

**ITWAY GROUP**  
**HALF-YEAR MANAGEMENT REPORT**  
**AS OF JUNE 30, 2021**

## CONSOLIDATED INCOME STATEMENT

	<i>Thousands of Euro</i>	
	<i>Half-year as of</i>	
	<i>30 June 2021</i>	<i>30 June 2020</i>
	<i>Net amount Itway Group</i>	<i>Net amount Itway Group</i>
Revenues from sales	17,773	14,848
Other operating revenues	1,163	620
Products	(15,332)	(12,672)
Costs of services	(947)	(1,145)
Costs of personnel	(1,326)	(1,192)
Other operating expenses	(107)	(107)
<b>EBITDA</b>	<b>1,224</b>	<b>352</b>
Depreciations and amortisations	(278)	(268)
<b>EBIT</b>	<b>946</b>	<b>84</b>
Financial proceeds	7	61
Financial charges and currency management	(233)	145
<b>Profit before taxes</b>	<b>720</b>	<b>290</b>
Taxes	(232)	(81)
<b>Result for the period</b>	<b>488</b>	<b>209</b>
Attributable to:		
Shareholders of parent company	486	210
Minorities	2	(1)
<b>Result per share</b>		
<u>From operations:</u>		
Basic	0.06	0.03
Diluted	0.06	0.03

## COMPREHENSIVE CONSOLIDATED INCOME STATEMENT

<i>Thousands of Euro</i>	<i>Half-year as of</i>	
	<i>30 June 2021</i> <i>Net amount</i> <i>Itway Group</i>	<i>30 June 2020</i> <i>Net amount</i> <i>Itway Group</i>
Net result	488	209
<b>Components that can be reclassified to the income statement:</b>		
Profit/(Losses) from the conversion of the balance sheet of foreign subsidiaries	(367)	(343)
<b>Components that cannot be reclassified to the income statement:</b>		
Actuarial gain (losses) on defined-benefit plans	-	(45)
<b>Comprehensive result</b>	<b>121</b>	<b>(179)</b>
Attributable to:		
Shareholders of parent company	119	(178)
Minorities	2	(1)

## CONSOLIDATED FINANCIAL STATEMENT

<i>Thousand of Euro</i>	<b>30 Jun 21</b>	<b>31 Dec 20</b>
<b>ASSETS</b>		
<b>Not current assets</b>		
Property, plans and machinery	904	942
Goodwill	1,849	1,849
Other intangible assets	2,350	2,183
Rights of use	2,645	2,605
Investments	603	709
Deferred tax assets	871	871
Non-current financial assets	2,098	2,098
Other non current assets	11	30
<i>Total</i>	<b>11,331</b>	<b>11,287</b>
<b>Current assets</b>		
Inventories	419	361
Account receivables - Trade	13,371	18,921
Other current assets	724	1,080
Cash on hand	864	982
Other financial credits	2,251	2,275
Current financial assets	1,117	1,080
<i>Total</i>	<b>18,746</b>	<b>24,699</b>
<b>Total assets</b>	<b>30,077</b>	<b>35,986</b>
<b>NET EQUITY AND LIABILITIES</b>		
<b>Share capital and other reserves</b>		
Share capital and reserves	9,824	7,987
Net result of the period	486	1,224
<b>Total net equity</b>	<b>10,310</b>	<b>9,211</b>
<b>Share capital and reserves of minorities</b>	<b>(352)</b>	<b>(353)</b>
<b>Total Group net equity</b>	<b>9,958</b>	<b>8,858</b>
<b>Non current liabilities</b>		
Severance indemnity	522	483
Provision for risks and charges	120	-
Non current account payable - Trade	218	348
Deferred tax liabilities	239	241
Non current financial liabilities	3,698	4,389
<i>Total</i>	<b>4,797</b>	<b>5,461</b>
<b>Current liabilities</b>		
Financial current liabilities	2,727	3,420
Account payable - Trade	8,961	13,389
Tax payable	1,977	2,656
Other current liabilities	1,657	2,202
<i>Total</i>	<b>15,322</b>	<b>21,667</b>
<b>Total liabilities</b>	<b>20,119</b>	<b>27,128</b>
<b>Total net equity and liabilities</b>	<b>30,077</b>	<b>35,986</b>

## Consolidated statement of charges in equity

Thousand of Euro	Cumulated profit (losses)										
	Share capital	Own share capital	Share premium reserve	Legal reserve	Voluntary reserve	Other reserves	Translation reserve	Result for the period	Net equity of group	Minorities interests	Total net equity
<b>Balance at January 1, 2020</b>	<b>3,953</b>	<b>(1,346)</b>	<b>17,584</b>	<b>485</b>	<b>4,792</b>	<b>(16,171)</b>	<b>(2,975)</b>	<b>2,041</b>	<b>8,363</b>	<b>(356)</b>	<b>8,007</b>
Variation in own shares	-	-	-	-	-	-	-	-	-	-	-
<b>Total operations with shareholders</b>	-	-	-	-	-	-	-	-	-	-	-
Allocation of the result for the year	-	-	-	-	-	2,037	-	(2,041)	(4)	4	-
<b>Result of the period</b>	-	-	-	-	-	-	-	<b>209</b>	<b>210</b>	<b>(1)</b>	<b>208</b>
<i>Other components of comprehensive results at 30 June 2020:</i>											
Gain/(Losses) on defined benefits plans	-	-	-	-	-	(45)	-	-	(45)	-	(45)
Other operations	-	-	-	-	-	-	-	-	-	2	2
Overall result	-	-	-	-	-	-	(343)	-	(343)	-	(343)
<b>Comprehensive result</b>	-	-	-	-	-	<b>(45)</b>	<b>(343)</b>	<b>209</b>	<b>(178)</b>	<b>1</b>	<b>(178)</b>
<b>Balance at June 30, 2020</b>	<b>3,953</b>	<b>(1,346)</b>	<b>17,584</b>	<b>485</b>	<b>4,792</b>	<b>(14,179)</b>	<b>(3,318)</b>	<b>209</b>	<b>8,180</b>	<b>(351)</b>	<b>7,829</b>
<i>Components 2nd half 2020:</i>											
Variation in own shares	-	1,026	(547)	-	-	-	-	-	479	-	479
<b>Total operations with shareholders</b>	-	<b>1,026</b>	<b>(547)</b>	-	-	-	-	-	<b>479</b>	-	<b>479</b>
<b>Result of the period</b>	-	-	-	-	-	-	-	<b>1,015</b>	<b>1,015</b>	<b>(3)</b>	<b>1,012</b>
<i>Other components of comprehensive results from 1st July 2020 to 31st December 2020:</i>											
Gain/(Losses) on defined benefits plans	-	-	-	-	-	(8)	-	-	(8)	-	(8)
Overall result	-	-	-	-	-	-	(455)	-	(455)	-	(455)
<b>Balance at January 1, 2021</b>	<b>3,953</b>	<b>(320)</b>	<b>17,037</b>	<b>485</b>	<b>4,792</b>	<b>(14,187)</b>	<b>(3,773)</b>	<b>1,224</b>	<b>9,211</b>	<b>(354)</b>	<b>8,858</b>
Capital increases from bond loan conversion	651	-	337	-	-	-	-	-	988	-	988
<b>Total operations with shareholders</b>	<b>651</b>	-	<b>337</b>	-	-	-	-	-	<b>988</b>	-	<b>988</b>
Allocation of the result for the period	-	-	-	-	-	1,224	-	(1,224)	-	-	-
Other operations	(10)	-	-	-	-	-	-	-	(10)	-	(10)
<b>Result of the period</b>	-	-	-	-	-	-	-	<b>486</b>	<b>486</b>	<b>2</b>	<b>488</b>
<i>Other components of comprehensive results at 30 June 2021:</i>											
Gain/(Losses) on defined benefits plans	-	-	-	-	-	-	-	-	-	-	-
Overall result	-	-	-	-	-	-	(367)	-	(367)	-	(367)
<b>Comprehensive result</b>	-	-	-	-	-	-	<b>(367)</b>	<b>486</b>	<b>119</b>	<b>2</b>	<b>121</b>
<b>Balance at June 30, 2021</b>	<b>4,604</b>	<b>(320)</b>	<b>17,374</b>	<b>485</b>	<b>4,792</b>	<b>(12,963)</b>	<b>(4,140)</b>	<b>486</b>	<b>10,308</b>	<b>(352)</b>	<b>9,958</b>

## CONSOLIDATED STATEMENT OF CHARGES IN FINANCIAL POSITION

<i>Thousand of Euro</i>	Half-year as of	
	30 Jun 2021	30 Jun 2020
Result for the period "Net amount Itway Group"	488	209
<b><u>Adjustments of items not affecting liquidity:</u></b>		
Non-monetary economic components	(270)	-
Depreciations of tangible assets	52	86
Depreciations of intangible assets	153	136
Depreciations of right of use	73	47
Allowances for doubtful accounts	-	-
Provisions for severance indemnity, net of payments to social security bodies	43	33
Variation in non current assets/liabilities	6	(60)
<b><u>Cash flow from operating activities, gross of the variation in working capital</u></b>	<b>545</b>	<b>451</b>
Payments of severance indemnity	(4)	(53)
Variation in trade receivable and other current assets	5,894	5,197
Variation in inventories	(58)	402
Variation in trade payables and other current liabilities	(5,652)	(5,664)
<b><u>Cash flow from operations generated/(absorbed) by changes in NWC</u></b>	<b>180</b>	<b>(118)</b>
<b><u>Cash flow from operations (A)</u></b>	<b>725</b>	<b>333</b>
Additions in tangible assets (net of assets sold)	(14)	(36)
Right of use	(113)	99
Investments in other fixed assets (net of divestments)	(213)	643
<b><u>Cash flow from investing activities (B)</u></b>	<b>(340)</b>	<b>707</b>
Increases/(Remboursement) of current financial liabilities	(590)	(230)
Increases/(Remboursement) of net non-current financial liabilities	(691)	30
Convertible bond issue	504	-
<b><u>Cash flow from asset sold (C)</u></b>	<b>(777)</b>	<b>(200)</b>
Net impact of the variation in translation of non Euro exchange rates of cash on hand	274	(343)
<b><u>Cash flow from asset sold (D)</u></b>	<b>-</b>	<b>-</b>
<b><u>Increase/(Decrease) cash available and cash equivalent (A+B+C+D)</u></b>	<b>(118)</b>	<b>497</b>
Cash and cash equivalents at the beginning of the period	982	608
Cash and cash equivalents at the end of the period	864	1,105