTANGIBLE FIXED ASSETS

As provided for by the Accounting Standard no. 24 recently revised, intangible fixed assets are recognised at their purchase or production cost including additional charges directly attributable to the asset and systematically amortised according to the period of expected future utility and within its limits. If this condition no longer exists in the fiscal years following the capitalisation, the asset will be amortised. The cost of the considered assets has been amortised according to a plan which, we believe, is able to ensure a correct distribution thereof during the useful economic life of the asset. The plan will be adjusted when a remaining useful life different from the one originally estimated is established. As far as the single items are concerned, it should be noted that:

- Costs for licenses and concessions are referred to the costs incurred to obtain concessions on properties owned by the public grantor, trade licencing, and unpatented know-how. For the intangible assets a time limit is not established, however an extension of the amortisation period beyond the legal and contractual limit is not allowed. The useful life may be shorter according to the period in which the company plans to use the asset.
- Trademarks and similar rights are referred to costs incurred for the purchase, internal production and licence usage rights of the trademarks. The capitalisation does not include any cost incurred for the start of the production process of the product protected by the trademark as well as any advertising campaign. The useful life may be shorter than the legal and contractual limit according to the period in which the company plans to use the asset. The estimated useful life of the trademark shall not exceed twenty years.
- The residual item "Other fixed assets" includes intangible fixed assets not specifically encompassed in the previous items, such as, for example, usufruct rights or other multi-year charges which are amortised according to the useful life of the production factors to which they are referred. The extraordinary expenses referred to assets belonging to third parties are instead amortised in the shorter period between the future utility and the residual rent, by considering any renewal period if it depends on the lessee.

#### **TANGIBLE FIXED ASSETS**

As provided for by the Accounting Standard no. 16, tangible fixed assets are recognised at their purchase or internal production cost, and they are adjusted by the corresponding provisions for amortisation and depreciation. The cost includes the additional charges and the direct and indirect costs related to the part reasonably attributable to the asset and referred to the manufacturing period, and up to the moment in which the asset can be used. The tangible fixed assets may be revaluated only in the cases in which special laws require or allow it.

The fixed assets are systematically amortised during each fiscal year on a straight-line basis according to the rates laid down by the tax laws, which are considered representative of the economic-technical useful life of the assets. For the fixed assets came into operation during the fiscal year, the rates are reduced to 50%, if the depreciation charge does not depart from the rate calculated starting from the moment in which the asset is available and ready to be used. Here below the rates applied are shown in detail:

Buildings 3%

Operators' machinery and plants 9% - 12%

Specific plants 9% - 12%

Ovens 9% - 12%

Different and small equipment 25%

Office furniture and ordinary office equipment 12%

Furniture 12%

Electrical and electronic office equipment 20%

Vehicles 25%

Trucks 20%

Photovoltaic systems 4%

Regardless of the depreciation already booked, in case of a durable value loss, the fixed asset is accordingly depreciated; if during the following fiscal years the reasons justifying the depreciation fail, the original value is restored within the limits of the value that the activity would have had if the value adjustment didn't take place.

Grants to plants are booked when it is reasonably certain that the conditions expected to recognise the grant are met and that the grants will be actually granted. They are indirectly used to reduce the cost as they are entered into the Profit and Loss Account into the item A5 "Other revenues and income", and therefore deferred on competence basis to the following fiscal years and booked in the item "deferred income".

#### **FINANCIAL FIXED ASSETS**

Fixed asset securities, destined to remain in the company portfolio until their natural expiry date, are booked at their purchase cost. The booking value includes any directly attributable ancillary charges. The subscription premium (cost) contributes to forming the operating result according to the accrual principle, with a constant instalment allocation for the period of possession of the security. Shareholdings recorded in the fixed assets represents a durable and strategic investments by the company in the share capital of other companies. The other shareholdings are booked at their purchase or subscription cost. When a durable loss of value is recognised, the carrying value of the shareholding is reduced to its lower recoverable amount which is determined according to the future benefits expected for the shareholding company. As far as the debt securities classified in BIII3) "Other securities " are concerned, even if the company shall apply the amortised cost method, it has been decided not to use this evaluation criterion because the transaction cost and the difference between the initial value and the value on expiry date were not so relevant.

#### **INVENTORIES**

Pursuant to the Accounting Standard no. 13, inventories are booked at their historical purchase or production cost as such values do not exceed the expected realised value that can be defined by the market trend at the end of the fiscal year. At first, they are recognised on the date on which the transfer of the risks and benefits linked to the purchase goods occurs, even if it does not correspond to the date on which the property is transferred.

Inventories of raw, subsidiary and consumption materials have been assessed by applying the FIFO method. In case of goods, finished products, semi-finished products and work in progress, the net realisation value of such goods is used to establish the realisation value deducible from the market trend. In case of raw and subsidiary materials used to manufacture finished products, these are depreciated if it is expected that the finished products including them will have a value equal or higher than the production cost of the finished product.

#### **RECEIVABLES**

Receivables are recognised in the Financial Statements in accordance with the amortisation cost method taking into account the time factor and the expected realisation value. Any adjustment of the receivables nominal value to the expected value is carried out through proper bad debt provisions adjusted to possible insolvencies and increased by the amount allocated during the fiscal year according to the general economic situation, the industry condition and the country risk.

With regard to the Receivables recognised in the Current Assets, it has to be noted that the amortised cost method is not applied when the effects are not relevant, i.e. when the transaction costs, the fees

paid between the parties and any other difference between the initial value and the value on expiry date are of little importance, or in case of short-term receivables (i.e. with a due date within 12 months). Cash orders transferred to banks with the clause "subject to successful completion", are shown among the Receivables from customers as their transfer to banks does not change the underlying financial relationships established with the customers themselves

#### **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents are assessed at their nominal value

#### **ACCRUALS AND DEFERRALS**

Charges and incomes shared by two or more fiscal years, whose amount is different due to time, are recognised in the item Accruals and Deferrals. They have been calculated on an accrual basis in the fiscal year. For multi-year accruals and deferrals, the conditions, that defined the original entry, have been ascertained and, where required, the proper variations have been executed.

#### **NET EQUITY**

The share capital has been booked at the nominal value of the shares subscribed by the shareholders and referred to operations on capital already executed. Reserves are booked at their nominal value.

#### PROVISIONS FOR RISKS AND CHARGES

The provisions for risks and charges are allocated in order to cover losses or debts of a certain nature, which are certain or likely to be incurred, but whose amount or date of occurrence cannot be determined at the end of the fiscal year. The provisions reflect the best estimate based on the available information. The risks for which the emergence of a liability is only possible are indicated in the notes to the funds, without allocating any provision for risks and charges. The provisions for risks and charges are mainly reported in the cost items in the relevant sections (B, C or D) of the Profit and Loss Account. Any time in which it is not possible to correlate the provision nature to one of the items in the above-mentioned sections, the provisions for risks and charges are recognised in the items B12 and B13 of the Profit and Loss Account.

With regard to the recording of the provisions in the Profit and Loss Account, the costs are classified by "nature", i.e. according to the physical and economic features of the factors, being them referred both to transactions executed during the ancillary ordinary operations and to the financial ones.

#### **EMPLOYEE SEVERANCE INDEMNITY**

It represents the actual debt accrued due to employees pursuant to the applicable law and the labour contracts, considering any continuous form of remuneration.

The balance corresponds to the total of each single indemnity accrued in favour of the employees, net of the advance payments, and it is equal to the amount that should have been paid to the employees if the employment relationship were ended on that date.

#### **PAYABLES**

Payables are defined as liabilities of a certain nature and existence which represent obligations to pay fixed or determinable amounts of cash and cash equivalents, or of goods/services having an equivalent value, usually on a fixed date. Payables resulting from the purchase of goods are booked when the production process of the goods is completed and the actual transfer of the ownership occurs, and when the transfer of the risks and benefits is considered as a reference parameter. Payables related to services are booked when the services are received, i.e. when the services are performed. Financing debts are those arising from transactions different from the purchase of goods and services and they

are booked when the Company has to pay the counterparty. Payables for advanced payments from customers are booked when the right to collect the advanced payment arises. Payables are booked according to the amortised cost method, considering the time factor. The amortised cost method is not applied to payables when its effects are not relevant. The effects are considered not relevant in case of short-term payables (i.e. those due within 12 months), namely when the transaction costs, the charges paid between the parties and any other difference between the initial value and the value on due date are not relevant. Payables for vacation accrued by the employees or for deferred remuneration, including the amounts due to the social security institutions, are allocated according to the amount that should be paid in case of termination of the working relationship on the Financial Statements date.

#### **GRANTS FOR PLANTS**

Grants related to investments eligible for financial benefits are booked when they are actually and definitely received as there is the reasonable certainty that the conditions expected for their recognition have been met and that the grants will be paid. They are reported in the item "A5 other income" for the part related to the amortisations recorded in the previous fiscal year and among the deferred income for the part that can be assigned to the following fiscal years.

#### **REVENUES**

Revenues from the sales of products are entered into the Profit and Loss Account when the ownership is transferred, which is usually when the goods is delivered or shipped. Revenues from services performed are reported when the services end through the issue of the invoice or through a proper communication sent to the customer. Financial revenues and those resulting from the services performed are recognised according to the accrual accounting principle. The value of the revenues is shown net of returns, discounts, allowances and bonuses, and directly related taxes.

#### **PRODUCTION COSTS**

They are reported net of returns, discounts, allowances and bonuses, and taxes directly related to the goods purchased or to the services performed.

#### FINANCIAL INCOME AND CHARGES

Financial income and charges are recognised according to the accrual accounting principle.

#### **INCOME TAXES AND DEFERRED TAXES**

Taxes are allocated according to the accrual accounting principle and therefore represent the allocations for taxes paid or to be paid for the fiscal year (calculated according to the applicable rates and regulations), and the amount of the deferred taxes or prepaid taxes in relation to the temporary differences that have arisen or been eliminated in the fiscal year. Receivables from Revenue Authority, which cannot be offset, are booked in the assets of the Balance Sheet among "Tax credits". Where it exists, the temporary deferred tax (asset or liability) is calculated by taking into account the actual tax rate of the last fiscal year. Deferred tax assets (taxes paid in advance) are recorded according to the principle of prudence only if there is the reasonable certainty of their effective recovery based on the existence of a taxable income not lower than the amount of temporary differences that will be offset in the following fiscal years. There are no allocations for taxes against taxable reserves or funds in case of distribution if such distribution is not likely

#### **FURTHER INFORMATION**

Items in foreign currencies

There are no items in foreign currencies.

## **EXPLANATORY NOTES, ASSETS**

Here below the details about the items in the Assets of the Balance Sheet in the Financial Statements are provided.

#### **FIXED ASSETS**

Here below information about the fixed assets of the company is shown.

#### **INTANGIBLE FIXED ASSETS**

Intangible fixed assets as at 31/12/2023 are equal to € 1,780,752 (€1,805,319 as at 31/12/2022).

#### **MOVEMENTS OF THE INTANGIBLE FIXED ASSETS**

Here below the movements of the intangible fixed assets according to no. 2, paragraph 1, Article 2427 of the Italian Civil Code are shown..

	Concessions, licenses, trademarks and similar rights	Intangible assets in progress and advanced payments	Other intangible assets	Total intangible assets
Value at the beginning of the fiscal year				
Cost	1.930.272	28.800	98.303	2.057.375
Amortisations (Amortisation fund)	(214.689)	0	(37.367)	(252.056)
Depreciations	0	-	-	0
Balance sheet value	1.715.583	28.800	60.936	1.805.319
Changes during the fiscal year				
Increases for acquisitions	-	79.194	21.334	100.528
Reclassifications (of the balance sheet value)	-	-	-	0
Decreases for transfers and disposals (in the balance sheet value)	-	-	-	0
Amortisation for the fiscal year	(107.232)	-	(17.863)	(125.095)
Value at the end of the fiscal year				
Cost	1.930.272	107.994	119.637	2.157.903
Amortisations (Amortisation fund)	(321.921)	0	(55.230)	(377.151)
Depreciations	0	-	-	0
Balance sheet value	1.608.351	107.994	64.407	1.780.752

In the fiscal year 2020, in derogation from Article 2426 paragraph 1 no. 1 of the Italian Civil Code, the company made use of the option of carrying out the revaluation under Article 110 of the Italian Legislative Decree 104 /2020 converted into the Law no. 126/2020, with reference to the company assets resulting from the Financial Statements as at 31st December 2019 and still present in the Financial Statements as at 31.12.2020. The revaluation value was calculated by means of an expert estimate carried out by an independent professional according the principles commonly used by the business practice to evaluate the so-called "intangible assets" and especially:

- the method of discounting the royalty flows which could be obtained by licensing the Trademark during its useful life with regard to the trademark "Forte";
- the cost method with regard to the trademark "Veropane".

The item "Concessions, licenses, trademark and similar rights", equal to € 1,608,351 (of which € 1,930,272 as Historical Cost and € 321,921 as Amortisation Fund) includes the trademarks "Forte" and "Veropane" whose revaluation is recorded with a value equal to € 1,280,000 and € 648,000, respectively. Starting from the Financial Statements closed as at 31.12.2021 amortisations have been calculated based on the revaluated amounts.

In this regard, it has to be noted how the Finance Law 2022 (Article 1, paragraphs 622-624 of the Law 234/2021) retroactively amended the tax system related to the revaluation; it maintains: "For the purpose of the income taxes and the regional tax on the production activities and pursuant to paragraphs 4, 8 and 8-bis, the deduction of the highest value booked under intangible assets, whose amortisation rates, according to Article 103 of the Consolidated Law of the decree of the President of the Republic dated 22nd December 1986, no. 917, are deducible up to an eighteenth of the cost or of the value, is carried out anyway up to a fifteenth of such amount for each tax period".

Furthermore, the law envisages the possibility: i) to accept the extension of the tax benefit to 50 years; ii) to withdraw this option by requiring the repayment of the amounts paid as substitute tax; iii) to pay a higher substitute tax in order to not lose the possibility to amortise the highest value over 18 years. The company has chosen to withdraw and to require the offsetting of the substitute tax.

The increase in the intangible assets in progress results from investments for the Exhibition in Anuga (for an amount of  $\in$  60 thousand) and from investments started with CAISIA (Federico II University in Naples) (for an amount of  $\in$  48 thousand).

#### **TANGIBLE ASSETS**

Tangible assets as at 31/12/2023 are equal to € 19,073,741 (€ 17,313,824 as at 31/12/2022)

#### MOVEMENTS OF THE TANGIBLE ASSETS

Here below the movements of the tangible assets are shown according to no.2, paragraph 1 of Article 2427 of the Italian Civil Code. It has to be noted that the ordinary maintenance costs incurred have been fully booked in the Profit and Loss Account.

Furthermore, in accordance with the application of the Accounting Standard no. 16 and to the provision of the Italian Legislative Decree no. 223/2006, it has to be noted that, if existing, the portion of the cost referable to the areas below and to the buildings belonging to the company has been separated and it has not been amortised.

The changes in the different items of the tangible assets occurred during the fiscal year are shown in the following table:

	Land and buildings	Plants and machinery	Industrial and commercial equipment	Other tangible assets	Tangible assets in progress and advanced	Total tangible assets
Value at the beginning of the fiscal year						
Cost	8.284.736	14.666.279	422.910	1.429.076	1.606.243	26.409.244
Amortisations (Amortisation fund)	(536.324)	(7.062.573)	(246.779)	(1.249.744)	-	(9.095.420)
Balance sheet value	7.748.412	7.603.706	176.131	179.332	1.606.243	17.313.824
Changes during the fiscal year						
Increases for acquisitions	119.534	173.851	66.876	49.959	4.484.577	4.894.797
Decreases for transfers and disposals (in the balance sheet value)	-	(469.587)	-	-	-	(469.587)
Depreciation/Amortisation for the	(207.691)	(2.278.378)	(77.666)	(101.558)	-	(2.665.293)
Value at the end of the fiscal year						
Cost	8.404.270	14.370.543	489.786	1.479.035	6.090.820	30.834.454
Amortisations (Amortisation fund)	(744.015)	(9.340.951)	(324.445)	(1.351.302)	-	(11.760.713)
Balance sheet value	7.660.255	5.029.592	165.341	127.733	6.090.820	19.073.741

During the fiscal year, the company made new investments in Tangible Assets for an amount equal to €/000 4,895 (€

/000 864 in the previous fiscal year), of which

a) € 119 thousand for Land and buildings mainly referred to:

- € 49 thousand for masonry and similar works to support the storage facility for raw materials;
- € 40 thousand for masonry and similar works to support new blast chillers and cooling machines;
- € 12 thousand for the new door of the cold room in Lazzaretto;
- b) € 173 thousand for Plants and machinery mainly referred for € 48 thousand to blast chillers no.1 and 3, for € 10 thousand to the cold room BT2 in Lazzaretto, for €13 thousand to the phyto-purification system, for € 11 thousand to the purchase of a radiator for the caterpillar group and for €51 thousand to generic plants, of which €42 thousand for water systems and €9 thousand for electrical systems, as well as €35 thousand for electrical systems:
- c)  $\in$  66 thousand for Industrial and Commercial Equipment mainly referred for  $\in$  20 thousand to a chain on the Line 3, for  $\in$  9 thousand to the purchase of phyto-purification tanks,  $\in$ 9 thousand for the purchase of a compressor and a flow metre, for  $\in$  13 thousand for the purchase of a floor cleaner and no. 3 vacuum cleaners;
- d) € 50 thousand for Other assets;
- e) € 4,484 thousand for Assets in progress mainly referred to advanced payment related to contracts for the supply of machinery and specific plants.

The elements included in the tangible assets booked in the Financial Statements were subject to monetary and/or economic revaluation in the past.

It has to be noted that during the fiscal year the company has received grants for plants equal to €/000 846, divided as follows:

- " Grants for plants related to the investment in the Project "PIT n. 4 Area della Murgia" under POR Puglia 2000-2006" and Bonus Sud (related to the tax credit for investments in the Mezzogiorno area pursuant to Article 1, paragraphs from 98 to 108, of the law dated 28th December 2015, no. 208, as amended by Article 7- quater of the Italian Legislative Decree dated 29th December 2016, no. 243, converted, with amendments, into the law dated 27th February 2017, no. 18, and ordinary machinery for € /000 289 (€/000 329 as at 31 /12/2022) as detailed here below:
- Grants for plants related to the Project "PIT", equal to € 207,583;
- Grants for plants "Bonus Sud", equal to € 76,891;
- Grants for plants related to ordinary assets "Industria 4.0", equal to € 4.434;
- " Grants for plants related to the "Programma Integrato di Agevolazione investimento PO FESR" (Integrated Program for Investment benefits PO FESR) for €/000 557 (€/000 582 as at 31/12/2022), pursuant to the Resolution of the Regional Council no.2255 dated 26/10/2010, with the relevant singing of the (disciplinary) convention between the parties occurred on 29th November 2012.

As provided for by the Accounting Standard no. 16, grants for plants have been recognised in the item Other income and revenues of the Profit and Loss Account, by recording the portion to be forwarded to the following fiscal years in the item Deferred income. As a consequence of this accounting approach,

the depreciation rates have been therefore calculated on the cost of the asset before the grant.

#### **FINANCE LEASES**

There are no leasing contracts mainly aimed at acquiring the asset on due date.

#### FINANCIAL FIXED ASSETS

This section provides proper information about the financial fixed assets in the Financial Statements. Financial fixed assets as at 31/12/2023 are equal to  $\le 4,103$  ( $\le 10,403$  as at 31/12/2022)

#### MOVEMENTS IN INVESTMENTS, OTHER SECURITIES, NON-CURRENT DE-RIVATIVE ACTIVE FINANCIAL INSTRUMENTS

Here below the changes in the financial fixed assets, net of the non-current financial receivables, are shown pursuant to number 2, paragraph 1 of Article 2427 of the Italian Civil Code. For the evaluation

criteria applied, please refer to what mentioned above002E

	Shares in other companies	Total Shares
Value at the beginning of the fiscal year		
Cost	1.533	1.533
Balance sheet value	1.533	1.533
Value at the end of the fiscal year		
Cost	1.533	1.533
Balance sheet value	1.533	1.533

#### CHANGES AND DUE DATE OF THE NON-CURRENT RECEIVABLES

Pursuant to Article 2427, paragraph 1, no. 6 of the Italian Civil Code, here below the breakdown of the non-current receivables according to their due date is shown.

	Value at the begin- ning of the fiscal year	Changes during the fiscal year	Value at the end of the fiscal year	Amount due within the fiscal year
Non-current receivables from others	8.870	(6.300)	2.570	2.570
Total non-current receivables	8.870	(6.300)	2.570	2.570

Such reduction results from the return of the GME deposit equal to €di 6,300.00

## NON-CURRENT RECEIVABLES REFERRED TO OPERATIONS ENVISAGING THE OBLIGATION OF RETROCESSION AT TERM

There are no operations referred to non-current financial receivables envisaging the obligation of retrocession at term for the purchaser.

#### **VALUE OF THE FINANCIAL FIXED ASSETS**

Here below the analysis of the financial fixed assets booked in the Financial Statements with a value higher than their fair value is shown by group and with the detail of each single activity according to Article 2427-bis, paragraph 1, no. 2, letter a) of the Italian Civil Code.

	Book value
Shares in other companies	1.533
Receivables from others	2.570

## DETAILS OF THE VALUE OF THE SHARES IN OTHER COMPANIES

Description	Book value
Consorzio natura	1.033
Consorzio Dare	500
Total	1.533

According to what provided for by Article 2361, paragraph 2, of the Italian Civil Code, please note that the company owns no shares involving unlimited liability in other companies.

## **CURRENT ASSETS**

Here below information about the Current Assets is provided.

#### **INVENTORIES**

For the evaluation criteria used for inventories, please refer to what provided for by the initial part of these Explanatory Notes. As at 31/12/2023 inventories amount to  $\leq 1,058,394$  ( $\leq 1,293,928$  as at 31/12/2022).

	Value at the beginning of the fiscal year	Changes during the fiscal year	Value at the end of the fiscal year
Raw materials, subsidiary materials and	800.800	(117.293)	683.507
Finished products and merchandise	493.128	(118.241)	374.887
Total inventories	1.293.928	(235.534)	1.058.394

#### INVENTORIES EVALUATION

According to the evaluation criteria used, there are no values significantly differing from current cost.

#### RECEIVABLES RECOGNISED IN THE CURRENT ASSETS

Receivables recognised in the Current Assets as at 31/12/2023 are equal to €9,919,895 (€9,354,178 as at 31/12/2022).

#### CHANGES AND DUE DATE OF THE RECEIVABLES RECOGNISED IN CURRENT ASSETS

Pursuant to Article 2427, paragraph 1, no. 6 of the Italian Civil Code, here below the general breakdown of the receivables recognised in the Current Assets is shown by type and according to their due date.

	Value at the beginning of the fiscal year	Changes during the fiscal year	Value at the end of the fiscal year	Amount due within the fiscal year	Amount due beyond the fiscal year
Receivables form customers recognised in the Current Assets	7.220.186	544.786	7.764.972	7.403.015	361.957
Tax receivables recognised in the Current Assets	1.397.022	(141.284)	1.255.738	1.255.738	-
Assets for prepaid tax included among current assets	92.051	46.704	138.755		
Receivables from others recognised in the Current Assets	644.919	115.511	760.430	760.430	-
Total receivables recognised in the Current Assets	9.354.178	565.717	9.919.895	9.419.183	361.957

The item "Receivables from customers within the following fiscal year" includes trade receivables, already net of the relevant depreciation fund, for an amount equal to €417,221 as at 31st December 2023 (€415,869 in 2022). It has to be noted that the amount of the accounts receivable beyond the following fiscal year, €/000 362 (€/000 362 in 2022), is referred to trade receivables due from the Chairman of the BoD related to trade relationships established during the previous fiscal years.

The item C II 5 bis) "Tax credits" is equal to 1,256 thousand (€ 1,397 thousand as at 31/12/2022) and mainly includes

• Receivables from Revenue Authority for receivable interests: €51 thousand;

- Substitute tax credit Employee Severance Indemnity: € 20 thousand;
- Receivables for different withholding taxes: €5 thousand;
- Receivables from Revenue Authority for VAT € 996 thousand;
- Receivables from Revenue Authority for different receivables €184 thousand related to tax credits that will be used for the offset within 12 months.

The item C II 4 ter) "prepaid taxes" is equal to € 138,755 as at 31st December 2023 (€ 92,051 as at 31st December 2022) and includes the highest taxes that will be paid in the future resulting from the temporary differences between the civil law and the fiscal law and related to the usage of the provision for risks and bad debts which are not relevant for tax purposes, whose impact on the taxable income of the following fiscal year is reasonably certain to the extent of the expected taxable income. The item "Receivables from others" is equal to €/000 760 and shows an increase by €/000 115 compared to the previous fiscal year and it is mainly determined by the €/000 100 increase related to the receivables from the shareholder Forte Vito concerning the fringe benefit granted at zero interest (€/000 500 as at 31/12/2022):

Furthermore, it has to be noted that there are no receivables with a residual term of maturity longer than five years.

## BREAKDOWN OF THE RECEIVABLES INCLUDED AMONG CURRENT ASSETS BY GEOGRAPHICAL AREA

Here below the breakdown of the receivables by geographical area pursuant to no. 6, paragraph 1 of Article 2427 of the Italian Civil Code is shown:

Geographical area	ITALY	EXTRA UE	UE	Total
Receivables from customers recognised in the current assets	7.589.625	179.376	(4.029)	7.764.972
Tax receivables recognised in the current assets	1.255.738	-	-	1.255.738
Assets for prepaid taxes included among the current assets	138.755	-	-	138.755
Receivables from others recognised in the current assets	760.430	-	-	760.430
Total receivables recognised in the current assets	9.744.548	179.376	(4.029)	9.919.895

## RECEIVABLES RECOGNISED IN THE CURRENT ASSETS REFERRED TO OPERATIONS ENVISAGING THE OBLIGATION OF RECESSION AT TERM

There are no operations among receivables included in the Current Assets envisaging the obligation of recession at term for the purchaser.

#### **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents are equal to € 26,788,481 as at 31/12/2023 (€ 18,209,171 as at 31/12/2022).

	Value and the beginning of the fiscal year	Changes during the fiscal year	Value at the end of the fiscal year
Bank and post office deposits	18.207.121	8.579.299	26.786.420
Cheques	0	-	0
Cash and other equivalents on hand	2.050	11	2.061
Total cash and cash equivalents	18.209.171	8.579.310	26.788.481

# PREPAID EXPENSES AND ACCRUED INCOME

Prepaid expenses and accrued income are equal to €343,114 as at 31/12/2023 (€ 77,841as at 31/12/2022) and they are as follows:

	Value at the beginning of the fiscal year	Changes during the fiscal year	Value at the end of the fiscal year
Prepaid expenses	6	199.297	199.303
Accrued income	77.835	65.976	143.811
Total prepaid expenses and accrued income	77.841	265.273	343.114

Prepaid expenses and accrued income include: prepaid expenses of receivable interests on short-term cash-on-deposit investments expiring in 2024 and amounting to €199 thousand, and accrued income amounting to €143 thousand and concerning the costs incurred in 2023 that are however referred to 2024, of which: advertising costs equal to €66 thousand, vehicle insurance, stamps and maintenance equal to €16 thousand, insurance policy equal to €24 thousand and €32 thousand for benefits to worker related to January 2024.

#### **CAPITALISED FINANCIAL CHARGES**

Pursuant to no. 8, paragraph 1 of Article 2427 of the Italian Civil Code, among the costs of the fiscal year there are no payable interests coming from financing related to any item of the Assets in the Balance Sheet.

# EXPLANATORY NOTES, LIABILITIES AND NET EQUITY

Here below the information related to the items of the Liabilities of the Balance Sheet in these Financial Statements is provided.

## **NET EQUITY**

#### **CHANGES IN THE ITEMS OF THE NET EQUITY**

With reference to the value of the items of the net equity, according to Article 2427 of the Italian Civil Code, here below the changes occurred during the fiscal year are shown – paragraph 1, no. 4 – as well as what the item "Other Reserves" includes – paragraph 1, no. 7.

The share capital, equal to €/000 6,490 (€/000 6,490 as at 31/12/2022) is composed of no. 590,000 shares having a nominal value of € 11.00 each, represented as follows:

- " no. 530,980 shares with nominal value of € 11.00 each (equal to € 5,840,780.00) owned by Oropan International Sarl, representing 90% of the share capital;
- " no. 59,020 shares with nominal value of € 11.00 each (equal to € 649,220.00) owned by Mr. Forte Vito, representing 10% of the share capital.

Here below a short description of the changes in the item "Net equity reserves" occurred during the fiscal year is provided:

- " the Revaluation reserve equal to €/000 1,372 (€/000 1,371 as at 31/12/2022) has been increased by €1,000 to execute an accounting adjustment of the "Deferred tax fund";
- " the Legal reserve equal to €/000 1,027 (€/000 680 as at 31/12/2022) shows an increase by €/000 346 compared to the previous fiscal year because of the allocation of the profit of the fiscal year 2022 pursuant to the law.
- -" "the Reserve Pia 2007-2013, equal to €/000 2,554. (€/000 2,554 as at 31/12/2022)
- " the Extraordinary reserve equal to €/000 17,559 (€/000 11,586 as at 31/12/2022) is determined by the increase by €/000 5,973, because of the allocation of the profit of the fiscal year 2022;
- " the Reserve for contributions for future share capital increase equal to €/000 2,510 (€/000 2,510 as at 31/12/2022) shows no changes compared to the previous fiscal year.

No deferred taxes have been allocated to the Tax-exempt Reserve as no operations that may lead to taxation are expected.

	value at the beginning of the fiscal year	Allocation of the operating result of the previous fiscal year	Other changes			Operating result	Value at the end of the fiscal year
		Assignment of dividends	Increases	Decreases	Reclassifica- tions		
Share capital	6.490.000	-	-	-	-		6.490.000
Revaluation reserve	1.371.350	-	-	-	1.000		1.372.350
Legal reserve	680.278	-	346.977	-	-		1.027.255
Other reserves							
Extraordinary reserve	11.586.542	-	5.972.568	-	-		17.559.110
Reserves from derogations as per art. 2423 of the Civil	2.554.046	-	-	-	-		2.554.046
Contributions for future share capital increase	2.510.000	-	-	-	-		2.510.000
Other reserves	880.741	-	-				880.741
Total other reserves	17.531.329	-	5.972.568	-	-		23.503.897
Profit (loss) of the fiscal year	6.939.545	(620.000)	-	(6.319.545)	-	7.971.858	7.971.858
Total net equity	33.012.502	(620.000)	6.319.545	(6.319.545)	1.000	7.971.858	40.365.360

As per the minute of the Shareholders' meeting of Oropan S.p.A. dated 29.06.2023, the profit of the fiscal year 2022 amounting to  $\in$  3,000,000.00 was distributed in dividends per share to the shareholders, in favour of the Shareholders Vito Forte (10%) and Oropan International S.a.r.I. (90%).

Furthermore, the company distributed the remaining extraordinary reserve, always resulting from the

profit 2022, according to a resolution of the Shareholders' Meeting held on 29/12/2023. The Shareholder Oropan International formally renounced both profit distributions, which were allocated to the non-distributable reserve available for investments planned by the company pursuant to the resolution of the Shareholders' Meeting held on 29.04.2022.

A table of the changes in the net equity occurred in the last three fiscal years is herein attached.

#### AVAILABILITY AND USAGE OF THE NET EQUITY

The following table shows the origin, the usage possibility and the possibility to distribute each item of the accounting net equity as provided for by no. 7-bis, paragraph 1 of Article 2427 of the Italian Civil Code.

	Amount	Usage possibility	Amount available
Share capital	6.490.000		-
Revaluation reserve	1.372.350		-
Legal reserve	1.027.255		-
Other reserves			
Extraordinary reserve	17.559.110	A,B,C,	17.559.110
Reserves from derogations as per art. 2423 Civil Code	2.554.046	A,B,C,	2.554.046
Contributions for future capital increase	2.510.000	A,B	2.510.000
Other reserves	880.741	A,B	880.741
Total other reserves	23.503.897		23.503.897
Total	32.393.502		23.503.897
Non-distributable amount			12.270.741
Remaining distributable amount			11.233.156

Legend: A: for capital increase B: for loss coverage C: to be distributed to shareholders D: for other statutory constraints E: other

Legend: A: for capital increase B: for loss coverage C: to be distributed to shareholders D: for other statutory constraints E: other

With reference to the table "Availability and usage of the Net equity", what follows is underlined:

- The column "Usage possibility" shows the possible usages of the items of the net equity unless further constraints resulting from statutory provisions; to be explained if they exist;
- Pursuant to Article 2431 of the Italian Civil Code, the whole amount of the Share premium reserve can be distributed only if the legal reserve reaches the limit established by Article 2430 of the Italian Civil Code:
- The available but not distributable amount represents the amount that may not be distributed as expressly required by law.

# PROVISIONS FOR RISKS AND CHARGES

The provisions for risks and charges as at 31/12/2023 are equal to 712,213 ( $\in$  571 thousand as at 31/12/2022) and has increased by  $\in$  /000 142 compared to the previous fiscal year due to a reduction of the deferred taxes related to the trademark equal to  $\in$ 31 thousand, and an increase in the allocations to the provisions for risks for potential tax liabilities.

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The item "others" amounts to €/000 87 (€/000 76 as at 31/12/2022) and is mainly referred to the allocations provided for by the C.C.N.L. (National collective labour agreement) of the sales agents

	Provision for taxes, also deferred	Passive derivative financial instruments	Other provisions	Total provisions for risks and charges
Value at the beginning of the fiscal	494.911	0	75.762	570.673
Changes during the fiscal year				
Provisions during the fiscal year	-	-	178.010	178.010
Usage during the fiscal year	(31.870)	-	(4.600)	(36.470)
Value at the end of the fiscal year	463.041	0	249.172	712.213

#### **EMPLOYEE SEVERANCE INDEMNITY**

The provisions for the Employee severance indemnity represent the debts of the company to the employees at the end of the fiscal year, net of any advanced payment. For the terminated employment contracts, with payment expected before the end of the fiscal year or during the following fiscal year, the relevant Employee severance indemnity is booked in the item D14 "Other payables in the Liabilities of the Balance Sheet". The provisions for the Employee severance indemnity as at 31/12/2023 are equal to  $\leqslant 211.646$  ( $\leqslant 188.179$  as at 31/12/22)

	Employee severance indemnity
Value at the beginning of the fiscal year	188.179
Changes during the fiscal year	
Provision during the fiscal year	343.283
Usage during the fiscal year	319.816
Total changes	23.467
Value at the end of the fiscal year	211.646

The provisions allocated represent the actual debt of the company to the employees on 31st December 2023, net of the advanced payments. This liability is subject to revaluation through proper indexes. During the fiscal year there have been about €/000 319 of usages/payments to INPS (National Social Insurance Agency) and €/000 343 of provisions to EC

#### **PAYABLES**

Here below the information concerning payables is provided.

#### CHANGES AND DUE DATE OF THE PAYABLES

Ai Pursuant to Article 2427, paragraph 1, no. 6 of the Italian Civil Code, the general breakdown of Payables booked in the Liabilities is shown by type and according to their due date.

	Value at the beginning of the fiscal year	Changes during the fiscal year	Value at the end of the fiscal year	Amount due within the fiscal year	Amount due beyond the fiscal year
Payables to banks	1.425.000	3.975.000	5.400.000	1.200.000	4.200.000
Advanced payments	29.822	7.999	37.821	37.821	-
Payables to suppliers	6.611.483	1.158.822	7.770.305	7.739.552	30.753
Tax payables	1.727.311	(1.053.585)	673.726	673.726	-
Payables to social security and welfare institutions	231.373	53.167	284.540	284.540	-
Other payables	1.469.331	337.392	1.806.723	1.806.723	-
Total payables	11.494.320	4.478.795	15.973.115	11.742.362	4.230.753

Payables are equal to €/000 15,973 (€/000 11,494 as at 31/12/2022) and have increased by € /000 4,479 compared to the previous fiscal year

It has to be noted that all payables have a remaining maturity non longer than five years. Pursuant to no. 19-bis, paragraph 1 of Article 2427 of the Italian Civil Code, there are no payables to shareholders for financing.

#### **PAYABLES TO BANKS**

The payables related to the item "Financing" are referred to no. 1 BNL loan contract signed in 2022 for € 5,700,000, recalculated on 14/12/2023 and amounting to €5,400,000 on 31.12.2023, to be repaid in nine half-yearly straight-line instalments.

The item "Advanced payments" is referred to the advance payments and deposits received by customers for the supply of goods and services not yet executed. This item includes the advanced payments (even if they are not deposits) for transactions for the sale of tangible, intangible and financial fixed assets.

#### **PAYABLES TO SUPPLIERS**

Payables to suppliers amount to €/000 7,770(€/000 6,611 as at 31/12/2022), and show an increase by €/000 1,159 compared to the previous fiscal year and they are as follows:

" €/000 7,740 due within the following fiscal year; " €/000 30 due beyond the following fiscal year.

#### TAX PAYABLES

They mainly include payables to the Revenue Authority for IRES (corporate tax) amounting to €361 thousand, for IRAP (Regional production tax) amounting to €66 thousand, Tax withholding referred to self-employed workers and employees amounting to €247 thousand.

#### PAYABLES TO SOCIAL SECURITY AND WELFARE INSTITUTIONS

Such payables include Payables to INPS (National Social Insurance Agency) and INAIL (National Institute for Insurance against Accidents at Work) amounting to €284 thousand

#### **OTHER PAYABLES**

This item includes the Payables to personnel equal to € 1,099 thousand, Enasarco equal to € 37 thousand, and payables for dividends equal to €540 thousand.

#### BREAKDOWN OF THE PAYABLES BY GEOGRAPHICAL AREA

Here below the breakdown of the payables by geographical area pursuant to no. 6, paragraph 1 of Article 2427 of the Italian Civil Code is shown:

Geographical area	ITALY	INTRA UE	EXTRA UE	Total
Payables to banks	5.400.000	-	-	5.400.000
Advanced payments	37.821	-	-	37.821
Payables to suppliers	7.569.190	199.048	2.068	7.770.305
Tax payables	673.726	-	-	673.726
Payables to social security and welfare institutions	284.540	-	-	284.540
Other payables	1.806.723	-	-	1.806.723
Total payables	15.772.000	199.048	2.068	15.973.115

#### PAYABLES COVERED BY REAL GUARANTEES ON COMPANY ASSETS

Pursuant to paragraph 1, no. 6 of Article 2427 of the Italian Civil Code, it has to be noted that there are no payables covered by real guarantees on company assets booked in these Financial Statements.

## PAYABLES FOR OPERATIONS ENVISAGING THE OBLIGATION OF RETROCESSION AT TERM

There are no operations among the Payables which envisage the obligation of retrocession at term for the purchaser.

## ACCRUED EXPENSES AND DEFERRED INCOME

Accrued expenses and deferred income as at 31/12/2023 are equal to € 1,706,146 (€ 2,798,991 as at 31/12/2022). As provided for by the Accounting Standard no. 18, accrued expenses and deferred income measure income and expenses shared by different fiscal years that may be allocated over time with anticipated or postponed accrual compared to the number and/or documentary occurrence, regardless of the payment date or collection date. Accrued expenses and deferred income amount to €/000 8 (€/000 2 as at 31/12/2022) and show an increase by €/000 6 compared to the previous fiscal year.

	Value at the beginning of the fiscal year	Changes during the fiscal year	Value at the end of the fiscal year
Accrued expenses	2.049	6.410	8.459
Deferred income	2.796.941	(1.099.254)	1.697.687
Total accrued expenses and deferred income	2.798.990	(1.092.844)	1.706.146

The item accrued expenses amounts to €/000 1,706 (€/000 2,799 as at 31/12/2022) and shows a net decrease by € /000 1,093 compared to the previous fiscal year.

Especially, the combined net effect of the fiscal year mainly results from the following transactions:

-with reference to the PIT investment, the deferred income is equal to €/000 1,325 and shows a decrease by €/000 461 compared to the previous fiscal year, which is related to the remaining value of the grant for plants concerning the integrated program of contributions amounting to €/000 5,330; this value includes the amount of the income recorded in the Profit and Loss Account (in the item A.5 b related to "other income") equal to €207 thousand which corresponds to the impact of the subsidised financing on the total subsidised investments, applied to the amount calculated on the investments covered by the contribution and the difference equal to €254 thousand for the disposal of a contingent asset. Therefore, the deferred amount will be extinguished at the end of the amortisation period related to the investments covered by the subsidised contribution.

-with reference to the PIA investment, the deferred income is equal to €/00047, and shows a decrease by €/000 557 thousand booked in the Profit and Loss account compared to the previous fiscal year which is related to the grants for plants of the Integrated Program of Contributions, pursuant to the resolution of the Regional Council no. 2255 dated 26 /10/2010, with the signature of the (disciplinary) agreement between the parties occurred on 29th November 2012.

-with reference to the contribution "Bonus Sud" related to the tax credit for investments in the Mezzogiorno area pursuant to Article 1, paragraphs 98-108 of the law dated 28th December 2015, no. 208, as amended by Article 7- quater of the Decree Law dated 29th December 2016, no. 243, converted, with amendments, into the law dated 27th February 2017, no. 18, it has to be noted that Oropan obtained by the Revenue Agency:

- " I^ tender: the recognition of a credit equal to € /000 338 concerning the years 2017, 2018 and 2019. Following the communication by the Revenue Agency related to the usage, the relevant items have been properly recorded and a deferred income equal to €/000 76 has been booked on 31st December 2023".
- -" II^ tender: the recognition of a credit equal to €/000 348 concerning the years 2019 and 2020. Following the communication of the Revenue Agency concerning the usage, the relevant items equal to €/000 171 have been properly recorded and a decrease has been booked on 31st December 2023." -with reference to the tax credit pursuant to the former budget law 2021 (Article 1, paragraphs 1051-1063 and 1065, law dated 30th December 2020 no. 178) on the ordinary assets, the company obtained the recognition of a tax credit equal to €/000 4, and it recorded a deferred income amounting to €/000 16. dicembre 2020 n. 178) su beni ordinari la società ha ottenuto il riconoscimento di un credito di imposta pari ad €/000 4, registrando un risconto passivo di €/000 16.

# **EXPLANATORY NOTES, PROFIT AND LOSS ACCOUNT**

In these Explanatory Notes, information suitable to underline the composition of each item, i.e. to comply with what provided for by Article 2427 of the Italian Civil Code, with special reference to the financial management, is shown.

## PRODUCTION VALUE

Here below the composition of the production value as well as the value and percentage changes occurred in each item compared to the previous fiscal year is provided:

The item Production value is equal to  $\in$ /000 42,778 as at 31st December 2023 ( $\in$ /000 39,249 as at 31/12/2022) and shows a relevant increase by  $\in$ /000 3,529 compared to the previous fiscal year. It has to be noted that the above-mentioned increase is equal to 9% compared to previous year.

## BREAKDOWN OF THE REVENUES FROM SALES AND SERVICES BY BUSINESS CATEGORY

Here below the composition of the revenues from sales and services as well as the value and percentage changes occurred in each item compared to the previous fiscal year is provided:

Business category	Value in the current fiscal year
Production of bakery products	41.485.355
Total	41.485.355

The item "Revenues from sales and services" amounts to €/000 41,485 as at 31st December 2023 (€/000 36,688 as at 31/12 /2022) and shows a relevant increase by €/000 4,797 compared to the previous fiscal year. It has to be noted that the above-mentioned increase is equal to 13% compared to the previous fiscal year.

#### BREAKDOWN OF THE REVENUES FROM SALES AND SERVICES BY GEO-GRAPHICAL AREA

Pursuant to Article 2427, paragraph 1, no. 10, of the Italian Civil Code, the breakdown of the revenues by geographical area is shown in the following table:

Geographical area	Value in the current fiscal year
ITALY	39.125.682
INTRA UE	942.732
EXTRA UE	1.416.941
Total	41.485.355

The item "Other revenues and income" equal to €/000 1,411 (€/000 2,342 as at 31/12/2022) is mainly referred to the following items:

- -" Grants for Plants referred to the PIT and "Bonus Sud" investments and ordinary machinery for an amount equal to €/000 289 (€/000 329 as at 31 /12/2022);
- -" Grants for photovoltaic system amounting to €/000 100 (€/000 114 as at 31/12/2022);
- -" Contribution for non-gas-consuming tax credit 1^ quarter and 2^ quarter amounting to €/000 89;
- -" Contributions amounting to €/000 63 (€/000 51 as at 31/12/2022) mainly referred to the tax credit for research and development activities pursuant to the applicable law:
- -Contribution equal to €/000 74 referred to the project: CUP B39J20006030007. POR Puglia 2014-2020

- Azione 3.5 Sub Azione 3.5.a. Avviso Titolo IV Aiuti ai programmi di internazionalizzazione delle Piccole e Medie Imprese (Support for the internationalisation of the small and medium enterprises)
- -" Grants for plants referred to the Integrated Program of benefits, investment PO FESR amounting to €/000 557 (€ /000 582 as at 31/12/2022);
- -" Rent of part of the building placed in via Bari €/000 39 (€/000 34 as at 31/12/2022);
- -" Revenues from the electric energy sale amounting to €/000 8 (€/000 1 as at 31/12/2022);
- -" Revenues from the recovery of transport costs amounting to €/000 43 (€/000 23 as at 31/12/2022)."
- -" Miscellaneous revenues amounting to €/000 56 (€/000 69 as at 31/12/2022);
- " Contingent assets recorded pursuant to the Italian Legislative Decree 130/2015, and equal to €/000 215 (€/000 994 as at 31/12/2022), mainly referred to the recording, disposal of an asset and therefore to the bank transfer of the relevant contribution

### PRODUCTION COSTS

The Production costs are equal to €31,990,993 as at 31/12/2023 (€29,529,981 as at 31/12/2022) and show an increase by €2,461 thousand (+8,33%).

Here below the information related to the Production Costs is provided:

Costs for raw materials, subsidiary materials and consumables

The costs for raw materials, subsidiary materials and consumables are equal to €/000 13,672 (€/000 12,893 as at 31/12/2022) and show an increase by €/000 779 compared to the previous fiscal year, mainly due to a higher purchase of raw materials and secondary packaging used in the production process (e.g. semolina and flour and packaging for the frozen products), besides an increase of the cost of the raw materials and energy.

#### **COSTS FOR SERVICES**

The costs for services amount to €/000 7,189 (€/000 6,568 as at 31/12/2022) and show an increase of €/000 621 compared to the previous fiscal year; they mainly include Transportation costs for €3,888,737, sales network fees for €529,255, advertising costs for €279,587, merchandising and marketing expenses for €157,348, expenses for exhibitions, travels and journeys for €70,115, surveillance expenses €137,036, maintenance costs for €273,532, consumables for maintenance for €483,973, costs for administrative, legal, labour, technical and energy consultancy for €479,430, Board of Directors' fees for €400,000, other residual service expenses for €489,796.

#### **COSTS FOR USE OF THIRD PARTY ASSETS**

The item amounts to €/000 60 (€/000 24 as at 31/12/2022) and shows an increase by € /000 34 compared to the previous fiscal year.

#### **PERSONNEL COSTS**

The item Personnel cost amounts to €/000 7,156 (€/000 6,603 as at 31/12/2022) and shows an increase by €/000 553 compared to the previous fiscal year. The item encompasses the total expenses for the employees including the increases for merits, category upgrades, the cost of untaken vacation days and the legal provisions resulting from the national collective contracts.

#### AMORTISATIONS, DEPRECIATIONS AND WRITE-DOWNS

a. Amortisation of the intangible fixed assets

The amortisations of the intangible fixed assets for the fiscal year amount to €/000 125 (€/000 121 as at 31/12/2022).

b. Amortisation of the tangible fixed assets

The amortisations of the tangible fixed assets for the fiscal year amount to €/000 2,665 (€/000 2,972 as at 31/12 /2022).

c. write-downs of receivables recorded among current assets This item amounts to €/000 1 (€/000 4 as at 31/12/2022);

#### CHANGE IN THE INVENTORIES OF RAW MATERIALS

The change in the inventories of raw materials, subsidiary materials and consumables is equal to €/000 117 (- €/000 130 as at 31/12 /2022).

#### **OTHER OPERATING COSTS**

The item Other operating costs amounts to  $\in$ /000 835 ( $\in$ /000 473 as at 31/12/2022) and shows an increase equal to  $\in$ /000 362 compared to the previous fiscal year; especially:

Taxes are equal to €/000 34 (€/000 22 as at 31/12/2022) and are referred to: taxes on advertising for €/000 15, TARI (Italian Rubbish collection tax) for €/000 5, stamp duties, €/000 7 for the 0.20% fee on time deposit, taxes related to the annual payments to the Chamber of Commerce and other taxes and government licenses for €/000 7, while the item referred to IMU (Italian tax on properties) and TASI (Italian Tax on indivisible services) is equal to €/000 92 (€/000 80 as at 31/12/2022).

The expenses for non-deducible costs related to stamp duties, vehicle maintenance, vehicle insurance, vehicle fuel are equal to €/000 40;

The expenses for fines and penalties equal to €/000 24 (€/000 5 as at 31/12/2022) are mainly referred to administrative penalties resulting from violation of the Highway Code'

The expenses for Associative contributions equal to €/000 28 (€/000 27 as at 31/12/2022)

The expenses for Stationery and printers equal to €/000 64 (€/000 56 as at 31/12/2022)

The expenses for waste disposal equal to €/000 137 (€/000 47 as at 31/12/2022);

The expenses for external analyses of the production equal to €/000 63 (€/000 57 as at 31/12/2022);

The expenses for employees' clothes, Training and clinical analyses equal to €/000 62 (€/000 47 as at 31/12/2022);

Contingent liabilities equal to €/000 17 (€/000 40 as at 31/12/2022)

The cost referred to the above-mentioned research and development expenses has been recorded as operating cost and it has been completely entered into the Profit and Loss Account pursuant to Article 2426 paragraph 5 of the Italian Civil Code, to the National Accounting Standard no. 24 of the National Board of Certified Accountants and Auditors and of the National Research Council reviewed by the OIC (Official Italian Accounting Board) and in compliance with Article 108 of the Italian Presidential Decree 917/86 (TUIR) and following amendments.

## FINANCIAL INCOME AND CHARGES

Financial income and charges of the fiscal year are equal to € 302,924 as at 31/12/2023 (€ - 17,949 as at 31/12/2022). Financial income is equal to € 377, 360 as at 31/12/2023 (€ 7,816 as at 31/12/2022).

#### COMPOSITION OF SHARE INCOME

There is no income from equity investments different from dividends recorded in the Financial Statements.

## BREAKDOWN OF THE INTERESTS AND OTHER FINANCIAL LIABILITIES BY PAYABLES TYPE

Pursuant to the provisions under paragraph 12) of Article 2427 of the Italian Civil Code, here below details related to the amount of the interests and other financial charges concerning bond loans, payables due to banks and others are provided.

	Interests and other financial charges
Payables to banks	74.221
Others	202
Total	74.423

Financial charges mainly include the payable interests on bank loans for €/000 64 (€/000 7 as at 31/12 /2022), bank expenses and charges for €/000 10 (€/000 15 as at 31/12/2022)

# AMOUNT AND NATURE OF THE SINGLE INCOME/COST ITEMS OF EXCEPTIONAL SIZE OR EFFECT

During the fiscal year, there are no income items of exceptional size or effect as provided for by no. 13, paragraph 1 of Article 2427 of the Italian Civil Code.

## INCOME TAX FOR THE YEAR, CURRENT, DEFERRED AND PREPAID

Here below information about the taxes for the fiscal year is provided.

Taxes are calculated according to the applicable fiscal law and represent the amount of the taxes to be paid during the fiscal year to which the Financial Statements are referred.

Taxes as at 31st December 2023 amount to €3,118 thousand (€2,762 thousand as at 31st December 2022) and are referred to:

- a) Current income taxes due on the taxable income of the fiscal year for €3,196 thousand;
- b) Deferred and prepaid taxes equal to €78 thousand;

Prepaid and deferred taxes have been calculated by using the following rates respectively: IRES (Italian corporate tax) 24% IRAP (Regional Production tax) 4.82%

Please see the table concerning the reconciliation of the theoretical tax rate with the actual tax rate, attached at the end of this Explanatory notes.

#### INFORMATION ON THE TAX TRANSPARENCY REGIME

The company has not joint the option related to the tax transparency.

## EXPLANATORY NOTES, CASH FLOW STATEMENT

According to the guide lines provided for by the OIC (Official Italian Accounting Board) 10 and by Article 2425-ter of the Italian Civil Code, the company has drawn up the Cash flow statement of the cash and cash equivalents determined through the indirect method.

# EXPLANATORY NOTES, FURTHER INFORMATION

Here below all other information about the Financial Statements which does not concern the items of the Balance Sheet and Profit and Loss Account is provided.

#### **EMPLOYMENT DATA**

Here below information summarizing the average number of the employees by category is provided: 160

	Average number
Directors	3
Office workers	20
Workers	137
Total employees Dipendenti	160

## REMUNERATION, ADVANCES AND CREDITS GRANTED TO DIRECTORS AND AUDITORS AND COMMITMENTS ON THEIR BEHALF

Pursuant to no. 16, paragraph 1 of Article 2427 of the Italian Civil Code, here below the remunerations to the board of directors and auditors are listed:

In the fiscal year 2023 the remuneration of the Board of Directors has been set at €400,000 in line with what paid in the previous fiscal year.

The remuneration of the Board of Statutory Auditors, which has been renewed during the Shareholders' Meeting dated 29/06/2023, is equal to €/000 43 and corresponds to what provided for by the minimal applicable professional rates and by the regulation on fair compensation.

	Directors
Remuneration	400.000

#### REMUNERATION TO LEGAL AUDITOR OR AUDIT COMPANY

For our company the statutory auditing is carried out by the board of auditors pursuant to Article 2409-bis, paragraph 2, of the Italian Civil Code. According to what provided for by no. 16-bis, paragraph 1, Article 2427 of the Italian Civil Code, here below the remuneration due to the board of auditors in its duties as statutory auditor and with reference to the other services carried out (tax consultancy and other services different from the auditing) is shown.

It is an information aimed at increasing the transparency in the communication to third parties of both the amount of the auditors' remuneration - in order to assess its consistency - and to verify the existence of assignments that could undermine the independence.

The remuneration due to the Audit firm, renewed by the Shareholders' meeting dated 29/06/2023, and including the auditing activities and the signing of the tax statements, is equal to €/000 18.

	Value
Legal audit of annual accounts	17.800
Total remuneration due to the legal auditor or audit firm	17.800

## CATEGORIES OF SHARES ISSUED BY THE COMPANY

The Company's shares are completely constituted by ordinary shares (Article 2427 of the Italian Civil Code)

# SECURITIES ISSUED BY THE COMPANY

Pursuant to no. 18, paragraph 1 of Article 2427 of the Italian Civil Code, it has to be noted that the company did not issue participation certificates, bonds convertible into shares, securities and similar values.

#### DETAILS ABOUT OTHER FINANCIAL INSTRUMENTS ISSUED BY THE COMPANY

The company did not issue other financial instruments as provided for by no. 19, paragraph 1 of Article 2427 of the Italian Civil Code.

# COMMITMENTS, GUARANTEES AND POTENTIAL LIABILITIES NOT POSTED TO THE BALANCE SHEET

There are no commitments, guarantees and potential liabilities that are not shown in the balance sheet as provided for by no. 9, paragraph 1 of Article 2427 of the Italian Civil Code.

## INFORMATION ON ASSETS AND LOANS ADDRESSED TO SPECIFIC DEALS

Pursuant to no. 21, paragraph 1 of Article 2427 of the Italian Civil Code, it has to be noted that the company has not signed loans addressed to specific deals.

## INFORMATION ON TRANSACTIONS WITH CORRELATED PARTIES

According to the standard IAS 24, the transactions with correlated parties include the relationships with parent companies, affiliated companies, executives with strategic responsibilities, shareholders with significant voting rights, their relatives, individuals who may influence or be influenced by the involved party, such as; children and dependants, partner, its children and dependants. For the purposes of the mandatory information pursuant to Article 2427, paragraph 1, no. 22-bis of the Italian Civil Code, the following transactions have been carried out with related parties:

During the considered fiscal year, the Company has done businesses at market value with affiliated companies as shown here below:

- Pane e altro Srl: Receivables: €4,189
- Pane e altro Srl: Revenues: €140,822
- Pane e altro Srl: Payables: €24,529

As far as the relationship with Vito Forte is concerned, please referred to other paragraphs of these Explanatory Notes.

## INFORMATION ON AGREEMENTS NOT POSTED TO THE BALANCE SHEET

Pursuant to Article 2427, paragraph 1, no. 22-ter, of the Italian Civil Code, there are no agreements or other acts, also related to each other, whose effects have not been posted to the Balance Sheet.

# INFORMATION ON RELEVANT EVENTS OCCURRED AFTER THE FISCAL YEAR CLOSING

No relevant events have been occurred after the closing of the fiscal year, which my influence the situation represented in the Financial Statements and which require to change the receivables and payables values pursuant to the accrual method. The Board of Directors, based on the evaluation elements currently available, on the final figures of the first months of the current year showing that the quantities of the product sold in the first five months of fiscal year 2024 lead to prudently expect an increasing turnover in 2024 compared to 2023, and on the duly certainty of the processed forecasting plan, believes that there are no risks that may undermine the going concern.

In March 2024, following the signing of an "Associazione Temporanea di Scopo" (Temporary Association of Purpose) between Oropan SpA, the I.F.O.A. training institute, Politecnico University in Bari, the technical institute De Nora in Altamura and the GI GROUP service company, the first Academy del Pane (Academy of Bread) in Altamura was founded: this is an initiative shows the Company's commitment and its 70-year-lasting passion, innovation and tradition, whose history is intertwined with the one of the Altamura bread, the symbol of the identity of the territory.

As far as the details concerning the foreseeable management development are concerned, please referred to what explained by the Directors in the Report on Operations.

# INFORMATION REFERRED TO THE DERIVATIVE FINANCIAL INSTRUMENTS PURSUANT TO ARTICLE 2427-BIS OF THE ITALIAN CIVIL CODE

The company has resolved to enter into derivative contracts to hedge exchange rate risk, the interest rate risk, the cash flow change risk linked to the changes in the goods prices, whose evaluation has been carried out according to the market evidence.

# OVERVIEW OF THE FINANCIAL STATEMENTS OF THE COMPANY EXERCISING MANAGEMENT AND COORDINATION ACTIVITIES

Pursuant to Article 2497-bis, paragraph 4 of the Italian Civil Code, the company is managed and coordinated by the company OROPAN INTERNATIONAL SARL, which establishes the main activities and influences its decisions. For higher transparency purposes with regard to the size of the assets used to protect the creditors and the other shareholders of the company, in case a damage to the company assets integrity, i.e. the to the profitability and to the company shareholding value, results from the management and coordination activity of the company OROPAN INTERNATIONAL SARL, please refer to the overview of the main data of the last financial statements approved by the company OROPAN INTERNATIONAL SARL and referred to fiscal year closed as at 31/12/2022.

Pursuant to the law, please refer to the information under Article 2427, first paragraph, no. 22-quinqies and sexies, of the Italian Civil Code. Oropan International Sarl, with registered office in Lussemburgo (L1260) in rue de Bonnevoie n.92, direct parent company of this Company, does not draw up the Consolidated Financial Statements of the group. Pursuant to Article 2497-bis, paragraph 4 of the Italian Civil Code, an overview of the main data of the last Financial Statements approved by the parent company Oropan International Sarl and related to the fiscal year closed on 31/12/2022 is attached herein.

# OVERVIEW OF THE BALANCE SHEET OF THE COMPANY EXERCISING THE MANAGEMENT AND COORDINATION ACTIVITY

	Last fiscal year	Previous fiscal year		
Date of the last approved Financial	31/12/2022	31/12/2021		
B) Fixed Assets	15.745.038	15.745.038		
C) Current Assets	8.769	35.454		
Total Assets	15.753.807	15.780.492		
A) Net equity				
Share capital	13.247.538	13.247.538		
Reserves	191.499	194.980		
Profit (loss) of the fiscal year	(35.660)	(3.481)		
Total Net equity	13.403.377	13.439.037		
D) Payables	2.350.430	2.341.455		
Total payables	15.753.807	15.780.492		

OROPAN... 110

# OVERVIEW OF THE PROFIT AND LOSS ACCOUNT OF THE COMPANY EXERCISING THE MANAGEMENT AND COORDINATION ACTIVITY

	Last fiscal year	Previous fiscal year		
Date of the last approved Financial	31/12/2022	31/12/2021		
B) Production Costs	(30.845)	3.974		
Taxes on the income of the fiscal year	(4.815)	(7.455)		
Profit (loss) of the fiscal year	35.660	3.481		

# INFORMATION PURSUANT TO ARTICLE 1, PARAGRAPH 125, OF THE LAW DATED 4TH AUGUST 2017 NO. 124

Here below all other information related to what provided for by the Law dated 4th August 2017 no. 124, whose paragraph 125 of Article 1 provides that starting from the 2018 the companies, that have received grants, contributions, paid assignments and in any case any economic benefit from the public administration, shall publish such amounts in the Explanatory Notes, provided that the amounts received by the beneficiary are higher than € 10,000 during the considered period (paragraph 127).

Details about the public financing received are shown in the following table:

The Company has received over the fiscal year closed as at 31.12.2022 the following economic contributions/benefits from the Public Administration, for which the transparency is mandatory as provided for by the Law dated 4th August 2017, no.124 – Article 1, paragraphs 125-129.

- Contribution for Energy by GSE for € 100 thousand;
- Contribution related to the tax credit for non-energy-consuming companies for €89 thousand;
- Tax credit for research and development activities for the year 2023 for € 63 thousand

As shown in the National State Aid Register (Registro nazionale di aiuto di stato – RNA) it is acknowledged that the company received the following contributions: Contribution for employment in disadvantaged areas – Tax relief for the South (Article 27 Legislative Decree 104/2020) for € 432,610;

Tax exemptions and tax credits after the economic crisis due to the COVID-19 pandemic [with amendments resulting from the resolution SA 62668 and the resolution C(2022) 171 final on SA 101076) for €74.182.00

SA.106168 Tax credit for research and development activities in the Mezzogiorno area for € 13,230.00;

CUP B39J20006030007. POR Puglia 2014-2020 – Action 3.5 – Subaction 3.5.a. Notice Title IV – Aid to the programs supporting the internationalisation of the Small and Medium Enterprises for € 74.345.

# PROPOSED USE OF PROFITS OR HEDGING OF LOSSES

In view of the above, the Board of Directors proposes to the shareholders how to use the operating income equal to €7,971,857.86, pursuant to what provided for by number 22-septies, paragraph 1 of Article 2427 of the Italian Civil Code:

€ 270,745.04 to the Legal Reserve € 5,701,112.82 to the Extraordinary reserve

€ 2,000,000.00 to the shareholders as dividends

€ 7,971,857.86 Total

# STATEMENT OF COMPLIANCE OF THE FINANCIAL STATEMENTS

This Explanatory Notes close by assuring you that the results correspond to the balances of the book entries which are carried out pursuant to the applicable law, and that these Financial Statements provides a clear, true and fair representation of the equity-related and financial position of the company as well as the operating result of the fiscal year.

The undersigned, Vito Forte, declares that this document complies with the original one deposited with the company.

RELAZIONE DEL COLLEGIO SINDACALE ALL'ASSEMBLEA DEI SOCI IN OCCASIONE DELL'APPROVAZIONE DEL BILANCIO DI ESERCIZIO CHIUSO AL 31 DICEMBRE 2023 REDATTA AI SENSI DELL'ART. 2429, CO. 2, C.C.

Ai Soci della Società Oropan S.p.A.

Nel corso dell'esercizio chiuso al 31 dicembre 2023 la nostra attività è stata ispirata alle disposizioni di legge e alle Norme di comportamento del Collegio sindacale di società non quotate emanate dal Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili.

Di tale attività e dei risultati conseguiti Vi portiamo a conoscenza con la presente relazione.

È stato sottoposto al Vostro esame il bilancio d'esercizio della società Oropan S.p.A. al 31.12.2023, redatto in conformità alle norme italiane che ne disciplinano la redazione, che evidenzia un risultato d'esercizio di euro 7.971.858. Il bilancio è stato messo a nostra disposizione, con il nostro assenso, in deroga al termine di cui all'art. 2429 c.c.

Il Collegio sindacale non essendo incaricato della revisione legale, ha svolto sul bilancio le attività di vigilanza previste nella Norma 3.8. delle "Norme di comportamento del collegio sindacale di società non quotate" consistenti in un controllo sintetico complessivo volto a verificare che il bilancio sia stato correttamente redatto. La verifica della rispondenza ai dati contabili spetta, infatti, all'incaricato della revisione legale.

Il soggetto incaricato della revisione legale dei conti Deloitte & Touche S.p.A. ci ha consegnato la propria relazione datata 18.06.2024 contenente un giudizio senza modifica. Da quanto riportato nella relazione del soggetto incaricato della revisione legale "il bilancio d'esercizio fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della Società al 31 dicembre 2023, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data in conformità alle norme italiane che ne disciplinano i criteri di redazione".

# 1) Attività di vigilanza ai sensi degli artt. 2403 e ss. c.c.

Abbiamo vigilato sull'osservanza della legge e dello statuto, sul rispetto dei principi di corretta amministrazione e, in particolare, sull'adeguatezza dell'assetto organizzativo, amministrativo e contabile adottato dalla società e sul suo concreto funzionamento.

Abbiamo partecipato alle assemblee dei soci e alle riunioni del consiglio di amministrazione e, sulla base delle informazioni disponibili, non abbiamo rilievi particolari da segnalare.

Abbiamo acquisito dall'organo di amministrazione con adeguato anticipo e anche durante le riunioni svolte, informazioni sul generale andamento della gestione e sulla sua prevedibile evoluzione, nonché sulle operazioni di maggiore rilievo, per le loro dimensioni o caratteristiche, effettuate dalla società e, in base alle informazioni acquisite, non abbiamo osservazioni particolari da riferire.

Con il soggetto incaricato della revisione legale abbiamo scambiato dati e informazioni rilevanti per lo svolgimento della nostra attività di vigilanza.

Abbiamo preso visione delle relazioni dell'organismo di vigilanza e non sono emerse criticità rispetto alla corretta attuazione del modello organizzativo che debbano essere evidenziate nella presente relazione.

Abbiamo acquisito conoscenza e abbiamo vigilato sull'adeguatezza dell'assetto organizzativo, amministrativo e contabile e sul suo concreto funzionamento anche tramite la raccolta di informazioni dai responsabili delle funzioni e a tale riguardo non abbiamo osservazioni particolari da riferire.

Abbiamo acquisito conoscenza e vigilato, per quanto di nostra competenza, sull'adeguatezza e sul funzionamento del sistema amministrativo-contabile, nonché sull'affidabilità di quest'ultimo a rappresentare correttamente i fatti di gestione, mediante l'ottenimento di informazioni dai responsabili delle funzioni e l'esame dei documenti aziendali, e a tale riguardo, non abbiamo osservazioni particolari da riferire.

Non sono pervenute denunzie dai soci ex art. 2408 c.c. o ex art. 2409 c.c.

Nel corso dell'attività di vigilanza, come sopra descritta, non sono emersi fatti significativi tali da richiederne la menzione nella presente relazione.

#### 2) Osservazioni in ordine al bilancio d'esercizio

Da quanto riportato nella relazione del soggetto incaricato della revisione legale, "il bilancio d'esercizio fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della Società al 31 dicembre 2023, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data in conformità alle norme italiane che ne disciplinano i criteri di redazione".

Per quanto a nostra conoscenza, gli amministratori, nella redazione del bilancio, non hanno derogato alle norme di legge ai sensi dell'art. 2423, co. 5, c.c. ed in particolare, come si legge dalla nota integrativa, la stesura del bilancio di esercizio fa riferimento agli articoli 2423, 2423 ter, 2424, 2424 bis, 2425, 2425 bis, 2425 ter, 2427 nonchè ai principi di redazione stabiliti dall'art. 2423 bis ed ai criteri di valutazione imposti dall'art. 2426 del cod. civ.

La società si è avvalsa del maggior termine di 180 giorni per la convocazione dell'assemblea di approvazione del presente bilancio per particolari esigenze contabili ed amministrative connesse all'implementazione del sistema informativo MES.

# 3) Osservazioni e proposte in ordine alla approvazione del bilancio

Considerando le risultanze dell'attività da noi svolta e il giudizio espresso nella relazione di revisione rilasciata dal soggetto incaricato della revisione legale dei conti, non rileviamo motivi ostativi all'approvazione, da parte dei soci, del bilancio d'esercizio chiuso al 31 dicembre 2023, così come redatto dagli amministratori.

Il Collegio sindacale concorda con la proposta di destinazione del risultato d'esercizio formulata dagli amministratori nella nota integrativa e più nello specifico, l'utile pari ad euro 7.971.857,86, in base a quanto richiesto dal numero 22-septies, comma 1 dell'art. 2427 C.c. sarà così ripartito:

- a riserva legale euro 270.745,04;
- a riserva straordinaria euro 5.701.112,82;
- ai soci come dividendi euro 2.000.000,00.

Altamura, 18 giugno 2024

Il Collegio sindacale

Avv. Antonio Maria La Scala

Dr.ssa Antonietta Lomurno

Dr. Tommaso Porziotta

Levando Calva Touro so Foz pola



Deloitte & Touche S.p.A Corso Vittorio Emanuele II, 83 70122 Bari

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## RELAZIONE DELLA SOCIETÀ DI REVISIONE INDIPENDENTE AI SENSI DELL'ART. 14 DEL D. LGS. 27 GENNAIO 2010, N. 39

Agli Azionisti della OROPAN S.p.A.

#### RELAZIONE SULLA REVISIONE CONTABILE DEL BILANCIO D'ESERCIZIO

#### Giudizio

Abbiamo svolto la revisione contabile del bilancio d'esercizio della Società Oropan S.p.A. (la Società) costituito dallo stato patrimoniale al 31 dicembre 2023, dal conto economico, dal rendiconto finanziario per l'esercizio chiuso a tale data e dalla nota integrativa.

A nostro giudizio, il bilancio d'esercizio fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della Società al 31 dicembre 2023, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data in conformità alle norme italiane che ne disciplinano i criteri di redazione.

#### Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISA Italia). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione Responsabilità della società di revisione per la revisione contabile del bilancio d'esercizio della presente relazione. Siamo indipendenti rispetto alla Società in conformità alle norme e ai principi in materia di etica e di indipendenza applicabili nell'ordinamento italiano alla revisione contabile del bilancio. Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

## Altri Aspetti

Ai sensi dell'art. 2497-bis, comma primo, del Codice civile, la Oropan S.p.A. ha indicato di essere soggetta a direzione e coordinamento da parte della Oropan International S.a.r.l. e, pertanto, ha inserito nella nota integrativa i dati essenziali dell'ultimo bilancio di tale società. Il nostro giudizio sul bilancio della Oropan S.p.A. non si estende a tali dati.

## Responsabilità degli Amministratori e del Collegio Sindacale per il bilancio d'esercizio

Gli Amministratori sono responsabili per la redazione del bilancio d'esercizio che fornisca una rappresentazione veritiera e corretta in conformità alle norme italiane che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione di un bilancio che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono responsabili per la valutazione della capacità della Società di continuare ad operare come un'entità in funzionamento e, nella redazione del bilancio d'esercizio, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli Amministratori utilizzano il presupposto della continuità aziendale nella redazione del bilancio d'esercizio a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Società o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Veron

Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.328.220,00 i.v.

Codice Fiscale/Registro delle Imprese Milano n. 03049560166 - R.E.A. Milano n. 1720239 | Partita IVA: IT 03049560166

Il nome beliotte si rifericee aux o più delle seguent entità. Delorite Tourte Tohnatsu Limited, una società inglese a responsabilità limitata (DTILT), le member firm aderenti al suo network e le entità a esse comella celle. DTIL e ciacune delle sua member firm socienti al quisto menti a celle su delle sua member firm socienti di quisto delle sua member firm socienti a si initia a leggere Informativa completa relativa alla descrizione della struttura legale di Deloitte Touche Tohnatsu Limited e delle sue member firm all'indrizzo
unwadotte compliata.

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**Deloitte** 

Il Collegio Sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria della Società.

#### Responsabilità della società di revisione per la revisione contabile del bilancio d'esercizio

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che il bilancio d'esercizio nel suo complesso non contenga errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche prese dagli utilizzatori sulla base del bilancio d'esercizio.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile

#### Inoltre:

- abbiamo identificato e valutato i rischi di errori significativi nel bilancio d'esercizio, dovuti a frodi o a comportamenti
  o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito
  elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore
  significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da
  comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni,
  omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno;
- abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile allo scopo di
  definire procedure di revisione appropriate nelle circostanze e non per esprimere un giudizio sull'efficacia del
  controllo interno della Società;
- abbiamo valutato l'appropriatezza dei principi contabili utilizzati nonché la ragionevolezza delle stime contabili
  effettuate dagli Amministratori, inclusa la relativa informativa;
- siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli Amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità della Società di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa di bilancio, ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Società cessi di operare come un'entità in funzionamento;
- abbiamo valutato la presentazione, la struttura e il contenuto del bilancio d'esercizio nel suo complesso, inclusa l'informativa, e se il bilancio d'esercizio rappresenti le operazioni e gli eventi sottostanti in modo da fornire una corretta rappresentazione.

Abbiamo comunicato ai responsabili delle attività di governance, identificati ad un livello appropriato come richiesto dagli ISA Italia, tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

## RELAZIONE SU ALTRE DISPOSIZIONI DI LEGGE E REGOLAMENTARI

#### Giudizio ai sensi dell'art. 14, comma 2, lettera e), del D.Lgs. 39/10

Gli Amministratori della Oropan S.p.A. sono responsabili per la predisposizione della relazione sulla gestione della Oropan S.p.A. al 31 dicembre 2023, incluse la sua coerenza con il relativo bilancio d'esercizio e la sua conformità alle norme di legge. Abbiamo svolto le procedure indicate nel principio di revisione (SA Italia) n. 720B al fine di esprimere un giudizio sulla coerenza della relazione sulla gestione con il bilancio d'esercizio della Oropan S.p.A. al 31 dicembre 2023 e sulla conformità della stessa alle norme di legge, nonché di rilasciare una dichiarazione su eventuali errori significativi.

# Deloitte.

A nostro giudizio, la relazione sulla gestione è coerente con il bilancio d'esercizio della Oropan S.p.A. al 31 dicembre 2023 ed è redatta in conformità alle norme di legge.

Con riferimento alla dichiarazione di cui all'art. 14, co. 2, lettera e), del D.Lgs. 39/10, rilasciata sulla base delle conoscenze e della comprensione dell'impresa e del relativo contesto acquisite nel corso dell'attività di revisione, non abbiamo nulla da riportare.

DELOITTE & TOUCHE S.p.A.

Annalisa Ursi
Socio

Bari, 18 giugno 2024



S



# CAMERA DI COMMERCIO



N. PRA/97449/2024/CBAAUTO

BARI, 11/07/2024

RICEVUTA DELL'AVVENUTA PRESENTAZIONE VIA TELEMATICA ALL'UFFICIO REGISTRO IMPRESE DI BARI DEI SEGUENTI ATTI E DOMANDE:

RELATIVAMENTE ALL'IMPRESA: OROPAN S.P.A.

FORMA GIURIDICA: SOCIETA' PER AZIONI CODICE FISCALE E NUMERO DI ISCRIZIONE: 04419810728 DEL REGISTRO IMPRESE DI BARI

SIGLA PROVINCIA E N. REA: BA-319906

ELENCO DEGLI ATTI PRESENTATI:

1) 711 BILANCIO ORDINARIO D'ESERCIZIO

DT.ATTO: 31/12/2023

2) 508 COMUNICAZIONE ELENCO SOCI CONFERMA ELENCO SOCI

DT.ATTO: 18/06/2024

ELENCO DEI MODELLI PRESENTATI:

B DEPOSITO BILANCIO

ELENCO SOCI E TITOLARI DI DIRITTI SU AZIONI O QUOTE SOCIALI

DATA DOMANDA: 11/07/2024 DATA PROTOCOLLO: 11/07/2024

INDIRIZZO DI RIFERIMENTO: FRTVTI43B09A225K-FORTE VITO-OROPAN@PEC.IT

Estremi di firma digitale





## CAMERA DI COMMERCIO BARI



N. PRA/97449/2024/CBAAUTO

BARI, 11/07/2024

DETTAGLIO	DI	TUTTE	LE	OPERAZIONI	EFFETTUATE	SUGLI	IMPORTI	
VOCE PAG.				MODALIT	ra' PAG.		TMPORTO	DATA/ORA

DIRITTI DI SEGRETERIA CASSA AUTOMATICA \*\*62,40\*\* 11/07/2024 12:59:28
IMPOSTA DI BOLLO CASSA AUTOMATICA \*\*65,00\*\* 11/07/2024 12:59:28

RISULTANTI ESATTI PER:

 BOLLI
 \*\*65,00\*\*
 CASSA AUTOMATICA

 DIRITTI
 \*\*62,40\*\*
 CASSA AUTOMATICA

 TOTALE
 EURO
 \*\*127,40\*\*

\*\*\* Pagamento effettuato in Euro \*\*\*

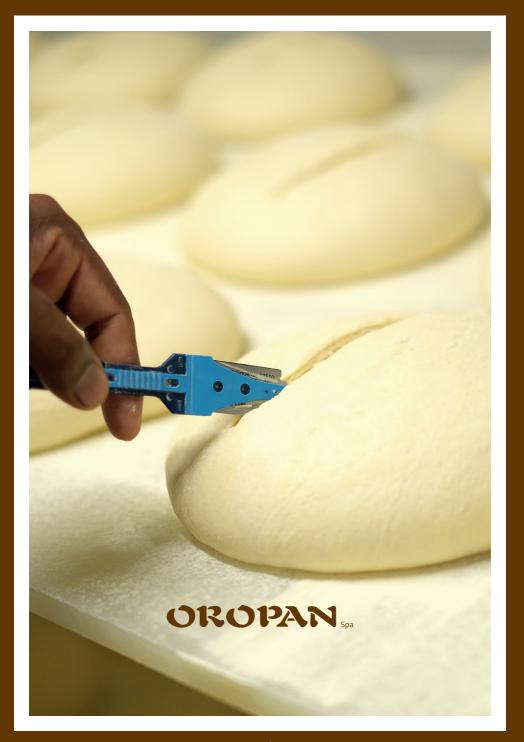
FIRMA DELL'ADDETTO
PROTOCOLLAZIONE AUTOMATICA

LA PRESENTE RICEVUTA ATTESTA ESCLUSIVAMENTE L'AVVENUTA PRESENTAZIONE

DEL MODELLO DI DOMANDA E/O DI DENUNCIA. LA REGOLARITA' DELLA DOCUMENTAZIONE PRESENTATA SARA' COMPROVATA DALL'INSERIMENTO NEL REGISTRO DELLE IMPRESE E/O NEL R.E.A. DEI DATI COMUNICATI.

Data a and di mustacalla 11/07/2024 12 50 20

Data e ora di protocollo: 11/07/2024 12:59:28 Data e ora di stampa della presente ricevuta: 11/07/2024 13:05:14



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