

# INTERIM FINANCIAL INFORMATION

AS OF 30 SEPTEMBER  
2023



Italian Design Brands





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# GENERAL INFORMATION

## The Group

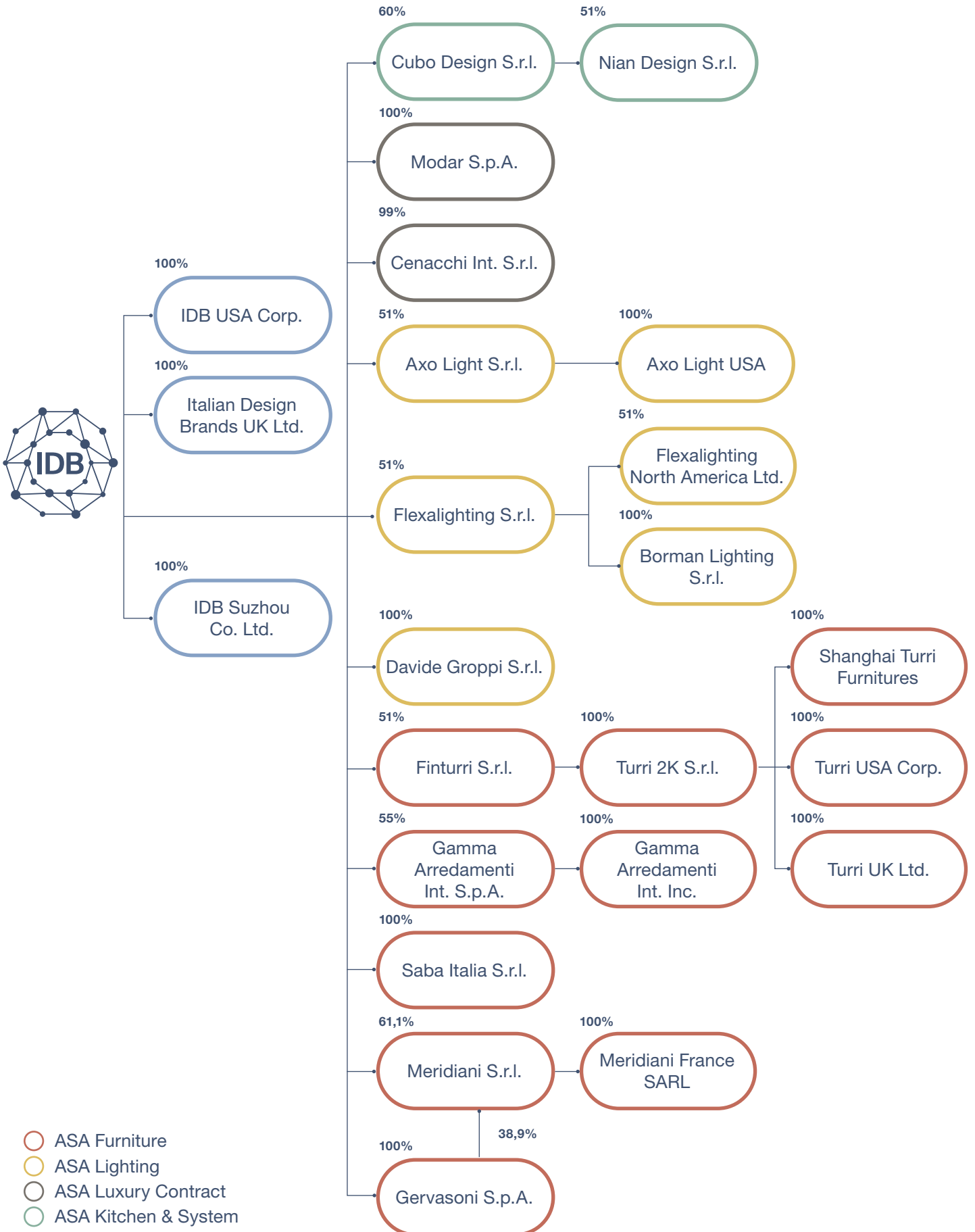
Italian Design Brands S.p.A. (hereinafter also "IDB") has its registered office in Milan and is listed on the Italian Stock Exchange. It was established on 10 March 2015 with the aim of promoting an Italian design pole in the furniture, fittings and lighting segment. Since 2023, its scope has also included high-end modular kitchen solutions and systems that can implement dimensional, organisational, managerial, strategic and distribution synergies, which allow IDB to compete internationally in a segment where Italy has a competitive advantage and excellent creative and product skills.

On 18 May 2023, the Initial Public Offering (IPO) of the Company's ordinary shares concluded, aimed at the admission to trading of the ordinary shares on Euronext Milan, a regulated market organised and managed by Borsa Italiana S.p.A. (hereinafter, the "Quotation"). The proceeds deriving from IPO were used mainly to support the organic growth and non-organic growth.

As a result of the Company's stock market listing, in May 2023 a new long-term incentive plan for management came into effect.



The structure of the IDB Group as at 30 September 2023 is provided below:



The quarterly financial report includes the financial statements of the Parent Company, Italian Design Brands S.p.A., and the companies over which the Parent Company has the right to exercise control, determining their financial and management decisions and obtaining the related benefits. The fully consolidated companies as at 30 September 2023 are listed below. Please note that the criteria adopted for the consolidation of subsidiaries is consistent with the criteria used for the preparation of the financial statements for the period ended 31 December 2022.

Company name	Registered Office	Share capital	Activity	% direct ownership	% indirect ownership
Gervasoni S.p.A.	Pavia di Udine (Udine)	1,000,000	furniture	100%	0%
Meridiani S.r.l.	Misinto (Monza and Brianza)	120,000	furniture	61.11%	38.89%
Meridiani France SARL	Paris (France)	100,000	furniture	0%	100%
IDB UK Ltd.	London (UK)	GBP 100,000	furniture	100%	0%
Cenacchi International S.r.l. (*)	Ozzano dell'Emilia (Bologna)	10,000	luxury contract	99%	0%
Davide Groppi S.r.l.	Piacenza	20,000	lighting	100%	0%
Saba Italia S.r.l.	S. Martino di Lupari (Padua)	50,000	furniture	100%	0%
Modar S.p.A.	Barlassina (Monza and Brianza)	500,000	luxury contract	100%	0%
IDB SUZHOU CO. LTD.	Suzhou (China)	CNY 6,462,170	other	100%	0%
Flexalighting S.r.l. (*)	Pontassieve (Florence)	10,000	lighting	51%	0%
Borman Lighting S.r.l. (*)	Pontassieve (Florence)	10,000	lighting	0%	51%
IDB USA Corp.	New York (USA)	USD 10,000	other	100%	0%
Flexalighting North America Ltd. (*)	Surrey (Canada)	CAD 103	lighting	0%	26%
Gamma Arredamenti S.p.A. (*)	Forlì (Forlì-Cesena)	2,000,000	furniture	55%	0%
Gamma Arredamenti Inc. (*)	High Point (USA)	USD 5000	furniture	0%	55%
Cubo Design S.r.l. (*)	Notaresco (Teramo)	84,000	Kitchen and systems	60%	0%
Nian Design S.r.l.	Giulianova (Teramo)	30,000	Kitchen and systems	0%	31%
Axo Light S.r.l. (*)	Scorzè (Venice)	119,000	lighting	51%	0%
Axo Light USA Corp. (*)	New York (USA)	USD 100,000	lighting	0%	51%
Finturri S.r.l. (*)	Milan	10,000	furniture	51%	0%
Turri 2K S.r.l. (*)	Carugo (Como)	1,000,000	furniture	0%	51%
Turri UK Ltd. (*)	London (UK)	GBP 10,000	furniture	0%	51%
Turri USA Corp. (*)	Miami (USA)	USD 100	furniture	0%	51%
Shanghai Turri Furnitures (*)	Shanghai (China)	CNY 8,197,213	furniture	0%	51%

(\*) Fully consolidated companies due to the put and call agreement with minority shareholders, the residual amount of which is recognised under Other current and non-current financial liabilities. The Parent Company currently holds the majority of the shares, but based on the agreements signed with the minority shareholders and the put option that they may exercise, it has the obligation to repurchase the remaining shares held under predefined contractual conditions.





It should be noted that the scope of consolidation has changed since the 2022 financial year, due to:

- 1) the recent acquisition of Cubo Design S.r.l. and its subsidiary, Nian Design S.r.l. On 31 January 2023, by means of special-purpose vehicle Fincubo S.r.l. (60% held by IDB and 40% by former shareholders of Cubo Design S.r.l.), IDB acquired the entire share capital of Cubo Design S.r.l., a company specialised in the production of modular kitchens, through a 51%-owned subsidiary, Nian Design S.r.l., specialised in the processing of marble for kitchen manufacturing. On 26 June 2023, the reverse merger of Fincubo S.r.l. into Cubo Design S.r.l. was carried out on the basis of the draft merger dated 22 May 2023. This merger was approved by both companies involved in the operation by means of resolutions of their respective shareholders' meetings held on 24 May 2023, with retroactive accounting and tax effects from 1 January 2023;
- 2) the purchase on 18 July 2023 of 31% of shares in Axo Light S.r.l. and the consequent control of this company, compared with the previous joint control;
- 3) the purchase on 29 September 2023, through the newly formed Finturri S.r.l., which is 51% owned, of the entire capital of Turri 2K S.r.l., which in turn wholly owns Turri UK Ltd., Turri ISA Corp. and Shanghai Turri Furnitures.

For more information on the capital and financial impacts of the acquisition during the period, please see the "Business combinations" section.

The Group has drawn up its quarterly interim financial statements in compliance with the recognition and measurement principles of IFRS and in accordance with the principles applied in the preparation of the annual consolidated financial statements as at 31 December 2022.

The information contained in this management report refers to the nine-month periods ending 30 September 2023 and 2022.

The values shown in the accounting statements are in thousands of euros.

# INFORMATION ON OPERATIONS

This financial information as at 30 September 2023 was approved by the Company's Board of Directors on 13 November 2023 and has not been audited, as this is not required by current legislation. This report on operating performance should be read in conjunction with the consolidated summary financial statements as at 30 September 2023, which are recorded below.

To gain the best understanding of the Group's situation and operating performance, the tables below show a brief analysis of the consolidated financial statements for the period ended 30 September 2023, made up of the reclassified income statement and the reclassified statement of financial position.

To enable a better assessment of operating performance, the IDB Group uses certain alternative performance indicators. The indicators represented are not identified as accounting measures under IFRSs and should therefore not be considered as alternative measures to those provided in the model financial statements for assessing the performance of the Group and its financial position. The Group considers that the financial information set out below is an additional important benchmark for assessing the Group's performance, as it allows for more analytical monitoring of the Group's economic and financial performance.

Since such financial information is not a measure that can be determined by the underlying accounting standards for the drawing up of consolidated financial statements, the criterion applied for its determination may not be consistent with that adopted by other groups and therefore such data may not be comparable with any data presented by such groups.

The definition of these alternative performance indicators is as follows.

**Added value** is defined as the sum of sales revenue for goods and services and other revenue and income less the sum of costs for the purchases of raw materials, changes in inventories, costs for services and use of third-party goods and other operating costs.

**EBITDA** is defined as the sum of the net profit for the year, plus the profit (loss) of discontinued assets, plus income taxes, financial income and charges, plus amortisation, depreciation and writedowns of fixed assets.

**Adjusted EBITDA** is defined as the sum of net profit for the year, plus the profit (loss) of discontinued assets; income taxes; financial income and expenses; amortisation, depreciation and writedowns of fixed assets and excluding non-recurring costs/revenues.

**EBIT** is defined as the sum of net profit for the year, plus the profit (loss) of discontinued assets, plus income taxes, financial income and charges.

**Adjusted EBIT** is defined as the sum of net profit for the year, plus the profit (loss) of discontinued assets, plus income taxes, financial income and charges, excluding non-recurring costs/revenues and amortisation and depreciation of intangible assets with a finite useful life, models and customer lists, recorded during Purchase Price Allocation (PPA), and which are due to terminate at the end of the relevant depreciation process.





The **adjusted net result from operating assets** is defined as the net result from operating assets excluding (i) non-recurring costs/revenues; (ii) amortisation and depreciation of intangible assets with a finite useful life, models and customer lists, recorded during Purchase Price Allocation (PPA), and which are due to terminate at the end of the relevant amortisation process; (iii) the effects of the remeasurements of put and call options and earn-outs; and (iv) the related tax effects.

**Operating working capital** is calculated as the net balance of customer relationships, supplier relationships, inventories and assets and liabilities arising from contracts and customer advances, while net working capital is calculated by adding to operating working capital income tax credits and receivables for other current assets and liabilities.

**Invested capital** is calculated as the balance between net working capital, non-current assets, liabilities for employee benefits and provisions for risks and charges and other non-current liabilities.

The **net financial position** is represented by financial debts, net of cash and other cash equivalents.

## Reclassified income statement

The income statement is reclassified in multiple-step format to show the gross operating profit (EBITDA) generated by the Group, namely the difference between revenues and costs associated with the purchase/transformation/sales cycle, regardless of amortisation, depreciation and writedowns, the financing methods adopted and the level of taxation.

### Reclassified income statement

amounts are shown in €/1000	Nine months 2022		Nine months 2023		Change	
	amount	%	amount	%	amount	%
Revenue	136,470	100.0%	198,267	100.0%	61,797	45.3%
Other income	1,441	1.1%	3,083	1.6%	1,642	114.0%
<b>Total revenues and income</b>	<b>137,911</b>	<b>101.1%</b>	<b>201,350</b>	<b>101.6%</b>	<b>63,439</b>	<b>46.0%</b>
External operating costs <sup>(*)</sup>	(97,234)	-71.2%	(138,605)	-69.9%	(41,371)	42.5%
<b>Added value</b>	<b>40,676</b>	<b>29.8%</b>	<b>62,745</b>	<b>31.6%</b>	<b>22,069</b>	<b>54.3%</b>
Staff costs	(21,280)	-15.6%	(31,035)	-15.7%	(9,754)	45.8%
Provisions and writedowns	(102)	-0.1%	(318)	-0.2%	(216)	211.5%
<b>Gross operating profit (EBITDA)<sup>(**)</sup></b>	<b>19,294</b>	<b>14.1%</b>	<b>31,393</b>	<b>15.8%</b>	<b>12,098</b>	<b>62.7%</b>
Amortisation, depreciation and write-downs of fixed assets	(6,760)	-5.0%	(11,885)	-6.0%	(5,125)	75.8%
<b>Operating profit (EBIT)</b>	<b>12,534</b>	<b>9.2%</b>	<b>19,508</b>	<b>9.8%</b>	<b>6,973</b>	<b>55.6%</b>
Financial result	1,360	1.0%	(6,925)	-3.5%	(8,285)	-609.2%
<b>Gross result</b>	<b>13,894</b>	<b>10.2%</b>	<b>12,582</b>	<b>6.3%</b>	<b>(1,312)</b>	<b>-9.4%</b>
Income tax	(4,517)	-3.3%	(4,773)	-2.4%	(256)	5.7%
<b>Group consolidated net result</b>	<b>9,377</b>	<b>6.9%</b>	<b>7,809</b>	<b>3.9%</b>	<b>(1,568)</b>	<b>-16.7%</b>

(\*) includes the following income statement items: materials consumption, costs for services and leased assets and other operating costs;

(\*\*) EBITDA is an intermediate result, determined before amortisation, depreciation and writedowns of tangible and intangible fixed assets, financial expenses and income tax. Since the reference accounting standards provide no rules for the calculation of EBITDA, the method used by the Group for its calculation may differ from the method used by other entities and therefore may not be immediately comparable.

Revenues increased substantially in the first nine months of 2023 compared with the same period a year earlier, from EUR 136.5 million to EUR 198.3 million. This represents an increase of EUR 61.8 million, or around 45%, which includes EUR 22.9 million in organic growth and EUR 38.9 million due to the acquisitions in 2023.

The Group's revenues by operating segment or strategic business area (SBA) and by geographic area in the first nine months of 2023 and in the previous nine-month period are broken down as follows:

- growth in the Furniture segment of 9%, significantly influenced by the acquisition of Gamma Arredamenti International, completed in June 2022, which therefore had a positive impact throughout the first nine months of 2023 compared with just four months in 2022;
- an increase of 14% in the Lighting segment, mainly due to the aggregation of Flexalighting North America in May 2022 and Axo Light (and its subsidiary, Axo Light USA) in July 2023;
- further penetration by the Group in non-EU markets, particularly in the United States, mainly linked to the recovery of the Luxury Contract segment that was up by 33% compared with the last period, which was negatively affected by the pandemic in the first half-year;
- revenues from the Kitchen and Systems SBA related to the acquisition of Cubo Design on 31 January 2023.

amounts are shown in €/1000	Nine months 2022	Nine months 2023
Furniture	73,716	80,108
Lighting	18,013	20,600
Luxury Contract	44,004	58,668
Kitchen and Systems	-	37,914
Other	736	978
<b>Total</b>	<b>136,470</b>	<b>198,267</b>

amounts are shown in €/1000	Nine months 2022	Nine months 2023
Italy	38,391	51,198
EU	39,356	55,765
Non-EU	58,723	91,304
<b>Total</b>	<b>136,470</b>	<b>198,267</b>

Considering the importance of some non-recurring economic components on the results for the period and the unique way in which the IDB Group was formed, the Group's management also wants to highlight the following economic values: Adjusted EBITDA, adjusted EBIT and adjusted net result.

In particular, adjusted EBITDA is calculated without reflecting non-recurring costs and revenues, essentially taking into account, during the two periods compared, the incentive plans for directors (recorded under costs for services), costs related to the IPO process for the share in the income statement and costs related to the acquisition of new companies.

Adjusted EBIT was calculated gross of both non-recurring costs and amortisation and depreciation of intangible assets with a finite useful life (models and customer lists) recorded during Purchase Price Allocation (PPA) and that will terminate at the end of the relevant depreciation process.



Finally, the adjusted net result is that which would have resulted in the absence of non-recurring costs/revenues, of the amortisation on certain intangible assets with a finite useful life and without taking into account the positive and negative economic effects resulting from the remeasurement of imputed financial charges for put and call options and earn-outs of minority shareholders. It is worth noting the positive effect of measuring at fair value the shares previously held in Flexlighting North America, recorded as financial income as at 30 September 2022.

amounts are shown in €/1000	Nine months 2022		Nine months 2023	
	Effective data	Adjusted data	Effective data	Adjusted data
Revenue	136,470	136,470	198,267	198,267
Other income	1,441	1,441	3,083	2,855
<b>Total revenues and income</b>	<b>137,911</b>	<b>137,911</b>	<b>201,350</b>	<b>201,122</b>
External operating costs	(97,234)	(94,062)	(138,605)	(135,327)
<b>Added value</b>	<b>40,676</b>	<b>43,849</b>	<b>62,745</b>	<b>65,795</b>
Staff costs	(21,280)	(21,280)	(31,035)	(31,035)
Provisions and writedowns	(102)	(102)	(318)	(318)
<b>Gross operating profit (EBITDA)</b>	<b>19,294</b>	<b>22,466</b>	<b>31,393</b>	<b>34,443</b>
Amortisation, depreciation and write-downs of fixed assets	(3,372)	(3,372)	(7,150)	(7,150)
Amortisation, depreciation and write-downs of fixed assets arising from the PPA process	(3,388)	-	(4,735)	-
<b>Operating profit (EBIT)</b>	<b>12,534</b>	<b>19,094</b>	<b>19,508</b>	<b>27,293</b>
Financial result	1,360	(1,326)	(6,925)	(3,635)
<b>Gross result</b>	<b>13,894</b>	<b>17,769</b>	<b>12,582</b>	<b>23,658</b>
Income tax	(4,517)	(6,348)	(4,773)	(6,498)
<b>Group consolidated net result</b>	<b>9,377</b>	<b>11,421</b>	<b>7,809</b>	<b>17,160</b>

The reconciliation of the above values is shown below. Starting with the actual amounts, the components taken into account to calculate the adjusted values as at 30 September 2022 and 30 September 2023 are listed below:

amounts are shown in €/1000	Actual data, nine months 2022	Non- recurring costs	PPA depreciation, amortisation and writedowns	Remeasurement of put and call options and earn-outs	Adjusted data, nine months 2022
Revenue	136,470				136,470
Other income	1,441				1,441
<b>Total revenues and income</b>	<b>137,911</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>137,911</b>
External operating costs	(97,234)	3,172			(94,062)
<b>Added value</b>	<b>40,676</b>	<b>3,172</b>	<b>-</b>	<b>-</b>	<b>43,849</b>
Staff costs	(21,280)				(21,280)
Provisions and writedowns	(102)				(102)
<b>Gross operating profit (EBITDA)</b>	<b>19,294</b>	<b>3,172</b>	<b>-</b>	<b>-</b>	<b>22,466</b>
Amortisation, depreciation and write-downs of fixed assets	(3,372)				(3,372)
Amortisation, depreciation and write-downs of fixed assets arising from the PPA process	(3,388)		3,388		-
<b>Operating profit (EBIT)</b>	<b>12,534</b>	<b>3,172</b>	<b>3,388</b>	<b>-</b>	<b>19,094</b>
Financial result	1,360			(2,686)	(1,326)
<b>Gross result</b>	<b>13,894</b>	<b>3,172</b>	<b>3,388</b>	<b>(2,686)</b>	<b>17,769</b>
Income tax	(4,517)	(885)	(945)		(6,348)
<b>Group consolidated net result</b>	<b>9,377</b>	<b>2,287</b>	<b>2,443</b>	<b>(2,686)</b>	<b>11,421</b>

amounts are shown in €/1000	Actual data, nine months 2023	Non- recurring costs	PPA depreciation, amortisation and writedowns	Remeasurement of put and call options and earn-outs	Adjusted data, nine months 2023
Revenue	198,267				198,267
Other income	3,083	(228)			2,855
<b>Total revenues and income</b>	<b>201,350</b>	<b>(228)</b>	<b>-</b>	<b>-</b>	<b>201,122</b>
External operating costs	(138,605)	3,278			(135,327)
<b>Added value</b>	<b>62,745</b>	<b>3,050</b>	<b>-</b>	<b>-</b>	<b>65,795</b>
Staff costs	(31,035)				(31,035)
Provisions and writedowns	(318)				(318)
<b>Gross operating profit (EBITDA)</b>	<b>31,393</b>	<b>3,050</b>	<b>-</b>	<b>-</b>	<b>34,443</b>
Amortisation, depreciation and write-downs of fixed assets	(7,150)				(7,150)
Amortisation, depreciation and write-downs of fixed assets arising from the PPA process	(4,735)		4,735		-
<b>Operating profit (EBIT)</b>	<b>19,508</b>	<b>3,050</b>	<b>4,735</b>	<b>-</b>	<b>27,293</b>
Financial result	(6,925)			3,290	(3,635)
<b>Gross result</b>	<b>12,582</b>	<b>3,050</b>	<b>4,735</b>	<b>3,290</b>	<b>23,658</b>
Income tax	(4,773)	(534)	(1,190)		(6,498)
<b>Group consolidated net result</b>	<b>7,809</b>	<b>2,516</b>	<b>3,545</b>	<b>3,290</b>	<b>17,160</b>



In order to capture the Group's "organic" growth process as effectively as possible, taking account of the Group's growth through external lines, a full-year economic statement is presented. This is drawn up on the assumption that the acquisition of Cubo Design S.r.l. and its subsidiary Nian Design S.r.l., Axo Light S.r.l. and its subsidiary Axo Light USA Corp. and Turri 2K S.r.l. and its subsidiaries Turri UK Ltd., Turri USA Corp. and Shanghai Turri Furnitures took place on 1 January 2023, compared with the first nine months of 2022, and also on the assumption that the acquisitions of Gamma Arredamenti International S.p.A., Gamma Arredamenti International Inc. and Flexalighting North America Ltd. took place on 1 January 2022.

### Full 9M income statement

	Nine months 2022		Nine months 2023		Change		Change	
	9M full	9M full adjusted	9M full	9M full adjusted	9M full	%	9M full adjusted	%
amounts are shown in €/1000								
Revenue	148,620	148,620	221,435	221,435	72,815	49.0%	72,815	49.0%
Other income	1,865	1,865	4,730	4,502	2,865	153.7%	2,637	141.4%
<b>Total revenues and income</b>	<b>150,485</b>	<b>150,485</b>	<b>226,165</b>	<b>225,937</b>	<b>75,681</b>	<b>50.3%</b>	<b>75,453</b>	<b>50.1%</b>
External operating costs	(104,467)	(101,295)	(158,401)	(155,031)	(53,933)	51.6%	(53,736)	53.0%
<b>Added value</b>	<b>46,017</b>	<b>49,190</b>	<b>67,765</b>	<b>70,906</b>	<b>21,747</b>	<b>47.3%</b>	<b>21,716</b>	<b>44.1%</b>
Staff costs	(23,363)	(23,363)	(36,362)	(36,362)	(12,998)	55.6%	(12,998)	55.6%
Provisions and writedowns	(102)	(102)	(375)	(375)	(273)	267.8%	(273)	267.8%
<b>Gross operating profit (EBITDA)</b>	<b>22,552</b>	<b>25,724</b>	<b>31,028</b>	<b>34,169</b>	<b>8476</b>	<b>37.6%</b>	<b>8,445</b>	<b>32.8%</b>
Amortisation, depreciation and write-downs of fixed assets	(3,781)	(3,781)	(8,777)	(8,777)	(4,996)	132.1%	(4,996)	132.1%
Amortisation, depreciation and write-downs of fixed assets arising from the PPA process	(3,388)	-	(4,735)	-	(1,347)	39.8%	-	
<b>Operating profit (EBIT)</b>	<b>15,383</b>	<b>21,943</b>	<b>17,515</b>	<b>25,392</b>	<b>2,132</b>	<b>13.9%</b>	<b>3,449</b>	<b>15.7%</b>
Financial result	1,454	(1,232)	(7,360)	(4,069)	(8,814)	-606.1%	(2,838)	230.4%
<b>Gross result</b>	<b>16,837</b>	<b>20,712</b>	<b>10,156</b>	<b>21,323</b>	<b>(6,682)</b>	<b>-39.7%</b>	<b>611</b>	<b>3.0%</b>
Income tax	(5,254)	(7,085)	(4,692)	(6,417)	562	-10.7%	668	-9.4%
<b>Group consolidated net result</b>	<b>11,583</b>	<b>13,627</b>	<b>5,463</b>	<b>14,906</b>	<b>(6,120)</b>	<b>-52.8%</b>	<b>1,279</b>	<b>9.4%</b>

# Reclassified statement of financial position

The statement of financial position is reclassified in order to highlight the investment structure and the composition of the financing sources.

## Reclassified statement of financial position

amounts are shown in €/1000	31/12/2022		30/09/2023	
	amount	%	amount	%
Intangible assets	133,881	93.7%	246,359	85.9%
Right of use	24,368	17.1%	32,790	11.4%
Property, plant and equipment	14,277	10.0%	27,469	9.6%
Equity investments	6,952	4.9%	9,562	3.3%
<b>Non-current assets (A)</b>	<b>179,478</b>	<b>125.6%</b>	<b>316,179</b>	<b>110.2%</b>
Inventories	24,567	17.2%	43,892	15.3%
Trade receivables	21,831	15.3%	33,553	11.7%
Other current assets	5,516	3.9%	6,783	2.4%
<b>Current assets (B)</b>	<b>51,914</b>	<b>36.3%</b>	<b>84,229</b>	<b>29.4%</b>
Trade payables	(37,369)	-26.2%	(38,405)	-13.4%
Other current liabilities	(30,298)	-21.2%	(39,369)	-13.7%
<b>Current liabilities (C)</b>	<b>(67,667)</b>	<b>-47.4%</b>	<b>(77,775)</b>	<b>-27.1%</b>
<b>Net working capital (D = B – C)</b>	<b>(15,753)</b>	<b>-11.0%</b>	<b>6,454</b>	<b>2.2%</b>
Provisions for risk and severance pay	(8,624)	-6.0%	(11,339)	-4.0%
Other non-current liabilities	(12,216)	-8.5%	(24,407)	-8.5%
<b>Medium-/long-term assets (liabilities) (E)</b>	<b>(20,840)</b>	<b>-14.6%</b>	<b>(35,746)</b>	<b>-12.5%</b>
<b>Net invested capital (A + D + E)</b>	<b>142,885</b>	<b>100.0%</b>	<b>286,887</b>	<b>100.0%</b>
<b>Shareholders' equity</b>	<b>58,780</b>	<b>41.1%</b>	<b>135,893</b>	<b>47.4%</b>
Net financial position, banks	(1,388)	-1.0%	30,506	10.6%
Net financial position, others	85,493	59.8%	120,488	42.0%
<b>Net financial position</b>	<b>84,105</b>	<b>58.9%</b>	<b>150,994</b>	<b>52.6%</b>
<b>Equity and debt</b>	<b>142,885</b>	<b>100.0%</b>	<b>286,887</b>	<b>100.0%</b>

For comments regarding the invested capital, please see the section entitled "Statement of financial position by strategic business area".



## Net financial position

The net financial position, as defined and monitored by the Company's and the Group's management, breaks down as follows:

amounts are shown in €/1000	Balance 30/09/2022	Balance 31/12/2022	Balance 30/09/2023	Change Sept. 2023 – Sept. 2022	Change Sept. 2023 – Dec. 2022
Short-term bank loans	10,107	10,778	17,270	7,164	6,493
Medium/long-term bank loans	32,585	30,812	60,221	27,636	29,409
Cash	(26,107)	(42,978)	(35,583)	(9,476)	7,395
Other current financial assets	-	-	(11,403)	(11,403)	(11,403)
<b>NFP, banks</b>	<b>16,584</b>	<b>(1,388)</b>	<b>30,506</b>	<b>13,921</b>	<b>31,894</b>
Current earn-out payable	6,150	6,662	6,080	(69)	(582)
Non-current earn-out payable	575	361	14,442	13,867	14,081
Current payable for purchase of minority shares through the exercise of the put option and for phantom stock options	16,279	33,066	-	(16,279)	(33,066)
Non-current payable for purchase of minority shares through the exercise of the put option	15,750	20,741	66,526	50,776	45,785
<b>NFP, other than banks</b>	<b>38,754</b>	<b>60,830</b>	<b>87,048</b>	<b>48,294</b>	<b>26,218</b>
Current financial payables to lessors	2,622	3,152	5,362	2,741	2,211
Non-current financial payables to lessors	14,380	21,386	27,965	13,584	6,579
<b>NFP, payables to lessors (IFRS 16)</b>	<b>17,002</b>	<b>24,537</b>	<b>33,327</b>	<b>16,325</b>	<b>8790</b>
Other financial payables	225	125	114	(112)	(12)
<b>NFP, total</b>	<b>72,565</b>	<b>84,105</b>	<b>150,994</b>	<b>78,429</b>	<b>66,889</b>

Bank loans as at 30 September 2023 amounted to EUR 77,491 thousand. This increase compared with the previous period was mainly due to the acquisition of Cubo Design S.r.l., for which the Group obtained original long-term loans for a nominal amount of EUR 37,800 thousand. The debt is shown net of EUR 35,583 thousand in cash and cash equivalents and EUR 11,403 thousand in restricted cash and cash equivalents. In particular, it should be noted that the change in cash and cash equivalents mainly relates to the collection of net proceeds from the May 2023 IPO transaction, which led, inter alia, to investment in time deposits, net of the payment of the Company's short-term financial obligations related to put and call options and the phantom stock option totalling EUR 32,956 thousand, and to uses for the acquisitions of Turri 2K and Axo Light and loan repayments provided for by the plan.

The earn-out payable recorded at 30 September 2023 refers to the sellers of SUR, Cubo Design and Turri 2K and comprises the update of the best possible estimate of the earn-out, set at the acquisition date and accounted for at fair value at 30 September 2023. The earn-out is directly linked to the performance of the acquired companies, usually EBITDA and net financial position as contractually defined between the parties. These parameters may differ in the final figures compared with the estimates in the business plan of the target company. It should be noted that, in the first nine months of 2023, the earn-out payment related to the acquisitions of Flexalighting, Gamma Arredamenti International, SUR and Cubo Design totalled EUR 7,461 thousand.

Payables for put options and phantom stock options amounted to EUR 66,526 thousand at 30 September 2023 and relate to the fair value of the liability for the exercise of the put option (in favour of the seller) and the call option (in favour of the Group) for the purchase of the residual stake of 1% in Cenacchi International, the residual stake of 49% in Flexalighting and Flexalighting North America, 45% in Gamma Arredamenti International, 40% in Cubo Design, 49% in Axo Light and 49% in Finturri (the latter recorded in the period following the business combinations for a discounted



value of EUR 43,412 thousand). The acquisition value of the minority stake through the put option was also subject to a contractual definition that links its value to actual company performance compared with the estimates in the business plan, using calculation parameters that are still contractually predefined between the parties (usually EBITDA and net financial position).

The change in payables to banks is reported below:

amounts are shown in €/1000	<b>Balance 31/12/2022</b>	<b>Business combinations</b>	<b>Loans taken out</b>	<b>Repayments/ Payments</b>	<b>Other changes</b>	<b>Balance 30.09.2023</b>
<b>Bank loans:</b>						
Loans for acquisitions	26,690	-	40,006	(16,399)	2,149	52,446
Loans pursuant to the Liquidity Decree	7,332	-	-	(1,892)	180	5,620
Other financing	7,568	14,127	1,413	(1,913)	(1,769)	19,426
<b>Total</b>	<b>41,590</b>	<b>14,127</b>	<b>41,419</b>	<b>(20,204)</b>	<b>560</b>	<b>77,491</b>

The increase in the debt of EUR 41,419 thousand is mainly due to the acquisition of Cubo Design, for which the Group obtained long-term loans for a nominal amount of EUR 37,800 thousand.

The financial debt of the IDB Group according to the format adopted by Consob is as follows:

amounts are shown in €/1000	<b>Balance 31.12.2022</b>	<b>Balance 30.09.2023</b>	<b>Change Sept. 2023 – Dec. 2022</b>
A Cash	42,978	35,583	(7,395)
B Cash equivalents	-	-	-
C Other current financial assets	-	11,403	11,403
<b>D Cash and cash equivalents (A + B + C)</b>	<b>42,978</b>	<b>46,986</b>	<b>4,008</b>
E Current financial debt (including debt instruments but excluding the current portion of non-current financial debt)	(42,880)	(11,445)	31,434
F Current portion of non-current financial debt	(10,778)	(17,270)	(6,493)
<b>G Current financial indebtedness (E + F)</b>	<b>(53,657)</b>	<b>(28,716)</b>	<b>24,942</b>
<b>H Net current financial indebtedness (G - D)</b>	<b>(10,679)</b>	<b>18,270</b>	<b>28,949</b>
I Non-current financial debt (excluding the current portion and debt instruments)	(73,425)	(169,264)	(95,839)
J Debt instruments	-	-	-
K Non-current trade and other payables	-	-	-
<b>L Non-current financial indebtedness (I + J + K)</b>	<b>(73,425)</b>	<b>(169,264)</b>	<b>(95,839)</b>
<b>M Total financial indebtedness (H + L)</b>	<b>(84,105)</b>	<b>(150,994)</b>	<b>(66,889)</b>



## Business combinations

### Acquisition of Cubo Design S.r.l.

On 31 January 2023, by means of special-purpose vehicle Fincubo S.r.l. (60% held by IDB and 40% by former shareholders of Cubo Design S.r.l.), IDB acquired the entire share capital of Cubo Design S.r.l., a company specialised in the production of modular kitchens, through a 51%-owned subsidiary, Nian Design S.r.l., specialised in the processing of marble for kitchen manufacturing.

The price set for the acquisition breaks down as follows:

- a. consideration at the time of acquisition of EUR 48,000 thousand;
- b. a deferred consideration as a variable earn-out, to be settled from 2023 on an annual basis, up to a maximum of EUR 4,300 thousand based on the actual collection or offsetting of the tax credits of Cubo existing at 31 December 2021;
- c. a deferred consideration as an earn-out, to be settled from 2024 within 30 days of the approval of the 2023 financial statements and based on the average EBITDA achieved by Cubo Design S.r.l. in the financial years 2022 and 2023, estimated at the acquisition date at EUR 4,474 thousand, as the maximum amount contractually agreed and discounted to take the time factor into account.

At the same time as the acquisition, a put and call agreement was signed between IDB and the selling shareholders for the transfer of the remaining 40%. Under the agreement, in 2026, after the approval of the 2025 financial statements:

- the minority shareholders will have the right to sell (put option) to IDB – which will have the obligation to purchase – their shares of the company for a consideration calculated on the basis of average EBITDA in the two-year period prior to the exercise of the option, to which a multiplication factor is applied and the net financial position at the end of the year prior to the exercise of the right is deducted from the result;
- if the minority shareholders do not exercise the put option, IDB will have the right to purchase (call option) 40% of the share capital of Fincubo S.r.l. from the same, which will have the obligation to sell, for a consideration determined using the same calculation methods as for the put option.

On the basis of this combination of put and call options, the holding recorded by the Group in the consolidated financial statements was equal to 100% of the subsidiary Cubo Design. At the same time, the financial liability at fair value for the purchase of the 40% minority interest was recognised under other non-current financial liabilities, totalling EUR 32,668 thousand at the acquisition date.

On 26 June 2023, the reverse merger of Fincubo S.r.l. into Cubo Design S.r.l. was carried out on the basis of the draft merger dated 22 May 2023. This merger was approved by both companies involved in the operation by means of resolutions of their respective shareholders' meetings held on 24 May 2023, with retroactive accounting and tax effects from 1 January 2023.

The consolidated financial statements of the IDB Group as at 30 September 2023 include the results of Cubo Design S.r.l. for the period since the acquisition and of Nian Design S.r.l. for the actual controlling share (51%).

Since the acquisition date of 30 September 2023, the sales revenues for goods and services of Cubo Design S.r.l. and Nian Design S.r.l. amount to EUR 24,511 thousand.

If the acquisition of the two companies had taken place at the start of the 2023 period, sales revenues for goods and services would have come to EUR 27,478 thousand.

The table below breaks down the information on assets and liabilities, respectively acquired and assumed as at the acquisition date. The difference between the net proceeds of the acquisition and the total net assets acquired was allocated to the Miton and Binova brands, to customer relations and residually to goodwill:

(amounts in thousands of euros)	<b>Carrying amounts at the acquisition date</b>	<b>Allocation</b>	<b>Overall amounts at fair value</b>
<b>ASSETS</b>			
Intangible assets	370	44,389	44,759
<i>Goodwill</i>			-
<i>Brands</i>	115	20,550	20,665
<i>Customer relations</i>		23,839	23,839
<i>Other intangible assets</i>	255		255
Right of use	7,110		7,110
Property, plant and equipment	10,895		10,895
Deferred tax assets	139		139
Other non-current assets	1,041		1,041
Inventories	3,557		3,557
Trade receivables	5,613		5,613
Income tax credits	1,018		1,018
Other current assets	352		352
Cash and cash equivalents	14,831		14,831
<b>TOTAL ASSETS</b>	<b>44,926</b>	<b>44,389</b>	<b>89,314</b>
<b>LIABILITIES</b>			
Post-employment benefits	813		813
Provisions for risks and charges	696		696
Financial payables	11,538	-	11,538
Deferred taxes	44	12,384	12,429
Trade payables	10,662		10,662
Income tax payables	433		433
Other current liabilities	3,789		3,789
<b>TOTAL LIABILITIES</b>	<b>27,975</b>	<b>12,384</b>	<b>40,359</b>
<b>TOTAL NET ASSETS ACQUIRED (A)</b>			<b>48,955</b>
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MINORITY INTERESTS (B)</b>			<b>26</b>
<b>CONSIDERATION FOR THE ACQUISITION (C)<sup>(*)</sup></b>			<b>79,411</b>
<b>GOODWILL FROM BUSINESS COMBINATION (D = C - A + B)</b>			<b>30,483</b>
<b>Cash and cash equivalents acquired (E)</b>			<b>14,831</b>
<b>Deferred earn-out payments (F)</b>			<b>7,943</b>
<b>Deferred put and call payments (G)</b>			<b>32,668</b>
<b>PAYMENTS MADE FOR THE ACQUISITION (C - (E + F + G))<sup>(**)</sup></b>			<b>23,969</b>

(\*) Calculated as the sum of the present value of the ownership interest, payables for earn-out and payables for the put and call options, net of the reinvestment of the minority shareholders.

(\*\*) Calculated as the consideration for the acquisition, net of the reinvestment of minority shareholders, cash and cash equivalents, payables for earn-out and payables for the put and call options.

The allocation of assets and liabilities acquired through the illustrated business combination at the acquisition date



is provisional. It may be reviewed within 12 months of the acquisition date as required by the relevant international accounting standards, if elements exist that enable a better allocation of the price paid.

## Acquisition of Axo Light S.r.l.

On 18 July 2023, IDB acquired another 31% of the share capital of Axo Light S.r.l., of which it already held 20%. Axo Light S.r.l. is a lighting firm specialising in the design and manufacture of Italian-made lights, with a wholly owned subsidiary, Axo Light USA Corp., as its US distributor.

The price set for the acquisition breaks down as follows:

a. a consideration of EUR 1,240 thousand at the time of the acquisition for the purchase of 31%.

At the same time as the acquisition, a put and call agreement was signed between IDB and the selling shareholders for the transfer of the remaining 49%. Under the agreement, in 2026, after the approval of the 2025 financial statements:

- the minority shareholders will have the right to sell (put option) to IDB – which will be obliged to purchase – their shares of the company for a consideration calculated on the basis of average EBITDA in the two-year period prior to the exercise of the option, to which a group multiplication factor is applied and the net financial position at the end of the year prior to the exercise of the right is deducted from the result;
- if the minority shareholders do not exercise the put option, IDB will have the right to purchase (call option) 49% of the share capital of Axo Light S.r.l. from these shareholders, which will be obliged to sell, for a consideration determined using the same calculation methods as for the put option.

On the basis of this combination of put and call options, the holding recorded by the Group in the consolidated financial statements is equal to 100% of the subsidiary Axo Light. At the same time, the financial liability at fair value for the purchase of the 49% minority interest was recognised under other non-current financial liabilities, totalling EUR 1,904 thousand at the acquisition date.

The consolidated financial statements of the IDB Group as at 30 September 2023 include the results of Axo Light S.r.l. for the period from the acquisition date and include the results of Axo Light USA Corp.

As of the acquisition date of 30 September 2023, the sales revenues for goods and services of Axo Light S.r.l. and Axo Light USA Corp. amount to EUR 958 thousand.

If the acquisition of the two companies had taken place at the start of the 2023 period, sales revenues for goods and services would have come to EUR 2,372 thousand.

The table below breaks down the information on assets and liabilities, respectively acquired and assumed as at the

acquisition date. The difference between the net consideration for the acquisition and the total net assets acquired was provisionally allocated to goodwill:

(amounts in thousands of euros)	Carrying amounts at the acquisition date	Allocation	Overall amounts at fair value
<b>ASSETS</b>			
Intangible assets	256	-	256
<i>Goodwill</i>	129		129
<i>Brands</i>	10		10
<i>Other intangible assets</i>	117		117
Right of use	254		254
Property, plant and equipment	407		407
Deferred tax assets	6		6
Other non-current assets	1,116		1,116
Inventories	1,373		1,373
Trade receivables	1,042		1,042
Income tax credits	25		25
Other current assets	252		252
Other current financial assets	700		700
Cash and cash equivalents	585		585
<b>Total Assets</b>	<b>6,017</b>	<b>-</b>	<b>6,017</b>
<b>LIABILITIES</b>			
Post-employment benefits	231		231
Provisions for risks and charges	194		194
Financial payables	3,241		3,241
Deferred taxes	97		97
Trade payables	992		992
Income tax payables	11		11
Other current liabilities	727		727
<b>Total Liabilities</b>	<b>5,493</b>	<b>-</b>	<b>5,493</b>
<b>TOTAL NET ASSETS ACQUIRED (A)</b>			<b>524</b>
<b>CONSIDERATION FOR THE ACQUISITION (B)<sup>(*)</sup></b>			<b>3,944</b>
<b>GOODWILL FROM BUSINESS COMBINATION (C = - A + B)</b>			<b>3,420</b>
<b>Cash and cash equivalents acquired (D)</b>			<b>1,285</b>
<b>Deferred put and call payments (E)</b>			<b>1,904</b>
<b>PAYMENTS MADE FOR THE ACQUISITION (B - (D + E))<sup>(**)</sup></b>			<b>755</b>

(\*) Calculated as the sum of the present value of the ownership interest and payables for put and call options.

(\*\*) Calculated as the consideration for the acquisition net of cash and cash equivalents and payables for put and call options.



## Acquisition of Turri 2K S.r.l.

On 29 September 2023, by means of special-purpose vehicle Finturri S.r.l. (51% owned by IDB and 49% owned by the former shareholders of Turri 2K S.r.l.), IDB acquired 100% of the share capital of Turri 2K S.r.l., a company specialising in interior and contract furnishings, with the relevant wholly owned subsidiaries, Turri Shanghai Furnitures, Turri UK Ltd. and Turri USA Corp., specialising in the distribution of Turri products.

The price set for the acquisition breaks down as follows:

- b. a consideration at the time of the acquisition of EUR 25,750 thousand;
- c. a deferred consideration as an earn-out, to be settled from 2026 within 30 days of the approval of the 2025 financial statements and based on the average EBITDA achieved by Turri 2K S.r.l. in the previous periods, estimated at the acquisition date at EUR 10,704 thousand, as the maximum amount contractually agreed and discounted to take the time factor into account;
- d. a deferred amount as a variable earn-out, to be settled from 2025, of EUR 2,200 thousand depending on the performance of certain contractually identified orders.

At the same time as the acquisition, a put and call agreement was signed between IDB and the selling shareholders for the transfer of the remaining 49%. Under the agreement, in 2027, after the approval of the 2026 financial statements:

- the minority shareholders will have the right to sell (put option) to IDB – which will have the obligation to purchase – their shares of the company for a consideration calculated on the basis of average EBITDA in the two-year period prior to the exercise of the option, to which a multiplication factor is applied and the net financial position at the end of the year prior to the exercise of the right is deducted from the result;
- if the minority shareholders do not exercise the put option, IDB will have the right to purchase (call option) 49% of the share capital of Finturri S.r.l. from these shareholders, which will have the obligation to sell, for a consideration determined using the same calculation methods as for the put option.

On the basis of this combination of put and call options, the holding recorded by the Group in the consolidated financial statements is equal to 100% of the subsidiary Turri 2K. At the same time, the financial liability at fair value for the purchase of the 49% minority interest was recognised under other non-current financial liabilities, totalling EUR 21,093 thousand at the acquisition date.

The consolidated financial statements of the IDB Group as at 30 September 2023 do not include the results of Turri 2K S.r.l. and the subsidiaries for the period from the acquisition date, as these were not material.

If the acquisition of the two companies had taken place at the start of the 2023 period, sales revenues for goods and services would have come to EUR 17,829 thousand.

The table below breaks down the information on assets and liabilities, respectively acquired and assumed as at the acquisition date. The difference between the net consideration for the acquisition and the total net assets acquired was provisionally allocated to goodwill:

(amounts in thousands of euros)	Carrying amounts at the acquisition date	Allocation	Overall amounts at fair value
<b>ASSETS</b>			
Intangible assets	79	-	79
<i>Goodwill</i>			-
<i>Brands</i>	75		75
<i>Other intangible assets</i>	4		4
Right of use	2,966		2,966
Property, plant and equipment	1,252		1,252
Deferred tax assets	935		935
Other non-current assets	402		402
Inventories	8,085		8,085
Trade receivables	3,575		3,575
Income tax credits	397		397
Other current assets	5,192		5,192
Cash and cash equivalents	3,603		3,603
<b>Total asset</b>	<b>26,486</b>	<b>-</b>	<b>26,486</b>
<b>LIABILITIES</b>			
Post-employment benefits	161		161
Provisions for risks and charges	223		223
Financial payables	9,509		9,509
Trade payables	3,711		3,711
Income tax payables	361		361
Other current liabilities	8,687		8,687
<b>Total Liabilities</b>	<b>22,652</b>	<b>-</b>	<b>22,652</b>
<b>TOTAL NET ASSETS ACQUIRED (A)</b>			<b>3,833</b>
<b>CONSIDERATION FOR THE ACQUISITION (B)<sup>(*)</sup></b>			<b>41,943</b>
<b>GOODWILL FROM BUSINESS COMBINATION (C = - A + B)</b>			<b>38,110</b>
<b>Cash and cash equivalents acquired (D)</b>			<b>3,603</b>
<b>Deferred put and call payments (F)</b>			<b>8,840</b>
<b>PAYMENTS MADE FOR THE ACQUISITION (C - (E + F))<sup>(**)</sup></b>			<b>17,247</b>

(\*) Calculated as the sum of the present value of the ownership interest and payables for put and call options and earn-outs.

(\*\*) Calculated as the consideration for the acquisition net of cash and cash equivalents and payables for put and call options and earn-outs.





## Shareholders' equity

Please see the statement of changes in shareholders' equity for a description of the change in shareholders' equity at 30 September 2023.

The share capital is fully paid up and subscribed and rose from EUR 20,217 thousand as at 31 December 2022 to EUR 26,926 thousand as at 30 September 2023, divided into 26,926,298 ordinary shares with no nominal value. The aforementioned listing transaction of the Company and the start of trading on 18 May 2023 resulted in the issue of 6,433,823 new ordinary shares of the Company, at an Offer Price of EUR 10.88 per share including share premium, amounting to approximately EUR 70 million. In addition, there is a concurrent confidential offer of approximately EUR 3 million for 275,735 newly issued shares in the Company at the same price. The events mentioned have therefore generated an increase in the value of the share capital of EUR 6,709 thousand in the half-year. The change in the share premium reserve of EUR 63,407 thousand was therefore recorded net of distribution fees, costs related to the capital increase and related tax effects amounting to EUR 2,883 thousand. In the first nine months of 2023, before the start of the listing process, dividends amounting to EUR 700 thousand were distributed to the shareholders of the Parent Company.

The total shareholders' equity attributable to minority interests amounting to EUR 116 thousand represents the minority interests of Nian Design, acquired with its parent company, Cubo Design, on 31 January 2023.

## Strategic business areas

At the reference date of the financial statements, the organisation of the IDB Group is divided into four operating segments or strategic business areas (SBAs), as defined at operational management level, and one other segment (mainly attributable to the Parent Company with a holding company function):

- Furniture: dedicated to the design, production (both in-house and through third-party manufacturers) and marketing of indoor and outdoor furniture products, mainly dedicated to the living area. At the reference date of the financial statements, this business activity is concentrated in Gervasoni S.p.A., Meridiani S.r.l., Saba Italia S.r.l., Gamma Arredamenti International S.p.A. and Turri 2K S.r.l.;
- Lighting: dedicated to the design, production (both in-house and through third-party manufacturers) and marketing of high-quality designer lighting products. At the reference date of the financial statements, this segment was made up of Davide Groppi S.r.l., Flexalighting S.r.l., Flexalighting North America Ltd. and Axo Light S.r.l.;
- Luxury Contract: dedicated to the design and installation of bespoke and commissioned fittings for luxury brand shops and high-end hotels and homes, commissioned and in collaboration with well-known architects and designers. At the reference date of the financial statements, this SBA was concentrated and active at Cenacchi International S.r.l. and Modar S.p.A.;
- Kitchen and Systems: following the completion of the acquisition of most of Cubo Design S.r.l.'s share capital in January 2023, described in detail in the section on business combinations, the Group's activity was divided to include a fourth operating segment called "Kitchen and Systems". This segment focuses on the design, production and marketing of modular kitchen solutions and systems, with the Binova and Miton Cucine brands, attributable to Cubo Design S.r.l.;
- Other: comprised of the smaller companies (IDB Suzhou Co. Ltd. and IDB USA Corp.), as well as the Parent Company Italian Design Brands S.p.A.

The strategic business area is typically the reference unit by means of which the Group monitors the performance of its business, and is characterised by the homogeneity of the core markets, without however having an independent organisation.

## Income statement by strategic business area

The breakdown of the income statement by operating segment as at 30 September 2022 and 30 September 2023 is provided below:

amounts are shown in €/1000	Furniture	Lighting	Luxury Contract	Other	Nine months 2022
Revenue <sup>(*)</sup>	73,716	18,013	44,004	736	136,470
Other income	1,161	157	73	50	1,441
<b>Total revenues and income</b>	<b>74,878</b>	<b>18,170</b>	<b>44,077</b>	<b>786</b>	<b>137,911</b>
Purchases of raw materials	(29,218)	(6,500)	(17,419)	(621)	(53,757)
Costs for services and use of third-party assets	(21,517)	(3,901)	(13,266)	(4,792)	(43,477)
Staff costs	(10,150)	(2,583)	(7,416)	(1,131)	(21,280)
Provisions and write-downs	(51)	-	(11)	(40)	(102)
<b>EBITDA</b>	<b>13,942</b>	<b>5,186</b>	<b>5,965</b>	<b>(5,798)</b>	<b>19,294</b>
Amortisation, depreciation and write-downs of fixed assets	(2,817)	(550)	(3,263)	(130)	(6,760)
<b>Operating profit/(loss)</b>	<b>11,125</b>	<b>4,636</b>	<b>2,702</b>	<b>(5,928)</b>	<b>12,534</b>
Financial income					3,314
Financial expenses					(1,954)
<b>Profit before tax</b>					<b>13,894</b>
Income tax					(4,517)
<b>Net profit/(loss)</b>					<b>9,377</b>

amounts are shown in €/1000	Furniture	Lighting	Luxury Contract	Kitchen and Systems	Other	Nine months 2023
Revenue <sup>(*)</sup>	80,108	20,600	58,668	37,914	978	198,267
Other income	1,589	194	188	865	248	3,083
<b>Total revenues and income</b>	<b>81,697</b>	<b>20,793</b>	<b>58,856</b>	<b>38,778</b>	<b>1,226</b>	<b>201,350</b>
Purchases of raw materials	(32,299)	(6,780)	(19,447)	(18,282)	337	(76,470)
Costs for services and use of third-party assets	(23,924)	(5,139)	(18,836)	(8,627)	(5,608)	(62,135)
Staff costs	(12,637)	(3,779)	(8,847)	(3,915)	(1,857)	(31,035)
Provisions and write-downs	(120)	32	(32)	(197)	-	(318)
<b>EBITDA</b>	<b>12,718</b>	<b>5,127</b>	<b>11,694</b>	<b>7,756</b>	<b>(5,902)</b>	<b>31,393</b>
Amortisation, depreciation and write-downs of fixed assets	(3,645)	(667)	(3,304)	(3,847)	(422)	(11,885)
<b>Operating profit/(loss)</b>	<b>9,073</b>	<b>4,460</b>	<b>8,390</b>	<b>3,909</b>	<b>(6,324)</b>	<b>19,508</b>
Financial income						1,608
Financial expenses						(8,533)
<b>Profit before tax</b>						<b>12,582</b>
Income tax						(4,773)
<b>Net profit/(loss)</b>						<b>7,809</b>

(\*) The revenues for each segment include both revenues realised in respect of third parties and revenues realised in respect of other Group operating segments. The figure for the latter was not material: it was therefore not deemed necessary to provide a breakdown in table format.



Revenues from the Furniture and Lighting operating segments in the first nine months of 2023 increased compared with the same period in 2022 (by +9% and +14% respectively). It should be noted that this change in the Furniture segment is mainly due to the acquisition of Gamma Arredamenti International, which only took place in June 2022 and, in the Lighting segment, to the aggregation of Flexalighting North America in May 2022 and Axo Light in July 2023.

The recovery of the Luxury Contract strategic business area, with an entirely organic total revenue increase of 33%, has been significant, and benefitted both from the relaunch of projects previously put on standby due to COVID and from new investment projects.

The Kitchen and Systems strategic business area did not exist in 2022; this was established in January 2023 with the acquisition of Cubo Design.

The increase in revenues is reflected in EBITDA, as defined by the Group, which is the primary indicator of the Group's economic performance.

It should be noted that the 'Other' strategic business area contributed negatively to EBITDA, mainly as a result of the costs for non-recurring services related to the IPO (EUR 3,172 thousand in 2022 and EUR 2,044 thousand in 2023) and company acquisition processes during the period that were recorded in the income statement.

## Statement of financial position by strategic business area

The breakdown of the statement of financial position by operating segment as at 31 December 2022 and 30 September 2023 is provided below:

amounts are shown in €/1000	Furniture	Lighting	Luxury Contract	Other	31.12.2022
Intangible assets	66,223	18,975	48,680	4	133,881
Right of use	15,468	1,146	4,428	3,326	24,368
Property, plant and equipment	11,156	689	2,247	185	14,277
Equity investments	3,892	310	604	2,146	6,952
<b>Non-current assets</b>	<b>96,738</b>	<b>21,121</b>	<b>55,959</b>	<b>5,660</b>	<b>179,478</b>
Inventory and contract assets	14,359	5,477	4,684	47	24,567
Trade receivables	13,132	3,386	5,114	199	21,831
Business advances and contract liabilities	(7,540)	(879)	(10,225)	(289)	(18,933)
Trade payables	(20,801)	(3,467)	(12,080)	(1,021)	(37,369)
<b>Operating net working capital</b>	<b>(850)</b>	<b>4,517</b>	<b>(12,507)</b>	<b>(1,064)</b>	<b>(9,904)</b>
Other current liabilities	(3,954)	(1,187)	(3,527)	(2,697)	(11,365)
Other current assets	2,523	430	1,561	1,003	5,516
<b>Net working capital</b>	<b>(2,281)</b>	<b>3,760</b>	<b>(14,473)</b>	<b>(2,758)</b>	<b>(15,753)</b>
Provisions for risk and severance pay	(4,724)	(875)	(2,933)	(92)	(8,624)
Other non-current liabilities	(6,668)	(599)	(4,944)	(5)	(12,216)
<b>Net invested capital</b>	<b>83,064</b>	<b>23,407</b>	<b>33,608</b>	<b>2,805</b>	<b>142,885</b>
Net financial debt					(84,105)
Shareholders' equity					(58,780)
<b>Financing sources</b>					<b>(142,885)</b>

amounts are shown in €/1000	Furniture	Lighting	Luxury Contract	Kitchen and Systems	Other	30/09/2023
Intangible assets	103,572	22,516	46,232	74,035	3	246,359
Right of use	17,338	1,469	4,182	6,780	3,021	32,790
Property, plant and equipment	13,127	1,321	2,319	9,058	1,645	27,469
Equity investments	5,246	1,431	610	1,415	860	9,562
<b>Non-current assets</b>	<b>139,284</b>	<b>26,736</b>	<b>53,343</b>	<b>91,287</b>	<b>5,530</b>	<b>316,179</b>
Inventory and contract assets	24,709	7,435	6,086	4,563	1,100	43,892
Trade receivables	13,721	3,365	9,943	6,309	215	33,553
Business advances and contract liabilities	(14,248)	(1,361)	(6,346)	(1,559)	(861)	(24,375)
Trade payables	(16,509)	(2,621)	(8,270)	(10,631)	(374)	(38,405)
<b>Operating net working capital<sup>(*)</sup></b>	<b>7,672</b>	<b>6,818</b>	<b>1,413</b>	<b>(1,318)</b>	<b>80</b>	<b>14,665</b>
Other current liabilities	(5,536)	(1,750)	(4,405)	(2,216)	(1,087)	(14,994)
Other current assets	2,806	462	1,146	1,437	933	6,783
<b>Net working capital</b>	<b>4,941</b>	<b>5,530</b>	<b>(1,847)</b>	<b>(2,097)</b>	<b>(74)</b>	<b>6,454</b>
Provisions for risk and severance pay	(5,176)	(1,368)	(3,108)	(1,569)	(118)	(11,339)
Other non-current liabilities	(6,696)	(636)	(4,242)	(12,830)	(3)	(24,407)
<b>Net invested capital</b>	<b>132,353</b>	<b>30,263</b>	<b>44,145</b>	<b>74,791</b>	<b>5,335</b>	<b>286,887</b>
Net financial debt						(150,994)
Shareholders' equity						(135,893)
<b>Financing sources</b>						<b>(286,887)</b>

(\*) Operating net working capital is calculated as the net balance of customer relationships, supplier relationships, inventories and assets and liabilities arising from contracts and customer advances.

Overall, there was significant growth in non-current assets, mainly related to corporate acquisitions in the period. The operating net working capital was positive at EUR 14,665 thousand (EUR -9,904 thousand at 31 December 2022) due to the effects of financial dynamics in the collection of receivables and the payment of debts, as described above.

In the Furniture operating segment, the increase in non-current assets was mainly due to the acquisition of Turri 2K. Operating working capital was positive compared with 31 December 2022, due to the financial dynamic of collections of receivables and payments of debts, and recorded a positive change that mainly reflected the increase in the value of inventories due to a seasonal effect and the payment of commercial debts.

Non-current assets in the Lighting operating segment increased compared with 31 December 2022, due to the acquisition of Axo Light. Operating working capital was mainly boosted by the increase in the value of inventories due to a seasonal effect.

The decrease in non-current assets in the Luxury Contract operating segment is mainly due to the amortisation of customer relationships, while the net working capital at 30 September 2023 increased significantly due to a combined effect of financial dynamics in the collection of receivables, advances and the payment of debts on orders in progress.



# RELATED PARTIES

amounts are shown in €/1000

	Revenue	Rental costs without the application of IFRS 16	Costs for services
Il Castello S.p.A.	(3)	367	2
Ir-Ma S.r.l.		322	
AGP 2 S.r.l.		465	
Giario Componenti S.r.l.			434
Directors	(229)		4,264
<b>Total</b>	<b>(232)</b>	<b>1,154</b>	<b>4,700</b>

amounts are shown in €/1000

	Security deposits	Trade payables	Other payables
Ir-Ma S.r.l.	100		
T.M.R. S.r.l.		(130)	
Directors			(1,148)
<b>Total</b>	<b>100</b>	<b>(130)</b>	<b>(1,148)</b>

The Group companies have leases in place with related parties with rental instalments paid in advance, the cost of which amounted to EUR 1,154 thousand in the first nine months of 2023.

The "Directors" item includes the remuneration and the share of the long-term incentive plan for the period.

# CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

The Group has drawn up its interim financial statements in compliance with the recognition and measurement principles of IFRS and in accordance with the principles applied in the preparation of the annual consolidated financial statements as at 31 December 2022.

## Consolidated statement and financial position

(amounts in thousands of euros)	30/09/2023	31/12/2022
<b>NON-CURRENT ASSETS</b>		
Intangible assets	246,359	133,881
<i>Goodwill</i>	143,867	71,679
<i>Brands</i>	53,928	33,194
<i>Models</i>	7,722	8,696
<i>Customer relations</i>	39,222	19,133
<i>Other intangible assets</i>	1,620	1,178
Right of use	32,790	24,368
Property, plant and equipment	27,469	14,277
Deferred tax assets	3,530	2,624
Equity investments	14	883
Other non-current assets	6,018	3,445
<b>Total non-current assets</b>	<b>316,179</b>	<b>179,478</b>
<b>CURRENT ASSETS</b>		
Inventories	39,157	22,561
Contract assets	4,735	2,005
Trade receivables	33,553	21,831
Income tax credits	2,195	621
Other current assets	4,588	4,895
Other current financial assets	11,403	0
Cash and cash equivalents	35,583	42,978
<b>Total current assets</b>	<b>131,214</b>	<b>94,892</b>
<b>TOTAL ASSETS</b>	<b>447,394</b>	<b>274,370</b>



(amounts in thousands of euros)	30/09/2023	31/12/2022
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	26,926	20,217
Other reserves and retained earnings, including profit (loss) for the period	108,851	38,563
<b>Total Group shareholders' equity</b>	<b>135,777</b>	<b>58,780</b>
Shareholders' equity – minority interests	116	0
<b>Total shareholders' equity</b>	<b>135,893</b>	<b>58,780</b>
<b>NON-CURRENT LIABILITIES</b>		
Post-employment benefits	6,700	5,124
Provisions for risks and charges	4,639	3,500
Medium-/long-term bank loans	60,221	30,812
Other non-current financial liabilities	80,967	21,102
Other medium-/long-term loans	111	125
Non-current financial payables to lessors	27,965	21,386
Other non-current liabilities	810	0
Deferred taxes	23,597	12,216
<b>Total non-current liabilities</b>	<b>205,010</b>	<b>94,266</b>
<b>CURRENT LIABILITIES</b>		
Short-term bank loans	17,270	10,778
Other current financial liabilities	6,080	39,728
Other short-term loans	3	0
Current financial payables to lessors	5,362	3,152
Trade payables	38,405	37,369
Income tax payables	1,176	2,219
Other current liabilities	38,193	28,079
<i>Payables to staff and social security organisations</i>	9,797	6,849
<i>Contract liabilities</i>	13,767	10,225
<i>Other payables</i>	14,629	11,005
<b>Total current liabilities</b>	<b>106,491</b>	<b>121,325</b>
<b>TOTAL LIABILITIES</b>	<b>311,500</b>	<b>215,590</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>447,394</b>	<b>274,370</b>



## Consolidated income statement

(amounts in thousands of euros)

	Nine months 2023	Nine months 2022
Revenue	198,267	136,470
Other income	3,083	1,441
<b>Total revenues and income</b>	<b>201,350</b>	<b>137,911</b>
Purchases of raw materials	(80,708)	(59,283)
Change in inventories	4,238	5,526
Staff costs	(31,035)	(21,280)
Costs for services and use of third-party assets	(61,320)	(42,901)
Other operating costs	(815)	(576)
Provisions and writedowns	(318)	(102)
Amortisation, depreciation and write-downs of fixed assets	(11,885)	(6,760)
<b>Operating profit/(loss)</b>	<b>19,508</b>	<b>12,534</b>
Financial income	1,608	3,314
Financial expenses	(8,533)	(1,954)
<b>Profit/(loss) before taxes resulting from continuing operations</b>	<b>12,582</b>	<b>13,894</b>
Income tax	(4,773)	(4,517)
<b>Net profit/(loss)</b>	<b>7,809</b>	<b>9,377</b>
<b>Attributable to:</b>		
Profit/(loss) pertaining to the Group	7,719	9,377
Profit/(loss) pertaining to third parties	90	0
<b>Basic earnings per share</b>	<b>0.33</b>	<b>0.46</b>
<b>Diluted earnings per share</b>	<b>0.33</b>	<b>0.46</b>



## Consolidated statement of comprehensive income

(amounts in thousands of euros)

	Nine months 2023	Nine months 2022
<b>Net profit/(loss) for the year</b>	<b>7,809</b>	<b>9,377</b>
Profit/(loss) from cash flow hedge	212	290
Tax effects	(51)	(70)
Total profit/(loss) from cash flow hedges, net of tax	161	221
Foreign currency translation differences	(9)	(96)
Other movements	(202)	(82)
<b>Total comprehensive income items that will subsequently be reclassified to profit/(loss) for the year</b>	<b>(49)</b>	<b>43</b>
Actuarial profits/(losses)	(117)	812
Tax effects	28	(195)
<b>Total actuarial profit/(loss), net of taxes</b>	<b>(89)</b>	<b>617</b>
<b>Comprehensive income items that will not subsequently be reclassified to profit/(loss) for the year</b>	<b>(89)</b>	<b>617</b>
<b>Comprehensive income statement net of taxes</b>	<b>(138)</b>	<b>660</b>
<b>Total comprehensive net profit/(loss) for the period</b>	<b>7,671</b>	<b>10,037</b>
Attributable to:		
Shareholders of the parent company	7,581	10,037
Minority shareholders	90	-

## Consolidated Statement of changes in shareholders' equity

(amounts in thousands of euros)	Share capital	Share premium reserve	Cash flow hedging reserve	Actuarial gains/(losses)	Other reserves
<b>Balance at 1 January 2022</b>	<b>20,217</b>	<b>3,563</b>	<b>(67)</b>	<b>(231)</b>	<b>(78)</b>
Allocation of result for the year					
Other income statement items			221	617	(178)
Profit for the period					
<b>Balance at 30 September 2022</b>	<b>20,217</b>	<b>3,563</b>	<b>154</b>	<b>386</b>	<b>(257)</b>

(amounts in thousands of euros)	Share capital	Share premium reserve	Cash flow hedging reserve	Actuarial gains/(losses)	Other reserves
<b>Balance at 1 January 2023</b>	<b>20,217</b>	<b>3,563</b>	<b>174</b>	<b>425</b>	<b>(358)</b>
Allocation of result for the year					
Reserved initial public offering	6,710	63,407			
Other income statement items			161	(90)	(211)
Dividends					
Business combination					
Profit for the period					
<b>Balance at 30 September 2023</b>	<b>26,926</b>	<b>66,971</b>	<b>335</b>	<b>335</b>	<b>(569)</b>



Retained earnings	Profit/(loss) for the period	Total Group shareholders' equity	Capital and reserves - minority interests	Profit - minority interests	Shareholders' equity - minority interests	Total shareholders' equity
29,289	11,402	64,095	-	-	-	64,095
11,402	(11,402)	-			-	-
		660			-	660
	9,377	9,377			-	9,377
40,692	9,377	74,132	-	-	-	74,132

Retained earnings	Profit/(loss) for the period	Total Group shareholders' equity	Capital and reserves - minority interests	Profit - minority interests	Shareholders' equity - minority interests	Total shareholders' equity
40,692	(5,932)	58,780	-	-	-	58,780
(5,932)	5,932	-			-	-
		70,117			-	70,117
		(139)			-	(139)
(700)		(700)			-	(700)
		-	26		26	26
	7,719	7,719		90	90	7,809
34,060	7,719	135,777	26	90	116	135,893

## Consolidated statement of cash flows

(amounts in thousands of euros)

Nine months 2023    Nine months 2022

<b>A. Cash flows from operating activities (indirect method)</b>		
Profit/(loss) for the period	7,809	9,377
Income tax	4,773	4,517
Interest expense/(interest income)	6,822	1,025
Other non-monetary income and expenses	185	(2,358)
Capital (gains)/losses on disposals	0	(29)
<b>1. Profit/(loss) before income taxes, interest, dividends and capital gains/losses from transfer</b>	<b>19,589</b>	<b>12,532</b>
Severance Indemnity Provision	284	409
Provisions	185	293
Depreciation and amortisation of fixed assets	11,898	6,719
Impairment losses	0	40
Other adjustments for non-monetary items	(247)	700
<b>2. Cash flow before changes in net working capital</b>	<b>31,710</b>	<b>20,693</b>
Decrease/(Increase) in inventories	(4,607)	(6,469)
Decrease/(Increase) in contract assets	(1,704)	828
Decrease/(Increase) in trade receivables	(798)	(9,264)
Increase/(Decrease) in trade payables	(15,232)	(2,999)
Increase/(Decrease) in contract liabilities	(3,879)	3,955
Decrease/(Increase) in other changes in net working capital	(26)	3,331
Interest received/(paid)	(1,736)	(675)
(Income taxes paid)	(6,621)	(3,948)
Disbursement of severance payments and other provisions	(334)	(261)
<b>3. Cash flow after other adjustments</b>	<b>(34,937)</b>	<b>(15,502)</b>
<b>Cash flow of operating activities (A = 1 + 2 + 3)</b>	<b>(3,227)</b>	<b>5,192</b>
<b>B. Cash flows from investment activities</b>		
Investments in tangible fixed assets, net of divestments	(4,068)	(1,288)
Investments in intangible assets, net of divestments	(436)	(464)
Investments in financial fixed assets	1,103	0
Investments in other financial assets	(5,830)	0
Acquisition or sale of subsidiaries or business units, net of cash	(41,972)	(13,981)
Exercise of options and earn-out	(37,662)	(445)
<b>Cash flow of investment activities (B)</b>	<b>(88,865)</b>	<b>(16,179)</b>
<b>C. Cash flows from financing activities</b>		
Third-party financing		
Increase (decrease) in short-term payables to banks	(262)	74
Loans taken out	41,419	15,624
Loan repayment	(19,404)	(9,671)
Payments for lease liabilities	(3,718)	(2,259)
Adjustment, other financial payables	(2,755)	0
Equity		
Increase in net capital	70,117	0
(Dividends and advances on dividends paid)	(700)	0
<b>Cash flow of financing activities (C)</b>	<b>84,697</b>	<b>3,768</b>
Increase (decrease) in cash (A ± B ± C)	(7,395)	(7,220)
Cash at 1 January	42,978	33,327
Cash and cash equivalents at 30 September	35,583	26,107
<b>Change in cash</b>	<b>(7,395)</b>	<b>(7,220)</b>



# MAIN RISKS AND UNCERTAINTIES TO WHICH THE GROUP IS EXPOSED

## Credit risk

Credit risk is connected to the inability of counterparties to meet their obligations and essentially relates to sales. Given the business segment, the customer portfolio of the Group companies is divided into many, often small, entities, and exposure is therefore limited. It should be noted that subsidiary Cenacchi International S.r.l. operates in the global market with well-known customers. In this regard, please note that the concentration is spread among several entities that are owned by a single economic entity, with which the management team has a very well-established relationship.

Credit risk is managed through the close and timely monitoring of customers and by assigning an exposure level to each of them, over which supply may be suspended. However, the risk is limited; for many EU customers and all non-EU customers, the Group companies normally require advance payment or guarantees.

## Liquidity risk

Liquidity risk may arise when it is not possible to obtain, under favourable economic conditions, the financial resources necessary for the operation of the Group companies. Liquidity risk relates to the cash flows generated and absorbed by day-to-day operations and the resulting need to access financing to support business expansion.

The evolution of cash flows and the use of credit facilities are closely monitored by the Group Finance Department and the directors in order to ensure that financial resources are used efficiently and effectively, including in terms of expenses and interest.

## Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of an exposure will change due to fluctuations in exchange rates.

The Group has a limited exposure to the risks arising from exchange rate fluctuations, which may affect profit or loss and shareholders' equity as the main transactions are in euros and because the Group's net investments in foreign entities (currency translation risk) are limited. Since receipts and payments in US dollars are partly offset, currency risks are contained and therefore the provision of foreign exchange hedges was not considered necessary. The use of currencies beyond the euro, US dollar and British pound in commercial transactions is almost zero.

## Interest rate risk

Interest rate risk can be defined as the risk that changes in market interest rates will result in a decrease in business profitability. The Group makes use of external financial resources in the form of debt. Changes in market interest rates influence the cost and return of various forms of financing by affecting financial expenses. Interest rate risk is managed through the use of derivative financial instruments in the form of interest rate swaps.

As at 30 September 2023, the Group had financial exposure to banks for financing in various technical forms for a total amount of EUR 77,491 thousand, on which variable interest rates accrue ranging from 4.4% to 7.9% in the first nine months of 2023, and cash and cash equivalents totalling EUR 35,583 thousand.

Interest rate swap contracts are in place to cover this exposure, with a total notional residual amount of EUR 27,594 thousand.

## Financial liability remeasurement risk for earn-outs, put and call options and the long-term incentive plan

Payables include the best estimate of the present value of earn-outs and put and call options entered into with the minority shareholders of the acquired companies, as well as the long-term incentive plan of the Company's CEO and Managing Director. The earn-out and put and call option values are directly linked to the achievement of certain economic and financial targets by the companies acquired in the periods following the taking over of control. The value of the long-term incentive plan, on the other hand, is linked to the appreciation of the Company's share price.

These financial liabilities are remeasured at every period-end or when a liquidation event occurs. Their effects are then reflected under financial income or expenses in the income statement, together with the estimated cost of discounting the financial liabilities.

## SUBSEQUENT EVENTS

On 27 October 2023, a loan agreement was signed with Cassa Depositi e Prestiti for EUR 10.8 million, expiring on 28 September 2029, to be used to support part of the Group's financial requirements relating to new initiatives for growth in Italy and abroad, and for the payment of part of the price of acquiring Turri 2K S.r.l.



# BUSINESS OUTLOOK

The costs of energy, raw materials and semi-finished products have normalised, but in any event the Group is maintaining a proactive and constant focus on controlling costs and identifying initiatives that can guarantee the expected revenues, profitability and cash flows.

The Group continuously monitors both the performance of the relevant markets and developments in the conflicts between Ukraine and Russia and Israel and Palestine, which call for a continuously cautious approach to macroeconomic forecasts in relation to the repercussions on prices of raw materials and the performance of the financial markets. It should be noted that Group's exposure in terms of turnover in relation to countries involved in the conflict is not significant.

Considering the Group's sales in the months following the end of the third quarter of 2023, it is possible to expect, on the basis of a responsible conservative approach, a closing for the year overall in organic growth.

It should be noted that the Group is pursuing its growth strategy through external lines and negotiations have been initiated over the period that could materialise over the next few months.

Milan, 13 November 2023

On behalf of the Board of Directors  
The Chief Executive Officer

Andrea Sassano

A handwritten signature in black ink, appearing to read 'Andrea Sassano', is written over the printed name.



DECLARATION OF THE DIRECTOR  
IN CHARGE OF DRAWING UP  
THE CORPORATE ACCOUNTING  
DOCUMENTS PURSUANT TO  
ARTICLE 154-BIS, PARAGRAPH 2  
OF LEGISLATIVE DECREE NO 58  
OF 24 FEBRUARY 1998

I, the undersigned, Alberto Bortolin, Chief Financial Officer of the Italian Design Brands Group, in my capacity as Director in charge of drawing up the corporate accounting documents, hereby declare that the Interim Financial Information as of 30 September 2023 corresponds to the corporate documents, books and accounting records.

Milan, 13 November 2023  
Chief Financial Officer and  
Director in charge of drawing up the corporate  
accounting documents

Alberto Bortolin  




Editorial Project Coordination  
ITALIAN DESIGN BRANDS S.p.A.

Art Direction & Graphic Design  
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