Registered office: Via Barberini no. 20, 00187 – Rome, Italy

Share capital equal to Euro 8,142,652.32, fully subscribed and paid-in

Registered with the Companies' Register of Rome, ordinary section, under no., tax code and VAT no. 15653581007

INFORMATION DOCUMENT

ADMISSION OF SHARES TO TRADING ON EURONEXT GROWTH PARIS FOLLOWING A PRIVATE PLACEMENT

October 17, 2022

The proposed transaction does not require an approval from the Autorité des marchés financiers (the "**AMF**"). This document was therefore not approved by the AMF.

L'opération proposée ne nécessite pas d'approbation de l'Autorité des marchés financiers ("l'AMF"). Ce document n'a donc pas été approuvé par l'AMF.

Copies of this Information Document are available free of charge from Tatatu S.p.A. and the Listing Sponsor. This Information Document is also available as an electronic version on the website of Tatatu S.p.A.

Des exemplaires de ce Document d'Information sont disponibles sans frais auprès de Tatatu S.p.A. et le Listing Sponsor. Ce document est aussi disponible en version électronique sur le site de Tatatu S.p.A.

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Euronext Growth is a market operated by Euronext. Companies on Euronext Growth are not subject to the same rules as companies on a Regulated Market (a main market). Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on Euronext Growth may therefore be higher than investing in a company on a Regulated Market. Investors should take this into account when making investment decisions.

*In this information document (the "**Information Document**"), Tatatu S.p.A. is referred to as the "**Company**", and together with its consolidated subsidiary, Tatatu Hungary Kft., the "**Group**".*

This Information Document contains forward-looking statements, i.e., statements that do not relate to historical facts or events as of the date of this Information Document. Such statements may be identified by words such as "aim", "anticipate", "believe", "consider", "could", "envisage", "estimate", "expect", "forecast", "foresee", "guidance", "intend", "may", "ongoing", "plan", "potential", "predict", "project", "seek", "should", "target", "understand", "will", "wishes", or, if applicable, the negative form of these terms, or any other variants or similar terminology. By their nature, forward-looking statements involve known and unknown risks and uncertainties, both general and specific. The Company bases these statements on its current plans, estimates, projections and expectations and they relate to events and are based on current assumptions that may not occur in the future. These forward-looking statements may not be indicative of future performance; the actual outcome of the Group's financial condition and results of operations, and the development of economic conditions, may differ materially from, in particular be more negative than, those conditions expressly or implicitly assumed or described in such statements. Even if the actual results of the Company or the Group, including the financial condition, results of operations and economic conditions, develop in line with the forward-looking statements contained in this Information Document, there can be no assurance that this will be the case in the future.

Also, the realization of any of the various risks described under "Risk Factors", may have a material adverse effect on the Group's business, results of operations and financial condition. Moreover, the realization of risks not yet identified by the Company or considered to be insignificant for the Group, may also result in similar adverse effects.

This Information Document contains information on the Group's business and the markets in which it operates and competes. The Company has not verified this information and thus cannot guarantee its accuracy or completeness and does not accept responsibility regarding the accuracy of such information. Similarly, the Company cannot guarantee that a third party using different methods to combine, analyze or calculate data would obtain the same results. The Company is not obligated to publish updates of this information.

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In May 2022, the Group acquired the full ownership right and title of the entire corporate capital of WWMM and thus, indirectly – as at the date of this Information Document – over a 63% stake in Mercato Metropolitano. The Group has included in this Information Document financial information relating to Mercato Metropolitano extracted from the management accounts of Mercato Metropolitano for the financial year ended 31 December 2021. The Group has not been involved in the preparation of the management accounts of Mercato Metropolitano and has not been able to verify the accuracy or completeness of the information included in these management accounts, in particular any omissions by Mercato Metropolitano to include information on events that may have occurred, not known to the Group, which could affect the *completeness or accuracy of the information contained in these financial statements. The management accounts of Mercato Metropolitano have been prepared in accordance with accounting rules and principles generally accepted in the United Kingdom and the Republic of Ireland, which differ in certain respects from IFRS. Accordingly, the historical financial information relating to Mercato Metropolitano included in this Information Document is not directly comparable with the financial information relating to the Group.*

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SECTION I - INFORMATION ON THE COMPANY

1 Responsibility Statement

1.1 Person responsible for this Information Document

Andrea Iervolino

Chairman of the Board of Directors

Tatatu S.p.A.

Email: andrea@tatatu.com

Declaration of the person responsible for this Information Document

"*I declare that, to the best of my knowledge, the information provided in the Information Document is fair and accurate and that, to the best of my knowledge, the Information Document is not subject to any material omissions, and that all relevant information is included in the Information Document*".

____

Andrea Iervolino, Chairman of the Board of Directors of Tatatu S.p.A.

2 Statutory auditors

As of the date of this Information Document, the Board of Statutory Auditors of the Company is composed of Fabio Tinari (Chairman), Marco Pianigiani, Franca Brusco, as effective statutory auditors, and Pacifico Ribechi and Francesco Brusco, as deputy statutory auditors.

3 Legal auditor

As of the date of this Information Document the Company's independent auditors are EY S.p.A. ("**EY**"), with registered office at Via Meravigli, 12, 20123, Milan, Italy. EY is authorised and regulated by the Italian Ministry of Economy and Finance ("**MEF**") and registered on the special register of auditing firms held by MEF.

EY was appointed as the independent auditor of the Company by the shareholders' meeting of Tatatu held on December 22, 2020 and served as independent auditor to Tatatu for the financial years 2020-2022 and until the shareholders' meeting convened to approve the Company's financial statements as of December 31, 2022 and for the year then ended.

EY S.p.A. has audited, in accordance with International Standards on Auditing (ISA Italia), Tatatu's consolidated financial statements as of December 31, 2021 and 2020 and for the years then ended, prepared in accordance with International Financial Reporting Standards adopted in the European Union. A convenience translation into English of EY's unqualified auditor's reports on the consolidated financial statements as of December 31, 2021 and for the year then ended is included in this Information Document.

4 Selected financial information

The consolidated financial statements of the Company and notes thereto as of and for the financial years ended on December 31, 2021 (the "2021 Consolidated Financial Statements") and December 31, 2020 (the "2020 Consolidated Financial Statements" and, together with the 2021 Consolidated Financial Statements, the "Consolidated Financial Statements") were prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the European Union ("IFRS").

The 2021 Consolidated Financial Statements and the 2020 Consolidated Financial Statements have been audited by EY, which issued its auditor's reports thereto on June 13, 2022 and May 12, 2021, respectively.

Figures for 2020 reported in this Information Document are derived from the comparative figures reported in the 2021 Consolidated Financial Statement. In the 2021 Consolidated Financial Statements, the Company reclassified certain assets and liabilities figures related to 2020, for comparative purposes only.

The condensed interim consolidated financial statements of the Company and notes thereto as of and for the six-month period ended June 30, 2022 (the "Condensed Interim Consolidated Financial Statements") were prepared in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) and as adopted by the European Union.

The Condensed Interim Consolidated Financial Statements have been reviewed by EY, which issued its review report thereto on September 12, 2022.

Since the Company was established on February 20, 2020, the values are not fully comparable, as 2020 was characterized by 10 months of operations whereas 2021 was the first full year of operations.

The following table sets forth selected financial information as of December 31, 2021 and 2020 and for the years then ended, extracted from the Audited Consolidated Financial Statements, and as of June 30, 2022 and 2021 and for the six-month periods then ended, extracted from the Unaudited Condensed Interim Consolidated Financial Statements:

	Consolidated Financial Statements		**Condensed Interim Consolidated Financial Statements**	
	For the financial year ended December 31,		**For the six months ended June 30,**	
	2021	**2020**	**2022**	**2021**
	in EUROthousand	in EUROthousand	in EUROthousand	in EUROthousand
	(audited)		*(unaudited)*	
Summary Consolidated Statement of Comprehensive Income				
Revenues	47,396	24,596	53,720	38,647
Amortization, depreciation and write downs	(39,156)	(24,006)	(46,182)	(36,595)
Operating profit/(loss)	1,031	(31)	1,159	300
Profit/(loss) before taxes	1,028	(19)	334	282
Profit/(loss) for the year/(period).....................	1,309	(488)	292	232

	Consolidated Financial Statements		Condensed Interim Consolidated Financial Statements
	For the financial year ended December 31,		For the six months ended June 30,
	2021	2020	2022
	in EUROthousand	in EUROthousand	in EUROthousand
	(audited)		*(unaudited)*
Summary Consolidated Statement of Financial Position			
Intangible assets …………………….………………	13,205	11,860	32,231
Rights of use……………………………………...			11,397
Other non-current assets	1,022	10	1,991
Trade receivables ………………………………	22,298	22,470	70,932
Other current assets	1,291	77	5,187
Total Assets ………….……………………….	**37,816**	**34,417**	**121,738**
Non-current liabilities ...………….………………	3,355	3,876	19,129
Current liabilities ………………………………	25,339	23,028	81,109
Total Shareholders' Equity ……..……………….	9,122	7,513	21,500
Total Liabilities & Equity………….……………	**37,816**	**34,417**	**121,738**
Summary Consolidated Cash Flow Statement			
Cash and cash equivalent at the beginning of the year	61	10	816
Net cash generated from operating activities ..……	(1,747)	72	(3,493)
Net cash generated from investing activities ..……	(4)	0	(1,552)
Net cash generated from financing activities …..…	2,506	(21)	7,507
Cash and cash equivalents at the end of the year	**816**	**61**	**3,278**

4.1 Non-IFRS Financial Measures

This Information Document contains certain non-IFRS financial measures, including the Group's "EBITDA" and "EBITDA Adjusted" as well as EBITDA for Mercato Metropolitano and the Group's "Net Current Financial Indebtedness" and "Total Financial Indebtedness".

These non-IFRS financial measures are not recognized as accounting standards within the IFRS adopted by the European Union, and therefore must not be considered as (i) an alternative to operating profit or net profit as determined in accordance with IFRS; or (ii) an alternative to any other measure of performance under IFRS. Investors should not place undue reliance on these non-IFRS measures and should not consider either of these measures to be indicative of the Group's historical operating results or financial condition; nor are they meant to be predictive of future results. These measures are used by our management to monitor the underlying performance of the business and the operations. Since not all companies calculate these measures in an identical manner, our presentation may not be consistent with similar measures used by other companies. Therefore, investors should not place undue reliance on this data.

Below is a description of non-IFRS financial measures used in this Information Document:

EBITDA: an operating performance indicator, calculated as Net Profit/(Loss) for the year/(period) plus "Taxes", "Financial Charges", "Financial Income" and "Amortization, Depreciation and Write-downs".

EBITDA Adjusted: an operating performance indicator, calculated as EBITDA less "Amortization and Write-downs related to Rights on Audiovisual Content".

Net Current Financial Indebtedness: a financial structure indicator, calculated as the algebraic sum of "Current financial debt", "Current portion of non-current financial debt" and "Cash", "Cash equivalents" and "Other current financial assets".

Total Financial Indebtedness: a financial structure indicator, calculated as the algebraic sum of "Net Current Financial Indebtedness" and "Non-current financial debt (excluding current portion and debt instruments)", "Debt instruments" and "Non-current trade and other payables for which there is a significant financing component".

A reconciliation of the non-IFRS financial measures to the most directly comparable measures calculated and presented in accordance with IFRS is set out under Section *10* "*Review of the Company's financial situation*" in this Information Document.

5 Risk factors related to the Group

Prospective investors should carefully review and consider the following risks as well as other information contained in this Information Document. The order in which the following risks are presented is not an indication of the likelihood of such risk actually materializing, its potential significance or the scope of its potential harm to the Company's business, results of operations, cash flows, financial condition and prospects. The risks mentioned herein may materialize individually or cumulatively.

The risk factors are based on assumptions that may prove to be incorrect. The occurrence of any of the events or circumstances described in these risk factors, individually or cumulatively with other circumstances, uncertainties not currently known to the Company or that the Company may currently deem immaterial, could have a material adverse effect on the business, results of operations, cash flows and financial condition of the Group. The market price of the shares of the Company could fall if any of these risks were to materialize, in which case investors could lose a part or all of their investment.

The Company considers that as of the date of this Information Document, there are no significant risks other than those presented in this section. Investors should note, however, that the list of risks and uncertainties described below is not exhaustive. Risks or uncertainties that are unknown or whose realization is not considered likely to have a material adverse effect on the Company, its business, results of operations, cash flows, financial condition or prospects, as of the date of this Information Document, may exist or become significant factors that could have such a material adverse effect.

5.1 Risks related to market and business

(a) Operating history and users' growth

Risks related to the Company's short operating history in a new and unproven market for the platform.

The Company has a short operating history, it being incorporated in February 2020.

The Company's innovative business model is based on the sharing and circular economy in a new and unproven market which make difficult to evaluate the Company's future prospects.

In addition, the Company first derived revenue from its business in 2020 and it has only a short operating history with its advertising model. As a result, the Company has very little operating history to assess its future prospects. The Company may not be able to successfully address these risks and difficulties, which could materially harm its business and operating results and have a significant adverse effect on the Company's business, results, financial position and prospects.

For further information on the market and the Company's business model, see Section 1 (I*nformation on the Company*), Chapters 1.7 (*Markets and Competition*) and 1.8 (*Business*), respectively, below.

Risks that the new model could fail to attract users and advertisers.

The Company's ability to establish a significant user base and increase its size and engagement, attract advertisers and generate revenue will depend in part on its ability to create successful new products and services, both independently and in conjunction with third parties. The Company may introduce significant changes to the Company's existing products and services or develop and introduce new and unproven products and services, including technologies with which the Company has little or no prior development or operating experience.

For example, in 2021, the Company introduced the auction system, the Company's coins (the "**Tatatu Coins**") and the "Redeem near-by" formula. If new or enhanced products or services fail to engage users and advertisers, the Company may fail to attract or retain users or to generate sufficient revenue or operating profit to justify its investments, and its business and operating results could be adversely affected.

In the future, the Company may invest in new products, services and initiatives to generate revenue, but there is no guarantee these approaches will be successful. The Company may not be successful in future efforts to generate revenue from its new products or services. If the Company's strategic initiatives do not enhance its ability to monetize its existing products and services or enable it to develop new approaches to monetization, the Company may not be able to maintain or grow its revenue or recover any associated development costs which could have a significant adverse effect on the Company's business, results, financial position and prospects.

For further information on the market and the Company's business model, see Section 1 (*Information on the Company*), Chapter 1.8 (*Business*), below.

Risks related to the Company's ecosystem which depends on engagement of the user base.

The Company's ecosystem of users, advertisers, and partners depends on the engagement of its user base. If the Company fails to add new users or retain current users, or if its users engage less with the App, the Company's business would be seriously harmed.

If current and potential users do not perceive the Company's products to be fun, engaging, and useful, the Company may not be able to attract new users, retain existing users, or maintain or increase the frequency and duration of their engagement.

The App is free and easy to join, the barrier to entry for new entrants is low, and the switching costs to another platform in the future might be also low. Moreover, the majority of the Company's users are 18-34 years old. This demographic may be less brand loyal and more likely to follow trends than other demographics. These factors may lead users to switch to another product, which would negatively affect the Company's user retention, growth, and engagement and could thus have a significant adverse effect on its business, results, financial position and prospects.

In addition, because the Company's products typically require high bandwidth data capabilities, the majority of the Company's users live in countries with high-end mobile device penetration and high bandwidth capacity cellular networks with large coverage areas. The Company therefore does not expect to experience rapid user growth or engagement in countries with low smartphone penetration even if such countries have well-established and high bandwidth capacity cellular networks. The Company may also not experience rapid user growth or engagement in countries where, even though smartphone penetration is high, due to the lack of sufficient cellular based data networks, consumers rely heavily on Wi-Fi and may not access the Company's products regularly.

Risks that the Company's growth and engagement depend upon interoperation between systems, networks, devices, browsers and standards that the Company does not control.

The Company's user growth and engagement on mobile devices depend upon effective operation with mobile operating systems, networks, and standards that the Company does not control.

The Company is dependent on the interoperability of the App with popular mobile operating systems that it does not control, such as Android and iOS, and any changes in such systems that degrade its products' functionality or give preferential treatment to competitive products could adversely affect the App usage on mobile devices. Additionally, in order to deliver high quality mobile products, it is important that the Company's products work well with a range of mobile technologies, systems, networks, and standards that the Company does not control. The Company may not be successful in developing relationships with key participants in the mobile industry or in developing products that operate effectively with these technologies, systems, networks, or standards. In the event that it is more difficult for Company's users to access and use the App on their mobile devices, or if Company's users choose not to access or use the App on their mobile devices or use mobile products that do not offer access to the App, the Company's user growth and user engagement could be harmed, which could have a significant adverse effect on the Company's business, results, financial position and prospects.

Risks that the Company fails to grow its user base, to retain its user base or to increase its engagement in the platform.

The success of the Company depends on its ability to provide users of products and services with valuable content. There are many factors that could negatively affect user retention, growth, and engagement, including if:

- the Company's competitors may mimic the Company's products and therefore harm the user engagement and growth;
- the Company fails to introduce new and exciting products and services or those it introduce are poorly received;
- the Company is unable to continue to develop products that work with a variety of

mobile operating systems, networks, and smartphones;

- the Company does not provide a compelling user experience because of the decisions it makes regarding the type and frequency of advertisements that it displays;
- the Company is unable to combat spam or other hostile or inappropriate usage on its products;
- there are changes in user sentiment about the quality or usefulness of the Company's products;
- there are concerns about the privacy implications, safety, or security of the Company's products;
- there are changes in the Company's products that are mandated by legislation, regulatory authorities, or due to litigation, that adversely affect the user experience;
- technical or other problems frustrate the user experience, particularly if those problems prevent us from delivering the Company's products in a fast and reliable manner;
- the Company fails to provide adequate service to users, advertisers, or partners;
- the Company fails to optimize or referencing on leading search engines or its competitors devote more efforts to it, allowing them to appear first or more often than the Group's app and brands in search engine results;
- the Company, its partners, or other companies in the industry are the subject of adverse media reports or other negative publicity; or
- the Company does not strengthen its brand image or its reputation is damaged.

If the Company fails to grow its user base, or if user engagement or ad engagement on its platform decline, its revenue, business and operating results may be harmed.

Any decrease to user retention, growth, or engagement could render its products and services less attractive to users, advertisers, or partners, and could have a significant adverse effect on its business, results, financial position and prospects.

Risks related to failure to anticipate user preferences.

The Company's ability to attract and retain users, drive user engagement and deliver a superior online entertainment experience depends largely on the ability to continue to offer attractive content. The success of the business of the Company relies on the Company's ability to anticipate changes in user preferences and industry dynamics, and respond to such changes in a timely, appropriate and cost-effective manner. If the Company fails to anticipate and meet the tastes and preferences of users, or fail to deliver superior user experiences, it may suffer from lower than expected growth in user traffic and engagement, which could have a significant adverse effect on the Company's business, results, financial position and prospects.

Risks related to failure to innovate.

The Company strives to generate creative ideas and to source high-quality content. Sourcing attractive content may be challenging, expensive and time consuming.

The Company has invested and intends to continue to invest substantial resources in content acquisition and in the development of its App and technology. The Company must continue to invest significant resources in research and development in order to enhance its technology and its existing products and services and introduce new high-quality products and services that people will use. If the Company is unable to predict user preferences or industry changes, or if it is unable to modify its products and services on a timely basis, it may lose users and advertisers.

The Company's operating results would also suffer if the innovations of the Company are not responsive to the needs of its users and advertisers are not appropriately timed with market opportunity or are not effectively brought to market. Such situation could have a significant adverse effect on the Company's business, results, financial position and prospects.

Risks related to the implementation of a successful marketing strategy.

If the effectiveness of the marketing efforts of the Company was not successful in strengthening its brand recognition and expanding its user base, its business and future prospects could be adversely affected. Any negative development in the Company's current or future market position, brand recognition or financial condition may materially and adversely affect the marketing efforts of the Company and the strength of its brand, which could have a significant adverse effect on the Company's business, results, financial position and prospects.

Risks related to the ability to raise capital and debt in the future to fund its growth.

From time to time, the Company will need significant additional financing to grow and operate its business and implement its business plan. The Company is expected to need to raise capital and debt, until completion of the initial phase in 2026, for approximately Euro 80 million, including both equity and debt. The ability by the Company to obtain additional investors and financing, when required, in particular in the initial phase of its strategy, will depend on investor and lender demand, the Company's operating performance, the condition of the capital markets and other factors, and the Company cannot assure that additional investors and financing will be available to it on favorable terms when required, or at all. If the Company raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of the Company's common stock, and the existing stockholders of the Company may experience dilution. If the Company is unable to obtain adequate financing or financing on terms satisfactory to it when required, its ability to continue to support the operation or growth of its business could be significantly impaired, which could have a significant adverse effect on the Company's business, results, financial position and prospects.

For further information on the market and the Company's business model, see Section 1 (*Information on the Company*), Chapter 8.3 (*Strategy*) below.

Risks related to the implementation of the business plan.

On June 21, 2022, the board of directors of the Company approved a business plan in relation to the Group's strategy and economic and financial objections, prepared in the context of admission to trading of the Company's shares on Euronext Growth Paris (the "**Business Plan**"). The Business Plan includes, among other elements, forecasts of the Group's expected activities and expected targets (including for income statement items) for the years ended December 31, 2022, 2023 and 2024. Specifically, for the financial year ended December 31, 2023, the Business Plan includes as a projected cash source a Euro 8 million aid to be granted by the European Union in several instalments over 2023. Although, as of the date of this Information Document, such aid has been pre-approved by the competent local Italian public authority, its effective payment starting from January 2023 remains at the discretion of the European Union, over which the Company has no control (see also Section 10.4 below of this Information Document).

The Business Plan is based on certain assumptions developed by the Group's management on the basis of its specific knowledge of the sector in which the Company operates, the available data as of the date hereof and its experience.

Assumptions underlying the Business Plan concern future events, many of which are subject to inherent uncertainty or relate to matters outside management's control.

Specifically, the expected growth in the Group revenues depends on a variety of factors. If user base and advertising activities do not increase in line with the projections of the Business Plan, the Company's growth and prospects could be adversely affected, which could in turn have a significant adverse effect on the Company's business, results, financial position and prospects.

Risks related to ability to effectively manage growth.

The growth and expansion of the Company's business, products and services create significant challenges for the Company's management, operational, and financial resources, including managing multiple relations with users, advertisers, platform developers, and other third parties.

In the event of continued growth of Company's operations or in the number of its third-party relationships, its information technology systems or its internal controls and procedures may not be adequate to support Company's operations. In addition, some members of the Company's management do not have significant experience managing a large global business operation, so the management may not be able to manage such growth effectively.

To effectively manage its growth, the Company must continue to improve its operational, financial, and management processes and systems and to effectively expand, train, and manage its employee base.

As the Company's organization continues to grow, and the Company is required to implement more complex organizational management structures, it could be increasingly difficult to maintain the benefits of the Company's corporate culture, including the ability to quickly develop and launch new and innovative products. Should the Company be not able to effectively manage its growth, this could have a significant adverse effect on the Company's business, results, financial position and prospects.

Risks related to the use of Tatatu Coins from an operational standpoint.

The Tatatu Coins constitute the cornerstone of the Company's rewarding mechanism on which its sharing economy model is founded. Such an instrument is new to the market and is still in its testing phase. The Company is in the process of customizing the accurate combination in the use of coins and cash for the payment of its services, for e-commerce, auctions or at physical retail points; this means that changes will be made in the future to adjust the system to users' needs. There is a risk that the completion of this process could take longer than expected and that the initial outcome could be less efficient than expected and require longer negotiations with third parties. If the implementation of the Tatatu Coins system does not increase in line with the projections of the Business Plan, the Company may have to revisit its strategy, which, in turn, could affect the Company's growth and prospects with material adverse effect on its business, results of operations and financial condition.

The use of Tatatu Coins could face difficulties, especially in its initial phase, the Company's users could experience lower than expected responses in terms of possible uses of the coins obtained with merchants and this could affect users' loyalty and overall interest in the time spent on the App to obtain coins in return. However, also a successful launch of the Tatatu Coins poses risks that users' competition could increase the number of Tatatu Coins in circulation to a point where the proliferation of the coins affects their relative value and determine inflationary dynamics.

A change in the perception of the value of the coins by users could result in lower coins use and generally a decreased interest in spending time on the App to receive coins and could also cause an increase in the portion of the price to be paid using the Tatatu Coins. A lower use of the coins and a reduction of the number of users and/or the number of time spent on the App could affect the Company's ability to generated revenues, in particular, through advertising which could affect Company's growth and prospects with material adverse effect on its business, results of operations and financial condition.

Risks related to the fact that the business depends on a strong brand image and reputation.

Company's brand image and reputation are key factors for its success. If the Company fails to maintain and enhance its brand image, users' growth could be lower than expected and Company's products and services could result less attractive to users, advertisers or partners, which, in turn, would seriously harm the Company's business and prospects.

In addition, the Company may increasingly become a target for public scrutiny, including complaints to regulatory agencies, negative media coverage, including social media and malicious reports, all of which could severely damage reputation of the Company and materially and adversely affect its business and prospects.

The occurrence of any of these events could have a significant adverse effect on the Company's business, results, financial position and prospects.

Risks related to innovation.

The Company may in the future experience service disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, human or software errors, hardware failure, capacity constraints due to an overwhelming number of people accessing products and services simultaneously, computer viruses and denial of service or fraud or security attacks. Although the Company is investing significantly to improve the capacity, capability and reliability of its infrastructure, any disruption or failure in its infrastructure could hinder the Company's ability to handle traffic on its platform, which could significantly harm its business.

As the number of users increases, the Company may be required to expand and adapt its technology and infrastructure to continue to reliably store, serve and analyze the contents which are made available through the App. It may become increasingly difficult to maintain and improve the performance of products and services, especially during peak usage times, as Company's products and services become more complex and user traffic increases. If users are unable to access the App, users may seek other channels, and may not return to the App or use the App as often in the future, or at all. In addition, because the Company leases its data center facilities, it cannot be assured that the Company will be able to expand its data center infrastructure to meet user demand in a timely manner, or on favorable economic terms.

This would negatively impact the ability to attract users and advertisers and increase engagement of users. The Company is expected to continue to make significant investments to maintain and improve the capacity, capability and reliability of its infrastructure. To the extent that the Company does not effectively address capacity constraints, upgrade its systems as needed and continually develop its technology and infrastructure to accommodate actual and anticipated changes in technology, this could have a significant adverse effect on the Company's business, results, financial position and prospects.

(b) Dependency on advertising

Risks related to the majority of revenue being generated from advertising.

The Company generated almost all of its net revenues in 2021 from its advertisers, it is expected that more than 90% of its revenues will be generated from its advertisers in 2022 and that at the end of the initial phase the percentage of revenues generated by advertisers will be in a range of approximately 60% of the Company's revenues.

Advertisers can generally terminate their contracts with the Group within a limited timeframe or at any time. Advertisers will not continue to do business with the Group if their investment in advertising with the Group does not generate sales leads, and ultimately customers, or if the Company does not deliver their advertisements in an appropriate and effective manner. If the Company is unable to remain competitive and provide value to advertisers, they may stop placing ads with it, which could have a significant adverse effect on the Group business, results, financial position and prospects.

Risks related to the structure of advertising arrangements.

In 2021, the Group, through the Company's wholly owned subsidiary Tatatu Hungary Kft. ("**Tatatu Hungary**"), entered into important commercial agreements with customers operating in the entertainment and advertising sectors, in line with the Group's business development strategy. Specifically, the transactions underlying these agreements are attributable to two contractual models.

(a) "Pure" advertising "Barter":

in this case, the advertising barter transactions provide for the exchange of advertising implemented through separate contracts which provide for the reciprocal obligation to provide advertising services. These contracts have led to the recognition of receivables and payables, which are extinguished when the parties declare that they wish to make use of the offsetting between the reciprocal balance sheet items.

(b) "Barter" equivalent:

in this case, the barter equivalent transactions involve the sale of advertising in exchange for the purchase of video rights. These contracts have led to the recognition of receivables and payables, which are extinguished when the parties declare that they wish to make use of the offsetting between the reciprocal balance sheet items.

The barter equivalent mechanism is the result of the combination of obligations arising from:

(i) the agreements for the sale of advertising spaces to anchor clients (disclosed in the information document in the paragraph "Significant Contracts"); and

(ii) the so called "multi-production put agreements" (see Section 8.4 "*Significant contracts*" below) whereby the Group grants the same anchor clients with an option to sell to the Group the rights to make available certain video contents on the platform,

the Company is obliged to made available to such anchor clients advertising spaces on the platform, while the same anchor clients may decide to sell to the Group certain video contents, with the possibility to off-set the respective consideration due.

On such basis, in particular in the initial phase, the Group acquires video contents and builds its library in exchange for the sale of advertising spaces on the App.

Revenues relating to the sale of advertising in "barter equivalent" transactions are recognized according to an accounting policy developed by the Company based on the IFRS15 standard. Specifically, revenue is recognized if the "barter" transaction meets the following conditions: (i) the contract was stipulated for advertising services rendered in the ordinary activities of the entity; (ii) the contract has commercial substance in accordance with the provisions of IFRS 15 paragraph 9.d.; (iii) the service to be transferred to the customer has been identified; (iv) the Company has obtained control of any non-monetary consideration; (v) the fair value of the service can be reliably estimated and corresponds to the fair value of the acquired right (level 3 in the fair value hierarchy).

In carrying out the analysis of the contracts, the Company, in compliance with the provisions of IFRS 15, considered the discipline of the combination of contracts, also for the application of the policy described above.

With reference to point (ii) above, the Group directors have assessed that the contract has commercial substance through the analysis of the sales of the advertising spaces planned for the following years, specifically, the cash flows deriving from the exploitation of the right.

The use of these contractual models and specifically of the "barter" clauses, together with the cash equivalent revenue recognition approach described above, could make the Company more vulnerable to liquidity shortages and more generally susceptible to being affected by lower than expected cash generation, which could have a significant adverse effect on the Company's business, results, financial position and prospects.

Risks related to advertising revenue being generated almost entirely from the foreign subsidiaries.

The large majority of the Group's advertising revenues are generated by Tatatu Hungary on the basis of the activities performed by the Hungarian subsidiary relying on a license agreement entered into on June 24, 2022. Tatatu Hungary is entitled to exercise exploitation rights all over the world other that in Italy.

This means that the advertising revenues generated by Tatatu Hungary flow back to the Company in the form of dividends being paid by Tatatu Hungary to the Company. There is a risk that (i) the timing for dividend payments is less flexible than it would be if revenues were generated directly by the Company, or (ii) the corporate rules in Hungary could change affecting the ability of the local company to pay dividends in line with the Business Plan.

Risks related to new technologies that could block ads, which would harm the business.

Technologies may be developed that can block the display of the Company's ads. Most of the Company's net revenues are derived from fees paid to it by advertisers in connection with the display of ads on web pages. As a result, ad-blocking technology could, in the future, adversely affect the level of such fees, which could have a significant adverse effect on the Company's business, results, financial position and prospects.

(c) Founder and key personnel

Risks related to the services of the founder Andrea Iervolino or the senior management team.

The success of the Company depends on certain key figures. In particular, the founder Andrea Iervolino has contributed and still contributes, together with the senior management team of the Company, in a very significant way to the Company's business. The interruption of the relationships with these figures, in particular with the founder Andrea Iervolino, could significantly disrupt the key client relationships of the Company and ultimately determine the loss of these clients and a diminished ability to define the Company's vision for the future and pursue its mission, which could have a significant adverse effect on the Company's business, results, financial position and prospects. In addition, although Andrea Iervolino spends significant time with the Group and is highly active in its management, he does not devote his exclusive time and attention to the Group. Andrea Iervolino also currently serves as Chairman and CEO of Ilbe S.p.A., a company listed on Euronext Growth Milan and Paris and which operates in the production of diversified contents for an international audience.

In addition, there are other key persons who, as a result of their individual skill sets or market profiles, play critical roles in the business of the Company. If any of these key persons interrupt their relationship with the Group, the Company may not be able to replace them on a timely basis with other professionals capable of making comparable contributions to its business, particularly in view of the intense competition for skilled professionals in the industry.

Risks related to the ability to retain and motivate key personnel or hire qualified personnel.

The future success of the Company will also depend on its continued ability to attract, retain and motivate highly qualified programming, technical, sales, customer support, financial and managerial personnel. Although the Company attempts to structure employee compensation packages in a manner consistent with the evolving standards of the markets in which it operates and to provide incentives to remain with it, it cannot be guaranteed that the Company will be able to retain its key employees. If any member of the senior management team or other key personnel should leave the Company, the ability to successfully operate the business and execute the business strategy could be impaired. The Company may also have to incur significant costs in identifying, hiring, training and retaining replacements for departing employees.

The competition for software engineers and qualified personnel who are familiar with the internet industry is intense. The Company may encounter difficulty in hiring and/or retaining highly talented software engineers to develop and maintain the services.

The occurrence of any of the events referred to above could have a significant adverse effect on the Company's business, results, financial position and prospects.

Risks related to the safety of the employees in the workplace.

The Company is subject to laws and regulations regarding environmental protection and safety in the workplace in relation to the operating procedures or carrying out its activities. The Company's management believes that, as of the date hereof, the activities are carried out in substantial compliance with existing environmental legislation and legislation on safety and health in the workplace, without any serious situations of non-compliance. However, it cannot be excluded that potential violations or a system of prevention, protection and management powers that is suitable for the Company's real need could result in significant administrative fines, of a monetary or inhibitory nature against the Company or penalties against the Company's directors.

In addition, it cannot be excluded that the individual risks referred to above might not be covered by the insurance policies currently in force or that the relevant coverage proves to be insufficient to cover damage that might concretely arise from time to time, thus exposing the Company to payment of a portion or the entire amount due in relation to the occurrence of the relevant event.

The occurrence of these circumstances could have a significant adverse effect on the Company's business, results, financial position and prospects.

(d) Acquisitions

Acquisitions could result in operating difficulties, dilution and other harmful consequences.

The Group intends to continue its future development by making potentially significant and targeted acquisitions. Although the Company expect to successfully complete the integration of newly acquired companies into its business, the Company may face unanticipated delays, costs or other difficulties in integrating the businesses that acquired more recently or that will acquire in the near future. Such circumstances might prevent us from fully realizing the expected industrial and commercial synergies from these transactions, which could in turn have a material adverse effect on the Company's business, financial condition or results of operations.

Plan to continue to make acquisitions, which could require significant management attention, disrupt the business, result in dilution to the Company's shareholders, and affect financial results.

The Company intend to continue to expand its activities through acquisitions, implementing this strategy will require (i) to identify target companies or partners having characteristics that correspond to the Company's requirements, (ii) to conclude acquisitions or collaborations agreements on satisfactory terms and (iii) to integrate any companies that the Company may acquire into the Group. As part of this growth strategy, the Group may encounter the following difficulties:

(a) failure to identify possible target companies or partners,

(b) possible delays in the completion of the transactions,

(c) unexpected costs and liabilities, or costs and liabilities larger than those identified during the acquisition's due diligence phase,

(d) management distraction or drains on the resources,

(e) the assumptions made in the business plans of acquired companies may prove incorrect, particularly in terms of synergies and performance,

(f) the departure of all or part of the teams of the acquired company; breach of any non-compete clauses binding them to the acquired company,

(g) in the case of the acquisition of a majority stake, the emergence of disagreements with minority shareholders, which could affect the decision-making process and the conduct of the company's business, or even result in disputes with minority shareholders,

(h) in case of acquisitions paid in exchange for Company's shares, dilution of the existing shareholders of the Company;

In general, the expected profits from future or completed acquisitions may not materialize on time and at expected levels, which could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Risks related to the acquisition of Mercato Metropolitano.

On May 13, 2022, Andrea Rasca, Mercato Metropolitano Ltd., a company incorporated under the laws of England and Wales, which operates in the food and beverage sectors as an active aggregator of food spaces that are leased out to third parties' businesses ("**Mercato Metropolitano**"), and WWMM Ltd. as majority shareholder of Mercato Metropolitano ("**WWMM**"), on one side, and the Company and IA Media S.A., on the other side, entered into a framework agreement (the "**Framework Agreement**") regulating the terms and conditions of (a) the direct and indirect investment by the Company into the share capital of Mercato Metropolitano and (b) the audio-visual content production activities to be carried out by the Company within the premises leased by Mercato Metropolitano and its subsidiaries.

In particular, in compliance with the provisions of the Framework Agreement, on May 13, 2022, the shareholders' meeting of the Company resolved upon a divisible capital increase, to be carried out in two separate tranches.

(i) A first *tranche* – for an aggregate amount equal to Euro 13,884,953.00, of which Euro 69,424.77 as par value and Euro 13,815,528.23 as share premium – which has been entirely offered, subscribed for and paid-up by Andrea Rasca by way of a contribution in kind of the entire share capital of WWMM, against the issuance of 6,942,477 ordinary shares of the Company representing 0.84% of its share capital.

By means of such contribution in kind, the Company acquired the full legal and beneficial ownership right and title over the entire corporate capital of WWMM and, indirectly, over a 63.094% stake in Mercato Metropolitano.

(ii) A second tranche – for an aggregate amount equal to Euro 2,755,182.00, of which Euro 13,775.91 as par value and Euro 2,741,406.09 as share premium – which has been entirely offered to Andrea Rasca and which is to be subscribed by way of a contribution in kind of an additional participation representing 11.906% of the share capital of Mercato Metropolitano, against the issuance of 1,377,591 ordinary shares of the Company representing 0.16% of its share capital.

As a result of all the activities provided under the Framework Agreement, the Company currently holds (i) directly, the entire share capital of WWMM and (ii) indirectly, a participation representing 63.094% of Mercato Metropolitano.

Pursuant to the Framework Agreement, (i) should the Company not be capable to carry out its "production activity" as referred above (the "**First Condition Subsequen**t") and/or (ii) should Andrea Rasca, by July 18, 2022 (the "**Long Stop Date**"), fail to contribute the participation representing 11.906% of the share capital of Mercato Metropolitano (the "**Second Condition Subsequent**"), the Framework Agreement shall automatically terminate and the parties shall be required to effect and consummate any action or transaction as to restore the *status quo ante* the closing (collectively, the "**Conditions Subsequent**").

On July 18, 2022, in accordance with the Framework Agreement, Andrea Rasca contributed to the Company his participation representing 11.906% of the share capital of Mercato Metropolitano. As a result of the completion of the second tranche, the Company now holds an aggregate participation in Mercato Metropolitano representing 75% of its share capital: 11.906% directly and 63.094% indirectly through the Company's participation in WWMM.

The Parties acknowledged and agreed that the Conditions Subsequent are each in the exclusive interest of the Company and can each be waived separately by the Company only and in its sole discretion by giving written notice to Andrea Rasca.

As the Second Condition Subsequent did not occur by the applicable Long Stop Date, the Framework Agreement would be subject to termination only to the extent that the First Condition Subsequent occurs, unless the Company waives such Condition Subsequent and decide to move forward nonetheless.

The aggregate consideration for the acquisition by the Company of the full ownership right and title over of the entire corporate capital of WWMM and, thus, indirectly over a 75% stake in Mercato Metropolitano is equal to GBP 14,550,000 (the "**Consideration**"), of which, (i) an aggregate amount equal to GBP 600,000 was paid in cash, and (ii) the residual amount was paid by offering for subscription the Company's newly issued shares in the context of the share capital increase approved on May 13, 2022. Such Consideration may be adjusted, in particular:

(i) if the initial price of each listed shares of the Company is not equal to Euro 2.00, the Consideration will be adjusted accordingly. Adjustment of the Consideration shall be made in kind only and as follows:

    (a) if the actual listing price is higher than Euro 2.00 per Share, Andrea Rasca shall transfer to the Company a number of shares of the Company so as to ensure that, following such transfer, the aggregate number of shares of the Company held by Andrea Rasca shall be equal to the number of shares of the Company which would have been allotted in the context of the capital increase to Andrea Rasca should the actual listing price be equal to Euro 2.00 per Share;

(b) if the actual listing price is lower than the Euro 2.00 per Share, IA Media shall procure that Andrea Rasca is granted with a number of shares of the Company so as to ensure that the aggregate number of shares of the Company held by Andrea Rasca shall be equal to the number of shares of the Company which would have been allotted in the context of the capital increase to Andrea Rasca should the actual listing price be equal to Euro 2.00 per Share;

(ii) within: 30 business days as of June 30, 2023 (which is the date on which the target due diligence review on Mercato Metropolitano group and WWMM has to be completed): if the net financial position of the Mercato Metropolitano group and WWMM results to be higher or lower than GBP 5,600,000 (notably in light of the outcome of the due diligence review), the Consideration shall be reduced or increased accordingly.

Any payment due by Andrea Rasca or the Company as adjustment to the Consideration will be made in kind by using Company's shares, by transferring to the Company or to Andrea Rasca (as the case may be) a number of Company's shares as to ensure that, following such transfer, the aggregate number of Company's shares held by Andrea Rasca is equal to the number of Company's shares which would have been offered to and subscribed for by Andrea Rasca in the context of the closing of the transaction, should the circumstances above not have occurred.

In the event that the Company owes any amount to Andrea Rasca as adjustment to the Consideration, the transfer of such number of shares could have a dilutive effect on all other shareholders of the Company corresponding to the effects of the adjustment on the share capital.

Furthermore, although the Company expects to successfully complete the integration of Mercato Metropolitano into the Company's business, the Company may face unanticipated delays, costs or other difficulties in integrating it, including, but not limited to, a resurgence of the COVID-19 pandemic and related restricted measures on the food and beverages sector. Such circumstances might prevent us from fully realizing the expected industrial and commercial synergies from this transaction, which could, in turn, have a material adverse effect on the Company's business, financial condition or results of operations. In particular, the Company has not finalized yet, as of the date of this Information Document, the due diligence works in respect of Mercato Metropolitano, which the Company has undertaken to complete before June 30, 2023 pursuant to the Framework Agreement. As a result of the due diligence, the Company may result identify significant liabilities, risks or areas of concerns in respect of Mercato Metropolitano which were unknown to the Company as of the date of this Information Document, which might in particular affect the value of Mercato Metropolitano and the ability to integrate it successfully, which could in turn have a material adverse effect on the Company's business, financial condition or results of operations.

Finally, the acquisition of Mercato Metropolitano constitutes a key step in the implementation of the Company's strategy to move away from being a "pure" digital company and integrating in offer elements relating to a physical/retail part. If the Company's activities at Mercato Metropolitano does not increase in line with the projections of its Business Plan, the Company may have to revisit its plans to continue to expend its activities through acquisitions, which, in turn, could affect the Company's growth and prospects with material adverse effect on the business, results of operations and financial condition.

Risks related to the expansion into international markets and inexperience in the operation of the business in certain geographical areas increases the risk that the international expansion efforts will not be successful.

The Company has only limited experience with global operations beyond the countries and territories where it is already active. Expansion into international markets requires management attention and resources. In addition, the Company faces the following additional risks associated with its international expansion:

(a) challenges caused by distance, language and cultural differences.

(b) longer payment cycles in some countries.

(c) credit risk and higher levels of payment fraud.

(d) legal and regulatory restrictions.

(e) currency exchange rate fluctuations.

(f) foreign exchange controls that might prevent us from repatriating cash earned in countries outside the U.S.

(g) political and economic instability and export restrictions.

(h) potentially adverse tax consequences.

(i) higher costs associated with doing business internationally.

As the Company moves forward internally along the lines set forth in the Business Plan, these risks could harm expansion efforts, which could in turn have a significant adverse effect on the business, results, financial position and prospects.

(e) Intellectual property and technology

Risks related to the Company's inability to protect its intellectual property rights.

All of other intellectual property rights, including trademarks, are important assets for the Company. There are events that are outside of the Company's control that pose a threat to its intellectual property rights. For example, effective intellectual property protection may not be available in every country in which the Company's products and services are distributed or made available through the Internet. Also, the efforts the Company has taken to protect the Company's proprietary rights may not be sufficient or effective. Any significant impairment of the Company's intellectual property rights could harm its business or its ability to compete. Also, protecting the intellectual property rights is costly and time consuming. Any increase in the unauthorized use of the intellectual property could make it more expensive to do business, which could have a significant adverse effect on the Company's business, results, financial position and prospects.

The Company also seeks to maintain certain intellectual property as trade secrets. The secrecy could be compromised by third parties, or intentionally or accidentally by the Company's employees, which would cause us to lose the competitive advantage resulting from these trade secrets.

Risks that the Company could, and may in the future be, subject to intellectual property rights claims.

Companies in the Internet, technology and media industries frequently enter into litigation based on allegations of infringement or other violations of intellectual property rights. As the Company expects to face increasing competition, the possibility of intellectual property rights claims against the Company grows. The Company's technologies may not be able to withstand any third-party claims or rights against their use. Any intellectual property claims, with or without merit, could be time-consuming, expensive to litigate or settle and could divert management resources and attention.

With respect to any intellectual property rights claim, the Company may have to pay damages or stop using technology found to be in violation of a third party's rights. The Company may have to seek a license for the technology, which may not be available on reasonable terms and may significantly increase Company's operating expenses. The technology also may not be available for license to the Company at all. As a result, the Company may also be required to develop alternative non-infringing technology, which could require significant effort and expense. If the Company cannot license or develop technology for the infringing aspects of its business, may be forced to limit the product and service offerings and may be unable to compete effectively. Any of these results could have a significant adverse effect on the Company's business, reputation, results, financial position and prospects.

In the future the Company may be subject to intellectual property rights claims, which are costly to defend and could require it to pay damages and could limit the ability to use certain technologies in the future.

Risks related to the Company's license agreement with the wholly owned subsidiary Tatatu Hungary.

On June 24, 2022 the Company, as licensor, and Tatatu Hungary, as licensee, entered into an intra-group license agreement whereby the Company granted Tatatu Hungary with the right to use – on a non-exclusive basis – the software for the management of the platform all over the world. The duration of the agreement is from 1 January 2022 to 31 December 2022, with the provision of a yearly automatic renewal. Tatatu Hungary agreed not sub-license the agreement nor the obligations and the rights arising thereof without prior written consent of the Company. Tatatu Hungary expressly agrees to limit the platform in Italy exclusively as a social media platform, thus excluding video on demand and e-commerce reducing the opportunities to develop a fully integrated approach also in Italy.

As for any transactions with related parties, also in connection with license agreement with Tatatu Hungary, the interests of the related party and its shareholders may not align with the interests of the shareholders. As a result, the Company cannot exclude that it may have to achieve more favorable terms if such transactions had not been entered into with related parties and these transactions, individually or in the aggregate, may have an adverse effect on the Company's business and results of operations or may result in litigation.

In addition, laws and regulations, including tax laws and regulations, also in Hungary are constantly evolving and can be subject to significant change. The application and interpretation of these laws and regulations are often uncertain, particularly in the new and rapidly evolving industry in which the Company operates. New laws and regulations could be costly to comply with, could increase the Company's operating costs, require significant management time and attention, and subject the Company to claims or other remedies, including fines or demands that the Company modifies or ceases existing business practices, which, in turn, could affect the Company's growth and prospects with material adverse effect on its business, results of operations and financial condition.

Risks related to IT system failures, cyberattacks and security breaches.

The Company's systems are vulnerable to damage or interruption from earthquakes, terrorist attacks, floods, fires, power loss, telecommunications failures, computer viruses, computer denial of service attacks or other attempts to harm the system, and similar events. The Company's data centers are also subject to break-ins, sabotage and intentional acts of vandalism, and to potential disruptions if the operators of these facilities have financial difficulties. Some of the Company's systems are not fully redundant, and the Company's disaster recovery planning cannot account for all eventualities. The occurrence of a natural disaster, a decision to close a facility the Company is using without adequate notice for financial reasons or other unanticipated problems at the data centers could result in lengthy interruptions in the Company's service. Any damage to or failure of systems could result in interruptions in service. Interruptions in Company's service could reduce revenues and profits, and the Company's brand could be damaged if people believe the system is unreliable.

The Company may experience system failures in the future. Any unscheduled interruption in service puts a burden on the entire organization and would result in an immediate loss of revenue. If the Company experience frequent or persistent system failures on the App, the reputation of the Company and brand could be permanently harmed. The occurrence of any of these events could have a significant adverse effect on the Company's business, reputation, results, financial position and prospects.

Risks related to the fact that the Company depends on Amazon Web Services.

The Company depends on Amazon Web Services ("**AWS**") for the vast majority of its compute, storage, data transfer and other services. Any disruption of, degradation in or interference with the use of Amazon Web Services could negatively affect the Company's operations and harm its business, revenue and financial results.

The Company uses AWS default ACL (Network Access Control Lists) to configure network inbound and outbound rules. For storage, the Company uses Amazon EBS volume, which is a durable, block-level storage device, and EBS volumes are primary storage for all the Company's data. The wallet database is protected with security groups. Internal communication is also protected by being enabled and only from specific predefined internal IP addresses within the environment.

Personal data are stored exclusively in digital form. One part of the data is encrypted at rest. The information is stored on AWS.

In addition, any transition of the cloud services currently provided by AWS to another cloud services provider would be difficult to implement and would cause to incur significant time and expense and could disrupt or degrade the Company's ability to deliver its products and services. The Company's business relies on the availability of the services for the users and advertisers. If users or advertisers are not able to access the Company's service or App or encounter difficulties in doing so, the Company may lose users or advertisers. The level of service provided by AWS could affect the availability or speed of the services, which may also impact the usage of and users' and advertisers' satisfaction with the App and could harm the Company's business and reputation. If AWS increases pricing terms, terminates or seeks to terminate the Company's contractual relationship, establishes more favorable relationships with its competitors, or changes or interprets its terms of service or policies in a manner that is unfavorable with respect to the Company, those actions could harm the business, revenue, financial results and prospects.

5.2 Legal, regulatory and tax risks

Risks related to the laws and regulations of sectors in which the Company operates.

The Company is subject to numerous laws and regulations that involve matters central to the business, including user privacy, rights of publicity, data protection, content, intellectual property, distribution, electronic contracts and other communications, competition, child protection, consumer protection, taxation, and online payment services. These laws and regulations are constantly evolving and can be subject to significant change. In addition, the application and interpretation of these laws and regulations are often uncertain, particularly in the new and rapidly evolving industry in which the Company operates. Existing and proposed laws and regulations can be costly to comply with and can delay or impede the development of new products, result in negative publicity, increase the Company's operating costs, require significant management time and attention, and subject the Company to claims or other remedies, including fines or demands that the Company modifies or ceases existing business practices.

Risks that the ability to offer products and services is affected by a variety of laws.

The Company is and will be subject to a variety of foreign laws and regulations in a multitude of countries, including, but not limited to, Hungary, Serbia, the UK and some of its other target countries (Canada, France, Germany, Spain and the United States). The application to the Company of existing foreign laws regulating or requiring licenses for certain businesses of its advertisers, can be unclear. Existing or new foreign legislation could expose the Company to substantial liability, restrict its ability to deliver services to its users, limit its ability to grow and cause us to incur significant expenses in order to comply with such foreign laws and regulations. Compliance with these foreign laws and regulations is complex and may impose significant additional costs on the Company, which could have a significant adverse effect on the Company's business, results, financial position and prospects.

Risks related to Tatatu Coins.

Coins that present features similar to those of the Tatatu Coins could theoretically be viewed from a legal standpoint as a virtual currency, a reward contest (*concorso a premi*) or as a discount.

The Company's management devoted a significant amount of time researching this issue and hired consultants with specific technical and legal experience in this area and the Company believes that the Tatatu Coins constitute a discount and this is the approach that the Company has taken also from an accounting perspective. The Company also notes that the value of each Tatatu Coin corresponding to 0.25 USD is used exclusively as an identification standard and cannot be used in way to request a conversion of the Tatatu Coins into any legal tender by users. Tatatu Coins can only be used to participate in auctions, e-commerce or in the Company's physical stores.

In 2022, the Company submitted a formal query to the Italian Ministry of Economic Development (*Ministero dello Sviluppo Economico*) and received a response on March 4, 2022, from the DGMCTCNT – Divisione X – Manifestazione a Premio, indicating that the Tatatu Coins do not constitute a reward contest (*concorso a premi*) provided that:

(a) the granting of the Tatatu Coins does not require any prior purchase of goods or services and

(b) the Tatatu Coins are granted to all participants in the same way without there being any random or discretionary element (judgements on the production of comments, pictures, videos, other contents and/or actions, draw by lot, etc.).

The Company has instructed counsel to submit a request to the Agenzia delle Entrate to obtain a ruling on the tax regime. The Company is confident that the Agenzia delle Entrate will confirm that the Tatatu Coins are to be treated as a discount also from a tax perspective, however, there is no guarantee that this will be the actual outcome. To the extent that the outcome is not in line with the Company's expectations, it is possible, in particular, that VAT is not deductible, which would make tax burden less efficient and not in line with the expectations of the Company's Business Plan. In turn, the non-deductibility of VAT could affect the Company's growth and prospects with material adverse effect on its business, results of operations and financial condition.

In general the Company is confident that the qualification of the Tatatu Coins as discount is correct, however, the Company cannot guarantee that authorities in Italy could come to a different conclusion or that the legal framework could change in the future.

Risks related to the position of the Company's founder within ILBE

Ilbe S.p.A. (formerly Iervolino Entertainment S.p.A.) ("**ILBE**") is a global production company founded in 2011 by Andrea Iervolino, the Company's founder and main shareholder through IA Media, and Lady Monika Bacardi, whose activities are focused on producing contents for movies and television. ILBE operates in the production of diversified contents for an international audience, including the animated series "*Arctic Friends*" and "*Puffins*". The rights to make available digital copies of the episodes of both such animated series on the Company's platform are granted by Worldwide Production Services LLC ("**WWPS**"), by virtue of several agreements (see Section 8.4 "*Significant contracts*" below). ILBE's shares are listed on Euronext Growth Milan and Paris.

As of the date of this Information Document, IA Media held 57.66% of the voting rights in ILBE (taking into account its multiple voting right shares) and 96.65% of the share capital of the Company. Following the trading date, IA Media will continue to hold 96.65% of the share capital of the Company. The founder Andrea Iervolino is the ultimate beneficial owner of IA Media.

ILBE, on the basis of the current structure of its group and of the services provided, qualifies as an "independent producer" (*produttore indipendente*) pursuant to Article 2, paragraph 2, letter p), of Italian Legislative Decree No. 177/2005 (Testo Unico dei Servizi di Media Audiovisivi e Radiofonici). Independent producers benefit from a tax credit (*credito d'imposta*) pursuant to Article 15 of Italian law No. 220/2016 and the implementing decree of the Ministry of Cultural Heritage and Activities of March 15, 2018.

To the extent that ILBE no longer fulfils all the requirements to qualify as an "independent producer" the relevant tax credit, which is in a range between 15% and 40% of the cost of production, would not be applicable with adverse effects on the business and results of operations of ILBE.

The "independent producer" status could be jeopardized if the Company started distributing video contents within the territory of the Republic of Italy. On such basis, a decision was made to exclude Italy from the countries in which the Company currently distributes video through the App, which in Italy is limited to the social network and e-commerce features.

In the decision to exclude video distribution in Italy, the interests of the Company's principal shareholder may not be aligned to the interests of other shareholders in the Company. For as long as such exclusion will stay in place and continue to apply, the Company will see a decrease in terms of opportunities to grow in the Italian market. The effects of such choice are already taken into account and reflected in the Company's Business Plan, however, it cannot be excluded that it could affect the prospects for growth.

Risks related to the fact that the interests of the Company's principal shareholder may not be aligned to the interests of other shareholders.

As of the date of this Information Document, IA Media held 96.65% of the share capital of the Company. Following the trading date, IA Media will continue to hold 96.65% of the share capital of the Company.

Therefore, IA Media will be entitled to exercise voting rights that are sufficient to cause approval at the Company's ordinary meeting of shareholders of any resolution within its competence (including resolutions on distribution of dividends) and to appoint the majority of members of the board of directors and the board of statutory auditors.

In addition, IA Media will be able to object to the approval of any resolution within the competence of the Company's extraordinary meeting of shareholders (such as resolutions regarding amendments to the share capital or the by-laws and certain important transactions, such as capital increases or mergers), and, in the absence of a broad participation of other Company's shareholders in these extraordinary meetings, it will be entitled to voting rights that are sufficient to approve such resolutions.

The policy to be adopted by IA Media and the actions carried out by IA Media may not be aligned with the interest of the Company's other shareholders.

In addition, the presence of a concentrated ownership structure and of a majority shareholder may impede, delay or discourage a change in control of the Company, which, in turn, may negatively impact the market price of the shares.

Risks related to the Company's exposure to greater than anticipated tax liabilities.

The Company's income tax obligations is based on corporate operating structure and intercompany arrangements, including the manner in which the Company develops, value, and use the Company's intellectual property and the valuations of the Company's intercompany transactions. The tax laws applicable to the Company's business activities, including the laws of Italy, Hungary and other jurisdictions, are subject to interpretation. The taxing authorities of the jurisdictions in which the Company operates may challenge the methodologies for valuing developed technology or intercompany arrangements, which could increase the Company's worldwide effective tax rate and harm its financial position, results of operations and prospects.

The Company is subject to regular review and audit by tax authorities of various jurisdictions in which the Company operates. Any adverse outcome of such a review or audit could have a negative effect on the Company's financial position and results of operations. In addition, the determination of the Company's provision for income taxes and other tax liabilities requires significant judgment by management, and there are many transactions where the ultimate tax determination is uncertain. Although the Company believes that the estimates are reasonable, the ultimate tax outcome may differ from the amounts recorded in the Company's financial statements and may materially affect the financial results in the period or periods for which such determination is made, which could have a significant adverse effect on the Company's business, results, financial position and prospects.

Risks related to the collection, storage and processing of personal data (GDPR).

The Company collects, store and process confidential and personal data regarding Company's users, including names and billing data. Its proprietary information and data is maintained on the own systems as well as the systems of third-party service providers.

On April 14, 2016, the EU General Data Protection Regulation 2016/679 ("**GDPR**") was adopted to set a comment personal data regulatory framework or all Member States of the European Union. The Company has adopted internal procedures and measures to regulate access to and processing of data by the Company in full compliance with GDPR and with the requirements of applicable laws in other jurisdictions in which the Company operates. GDPR provides for financial sanctions in the event of breach of these provisions for up to €20 million, or 4% of the Group's global revenue.

However, similarly to other companies, the Company's information technology systems face the threat of cyber-attacks, such as security breaches, phishing scams, malware and denial-of-service attacks. The Company's systems or the systems of its third-party service providers could experience unauthorized intrusions or inadvertent data breaches, which could result in the exposure or destruction of the Company's proprietary information and/or users' data.

Because techniques used to obtain unauthorized access to systems or sabotage systems change frequently and may not be known until launched against the Company or the Company's service providers, the latters and the Company may be unable to anticipate these attacks or implement adequate preventative measures. In addition, any party who is able to illicitly obtain identification and password credentials could potentially gain unauthorized access to the Company's systems or the systems of its third-party service providers. If any such event occurs, the Company may have to spend significant capital and other resources to notify affected individuals, regulators and others as required under applicable law, mitigate the impact of the event and develop and implement protections to prevent future events of that nature from occurring, which could have a significant adverse effect on the Company's business, results, financial position and prospects. From time to time, employees make mistakes with respect to security policies that are not always immediately detected by compliance policies and procedures. These can include errors in software implementation or a failure to follow protocols and patch systems. Employee errors, even if promptly discovered and remediated, may disrupt operations or result in unauthorized disclosure of confidential information.

If a data security incident occurs, or is perceived to occur, the Company may be the subject of negative publicity and the perception of the effectiveness of the Company's security measures and Company's reputation may be harmed, which could damage the Company's relationships and result in the loss of existing or potential users and adversely affect its results of operations, financial condition and prospects. In addition, even if there is no compromise of member information, the Company could incur significant regulatory fines, be the subject of litigation or face other claims. In addition, the Company insurance coverage may not be sufficient in type or amount to cover it against claims related to security breaches, cyber-attacks and other related data and system incidents, which could have a significant adverse effect on the Company's business, results, financial position and prospects.

Risks related to relationships with related parties.

The Company has entered into a number of transactions with related parties. The Company's financial and economic transactions with related parties from 1 January 2021 to 31 December 2021 are set out below. It is specified that the payable to ILBE, resulting from the transfer made in December 2020 by IA Media of assets and liabilities has not had any changes. The related payment is expected to be made in 2023.

Company name	**Trade payables**	**Revenues**	**Costs**
	€/000	**€/000**	**€/000**
Ilbe S.p.A.	1,721	-	-
Arte Video S.r.l.	20	-	33
R.E.D. Carpet	2	-	1
Lab 81 .2 S.r.l.	6	-	38
Ambi Media Italia S.r.l.	-	61	-
Total transactions	**1,749**	**61**	**72**
Total amount in the consolidated financial statements	25,340	47,196	46,365
In percentage on consolidated financial statements	6.90%	0.13%	0.15%

In addition, ILBE is the producer of the animated series "*Arctic Friends*" and "*Puffins*". However, the rights to make available digital copies of the episodes of both such animated series on the Company's platform are granted to the Company by a party unrelated to the Company, WWPS, by virtue of several agreements (see Section 8.4 "*Significant contracts*" below) entered into with the Company in the ordinary course of business. WWPS holds, at its turn, the rights to distribute such series by virtue of certain distribution agreements entered into with ILBE.

Transactions with related parties present potential for conflicts of interest, as the interests of the related party and its shareholders may not align with the interests of the Company's shareholders. As a result, the Company may have achieved more favorable terms if such transactions had not been entered into with related parties and these transactions, individually or in the aggregate, may have an adverse effect on the Company's business and results of operations or may result in litigation.

Risks related to the lack of implementation of the organizational, management and control model pursuant to Italian Legislative Decree No. 231/2001.

Italian legislative decree No. 231 of June 8, 2001 ("**Italian Legislative Decree No. 231/2001**") provides for the responsibility of entities (including legal entities such as joint stock companies and also associations without legal personality) for administrative violations related to the commission of a crime, unless the entity has implemented a suitable organizational and management model to prevent the occurrence of such crimes. Insider trading and market manipulation are included among those crimes that determine the responsibility of the relevant entities, as well as crimes relating to corruption.

The Company has not yet approved the organization model under Italian Legislative Decree No. 231/2001. Therefore, in case of violations committed by the Company's employees in the performance of administrative, management and control activities, the Company could be held responsible for administrative violations and exposed to the risk of fines set forth by Italian Legislative Decree No. 231/2001. This could have a material adverse effect on the Company's business, results, financial position and prospects.

Risks related to fraud

The Company is exposed to risks of fraudulent activities, such as in particular: fraudulent users (e.g. fake user profiles), payment frauds and fraudulent clicks on Company's ads.

The Company regularly monitors activities, however, since techniques used to commit frauds change frequently and may not be known until launched against the Company, it may be unable to anticipate these fraudulent activities or implement adequate preventative measures. If the Company fails to detect and prevent these frauds, it could lose the confidence of its users and advertisers and harm the Company's reputation and image, thereby causing the Company's business to suffer. This would negatively affect profitability, and these types of fraudulent activities could hurt brand and potentially lead the Company to miscalculate average value per client ("AVC"), which is a key indicator for the Company's management This could have a significant adverse effect on the Company's business, results, financial position and prospects.

Risks related to future litigation and investigations

The Company may in the future become involved in private actions, class actions, investigations and various other legal proceedings, including from users, employees, commercial partners, third-party license holders, competitors and government agencies, among others. With respect to employees, the Company faces and could in the future face a wide variety of claims, including discrimination, sexual harassment, privacy, labor and employment and disability claims. Often these cases raise complex factual and legal issues, and the result of any such litigation, investigations and legal proceedings are inherently unpredictable.

Claims against the Company, whether meritorious or not, could require significant amounts of management time and corporate resources to defend, could result in significant media coverage and negative publicity, and could be harmful to the Company's reputation and its brand. The Company could be ordered to be pay damages or be forced to change the way in which the Company operates the business, which could have an adverse effect on the Company's business, financial condition, results of operations, cash flows and prospects.

Risks related to ethical violations and corruption

The Company ensures the prevention of ethical violations and corruption at all levels through oversight and systems. There have been no criminal judgements finding the Group employees guilty of crimes of corruption. To prevent unlawful actions at all levels of the Company, it offers training courses to everyone who starts work at the company with the objective of raising awareness and spreading the rules of conduct and established procedures.

However, the Company cannot rule out the possibility that the measures it has adopted to address risks associated with the activities relating to ethical violations and corruption may prove to be inadequate for confronting all possible types of risks, and that one or more of such risks may materialize in the future. The possible occurrence of one or more of these risks may have an adverse effect on the Company's business and results of operations or may result in litigation.

Risks related to the priority declarations, assessments and internal processing.

In the Information Document the Company includes certain priority declarations, as well as valuations and assessments on the size and characteristics of the market in which operates and its competitive positioning. Such valuations and assessments have been made by the Company's management on the basis of data available (the sources of which are indicated from time to time in the Information Document), but, due to the lack of certain and consistent data, they present a degree of subjectivity and an inevitable margin of uncertainty.

It is therefore not possible to predict whether the Company's assessments, valuations or priority declarations will be confirmed. The trends of the sector in which the Company operates could be different from its expectations as a result of unknown risks, uncertainties or other factors, which may not be specifically included in the Information Document.

5.3 Risks related to the sector in which the Company operates

Risks related to the fact that the Company's business is highly competitive.

Although the Company considers itself "trailblazers" in the sharing and circular economy market and first comers in this area, the social networks market in which it operates is highly competitive. Competition in the social networks market is mainly based on the extent of a brand and the extent to which it is recognizable, the ability to perceive new trends and to respond promptly to the changing expectations of users, the quality of the products and services and skills in marketing and promoting the brand.

In the near future, new brands or brands currently placed in other segments may position themselves in the social networks market with an approach to the sharing and circular economy similar to the Company, thereby becoming direct competitors of it.

The Company's inability, following an increase in the number of direct competitors, to enhance the competitive strength in the market could have a material adverse effect on the Company's business, financial condition, results of operation and prospects.

Risks related to the macroeconomic framework.

The global spread of the COVID-19 pandemic, in addition to causing significant macroeconomic uncertainty, with severe repercussions on the economize and financial markets of many countries, is leading towards a global recession, the effects and range of which, the timing of the recovery and stabilization of international markets cannot be easily predictable. It is possible that the continuing or resurgence of the current pandemic, as well as a more general macroeconomic slowdown, could adversely affect the dynamics of the markets where the Company operates.

On the geopolitical front, the current conflict between Ukraine and Russia, which resulted in the Russian invasion of the Ukrainian territory, has created significant uncertainties and tensions at international level and, in particular, within the European continent.

Although the evolution and impact of intensification of war hostilities are still uncertain and difficult to assess, ongoing political tensions and international economic sanctions could have significant negative repercussions on the global, international and European economy and on the performance of financial markets and on the markets for raw materials (with particular reference to the energy sector and the prices and availability of electricity and gas).

In this respect, several international organizations recently revised downward GDP growth estimates on a global scale for 2022. In general, an extended period of economic crisis or the occurrence of other factors could have adversely affect the Company's business, financial condition, results of operation and prospects.

The Company is generally confident that neither COVID-19, nor the hostilities between Ukraine and Russia or the long-term implications of the United Kingdom leaving the European Union have affected its business, strategy or prospects.

However, in view of the uncertainties on timing and effects of the crises linked to both the COVID-19 pandemic and the Russian-Ukrainian conflict, it cannot be excluded that, in the event duration and/or effects of such crises are more significant than estimated on the basis of information available, such events may have an impact on the Company's business, financial condition, results of operation and prospects.

Risks related to the countries in which the Company operates.

The Company derives almost the entirety of its revenues from a limited number of countries: Canada, France, Germany, Italy, Spain, the United Kingdom and the United States. Although the Company is implementing a diversification strategy and its Business Plan is focused on the international expansion and increasing revenues originated internationally, in case of a downturn of economic and/or political conditions in the target countries, this could have a material adverse effect on the Company's business, financial condition, results of operation and prospects.

5.4 Risks factors related to the financial instruments and the market

Risks related to trading on a multilateral trading facility, liquidity of the markets and the potential volatility.

Company's shares will not be listed on a regulated market and although they will be traded on "Euronext Growth Paris, Private Placement Segment", it is not possible to rule out that an active market for the shares might not develop or be maintained, which may therefore result in common and generalized liquidity problems, regardless of the performance, since sale offers many not be met with adequate and timely buy offers and may be subject to potentially significant price fluctuations.

The share price of the Shares on the date of admission for trading on Euronext Growth is Euro 2.00, and equals to the subscription price of the Private Placement (as defined below in Section II of this Information Document). Such price was determined based on a variety of factors, including a valuation report prepared at the Company's request by a consulting firm of international reputation, and result from contractual negotiation between the parties of the Private Placement; it is not an indication of the market price of the Shares following their admission to trading on Euronext Growth, which may vary substantially from such price.

More generally, after the admission to listing the share market price of the Shares could be volatile and may fluctuate considerably depending on a series of factors and events, some of which fall beyond the Company's control and may, therefore, not reflect the Company's results of operations or be lower than the share price of the Shares on the date of admission for trading on Euronext Growth.

An investment in financial instruments traded on a multilateral trading facility entails greater risks than an investment in financial instruments listed on a regulated market.

With reference to the specific characteristics of Euronext Growth Paris, it should be noted that: (i) on the date of the Information Document, only a very limited number of Italian companies have been admitted to trading on such market; (ii) the provisions of the French legislation on public tender offers applicable to companies that are admitted to listing on Euronext Growth Paris are in certain respects less protective of minority shareholders' interests than those applicable to companies admitted on the regulated market of Euronext Paris (for instance the threshold triggering a mandatory tender offer is set at 50% for companies listed on Euronext Growth Paris, compared to 30% for the regulated market of Euronext Paris); (iii) pursuant to the Euronext Growth Regulation, Euronext Paris S.A. may order the revocation of the financial instruments from trading in certain events or the Company may resolve upon the delisting of the Company's shares, which could therefore make the divestment from the Company's financial instruments more difficult.

Risks related to the non-contendibility of the Company.

As at the date of the Information Document, the Company is controlled by IA Media, which holds 96.65% of its share capital. Therefore, given that IA Media is entitled to exercise legal control over the Company, it could have a determining role in adopting resolutions at shareholders' meetings, such as, for example, the approval of annual financial statements, the distribution of dividends, the appointment and removal of the administrative body and the supervisory body, changes to the share capital and amendments to the by-laws.

Risks related to future sales or transfers of the Company's shares

IA Media, Andrea Rasca, Nicolas Allieta, Giorgio Paglioni, Patrizia Conte and Julio Bruno Castellanos will hold respectively 96.65%, 1.00%, 0.98%, 0.49%, 0.25% and 0.02% of the share capital of the Company following the Private Placement. In particular, subject to certain exceptions (for further information on such exceptions, see Section II (*Listing*) Chapter 3.4 (*Transferability of Shares*) below), IA Media agreed to lock-up its shareholding in the Company for a 2-year period from the Listing Date, while each of Andrea Rasca, Nicolas Allieta, Giorgio Paglioni, Patrizia Conte and Julio Bruno Castellanos agreed to lock-up their respective shareholding in the Company for a 3-year period from the Listing Date. If they decide to sell or transfer, directly or indirectly, all or part of their shareholding on the market at the expiration of their respective lock-up periods, or before the expiration of the lock-up periods if such lock-up undertaking is waived in accordance with its terms, or if such a sale or transfer is perceived as imminent or probable, the market price of the Shares may be significantly and negatively affected.

In addition, the shareholders of the Company other than the ones listed above, representing 0.61% of the share capital as of the date of this Information Document, will not be subject to any lock-up undertaking and could therefore decide to sell or transfer, directly or indirectly, all or part of their shareholding on the market at any time after the Listing. Should such sale or transfer occur or perceived as imminent or probable, the market price of the Shares may be significantly and negatively affected.

Risks related to uncertainty regarding profits generation and the distribution of dividends.

The amount of dividends that the Company will be able to distribute in the future will depend, among other things, on the actual revenues generated, as well as, in general, on the economic results, financial situation, cash flow, needs in terms of working capital, capital expenditure and other factors.

The Company does not expect to distribute dividends at least until completion of the initial phase of the strategy in 2025.

6 Information about the Company and the Group

6.1 History and development

(a) Company's name

The Company's legal name is "Tatatu S.p.A."

(b) Company's business register and registration number

The Company is registered with the business register (*Registro delle Imprese*) of the Chamber of Commerce of Rome (*Camera di Commercio Industria Artigianato e Agricoltura di Roma*) under number 15653581007.

(c) Company's date of incorporation

The Company was incorporated, as a limited liability company (*società a responsabilità limitata*) on February 20, 2020.

(d) Headquarters

The Company's registered office is located at Via Barberini no. 29, 00187 – Rome, Italy. The Company has operational offices in:

(i) Rome, where the Company's headquarters is located;

(ii) Milan, where advertising and marketing activities are operated through a dedicated team;

(iii) Belgrade (Serbia), through a local branch which manages the technical/technological part of the App, including developers who are physically located in Serbia;

(iv) London (United Kingdom), where commercial relationships are primarily managed.

(e) History of the Group

On February 20, 2020, the Company was incorporated – under Italian law as a limited liability company (*società a responsabilità limitata*) named "Tatatu S.r.l.", with an initial issued capital of Euro 10,000.00 (ten thousand/00) – by its sole shareholder, IA Media S.A., the holding company wholly owned by Andrea Iervolino.

On December 22, 2020, the shareholders' meeting of the Company, notarized in Rome by Italian notary public Sandra De Franchis (rep. no. 14729 folder no. 7216), resolved upon, *inter alia*:

(i) a first capital increase of Euro 8,000,000.00, without any share premium – which was entirely offered to, subscribed for and paid-in in kind by the sole shareholder, IA Media S.A.; and

(ii) the transformation (*trasformazione*) of the Company into a joint-stock company (*società per azioni*) under Italian law named “Tatatu S.p.A.”.

In the same context, IA Media S.A., executed the capital increase in full by contributing to the share capital of the Company certain assets necessary for the course of business of the Company and to implement the business plan, including the functional elements of the App (as defined below) and the commercial debt assumed by IA Media S.A. (as borrower) towards ILBE (as lender). The value of the assets contributed was certified by sworn appraisal – in accordance with Article 2465 of the Italian Civil Code – by the accounting firm Ria Grand Thornton S.p.A. notarized on December 14, 2020.

On September 28, 2021, the shareholders’ meeting of the Company, notarized in Rome, by Italian notary public Sandra De Franchis (rep. no. 16649 folder no. 8104), resolved upon a second capital increase for an aggregate amount of Euro 300,000.00 (of which Euro 3,004.00 as par value and Euro 296,996.00 as share premium), which was entirely offered – following IA Media S.A.’s waiver to its pre-emptive rights – subscribed for and paid-in cash by Lumama Investments Ltd., a company incorporated under the laws of Ontario (Canada).

On January 31, 2022, the shareholders’ meeting of the Company, notarized in Rome by Italian notary public Sandra De Franchis (rep. no. 17531 folder no. 8547), resolved upon a third capital increase for an aggregate amount of Euro 1,800,000.00, which was entirely offered – following IA Media S.A.’s waiver to its pre-emptive rights – subscribed for and paid-up in cash by, respectively:

(a) Siempre Benedetta, LLC, a company incorporated under the laws of Florida (USA) for an aggregate amount equal to Euro 1,600,000.00, of which Euro 16,020.00 as par value and Euro 1,583,980.00 as share premium; and

(b) Lighea 2018 S.r.l., a company incorporated under Italian law for an aggregate amount equal to Euro 200,000.00, of which Euro 2,002.50 as par value and Euro 197,997.50 as share premium.

On April 26, 2022, the shareholders’ meeting of the Company, notarized in Rome by Italian notary public Sandra De Franchis (rep. no. 18105 folder no. 8829), resolved upon a further capital increase for an aggregate amount of Euro 514,995.00 (of which Euro 5,156.40 as par value and Euro 509,838.60 as share premium), which was entirely offered – following the shareholders’ waiver to their pre-emptive rights – subscribed for and paid-up in cash by, respectively:

(i) Leo Darrin Jones, a Canadian citizen, for an aggregate amount equal to Euro 150,000.00, of which Euro 1,501.88 as par value and Euro 148,498.12 as share premium;

(ii) Mamita Publishing, LLC, a company incorporated under the laws of Florida (USA) for an aggregate amount equal to Euro 137,495.00, of which Euro 1,376.67 as par value and Euro 136,118.33 as share premium;

(iii) Bros Club Production Inc., a company incorporated under the laws of California

(USA) for an aggregate amount equal to Euro 136,500.00, of which Euro 1,366.71 as par value and Euro 135,133.29 as share premium;

(iv) 6561373 Canada Incorporated, a company incorporated under the laws of Canada for an aggregate amount equal to Euro 91,000.00, of which Euro 911.14 as par value and Euro 90,088.86 as share premium.

On May 13, 2022 – in the context of the closing of the acquisition of Mercato Metropolitano Ltd. – the shareholders' meeting of the Company, notarized in Rome by Italian notary public Sandra De Franchis (rep. no. 18270 folder no. 8892), resolved upon a further capital increase for an aggregate amount of Euro 16,640,135.00 (of which Euro 83,200.68 as par value and Euro 16,556,934.32 as share premium), which was entirely offered to Andrea Rasca and the main terms and conditions of which are summarized under Sections 6.2 and 8.4 below.

On June 16, 2022 – according to the terms and conditions provided for under three separate assignment and assumption agreements entered by and between IA Media and, respectively, Nicola Allietta, Giorgio Paglioni and Patrizia Conte, on September 15, 2021 – IA Media transferred:

(i) no. 8,000,000 Shares of the Company in favor of Nicola Allieta;

(ii) no. 4,000,000 Shares of the Company in favor of Giorgio Paglioni; and

(iii) no. 2,000,000 Shares of the Company in favor of Patrizia Conte,

as consideration for the activities carried out by these individuals in the past in the interest of Tatatu International Ltd. (a now dissolved Nevis corporation, which was a subsidiary of IA Media).

On July 27, 2022, the shareholders' meeting of the Company, notarized in Rome by Italian notary public Sandra De Franchis (rep. no. 18803 folder no. 9150), resolved upon a further capital increase for an aggregate amount of Euro 653,748.75 (of which Euro 3,268.74 as par value and Euro 650,480.01 as share premium), which was entirely offered, subscribed for and paid-up in cash by the following shareholders:

(i) Lumama Investments Ltd. for an aggregate amount equal to Euro 75,000.00, of which Euro 375.00 as par value and Euro 74,625.00 as share premium;

(ii) Lighea 2018 S.r.l., for an aggregate amount equal to Euro 50,000.00, of which Euro 250.00 as par value and Euro 49,750.00 as share premium;

(iii) Siempre Benedetta, LLC, for an aggregate amount equal to Euro 400,000.00, of which Euro 2,000.00 as par value and Euro 398,000.00 as share premium;

(iv) Leo Darrin Jones, for an aggregate amount equal to Euro 37,500.00, of which Euro 187.50 as par value and Euro 37,312.50 as share premium;

(v) 6561373 Canada Incorporated, for an aggregate amount equal to Euro 22,750.00, of which Euro 113.75 as par value and Euro 22,636.25 as share premium;

(vi) Mamita Publishing, LLC for an aggregate amount equal to Euro 34,373.75, of which Euro 171.87 as par value and Euro 34,201.88 as share premium;

(vii) Bros Club Production Inc. for an aggregate amount equal to Euro 34,125.00, of which Euro 170.62 as par value and Euro 33,954.38 as share premium.

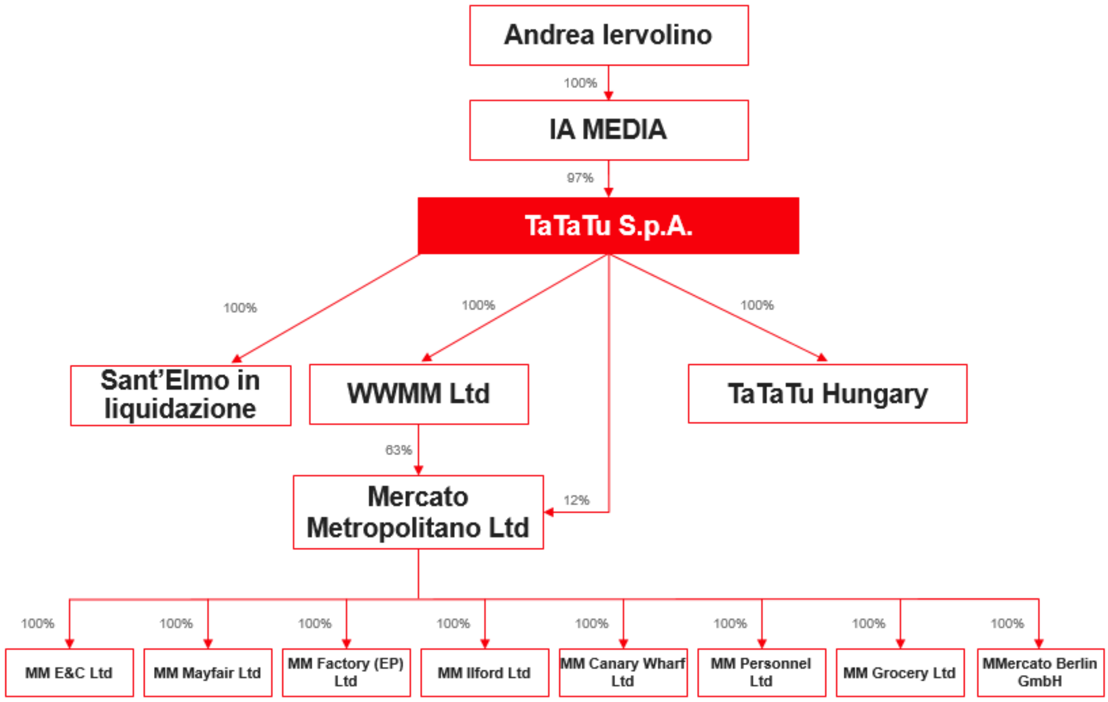
On September 6, 2022, the shareholders' meeting of the Company, notarized in Rome by Italian notary public Sandra De Franchis (rep. no. 18897 folder no. 9216), resolved upon a further capital increase for an aggregate amount of Euro 4,000,000.00 (of which Euro 20,000.00 as par value and Euro 3,980,000.00 as share premium), which was entirely offered – following the shareholders' waiver to their pre-emptive rights – subscribed for and paid-up in cash by, respectively:

(i) AIS PCC Ltd., a company incorporated under the laws of the Bailiwick of Guernsey for an aggregate amount equal to Euro 2,000,000.00, of which Euro 10,000.00 as par value and Euro 1,990,000.00 as share premium;

(ii) Crédit des Alpes LLP, a company incorporated under the laws of Switzerland for an aggregate amount equal to Euro 2,000,000.00, of which Euro 10,000.00 as par value and Euro 1,990,000.00 as share premium.

6.2 Group structure

The chart below shows the structure of the Group in a simplified form as of the date of this Information Document:



MM E&C Ltd was incorporated on August 24, 2015, and is a UK based site facilities management entity; MM Mayfair Ltd was incorporated on April 9, 2018, and is a UK based site facilities management entity; MM Ilford Ltd was incorporated on June 21, 2018, and is a UK based site facilities management entity; MM Factory (EP) Ltd was incorporated on August 28, 2018, and is a UK based site facilities management entity; MM Canary Wharf Ltd was incorporated on September 9, 2020, and is a UK based site facilities management entity; MM Personnel Ltd was incorporated on March 18, 2021, and is a UK based employment entity for all employees; MM Grocery Ltd was incorporated on June 6, 2019, and is a UK based wholesale wine import and sales entity; MMercato Berlin GmbH was incorporated on June 6, 2019, and is a German based site facilities management entity.

<u>Group</u>

The Company is the sole and exclusive holder of the digital platform named "tatatu.com", through which mainly conduct its business and is the entity responsible for defining the Group's strategic direction.

According to articles 2497 and ff. of the Italia Civil Code Tatatu Hungary is an entity subject to coordination and management (*direzione e coordinatmento*) of the Company; strategic decisions, including with respect to Tatatu Hungary, are made by the Company.

The right to further develop and use the App and to sell advertising space to clients was granted by Tatatu S.p.A. to the wholly-owned subsidiary Tatatu Hungary, a company established and governed under the laws of Hungary by a means of a license agreement dated June 24, 2022. In accordance with such agreement, the large majority of the Group's advertising revenues are generated by Tatatu Hungary through the sale of advertising spaces on the App.

Tatatu Hungary

As of the date of this Information Document, the Company owns the entire share capital of Tatatu Hungary. The Company currently exercises management and coordination activities over Tatatu Hungary, pursuant to Articles 2497 and following of the Italian Civil Code.

Tatatu Hungary is specifically the entity that has powers to coordinate and direct the sales of advertising worldwide, with the exception of the Italian territory, as well as the management, use and purchase of audio-visual content to be streamed through the App.

As of the date of this Information Document, Tatatu Hungary is managed by a sole director, Lilla Pausits, who has an in-depth over 20-year experience in the entertainment industry.

Mercato Metropolitano

On May 13, 2022, Andrea Rasca, Mercato Metropolitano Ltd., a company incorporated under the laws of England and Wales, which operates in the food and beverage sectors as an active aggregator of food spaces that are leased out to third parties' businesses ("**Mercato Metropolitano**"), and World Wide Mercato Metropolitano Ltd. ("**WWMM**") as majority shareholder of Mercato Metropolitano, on one side, and the Company and IA Media S.A., on the other side, entered into a framework agreement (the "**Framework Agreement**") regulating the terms and conditions of (a) the direct and indirect investment by the Company into the share capital of Mercato Metropolitano and (b) the audio-visual content production activities to be carried out by the Company within the premises leased by Mercato Metropolitano and its subsidiaries. Based on the management accounts (unaudited and not prepared in accordance with IFRS), Mercato Metropolitano as of and for the period ended December 31, 2021, generated revenues equal to Euro 6,913,325, had a net financial position equal to Euro 1,789,601, with an EBITDA[1] equal to Euro -394,960. The Chairman of Mercato Metropolitano is Julio Bruno Castellanos.

In particular, in compliance with the provisions of the Framework Agreement, on May 13, 2022, the shareholders' meeting of the Company resolved upon a divisible capital increase, to be carried out in two separate tranches.

(a) A first tranche – for an aggregate amount equal to Euro 13,884,953.00, of which Euro 69,424.77 as par value and the Euro 13,815,528.23 as share premium – which has been entirely offered, subscribed for and paid-up by Andrea Rasca by way of a contribution in kind of the entire share capital of WWMM, against the issuance of no. 6,942,477 ordinary shares of the Company representing 0.84% of its share capital.

[1] EBITDA as used for Mercato Metropolitano is equal to the EBITDA Adjusted as used for the Company due to the fact that the Mercato Metropolitano group has no intangibles related to rights on audiovisual content recorded in its consolidated financial statements and therefore it does not incur any related amortization charges.

By means of such contribution in kind, the Company acquired the full legal and beneficial ownership right and title over the entire corporate capital of WWMM and, indirectly, over a 63.094% stake in Mercato Metropolitano.

(b) A second tranche – for an aggregate amount equal to Euro 2,755,182.00, of which Euro 13,775.91 as par value and Euro 2,741,406.09 as share premium – which has been entirely offered, subscribed and paid-up by Andrea Rasca by way of a contribution in kind an additional participation representing 11.906% of the share capital of Mercato Metropolitano, against the issuance of 1,377,591 ordinary shares of the Company representing 0.16% of its share capital.

Following the completion of the subscription and paying up of the second *tranche* of the above-mentioned capital increase on July 15, 2022 Andrea Rasca sold and transferred in favor of Julio Bruno Castellanos no. 166,401 ordinary shares of the Company.

As a result of all the activities provided under the Framework Agreement, the Company holds (i) directly, the entire share capital of WWMM and (ii) directly and indirectly, a participation representing in aggregate 75% of Mercato Metropolitano.

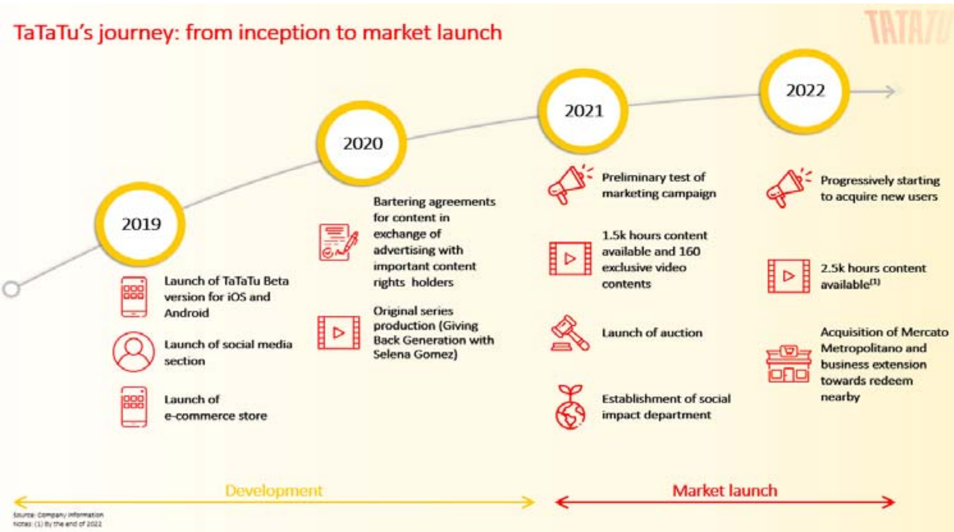
<u>Agreement with Eduardo Teodorani Fabbri</u>

On March 2, 2020, Andrea Iervolino (both on his behalf and as legal representative of the Company) and Eduardo Teodorani Fabbri, a Senior Advisor of WRM Group and MD of Anivad Consulting Ltd., entered into a service agreement (as subsequently amended on September 8, 2022) whereby, among others:

(i) Eduardo Teodorani Fabbri undertook to carry out certain scouting activities for the purposes of the recourse by the Company to private investments against a consideration equal to Euro 100,000 per year plus a bonus equal to Euro 2,500,000 to paid in case of admission of the shares of the Company to negotiation on a stock exchange market;

(ii) the Company undertook to pay the entire consideration due to Eduardo Teodorani Fabbri (equal to Euro 2,650,000 as at the date of this Information Document) by offering to this latter in subscription a no. of newly issued Shares of the Company (at a subscription price equal to Euro 2.00 per Share) for a correspondent value (representing, based on a total compensation of Euro 2,650,000 as at the date of this Information Document, 1,325,000 Shares of the Company, i.e. approximately 0.2% of the Company's share capital).

You may find below a time-line reporting the main events and achievements of our Company from its incorporation.



As of the date of this Information Document, the share capital of the Company is held as represented in the chart below.

Shareholder	No. of Shares	Percentage of the share capital represented
IA Media S.A. (the holding company held by Andrea Iervolino)	787,000,000 Shares	96.65%
Andrea Rasca	8,153,667 Shares	1.00%
Nicola Allieta	8,000,000 Shares	0.98%
Giorgio Paglioni	4,000,000 Shares	0.49%
Patrizia Alessandra Conte	2,000,000 Shares	0.25%
Siempre Benedetta, LLC	1,802,000 Shares	0.22%
AIS PCC Ltd.	1,000,000 Shares	0.12%
Crédit des Alpes LLP	1,000,000 Shares	0.12%
Lumama Investments Ltd.	337,900 Shares	0.04%
Lighea 2018 S.r.l.	225,250 Shares	0.03%
Leo Darrin Jones	168,938 Shares	0.02%
Mamita Publishing, LLC	154,854 Shares	0.02%
Bros Club Production Inc.	153,733 Shares	0.02%
Julio Bruno Castellanos	166,401 Shares	0.02%
6561373 Canada Incorporated	102,489 Shares	0.01%
TOTAL	814,265,232 Shares	100%

6.3 Investments

(i) For the financial year ended December 31, 2021 and 2020

On the basis of the Company's Consolidated Financial Information, non-current assets amount to Euro 14,227 thousand as at December 31, 2021, and mainly consist of intangible assets, which amounted to Euro 13,205 thousand divided as follows:

(i) audio-visual content for an amount of Euro 6,368 thousand;

(ii) the "Tatatu" trademark for Euro 4,296 thousand; and

(iii) the App for Euro 2,541 thousand.

The intangible assets of the Company in 2021, compared to the previous year, increased by Euro 1,345 thousand due to, among other reasons, the investments in audio-visual content for Euro 40,500 thousand (including the exchange rate effect) net of depreciation and amortization for the period for an amount of Euro 39,155 thousand.

An overview of the changes in the Group’s intangible assets during 2021 is presented in the following table:

€/000	Net Book Value as at 31.12.2020	Increases/ Acquisitions	Depreciation	Exchange Effect	Net Book Value as at 31.12.2021
Trademarks	4,549	-	253	-	4,296
Software	3,180	-	639	-	2,541
Rights on audiovisual content	4,131	39,463	38,263	1,037	6,368
Total intangible assets	**11,860**	**39,463**	**39,155**	**1,037**	**13,205**

(ii) For the six months ended June 30, 2022

On the basis of the Company’s Interim Consolidated Financial Information, non-current assets amount to EURO 45,619 thousand as at Juned 30, 2022, and consist of intangible assets, which amounted to EURO 32,231 thousand, divided as follows:

(i) audio-visual content for an amount of EURO 5,666 thousand;

(ii) the “Tatatu” trademark for EURO 4,169 thousand;

(iii) the App for EURO 2,221 thousand;

(iv) intangible Assets under constructions for EURO 2,768 thousand; and

(v) goodwill for EURO 17,407 thousand.

and tangible assets, which amounted to EURO 12,235 thousand, divided as follows:

(vi) property, plant and equipment for EURO 838 thousand;

(vii) rights of use for EURO 11,397 thousand.

The Intangible assets of the Company in the first half of 2022, compared to the previous year, increased by EURO 19,026 thousand due to, among other reasons: (i) the investments in rights on audio-visual content for EURO 44,876 thousand, net of depreciation and amortization for the period for an amount of EURO 46,025 thousand; (ii) the recognition of goodwill in connection with the business combination of WWMM Group for EURO 17,407 thousand.

An overview of the changes in the group's intangible assets during the first half of 2022 is presented in the following table:

€/000	Net Book Value as at 31.12.2021	Increases/ Acquisitions	Depreciation	Exchange Effect	Net Book Value as at 30.06.2022
Trademarks	4,296	-	127	-	4,169
Software	2,541	-	320	-	2,221
Rights on audiovisual content	6,368	42,362	45,578	2,514	5,666
Intangible Assets under constructions	-	2,768	-	-	2,768
Goodwill		17,407			17,407
Total intangible assets	**13,205**	**62,537**	**46,025**	**2,514**	**32,231**

In the first half of 2022, Tangible Assets (composed by Property, Plant and Equipment and Rights of Use) also increased by EURO 12,231 thousand, mainly as a result of the acquisition of the WWMM Group.

7 Markets and Competition

7.1 Markets

(a) Market overview

Market sizing

The social networks market is expected to provide access to approximately 450 million potential addressable social network users by 2026 in Italy, Spain, United Kingdom, Germany, France, US, Canada (the "**Target Countries**") with an estimated compound annual growth rate (2021-2026 CAGR) approximately equal to 1.3%[2].

The Company's business plan aims at reaching approximately 20% market penetration in its Target Countries over the next 4 years, supported by a multiple use of social networks across users. The global average number of social network accounts per user is indeed currently equal to 8.4.

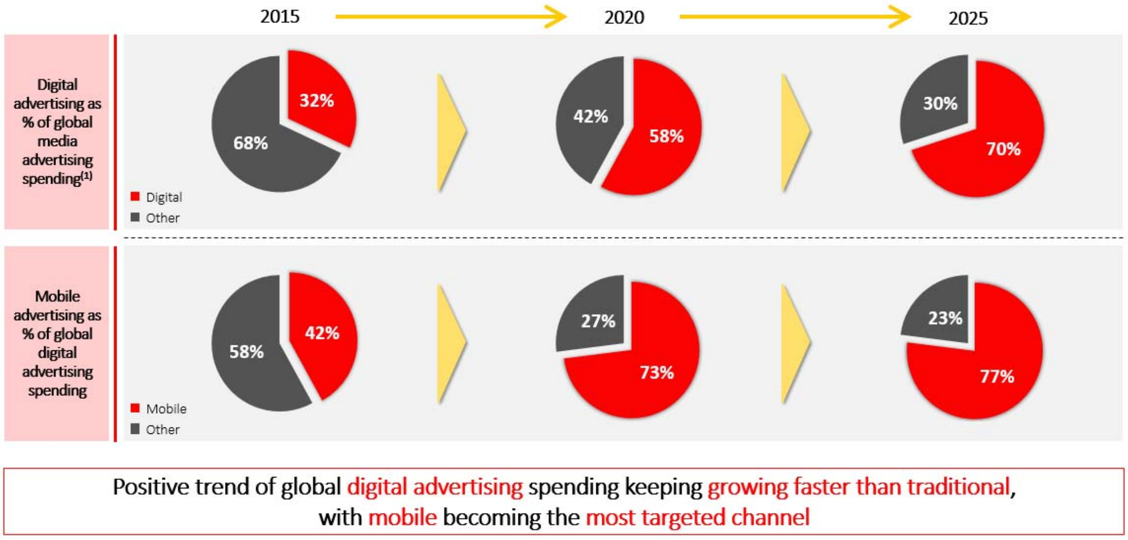
The value of the digital advertising market, which currently (2022) amounts to approximately Euro 265 billion 2022 – has been growing at an estimated CAGR approximately equal to 17.9% over the 2012-2022 period in the Target Countries. Digital advertising market represents 64% of total media advertising spending worldwide[3].

The display digital advertising market – whose value currently amounts approximately Euro 150 billion, representing 57% of the overall advertising market – has been growing at an estimated CAGR approximately equal to 22.2% over the 2012-2022 period and more rapidly than traditional advertising. The value of the display digital

[2] (*Source: eMarketer*)
[3] (*Source: eMarketer*)

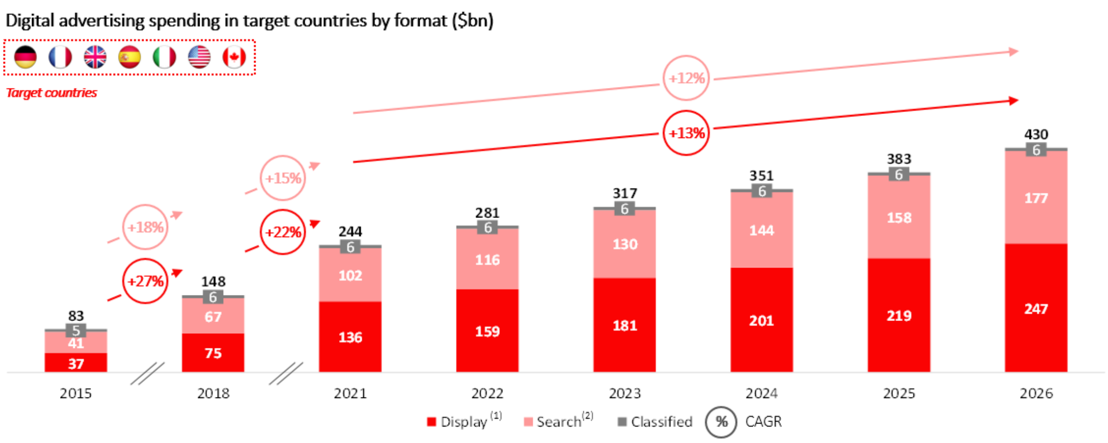
advertising market is expected to reach Euro 160 billion by 2025 in the Target Countries[4].

Some charts illustrating the growth of the digital advertising are provided below.



Positive trend of global digital advertising spending keeping growing faster than traditional, with mobile becoming the most targeted channel

Source: Prepared by TaTaTu management based on Oliver Wyman analysis
Notes: (1) Incl. advertising that appears on desktop and laptop computers, mobile phones, tablets and other internet-connected services and all the various formats of advertising on these platforms (excl. SMS, MMS and P2P messaging-based advertising)

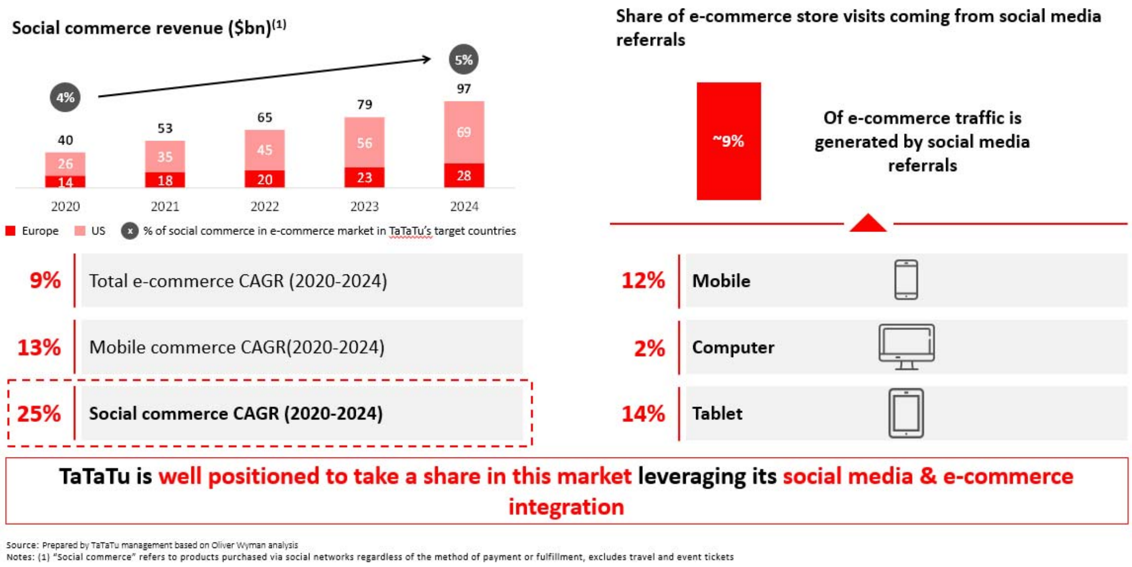


TaTaTu target countries advertising spending is expected to almost double in size over the next 5 years, with display expected to keep growing at the highest pace over the next years

Source: Prepared by TaTaTu management based on Oliver Wyman analysis
Notes: (1) Including paid listings, contextual test links and paid inclusion; (2) Including banners (static displays), rich media, sponsorship, video (ads appearing before, during or after)

In the Target Countries, e-commerce is expected to grow at 4% CAGR by 2025 and social commerce is approximately 4-5% of it (approximately USD 100 billion in 2024), but it is expected to grow more rapidly than e-commerce in general (25% CAGR in 2020-2024), as represented in the chart below[5].

[4] (*Source: eMarketer*)
[5] (*Sources: eMarketer, Salesforce, Activate Consulting (2021 Outlook)*)

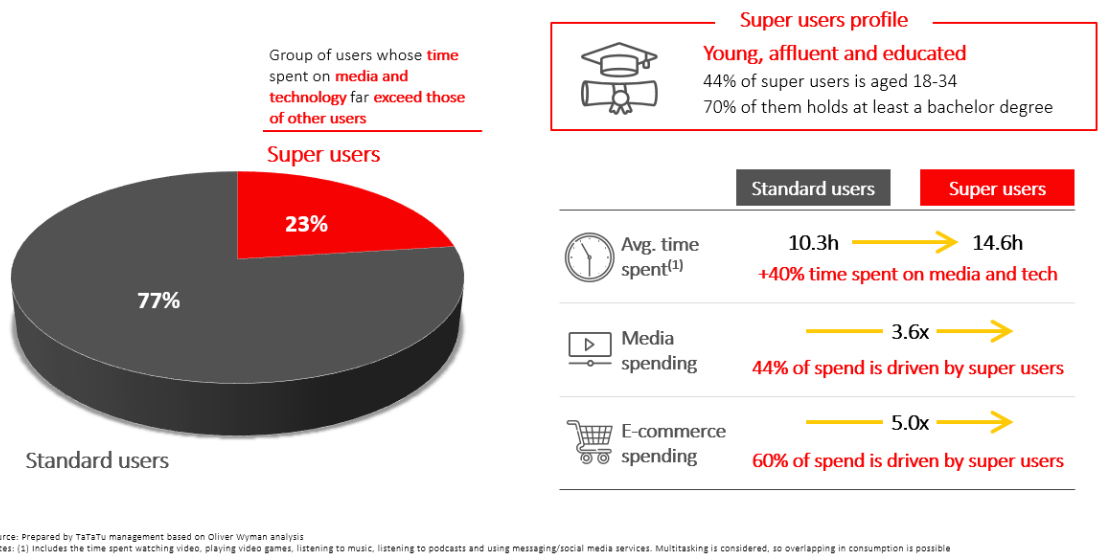


Market Dynamics

Users increasingly self-bundle services on the Internet, emphasizing how platforms that offer multiple inter-connected services – as aggregators – have significant growth potential. On the other side, growing demand for customized services and locally curated content identifies specialization as a winning diversification strategy.

The AVOD (Advertising Video on Demand) market presents higher potential for growth, especially in Europe, compared to social media[6].

"Super users" (i.e. users who are more ads-tolerant and keen to bundle high-number of platforms), who represent 23% of total media users, are those who drive the growth, as represented in the graphic below[7].



In this regard, social-checkout is the barrier to overcome, but the Company considers that it should be well positioned to reach its goal by means of its in-app e-commerce functions.

More restrictive regulations and phase out of third-party cookies will result in crucial

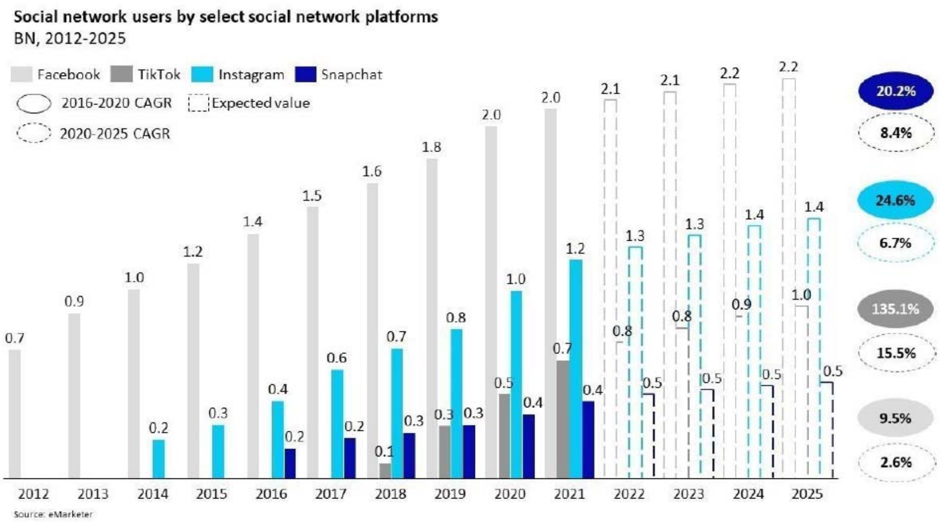
6 (*Source: OMDIA (Online video Intelligence database, Apr 2021)*)
7 (*Source: Activate Consulting (2021 Outlook)*)

role of first party data, causing a shift of advertisement revenues towards first-party rich platforms.

(b) Competition[8]

The percentage of population using social networks in the Company's Target Countries ranges from 53% (Germany) to 67% (in the United States), especially Facebook and Instagram, which have been and still are currently the leading platforms.

Below is a chart highlighting growth rates of the population of users worldwide between main players of the social-media market through the years.



European AVOD market represents an "untapped" potential, as there is no established player. Traditional broadcasters play a significant role, but the market is fragmented due to country-by-country differences.

The US AVOD market, instead, is mature and customer surveys confirmed the key role of a few main AVOD "pure players", often backed by main broadcasters.

The chart below presents the penetration targeted by the Group on the basis of a market analysis that the Company prepared together with its advisors.

Country	Potential users (2022)	Users and penetration				
		2022E	2023E	2024E	2025E	2026E
Italy	35.4 M	0.2 M (0.7%)	0.7 M (2.0%)	2.0 M (5.5%)	3.4 M (9.4%)	6.1 M (16.6%)
France	36.0 M	0.3 M (0.7%)	0.7 M (2.0%)	2.0M (5.5%)	3.5 M (9.4%)	6.2 M (16.6%)
UK	42.5 M	0.3 M (0.7%)	0.9 M (2.0%)	2.4 M (5.5%)	4.2 M (9.4%)	7.6 M (16.6%)
Spain	26.2 M	0.2 M (0.7%)	0.5 M (2.0%)	1.5 M (5.5%)	2.5 M (9.4%)	4.5 M (16.6%)
Germany	39.8 M	-	0.6 M (1.5%)	2.0 M (5.0%)	2.9 M (7.2%)	4.5 M (11.2%)
Canada	24.5 M	-	0.4 M (1.5%)	1.4 M (5.5%)	2.6 M (10.1%)	4.2 M (16.2%)
US	219.7 M	-	4.5 M (2.0%)	13.7 M (6.0%)	23.5 M (10.2%)	37.7 M (16.2%)
RoW	N/A	-	-	0.6 M	0.9 M	1.8 M
Total		1.0 M	8.3 M	25.6 M	43.4	72.6

Source: Corporate analysis

© Oliver Wyman 1

[8] (*Sources: eMarketer, OMDIA (Online video Intelligence database, Apr 2021), Euromonitor International (eCommerce in the US, 2021)*)

The underlying metrics to set the targets are the result of a benchmarking analysis of comparable scenarios. The economic results have been tested against some of the main global players in their initial start-up phases.

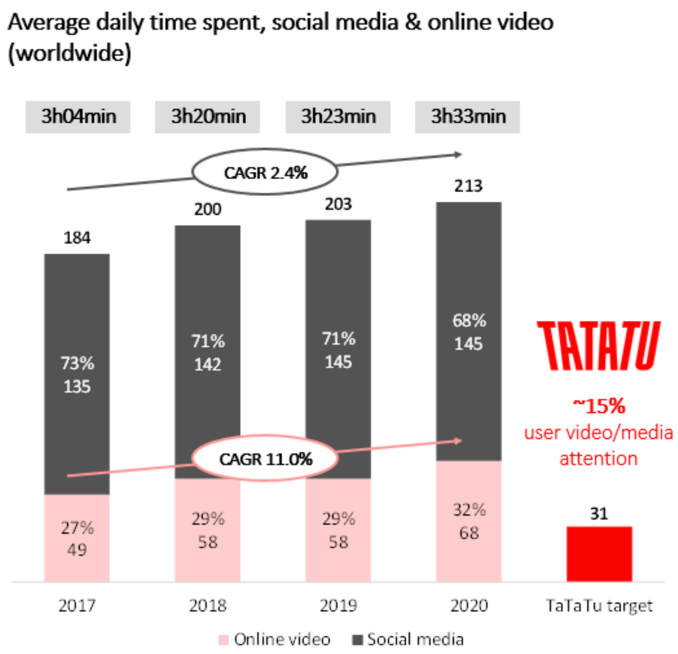
The achievement of the penetration targets set out above is based on three main drivers: (i) intensive marketing and advertising campaign to strengthen brand awareness, (ii) leveraging on ESG actions: focus on the rewarding concept and making rewarding increasingly appealing to users (through redeem near-by, auctions, etc.) and contents of the app enhancing social and environmental engagement and (iii) strong value proposition and investments to foster recognition.

The e-commerce competition landscape is dominated by cross-country marketplaces (e.g. Amazon, eBay, etc.) and national champions, which compete vertically on certain product categories (e.g. Zalando for fashion).

Digital & media players are starting to adopt reward models (e.g. streaming, online retailers, publishers), but a cross-industry unified reward model is not on the market yet and its introduction does not appear likely in a limited timeframe.

Barriers for new entrants, in the social and digital media market, are not necessarily represented by the significant financial needs to develop the technology and platform, which some players could sustain, but by the timing necessary to come up with the knowledge, technical capacity and market experience to present services and products capable of capturing users' attention and interest. The timing element affects all possible competitors regardless of their financial resources.

Below is a chart reporting the average daily time spent by users on social media and online video worldwide.



Source: Prepared by TaTaTu management based on Oliver Wyman analysis

The Company's ultimate goal is to create a widely adopted rewarding mechanism aimed at exploiting the benefits of the sharing and circular economy through the utilization of the selected tools (see Sections 8.1 and 8.3 below).

(c) Main competitors

Potential competitors vary depending on geography and core business.

Social Media[9]

Across each one of the Company's Target Countries, the first five companies by number of users are the following, with the ranking varying depending on the geography (although Facebook and Instagram stay consistently at 1st and 2nd place respectively):

- **Facebook** (335 million users);
- **Instagram** (228 million users);
- **Snapchat** (146 million users);
- **TikTok** (108 million users);
- **Twitter** (96 million users).

E-Commerce[10]

The e-commerce market is more fragmented than the social media industry, with different players present in the Company's Target Countries. The only exception is Amazon, the market leader with a strong presence across all the seven geographies. Below are set for forth Amazon's revenues and the relevant market share:

- **Italy** USD 3,592MM - 14.3%;
- **France** USD 14,656MM - 19.9%;
- **Spain** USD 7,052MM - 19.4%;
- **UK** USD 43,146MM - 23.0%;
- **Germany** USD 28,725MM - 29.7%;
- **US** USD 254,907MM - 32.1%;
- **Canada** USD 2,715MM - 6.9%,

The rest of the market is quite fragmented with the rest of players having less than 10% market share individually in each country, apart from eBay with 17.9% in Italy and 10.7% in Germany.

AVOD[11]

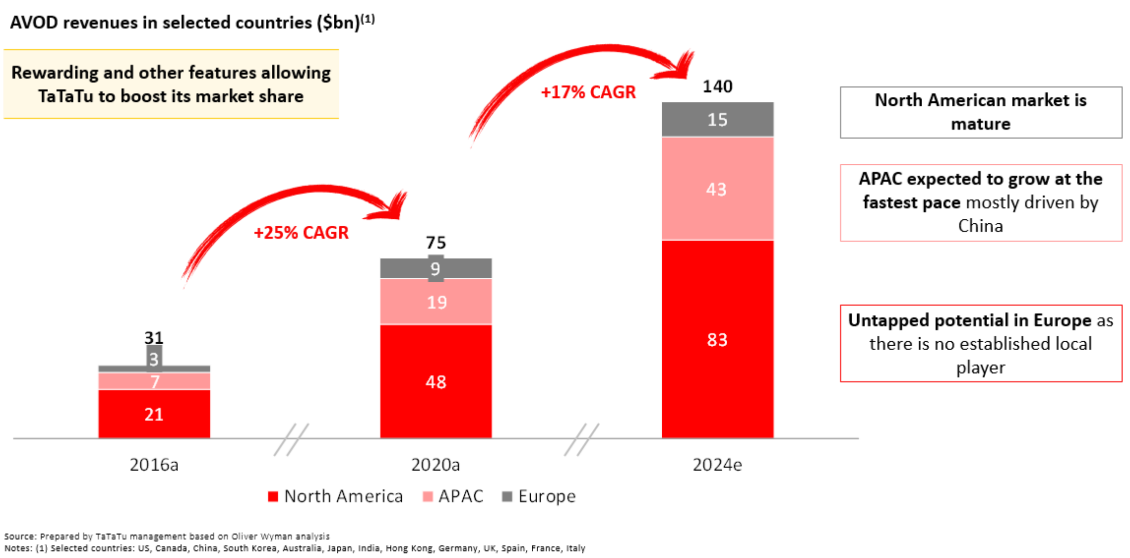
AVOD industry sees two main players as front-runners across all the Company's Target Countries: Facebook and Google. Below their revenues and relevant market share for each Target Country:

- **Italy**
  - Facebook USD 416MM - 34.4%
  - Google USD 290MM - 23.9%
- **France**

[9] (2020, *Sources: eMarketer, OMDIA (Online video Intelligence database, Apr 2021), Euromonitor International (eCommerce in the US, 2021)*)
[10] (2020, *Sources: eMarketer, OMDIA (Online video Intelligence database, Apr 2021), Euromonitor International (eCommerce in the US, 2021)*)
[11] (2020, *Sources: eMarketer, OMDIA (Online video Intelligence database, Apr 2021), Euromonitor International (eCommerce in the US, 2021)*)

    - Facebook USD 355MM - 35.6%
    - Google USD 178MM - 17.9%
- **Spain**
    - Facebook USD 365MM - 45.8%
    - Google USD 252MM. 31 - 7%
- **United Kingdom**
    - Facebook USD 1,248MM - 29.3%
    - Google USD 1,005 - 23.6%
- **Germany**
    - Google USD 390MM - 30.0%
    - Facebook USD 190MM - 14.6%
- **US**
    - Facebook USD 11,391MM - 25.1%
    - Google USD 10,617MM - 23.4%
- **Canada**
    - Facebook USD 857MM - 37.9%
    - Google USD 677MM - 29.9%

Below is a chart representing the growth of the revenues generated in the AVOD market.



8 Business

8.1 Overview

The Company is a “trailblazer” of a new way to conduct business in the social media market which is based on an innovative approach which consists to share with Company’s users the value created by the same users when accessing the social media platforms.

The Company’s vision is that sharing values among the various players that are active in the social media environment (i.e. (i) the platform, (ii) the content producers and (iii) the viewers) constitutes a new and fair approach to business, which the Company expects will be recognized and appreciated by users. Such an innovative approach will be the cornerstone of the Company's vision of a "*sharing economy*".

In particular, the Company rewards users of its platform (both content producers and viewers) with a rewarding system based on the Tatatu Coins and users' interactions on the App.

The Company's mission is to set the foundations for a "*circular economy*", which consists of the possibility to spend the Tatatu Coins in the real economy.

The revenues, currently entirely related to non-cash advertising based on bartering arrangements in place, increased from Euro 24.6 million as of and for the period ended December 31, 2020, to Euro 47.4 million as of and for the period ended December 31, 2021. The Group's EBITDA Adjusted[12] and net income, respectively, increased from Euro -9 thousand as of and for the period ended December 31, 2020 to Euro 1,924 thousand as of and for the period ended December 31, 2021 and from Euro -488 thousand as of and for the period ended December 31, 2020 to Euro 1,309 thousand as of and for the period ended December 31, 2021. In the same reference period, the Company's operating cash flow after investments decreased from Euro 72 thousand as of and for the period ended December 31, 2020 to Euro (-1,747 thousand) as of and for the period ended December 31, 2021 and Company's financial indebtedness increased from Euro -56 thousand to Euro 1,397 thousand, mirroring the cash flow evolution.

The revenues as of and for the period ended June 30, 2022, were equal to Euro 53,720 thousand, almost entirely attributable to the entertainment sector. This amount included Euro 1,130 thousand attributable to WWMM group as of the date of acquisition May 13, 2022.

The users who completed the registration process of Tatatu web or mobile App, excluding any user detected as fraudulent or fake by the Group fraudulent interaction detection tool, increased from approximately 95,000 as of January 31, 2022, to approximately 350,000 as of August 31, 2022. Such users are mainly based in European countries, reflecting a diffusion of the Company by word of mouth.

Along the lines of Company's approach, any of the Company's users is entitled to receive and spend his/her Tatatu Coins online through e-commerce services, in auction mode or in selected retail stores (Mercato Metropolitano is an initial example). The Company expects future additional tools to become available as the technology and market place evolve.

The Company believes that its business model stands out, compared to current competitors, as it constitutes a gateway for the first sharing economy of data through the combination of:

(i) social network-related features (likes, follows, comments, posts, chats, calls, etc.) together with Tatatu Coins being rewarded to its users for each action completed on the App;

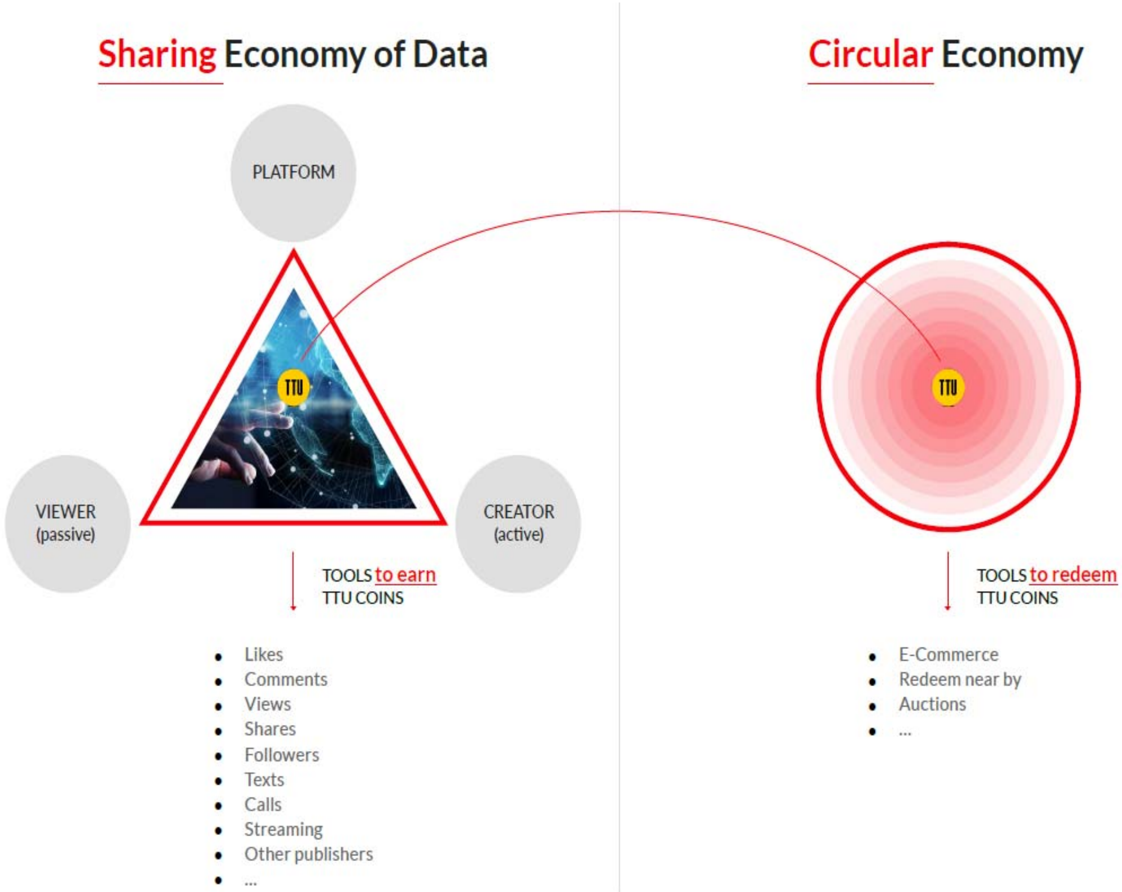
(ii) RAVOD (Rewarding Advertising Video On Demand) platform offering ad-based online streaming with Tatatu Coins being rewarded to its users for each minute watched;

[12] Please refer to previous Section 4.1 "Non-IFRS Financial Measures" and Section 10 "Review of the Company's Financial Situation" for further information about the calculation of EBITDA Adjusted

(iii) e-commerce integrated for Tatatu Coins use, or in other words, the creation of a completely new arena – based on the rewarding of users for their interactions on the App – where the Company believes no direct competitor is currently actively present.

The Company also notes that the value of each Tatatu Coin corresponding to 0.25 USD is used exclusively as an identification standard and cannot be used in way to request a conversion of the Tatatu Coins into any legal tender by its users.

A graphical representation of the sharing economy of data and its inter-connection with the circular economy is provided by means of the chart below.



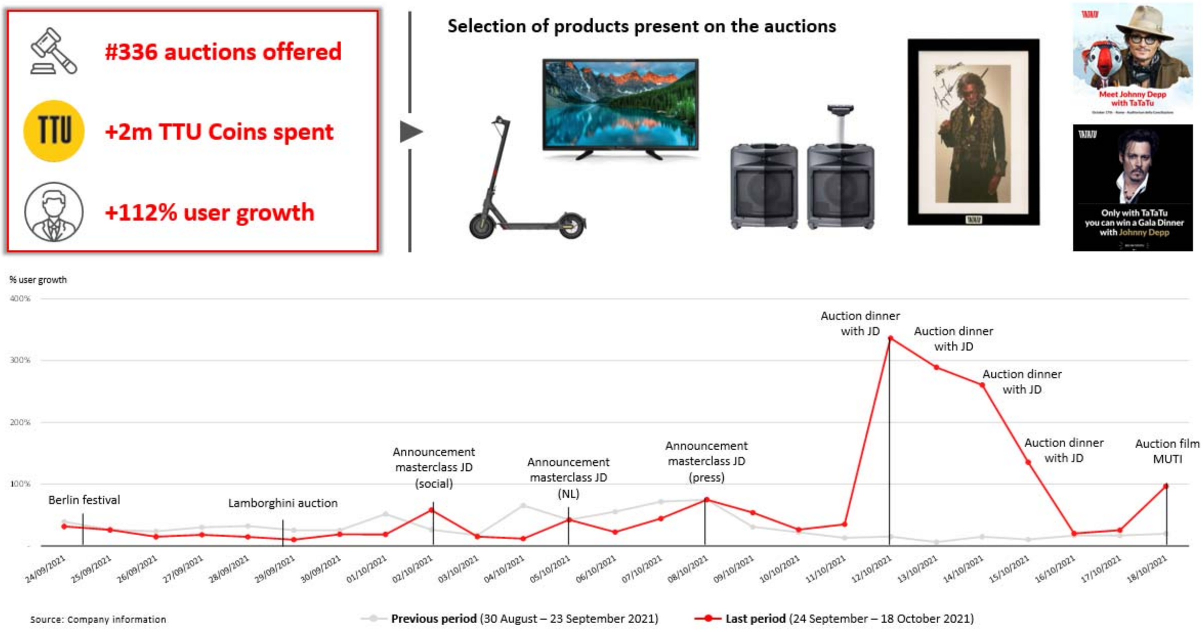
In particular, the Company's sharing economy for leisure includes – at the date hereof and as starting point – social media activities, posts, video calls, and chats, viewing premium video content (at no cost for end users) and e-commerce.

In such a way, the user becomes like a stakeholder of the Company.

The Company's business model makes the rewarding mechanism its distinctive feature strengthening users' loyalty. This means that, after the users have registered in the App, through the use of contents and actions related to social networks, they are rewarded in the form of Tatatu Coins that can be used, at the date hereof:

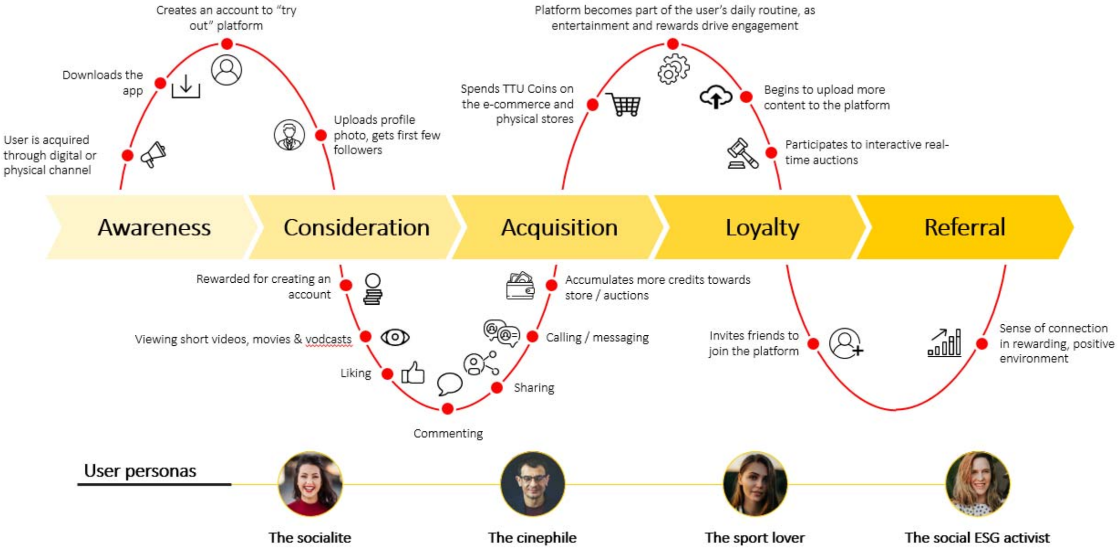
(i) on the App itself through the use of the Company's e-commerce platform. The e-commerce platform is already integrated in the App, but still in an early "start-up" phase. Currently bags, sun glasses and technological devices are available and can be purchased on Company's e-commerce platform. The Company is improving its e-commerce proposition as it expects that its e-commerce model will face strong competition from established players both when selling off-price designer clothes and tech products. Guaranteeing the best possible price seems challenging and subject to price-tensions, but the Company incentivizes users to shop leveraging rewards;

(ii) through participation in auctions that allow both the possibility to win the cutting-edge products (including, among others, Apple airpods, Gaming Chair, Calvin Klein woman, Magellan Echo Running watch, green iPhone black, Versace bag, Trussardi bag, Bikkembergs backpack, Sony speaker black, Versace bag blu, etc.) or participation in experiences with celebrities in the international film industry (including, among others, joining the Johnny Depp Gala dinner, Johnny Depp event tickets, Morgan freeman rare undersigned picture, experiences on the set of "In the fire", etc.) which, at the moment, cannot be found elsewhere. However, the Company does not have contractual arrangements currently in place and enforceable for the future to ensure the provision of prizes for its auctions. The chart below represents an overview of the main auctions organized in 2021;



(iii) through the formula of so-called "Redeem near-by", that is at Company's affiliated merchants who own physical points of sale in numerous sectors. The Company expects that such merchants – selling their products in part against the payment of Tatatu Coins –benefit from greater visibility with a consequent increase in their customers base within their store and simultaneously increasing the appeal of the App itself.

Below is a representation of the user's journey on the Company's platform and the virtuous circle generated by his experience.



Source: Company information

This combination of features is expected to allow the Company to generate revenue streams, implementing a strategy divided into two prongs:

(i) selling advertising space on the App to distributors to promote series sold and distributed worldwide and increase revenues generated from the different tools of the App (e.g. e-commerce, Redeem near-by, etc.); and

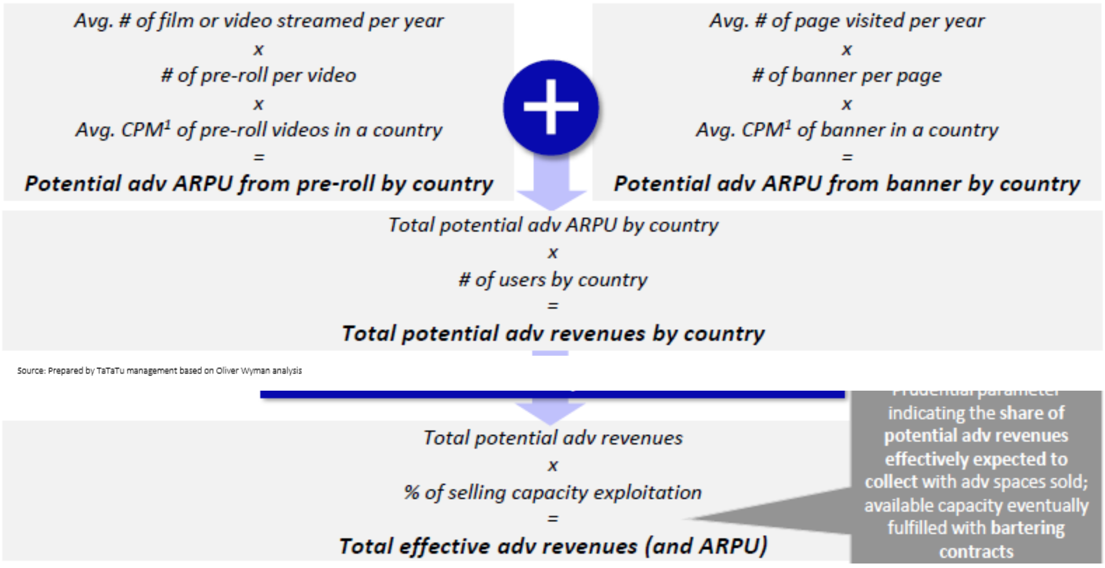
(ii) acquiring the rights for the transmission of series of the distributors, after a period of time up to six months from such series first being aired on TVOD and SVOD platforms, recognizing the distributor a price equal to the price to be paid by the distributor to previously purchase the advertising space. The AVOD proposition is close to the approach of aggregators, but includes pure play elements (i.e. originals like "Giving back generation" vodcasts). In contrast with them though, users are rewarded for watching content.

A graphical representation of the main Company's revenue stream is provided in the chart below:

Source: Prepared by TaTaTu management based on Oliver Wyman analysis

The Company's cost model methodology is on a CPM (acronym which states for "Cost Per Mille", meaning the cost per thousand impressions (how many times the advertising is seen by users), a calculation scheme of which is represented under the chart below.

Methodology for effective revenues and ARPU calculation
Illustrative



Source: Prepared by TaTaTu management based on Oliver Wyman analysis

In the initial phase (which the Company expects to be completed by the end of 2025) the Group relies on contractual arrangements with certain anchor clients where the Group sells advertising spaces on the App to such anchor clients in exchange for video contents.

The barter equivalent mechanism is the result of the combination of obligations arising from:

(i) the agreements for the sale of advertising spaces to anchor clients (disclosed in this Information Document in the Section 8.4 "*Significant Contracts*" below); and

(ii) the so called "multi-production put agreements" (see Section 8.4 "*Significant contracts*" below) whereby the Group grants the same anchor clients with an option to sell to the Group the rights to make available certain video contents on the platform.

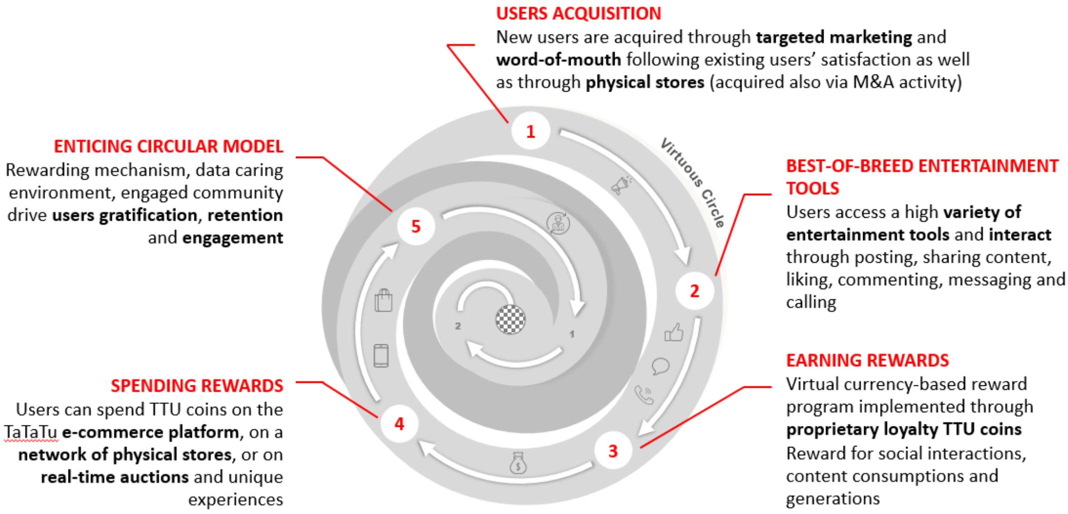
Revenues relating to the sale of advertising in "barter equivalent" transactions are recognized according to an accounting policy developed by the Company based on the IFRS15 standard.

Such approach contributes to creating an extensive video library making the App appealing for Company's users.

Following completion of the initial phase (from 2026), the Company's extensive library combined with the interactions of users (through likes, posts, etc.) will generate a volume of impressions which will make it appealing for advertising distributors to whom the Company will sell spaces on the App and in return the Company will have a positive cash-flow. By the end of 2022, the Company's library is expected to own around 2.5 thousand of contents available.

This business model is structured in a way which feeds a virtuous circle that is intended to increase the visibility of the Company and attract investments in digital advertising by primary national and international clients with follow-on benefits in terms of financial flows that, once further reinvested in the Company's business, will facilitate its development. In this way, the interests of different stakeholders (users, platform, partners, etc.) are fully aligned as they all benefit from the growth of the "community".

Below is a chart that represents the vision of the so-called "circular economy" of the Group's business model.



Source: Company information

The Company's vision is based on a fair environment where the creation of value of an app is given by the meeting of users, platform, video content producers and advertisers and the value generated is shared among all the Company's stakeholders.

Along the lines set forth in the Company's business model, a part of the App's revenues is essentially digital advertising whose value is shared with the users. Conversely, the cost of sales is primarily represented by the cost for video content, technology and marketing & sales. The Company's App is available on WebApp, iOS, Android, Huawei AppGallery store, Web App and soon in Smart TV and Apple TV.

The Company also pays particular attention to sustainability: it believes in creating a positive social impact through content. The Company acquires original content with an important focus on the values of inclusion, culture, gender equality and sustainability. In 2021 launched a specific project for the integration of "sustainability and business". This focus derives both from the growing needs in the financial field and from the awareness that this issue can be a further driver for the development of its business.

Below is a chart which illustrates the scope of the Company's business and its activities in the industries where the most renowned social media provider are currently engaged.

Source: Prepared by TaTaTu management based on Oliver Wyman analysis

A customer service system is already in place and is divided into (i) an initial "triage style" response team managed by the Company's "Marketing Division" which provides supports to general questions and (ii) a "ticketing style" response team managed by the Company's developers which provides technical support. A live chat style support system is in the process of being implemented. There is a specific interface (called "Freshdesk") to manage tickets by recording the device that raised a technical issue to better identify the problems and manage statistics to see if the issue is stand-alone or if it could be part of a larger issue. All technological issues are included in a task manager system named "Jira" used by the Company's technical team. There is an ongoing exchange of information between the marketing and the technology team and in particular the CTO to address technical issues. The Company's customer service system covers all countries in which the App operates.

The Company has adopted "fraudulent interaction detection tool", which is a control technical tool aimed at detecting fraudulent or fake accounts when a given number of actions between same accounts took place in the given period of time. This tool is in the process of being further developed and will be further improved.

The Company controls users and prevents fake user profiles through a series of specific monitoring tools that provide an overview of coin transactions creating the following reports: (i) top balances, (ii) top total earnings; (iii) top content earnings and (iv) top social earning. Another tool available is focused on reporting any suspicious activity by creating the following reports:

(i) suspicious transfer report: finding users who have more than a certain given number of transfers for each reference period;

(ii) suspicious earnings report: finding users that have earned more than a certain amount of coins for a number of consecutive days for each reference period; and

(iii) social actions: finding users that have more than a certain number of likes, comments, and duplicates for each reference period.

The control in case of fraud and cyber attacks is managed by a team of employees and consultants based in the Company's branch in Serbia through a tool that provides an overview of the coin transactions that creates reports relating to: (i) top balances, (ii) top total earnings, (iii) top content earnings, (iv) top social earnings. Another tool is available to detect suspicious activity.

For the future, a fraud detection system based on machine learning will be in place. The network is partitioned in 4 subnets per environment, 2 public and 2 private. Only the load balancer is in the public subnet. The Company is using AWS ALB for this purpose. The only open port is 443 (80 automatic forward rule to 443). AWS default ACL (Net+F14work Access Control Lists) is used to configure network inbound and outbound rules. Outbound communication is open, all Company's services can access external services.

SSH Access Keys, manually configured on bastion (jump host server) instances. These are running Linux. The bastion outgoing connections to the Company's private network and resources are configured per user and security group.

8.2 Company's strengths

The Company believes it benefits from the following strengths.

Tatatu is the first and only European social network built on a committed manifesto: rewarding its users

- It is the first mover in an upcoming industry shift towards a fairer sharing of the value created by digital impressions.
- It is at the beginning a new phase for customers engagement with unique proprietary loyalty coins rewarding system.
- It allows spending through its proprietary e-commerce, its affiliated merchants and interactive real-time auctions.

Disruptive business model stemming from founder's creative DNA and anticipating the convergence of entertainment, education and e-commerce, both live and digital

- The Company innovates by means of it "RAVOD+" concept leveraging on (i) distinctive reward & spend model and (ii) strong socially committed framework, including proprietary and curated user-generated content.
- The Company's one-stop-shop entertainment platform provides a unique combined offering of best-of-breed tech, content and experiences fostering optimal user-engagement.
- The Company is not competing against currently existing social media, teasing them with a revolutionary value offer.

In-house developed technology and innovative mind-set offering best UX and functionalities

- The Company's unique platform features include Tatatu Coins as well as all functionalities expected from a top tier social network, including a.o. messaging, voice & videos.
- The Company has an innovative approach to user acquisition and experiences (e.g. Mercato Metropolitano).
- Detail tech platform on which the Company has invested an amount of approximately Euro 2,541,000 in 2021 and ongoing investments to be carried out to maintain the high technological level of the Company's App.

Solid business profile, already at breakeven with solid and diversified monetization

strategy, including:

- Advertising which is the main revenue stream of the Company's business.
- E-commerce which will offer to users must-to-have and green products;
- Affiliation merchant which will allow users to spend Tatatu Coins through the Company's redeem near-by system;
- Third party rewarding by means of the Tatatu Coins;
- Surveys through which the Company may obtain data essential for its advertising campaign and for its partners.

Leveraging on a highly creative management team experienced in the digital and entertainment industry

- The Company's visionary founder has a unique network in the tech, entertainment and consumer brand industries.
- The Company puts in place its A-team with right skillset and track-record to execute and deliver growth.
- The Company has unique access to a longlist of A-list celebrities and influencers and iconic brands enabling partnerships to enrich user experiences.

8.3 Strategy

The Company intends to leverage on its leading position as frontrunners in the sharing economy of data and the circular environment that the Company is contributing to create by sharing part of the value generated with content creators and with its users.

The Company's goal is building a bridge between the App (on-line) and the physical world (off-line), gradually shifting from a "pure" digital company to a combination of digital with in person retail experiences. Users are granted with the revolutionary opportunity to spend any reward accrued through their interactions on the App in the real economy thanks to the digital tools provided by the App (i.e. through e-commerce, for auctions, in physical points of sale, such as Mercato Metropolitano (which at its street food markets in London attracts approximately 3.75 million of visitors per year), or any further tool the Company may select or develop from time to time).

The shifting from the sharing economy of data to the circular economy will guarantee Company's users ta seamless experience, where they will directly benefit from the sharing of the value generated on its platform. The Company's strategy is based on an initial three-year period during which we are bringing our vision to life. During such period, the Company's actions are primarily focused on rapidly expanding its users' base and its brand recognition. During such initial phase, the Company will need significant additional financing to grow and operate business and implement its business plan. The Company expects that it will need to raise capital and debt, until completion of the Company's initial phase in 2025, for approximately Euro 80 million, including both equity and debt. This will also allow the Company to continue to invest in the platform and the connected technology, while costs will exceed revenues. During such period, investments will be required and we do not expect to distribute dividends at least until completion of the initial phase of the strategy in 2025.

A critical factor for Company's success and growth is represented by the capacity of Tatatu Coins to adjust, which will be expressed through the following channels:

(i) **e-commerce**: the Company is improving its e-commerce by: offering to the users more must-to-have products and sustainable products: reducing shipping costs; opening warehouses in all major European cities; launching branded products; focusing on Target Countries while still exploring emerging markets; and minimizing risks related to drop shipping (i.e. accepting customer orders without keeping stock on hand) as shipping costs will be paid exclusively for products actually sold (adopting an Amazon-like strategy). The Group relies on contractual arrangements with providers of goods (not directly fashion houses) based on orders. Currently there is one main provider of goods. The reason for having only one goods provider is due to the limited current volumes of e-commerce and not to any structural issue or form of dependency on such current provider. Other goods providers will be added as e-commerce volumes pick-up. The delivery of the products in the e-commerce is managed by having the products sent directly by the Company's provider of goods to the users (the use of Tatatu Coins, as previously noted, is treated as a discount). The Company's strategy with respect to e-commerce pricing is to maximize the margin between the price it pays for products and the price charged to users, while at the same time sustaining the use of Tatatu Coins;

(ii) **"redeem near-by" system**: we are exploring and opening new chains (whether owned by us or third parties) to use the Tatatu Coins in the real economy. We envisage, among others, a significant number of locations of Mercato Metropolitano by 2026;

(iii) **auctions**: marketing budget dedicated to user acquisition will not be spent exclusively in advertising. We will also sponsor events, promote our Company's partnerships, create new events with exclusive tickets to be offered through auctions. We are confident such events will foster our advertising strategy, offering to tech and fashion brands must-have products free for the logo in the sponsored auctions.

The App is available worldwide, however the Group's initial user base is primarily located in Italy and US/Canada. Following completion of three pre-full launch marketing campaigns/tests, the full launch will be implemented as set forth below:

(i) 2022 (phase 1): Italy, France, Spain and United Kingdom (with an additional test in the US market);

(ii) 2023 (phase 2): Germany and more penetration in the US market (in addition to the countries in phase 1 above);

(iii) phase 3: all major European countries (with a relevant presence); US/Canada and more significant presence in the rest of the world.

From a geographical standpoint, the Company's management has decided not to target the Asian markets until the initial phase is complete. Local regulations and competition restrictions would pose a significant challenge while the executive team will also be focusing on other fronts. Management believes that the US market will be critical for future growth and strategic plan will become operational in such market from 2023.

Upon completion of the initial three-year period, the Company expects revenues to be divided into revenue streams approximately as follows:

(i) 60% from advertising services;

(ii) 25% from the so called redeem near-by; and

(iii) 15% from e-commerce.

The Company’s business plan estimates the Company to reach, by in 2026, a significant market share of the social media market. We plan to capture approximately 30 minutes of attention a day per user, equal to approximately 15% of video/media attention (global) on average.

The Company’s ultimate goal is to push and foster its vision of a sharing and circular economy by making its platform attractive for the users through dedicated and customized tools, and, as a result, the Company expects that its customer base and the circular economy will exponentially grow.

The Company expects the growth strategy, as set out above, to be based on:

(i) keeping acquiring new users through marketing campaign in Target Countries as well as physical stores;

(ii) offering new features and enlarging the content library in order to foster user engagement within the platform;

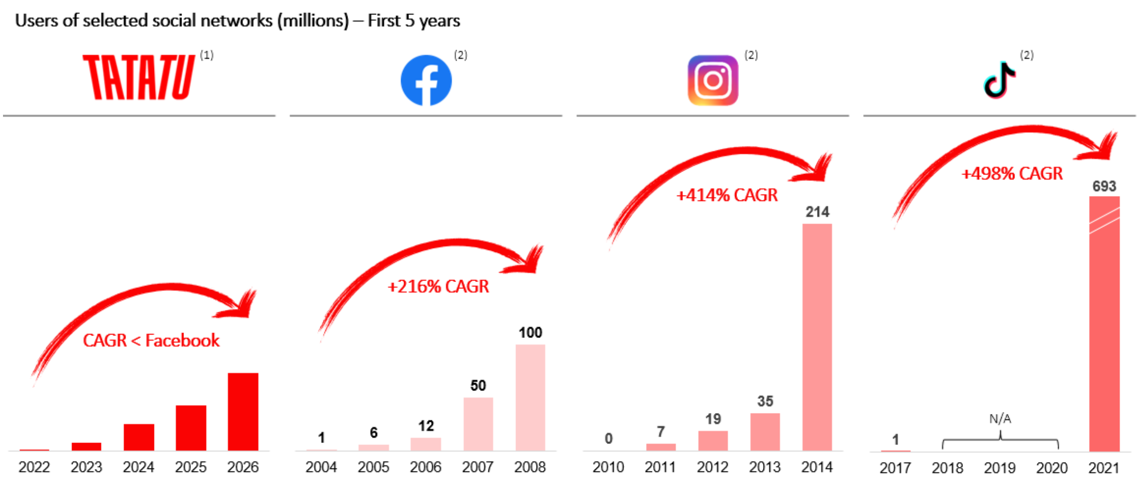
(iii) continuing to invest in the technological improvement of the platform;

(iv) starting monetizing active users through advertising, both traditional and programmatic; and

(v) expanding the network of affiliated merchants owning physical stores to drive users’ gratification and retention.

The Company’s user base is in line – in terms of age and gender – with the average users of social apps. At the end of August 2022 the number of users has increased of 4 times compared to the number of users at the beginning of January 2022. Although the Company does not have specific targets in terms of users, an analytical approach to users profiling started in August 2022.

Below is a chart representing how the Company’s user base growth is expected to follow a more conservative trajectory compared to the current main players of the social media market.



Source: Prepared by TaTaTu management based on Oliver Wyman analysis
Notes: (1) Visitor who completed the registration process of TaTaTu web or mobile app excluding any user detected as fraudulent or fake by TaTaTu fraudulent interaction detection tool; (2) Monthly active users

The Company will also benefit from the so called millennial mentality: the new generations in general are keen at taking an online approach in all fields, from e-commerce to entertainment, to e-learning and such trend is well beyond the pandemic and is fostering and incentivizing companies with a solid digital footprint.

Millennials prefer enjoying short, high-productive value contents and the Company's editorial line is focused on such kind of contents.

8.4 Significant contracts

Following the year of the Company's incorporation in 2020, since early 2021, the Company's management focused its actions on consolidating relationships with certain "anchor clients" with which commercial relationships or personal knowledge had already been established during previous years. Such "anchor clients" agreed to purchase significant advertising space for an extended period and specific payment terms were agreed upon providing for consideration to be paid by them through video content that constitutes the Company's library, which in turn is a key strategic asset for the Company and for its development and future growth.

Such library acquisition strategy continued more recently, the focus being on premium content with a young and family target including animation products, films, vodcasts on lifestyle, technology and current affairs.

Both the quality and volume of the video offer have expanded by providing international audience with hundreds of hours of new contents. Among recent library acquisitions, the new series "Puffins Impossible" represented an investment in content which is key to continue in the track of the success of "Arctic Friends" and the "Puffins", series that we had already distributed.

The "anchor clients" allowed the Company to obtain new video content as a means to pay us for the amounts they owed for advertising space. This approach contributed, in particular, to increase library with new episodes of short content. Both Millennial and Gen C audiences continue to enjoy short content with high production value. The Company's editorial line will undoubtedly continue to focus on this type of content.

Always on the shorts content side, the Company's partnership with Forbes has enriched the offer with productions concerning finance, technology and entrepreneurship. In addition, the acquisition of the "One of Us" series, a docu-series that tells the stories of extraordinary Italian women who have distinguished themselves in their respective fields of excellence, once again represents the will to distribute content with high social and cultural value.

<u>Purchase of advertising spaces</u>

The Company provides hereunder a list of the terms and conditions regulating the main agreements for sale of advertising spaces with the so called "anchor clients":

(i) Relationship with Worldwide Production Services LLC (WWPS)

- <u>Agreement for the sale of advertising spaces entered into by the Company and WWPS</u> on June 22, 2020, whereby the Company has granted WWPS with the right to use advertising spaces to host commercials of its animated series "*Puffins*" in the platform and in the App against payment of cash consideration by WWPS (the "**Puffins Agreement**"). The term of the agreement runs from its signing date (*i.e.*, June 22, 2020) until the date of expiration of the programming of the advertising services (*i.e.*, December 2023), with no automatic renewal.
- <u>Agreement for the sale of advertising spaces entered into by the Company and WWPS</u> on June 22, 2020, whereby the Company has granted WWPS with the right to use advertising spaces to host commercials of its animated series

"*Arctic Friends*" in the platform and in the App against payment of cash consideration by WWPS (the "**Arctic Friends Agreement**"). The term of the agreement runs from its signing date (*i.e.*, June 22, 2020) until the date of expiration of the programming of the advertising services (*i.e.*, December 2023), with no automatic renewal.

- <u>Multi-production put agreement entered into by the Company and WWPS</u> on August 28, 2020 (as subsequently amended and supplemented), whereby the Company has granted WWPS with the option to sell to the Company the rights to make available a digital copy of the episodes of its animated series "*Arctic Friends*" by internet streaming in perpetuity to a user who is rewarded to view the episodes and where advertising may be included, against payment of cash consideration equal to a percentage of the certified production costs incurred by WWPS in relation to the episodes (the "**Multi-production Arctic Friends Agreement**").
- <u>Multi-production put agreement entered into by the Company and WWPS</u> on August 28, 2020 (as subsequently amended and supplemented), whereby the Company has granted WWPS with the option to sell to the Company the rights to make available a digital copy of the episodes of its animated series "*Puffins*" by internet streaming in perpetuity to a user who is rewarded to view the episodes and where advertising may be included, against payment of cash consideration equal to a percentage of the certified production costs incurred by WWPS in relation to the episodes (the "**Multi-production Puffins Agreement**").
- <u>Agreement on transfer of rights and obligations entered into by the Company, Tatatu Hungary and WWPS</u>, whereby the Company transferred and assigned to Tatatu Hungary all rights, title, obligations, goodwill and interests derived from and in connection with the IP and operation rights relating to the App and exploitation rights in relation to the animated series "*Puffins*" and "*Arctic Friends*", pursuant to the provisions of the following agreements, it being understood that Tatatu Hungary is entitled to exercise such exploitation rights all over the world other that in Italy:

  (a) the Puffins Agreement;

  (b) the Arctic Friends Agreement;

  (c) the Multi-Production Arctic Friends Agreement and

  (d) the Multi-Production Puffins Agreement.
- <u>Agreement for the sale of advertising spaces entered into by Tatatu Hungary and WWPS</u> on November 22, 2020, whereby Tatatu Hungary has granted WWPS with the right to use advertising spaces to host commercials of its products in the platform and in the App, all over the world except for Italy, against payment of cash consideration by WWPS. The term of the agreement is 3 (three) years from its signing date (*i.e.*, November 22, 2020) with no automatic renewal.

(ii) Relationship with Blue Financial Communication S.p.A. ("**BFC**")

- <u>Agreement for the sale of advertising spaces entered into by Tatatu Hungary and BFC</u> on May 18, 2021, whereby Tatatu Hungary has granted BFC with the right to use advertising spaces to host commercials of its products in the platform and in the App, in Italy, Germany, France and United Kingdom, against the payment of a pecuniary consideration by BFC. The term of this agreement runs for 3 (three) years from its signing date (*i.e.*, May 18, 2021) until December 31, 2021, with no automatic renewal.

- Content purchase agreement entered into by the Company and BFC on November 23, 2020, whereby BFC has granted Tatatu with exclusive rights to reproduce, use, distribute, transmit, display and perform certain audio-visual content and other related materials to be broadcast all over the world on the platform and on the App (including, without limitation, some promotional materials), against the payment of a license fee by Tatatu Hungary. The term of this agreement runs from its signing date for an indefinite period of time, with no automatic renewal.
- Content purchase agreement entered into by Tatatu Hungary and BFC on May 18, 2021, whereby BFC has granted Tatatu Hungary with exclusive rights to reproduce, use, distribute, transmit, display and perform certain audio-visual content and other related materials to be broadcast all over the world on the platform and on the App (including, without limitation, some promotional materials), against the payment of a license fee by Tatatu Hungary. The term of this agreement runs from its signing date (*i.e.*, May 18, 2021) for an indefinite period of time.

(iii) Relationship with Fenix Entertainment S.p.A. ("**Fenix**")

- Agreement for the sale of advertising spaces entered into by Tatatu Hungary and Fenix on January 10, 2021, whereby Tatatu Hungary has granted Fenix with the right to use the advertising spaces to host the commercials of its products in the Tatatu platform and in the App, exclusively in Italy, against the payment of a pecuniary consideration by Fenix. The term of this agreement is 3 (three) years from its signing date (*i.e.*, January 10, 2021) until December 31, 2023, with no automatic renewal.
- Multi-production put agreement entered into by Tatatu Hungary and Fenix on January 4, 2021, whereby Tatatu Hungary has granted Fenix with the option to sell to Tatatu Hungary the rights to make available a digital copy of certain programs by internet streaming for an indefinite period of time, all over the world except for the territory of Italy, to a user who is rewarded to view the programs and where advertising may be included, against the payment of cash consideration equal to a percentage of the certified production costs incurred by Fenix in relation to the programs.
- Content purchase agreement entered into by Tatatu Hungary and Fenix on January 5, 2021, whereby Fenix has granted Tatatu Hungary with exclusive rights to reproduce, use, distribute, transmit, display and perform certain audio-visual content and other related materials to be broadcast all over the world except for the territory of Italy on the platform and on the App (including, without limitation, some promotional materials), against the payment of a license fee by Tatatu Hungary. The term of this agreement runs from its signing date (*i.e.*, January 5, 2021) for an indefinite period of time, with no automatic renewal.

(iv) Relationship with Minerva Pictures Group S.r.l. ("**Minerva**")

- Agreement for the sale of advertising spaces entered into by Tatatu Hungary and Minerva on January 15, 2021, whereby Tatatu Hungary has granted Minerva with the right to use advertising spaces to host commercials of its products in the platform and in the App all over the world except for the territory of Italy, against the payment of cash consideration by Minerva. The term of this agreement runs for 4 (four) years from its signing date (*i.e.*, January 15, 2021) until December 31, 2024, with no automatic renewal.

- Multi-production put agreement entered into by Tatatu Hungary and Minerva on January 26, 2021, whereby Tatatu Hungary has granted Minerva with the option to demand that Tatatu Hungary purchase the rights to certain programs, all over the world except for the territory of Italy, Vatican City State, San Marino Republic, Malta, Capodistria, Monte Carlo and Italian Switzerland, provided that Minerva will specify for each film from time to time whether or not such availability will be possible. Before the end of each semester ending the first semester on June 30 and the second semester on December 31, Minerva will provide Tatatu Hungary with written notice of its intention to exercise or not exercise the put option, in respect of the approved list of programs.

Rental of rights for Christmas movies

On July 28, 2022, the Company entered into a contract with Intesa Sanpaolo Rent Foryou S.p.A., a leading company in the movie rental industry, for the rental of TV rights of Christmas movies having a duration of 5 years. By entering into such agreement, the Group will make its library even more attractive, with the consequent possibility of increasing the sale of advertising to the benefit of cash flows.

Intra-group licence agreement

On June 24, 2022 the Company, as licensor, and Tatatu Hungary, as licensee, entered into an intra-group license agreement whereby the Company granted Tatatu Hungary with the right to use – on a non-exclusive basis – the software for the management of the platform all over the world. The duration of the agreement is from 1 January 2022 to 31 December 2022, with the provision of a yearly automatic renewal. Tatatu Hungary agreed not sub-license the agreement nor the obligations and the rights arising thereof without prior written consent of the Company. Tatatu Hungary expressly agrees to limit the platform in Italy exclusively as a social media platform, thus excluding video on demand and e-commerce.

Financing relationships

- Loan agreement entered into by Mercato Metropolitano and HSBC UK Bank Plc on June 9, 2020 (as subsequently amended on July 3, 2020), whereby (a) HSBC (as lender) granted Mercato Metropolitano (as borrower) with an unsecured loan for an amount equal to GBP 800,000.00 supported by the Coronavirus Business Interruption Loan Scheme (CBILS) managed by the British Business Bank, having the fifth anniversary of the date of drawdown of the loan as its maturity date and (b) Mercato Metropolitano committed to use such loan only for working capital requirements.

- Loan agreement entered into by the Company and Banca Progetto S.p.A. on June 26, 2021, whereby (a) Banca Progetto (as lender) granted the Company (as borrower) with an unsecured loan for an amount equal to Euro 2,450,000 and (b) the Company undertakes to maintain the first demand bank guarantee granted by Sace S.p.A. on behalf of the Company to Banca Progetto on June 17, 2021 for an amount up to a maximum of Euro 2,205,000 (such a guarantee was granted by Sace S.p.A. pursuant to with state aid applicable laws in order to ensure the necessary liquidity to Italian-based companies affected by the COVID-19 pandemic). Such loan has – as its maturity date – March 31, 2027.

- Loan agreement entered into by the Company and Deutsche Bank S.p.A. (*filiale di Roma*) on May 30, 2022, whereby Deutsche Bank (as lender) granted the Company (as borrower) with an unsecured loan for an amount equal to Euro 5,000,000, having June 3, 2026 as its maturity date. The Company committed not to (i) amend out By-Laws as to substantially amend its corporate purpose or its activity in such a way that the rights of Deutsche Bank may be jeopardized, (ii) allow the constitution of encumbrances or liens over the Shares without the prior consent of Deutsche Bank and/or (iii) carry out any merger or demerger without the prior consent of Deutsche Bank.
- Loan agreement entered into by the Company and Mediocredito Centrale – Banca del Mezzogiorno S.p.A. on September 26, 2022, whereby (a) Mediocredito (as lender) granted the Company (as borrower) with an unsecured loan for an aggregate amount equal to Euro 1,000,000 to be destined to cover part of the costs for the development of the App and (b) the Company undertakes, among others, to maintain a first demand bank guarantee granted by Sace S.p.A. on behalf of the Company to Mediocredito for an amount equal to 80% of the financed amount and a personal surety (*fidejussione personale*) by Andrea Iervolino. Such loan has – as its maturity date – the 7th anniversary of the first payment by Mediocredito (i.e. September 26, 2029).
- Loan agreement entered into by the Company and Banca Monte dei Paschi di Siena S.p.A. on September 26, 2022, whereby (a) Monte dei Paschi di Siena (as lender) granted the Company (as borrower) with an unsecured loan for an amount equal to Euro 1,000,000 to be destined to cover the investments by the Company and (b) the Company undertakes, among others, to maintain the first demand bank guarantee granted by Sace S.p.A. on behalf of the Company to Monte dei Paschi di Siena for an amount equal to 80% of the financed amount, and a personal surety (*fidejussione personale*) by Andrea Iervolino. Such loan has – as its maturity date – the 7th anniversary of the first payment by Monte dei Paschi di Siena (i.e. September 26, 2029).
- Loan agreement entered into by the Company and Istituto per il Credito Sportivo (ICS) on September 26, 2022, whereby (a) ICS (as lender) granted the Company (as borrower) with an unsecured loan for an amount equal to Euro 1,000,000 (to be paid in several tranches) to be destined to cover part of the costs for the development of the App and (b) the Company undertakes, among others, to maintain a first demand bank guarantee granted by Sace S.p.A. on behalf of the Company to ICS for an amount equal to 80% of the financed amount (i.e. Euro 800,000), a pledge on the bank account opened with ICS for an amount of Euro 200,000 and a first demand guarantee by Andrea Iervolino for an amount equal to Euro 1,000,000. Such loan has – as its maturity date – the 7th anniversary of the first payment by ICS (i.e. September 26, 2029).

Service Agreement with Amazon

Service Agreement entered into by and between Amazon Web Services's ("**AWS**") and the Company, as updated on June 22, 2022, whereby Amazon Web Services EMEA SARL undertook to provide the Company with certain cervices, including, *inter alia*, AWS Outposts services (*i.e.*, AWS services performed through specific equipment at Company's premises), Beta Services (including preview and pre-release services) and AWS Marketplace and Alexa Web Services.

Framework Agreement governing the acquisition of Mercato Metropolitano

(a) *Consideration*

The aggregate consideration for the acquisition by the Company of the full ownership right and title over of the entire corporate capital of WWMM and, thus, indirectly over a 75% stake in Mercato Metropolitano – as summarized under Section 6.2 above – is equal to GBP 14,550,000 (the "**Consideration**"), of which, (i) an aggregate amount equal to GBP 600,000 was paid in cash, and (ii) the residual amount was paid by offering for subscription the Company's newly issued shares in the context of the share capital increase approved on May 13, 2022.

(b) *Post-closing undertakings*

The Framework Agreement provides, *inter alia*, that:

(i) the Company is required to complete a targeted due diligence review on Mercato Metropolitano group and WWMM to be completed by June 30, 2023;

(ii) within 90 days from May 13, 2022 (the "**Settlement Term**"), Andrea Rasca agreed to procure the entering into of a settlement agreement with the landlords of certain premises in which Mercato Metropolitano conducts its business (jointly, the "**Settlement Agreements**");

(iii) Andrea Rasca agreed not to transfer any of his shares starting from May 13, 2022 and until the third anniversary of date on which the listing of the shares of the Company occurs (the "**Lock-up Period**"), save for a maximum number of 291,202 Shares of the Company which may be transferred to persons previously jointly identified in writing with the Company. Should Andrea Rasca intend to transfer any shares of the Company following the expiration of the Lock-up Period, IA Media shall be entitled to exercise a right of first refusal on those shares;

(c) *Adjustment to the Consideration*

According to the Framework Agreement, the Consideration may be adjusted, in particular:

(i) if the initial price of each listed shares of the Company is not equal to Euro 2.00, the Consideration will be adjusted accordingly. Adjustment of the Consideration shall be made in kind only and as follows:

(a) if the actual listing price is higher than Euro 2.00 per Share, Andrea Rasca shall transfer to the Company a number of shares of the Company so as to ensure that, following such transfer, the aggregate number of shares of the Company held by Andrea Rasca shall be equal to the number of shares of the Company which would have been allotted in the context of the capital increase to Andrea Rasca should the actual listing price be equal to Euro 2.00 per Share;

(b) if the actual listing price is lower than the Euro 2.00 per Share, IA Media shall procure that Andrea Rasca is granted with a number of shares of the Company so as to ensure that the aggregate number of shares of the Company held by Andrea Rasca shall be equal to the number of shares of the Company which would have been allotted in the context of the capital increase to Andrea Rasca should the actual listing price be equal to Euro 2.00 per Share;

(ii) within: 30 business days as of June 30, 2023: if the net financial position of the Mercato Metropolitano group and WWMM results to be higher or lower than GBP 5,600,000, the Consideration shall be reduced or increased accordingly; and/or any payment due by Andrea Rasca or the Company as adjustment to the Consideration will be made in kind by using the Company's shares, by transferring to the Company or to Andrea Rasca (as the case may be) a number of the Company's shares as to ensure that, following such transfer, the aggregate number of the Company's shares held by Andrea Rasca is equal to the number of the Company's shares which would have been offered to and subscribed for by Andrea Rasca in the context of the closing of the transaction, should the circumstances above not have occurred.

8.5 Intellectual Property

The Company owns or we are entitled to use all the intellectual property rights necessary to conduct the Company's business as currently carried out and in details:

(a) Trademarks and Domain Names

(i) No. 1 (one) domain names and namely: tatatu.com;

(ii) No. 5 (five) trademarks that cover the word "Tatatu" and the logo TATATU and namely:

(A) the International trademark No. 1524937 "Tatatu", filed on December 19, 2019, for class 36, designating European Union (No. 1524937, granted on August 29, 2020), United Kingdom (No. UK00801524937 granted on September 1, 2020) and United States (No. 6450843, granted on August 17, 2021);

(B) the UE trademark No. 017942147 TATATU, filed on August 14, 2018 and granted on February 21, 2022 for classes 9, 38, 41, 42;

(C) the UE trademark No. 017931302 "Tatatu", filed on July 16, 2018 and granted on January 28, 2022 for classes 9, 38, 41, 42;

(D) the US trademark No. 5651141 "Tatatu" filed on December 26, 2017 and granted on January 8, 2019 for classes 9, 38, 41, 42;

(E) the US trademark No. 5933034 TATATU, filed on May 23, 2018 and granted on December 10, 2019 for classes 9, 38, 41, 42;

(iii) No. 2 trademark applications and namely:

(A) the Canadian trademark application No. 1897332 "Tatatu", filed on May 3, 2018 for classes 9, 38, 41, 42;

(B) the Italian trademark application No. 302019000085128 "Tatatu" filed on November 18, 2019 for classes 9, 36, 38, 41, 42.

(b) Patents

The Company has carried out the following patent application:

(i) No. 1 US patent application No. 16132277 "System, Method, and Apparatus for

Online Content Platform and Related Cryptocurrency”, filed on September 14, 2018 and published on March 19, 2020, whose inventor is Andrea Iervolino. However, on July 19, 2022, on the basis of the public information retrieved from the public registers, it appears that the examiner issued a “*Non-Final Rejection*” notice of this application;

(ii) No. 1 International patent application according to the PCT[13] “System, Method, And Apparatus For Online Content Platform And Related Cryptocurrency” No. 19860064 filed on September 5, 2019, based on the abovementioned US patent application No. 16132277, and extended to Canada, European Union, Australia and India) whose inventor is Andrea Iervolino.

The reference to “cryptocurrency” in the US patent application referred above is the result of the structure of the form that needed to be filled in and submitted; the TaTaTu Coins are not structured as a cryptocurrency, they are a means to offer a discount to our users, and can never be converted into legal tender.

(c) Software

The Company owns No. 1 software, exploited for the management of the platform.

8.6 Employees

According to the last consolidated yearly financial statements (for the fiscal year 2021), approved at December 31, 2021 the Group has a workforce of 8 (eight) employees and around 50 ongoing collaborators.

In the fiscal year ended on December 31, 2021, the Group employed its own staff hired with permanent employment contracts and with other contractual formulas aimed at permanent employment, such as apprenticeships and internships.

9 Recent developments and outlooks

9.1 Recent developments

Financial year 2022 is a year of consolidation for the Company which, however, intends to continue its growth path by positioning itself among the main players in the sector. Consequently, the business development process will continue through the search for new investors and new finance to support the Group business plan.

The growth of the Group may also take place through mergers with or acquisitions of target companies in line with the business plan, possibly using the legal framework used for the completion of the Mercato Metropolitano transaction.

As regards the foreseeable business outlook, it should be noted that the transaction relating to Mercato Metropolitano will significantly contribute to the execution phase of the business model in relation to the “Redeem near-by” and, therefore, to the circular economy with consequent benefit in terms of de-risking of the implementation phase of the business plan.

Furthermore, by means of the shareholders’ meetings of the Company held on September 6, 2022 and September 30, 2022, a new board of directors of the Company has been appointed, composed of the people as better detailed under Section 11.1 (*Administrative, executive and supervisory bodies*) below.

[13] Patent Cooperation Treaty signed on June 19, 1970, as subsequently amended and supplemented.

9.2 Outlook

The objectives and trends presented below are based on data, assumptions and estimates, particularly in terms of economic outlook, considered reasonable by the Group at the date of this Information Document.

These outlook and objectives, which result from the Group's strategic orientation, do not constitute forecasts or estimates of the Group's net income. The figures, data, assumptions, estimates and objectives presented below may change or be modified in an unforeseeable manner, depending, among other things, on changes in the economic, financial, competitive, legal, regulatory, accounting and tax environment or on other factors of which the Group is not aware at the date of this Information Document.

In addition, the materialization of certain risks described in Section 5 "*Risk factors related to our Group*" of this Information Document could have an adverse effect on the Group's business, financial position, market situation, results or outlook, and therefore call into question its ability to achieve the objectives presented below.

Furthermore, the achievement of these objectives requires the success of the Group's strategy and its implementation.

Therefore, the Group does not make any commitment or give any guarantee that the objectives in this section will be achieved.

(a) Targets

<u>For year 2022</u>

The Company is targeting to have consolidated revenues exceeding Euro 100 million in 2022, mostly driven by Company's non-cash advertising services, and to a lesser extent by the contribution from the acquisition of Mercato Metropolitano as from June 1, 2022.

The Company expects to reach a range of 0.5-1.5 million users who completed the registration process of Tatatu web or mobile App, excluding any user detected as fraudulent or fake by the Group fraudulent interaction detection tool, by December 31, 2022.

The Company is targeting to have a consolidated EBITDA Adjusted for the year ending December 31, 2022, in the range of Euro 3.0-4.0 million.

The successful achievement of Company's targets for 2022 assumes, *inter alia*, that: (i) the Company will move forward in the execution of its premium content acquisition strategy plan to reach the target content hours and that it will finalize further content bartering contracts which will contribute to reach revenues target by increasing non-cash advertising services; (ii) the contribution of Mercato Metropolitano will be in line with the Company's growth expectations fostering redeem near-by strategy; (iii) the evolution of the Group's markets will be in line with the trends described in Section 7.1 "*Markets*" of this Information Document; and (iv) there will be no significant change of the regulatory and tax environment affecting the Group.

<u>Objectives for the mid term</u>

At the end of the initial phase of Company's strategy until 2026, the Group aims at realizing a revenue in the range of Euro 700-900 million, notably thanks to:

(i) the significant expansion of Company's user base, expected to be in the range of 60-80 million;

(ii) the large majority of Company's revenues to be cash revenues, mostly driven by advertising services and the “redeem near-by” (cf. Section 8.3 “*Strategy*” above)

(iii) the contribution of the “redeem near-by” companies to be acquired.

The EBITDA Adjusted margin should range from the high-single to the low-double digit region, mostly driven by user acquisition strategy significantly based on “redeem near-by” approach and business evolution towards high margin services as cash advertising.

The successful achievement of the Company’s targets for 2026 assumes, *inter alia*, that: (i) the Company will be able to manage user acquisition through iterative marketing campaigns in line with the expectations, while, at the same time developing institutional and unconventional marketing to promote brand awareness and optimizing app engagement and support to release new features; (ii) the Company will further develop the definition of the premium content acquisition strategy plan to reach the target content hours and that it will finalize further content bartering contracts which will contribute to reach revenues target by increasing non-cash advertising services; (iii) knowledge of user preference and ability to provide content customization and acquisition will allow the Company to reach 10.000 hours of contents; (iv) will refine Company’s technology strategy plan releasing new features; and (v) will be able to hire and retain human resources required across the organization; (vi) the evolution of Company’s Group’s markets will be in line with the trends described in Section 7.1 “*Markets*” of this Information Document; (vii) there will be no significant change of the regulatory and tax environment affecting the Group; and (viii) will be able to raise capital and debt to fund Company’s growth for approximately Euro 80 million as set forth under Section 8.3 “*Strategy*” of this Information Document.

(b) Future acquisitions

M&A investments throughout the initial phase of Company’s strategy until 2026 will be focused on “redeem near-by” opportunities, within the Company’s Target Countries.

(c) Potential private placement

During the initial phase of the strategy until 2026, the Company will need significant additional financing to grow and operate Company’s business and implement the business plan. The Company expects that it will need to raise capital and debt, during such a period, for approximately Euro 80 million, including both equity and debt (cfr. Section 8.3 “*Strategy*” above).

10 Review of the Company’s financial situation

The financial data reported in this section is derived from and should be read in conjunction with: (i) the Consolidated Financial Statements; and (ii) the Condensed Interim Consolidated Financial Statements.

With the exception of certain non-IFRS financial measures presented in Section 10.1 below, as discussed in Section 4.1 “Non-IFRS Financial Measures”, the Group’s financial information as of and for the years ended December 31, 2021 and 2020 and as of and for the six-month periods ended June 30, 2022 and June 30, 2021 included in the following tables has been derived from the Audited Consolidated Financial Statements and the Unaudited Condensed Interim Consolidated Financial Statements. Figures for 2020 are derived from the comparative figures in the 2021 Consolidated Financial Statements. In the 2021 Audited Consolidated Financial Statements, we reclassified certain assets and liabilities figures for 2020, for comparative purposes only.

Interim results for the first six months of 2022 are not necessarily indicative of the results of operations that may be expected for any other interim period in 2022 or for the full years.

Since the Company was established on February 20, 2020, the annual financial information related to the statement of comprehensive income and the statement of cash flows is not fully comparable, as 2020 was characterized by 10 months of transactions whereas 2021 was the first full year of operations.

For a better understanding of the Group's financial performance and cash flows, as well as of the related balance sheet effects, it should be noted that, in 2021 and 2022, the Group concluded important commercial agreements with customers operating in the entertainment and advertising sectors, in line with the business development strategy. Such transactions can be brought back to two contractual models:

- "Pure" advertising "Barter": the advertising barter transactions provide for the exchange of advertising implemented through separate contracts which provide for the reciprocal obligation to provide advertising services. These contracts have led to the recognition of receivables and payables, which are extinguished when the parties declare that they wish to make use of the offsetting between the reciprocal balance sheet items.
- "Barter" equivalent: Barter equivalent transactions specifically involve the sale of advertising in exchange for the purchase of video rights. These contracts have led to the recognition of receivables and payables, which are extinguished when the parties declare that they wish to make use of the offsetting between the reciprocal balance sheet items. Revenues relating to the sale of advertising in "barter equivalent" transactions are recognized according to an accounting policy developed by the Company based on the IFRS15 standard. Specifically, a revenue is recognized if the "barter" transaction meets the following conditions: i) the contract was stipulated for advertising services rendered in the ordinary activities of the entity; ii) the contract has commercial substance in accordance with the provisions of IFRS 15 paragraph 9.d.; iii) the service to be transferred to the customer has been identified; iv) the company has obtained control of any non-monetary consideration; and v) the fair value of the service can be reliably estimated and corresponds to the fair value of the acquired right (level 3 in the fair value hierarchy). In carrying out the analysis of the contracts, the company, in compliance with the provisions of IFRS 15, considered the discipline of the combination of contracts, also for the application of the policy described above. With reference to point ii), the directors have assessed that the contract has commercial substance through the analysis of the sales of the advertising spaces planned for the following years, specifically, the cash flows deriving from the exploitation of the right.

  Along with revenue recognition, the most significant valuation used in the preparation of the statement of comprehensive income relates to the film forecast computation method, which affects the determination of amortization of Intangible Assets. The application of the 'film forecast computation method', according to which the amortization at the date of the financial statements is determined based on the time horizon, referring to the ratio existing between the revenues incurred and the total revenues to be received throughout the life cycle of the film, requires the application of an estimation criterion to determine the prospective revenues as well as the timing in which the intangible asset will generate revenues.

10.1 Information on the Group's comprehensive income

The following table presents the consolidated statement of comprehensive income for the years ended December 31, 2021 and 2020 and for the six months ended June 30, 2022 and 2021:

	Consolidated Financial Statements		Condensed Interim Consolidated Financial Statements	
	For the financial year ended December 31,		For the six months ended June 30,	
	2021	2020	2022	2021
	in EUROthousand	in EUROthousand	in EUROthousand	in EUROthousand
	(audited)		*(unaudited)*	
Revenues…..	**47,396**	**24,596**	**53,720**	**38,647**
Purchases of raw materials and consumables ….........	-	-	(5)	-
Costs for services…...	(6,837)	(532)	(5,435)	(1,130)
Staff costs…...	(180)	(12)	(639)	(51)
Other operating costs…...	(192)	(77)	(300)	(571)
Amortization, depreciation and write downs………...	(39,156)	(24,006)	(46,182)	(36,595)
Operating profit/(loss)	**1,031**	**(31)**	**1,159**	**300**
Financial charges ....…...	(897)	(1)	(1,005)	(18)
Financial income…...…...	894	13	180	
Profit before taxes …..	**1,028**	**(19)**	**334**	**282**
Taxes…..	**281**	**(469)**	**(42)**	**(50)**
Profit/(loss) for the year/(period)	**1,309**	**(488)**	**292**	**232**
Other items of the statement of comprehensive income…..	**-**	**-**	**(5)**	**-**
Comprehensive income/(loss) for the year/(period) ...	**1,309**	**(488)**	**287**	**232**
Profit/(loss) for the year/(period):				
- attributable to owners of the Parent ………………..	*1,309*	*(488)*	*257*	*232*
- attributable to non-controlling interests …………....			*35*	
Comprehensive income/(loss) for the year/(period):				
- attributable to owners of the Parent ………………..	*1,309*	*(488)*	*252*	*232*
- attributable to non-controlling interests …………....			*35*	

Here below a reconciliation of non-IFRS financial measures to the most directly comparable measures calculated and presented in accordance with IFRS:

	For the financial year ended December 31,		For the six-month period ended June 30,	
	2021	2020	2022	2021

	in EUROthousand	in EUROthousand	in EUROthousand	in EUROthousand
	(audited)		*(unaudited)*	
Profit/(loss) for the year/(period)	**1,309**	**(488)**	**292**	**232**
Adding back:				
Taxes ………………………………………………..	(281)	469	41	50
Financial charges ...……………………………………	897	1	1,005	18
Financial income …………………………………….	(894)	(13)	(180)	
Amortization, depreciation and write downs ………..	39,156	24,006	46,182	36,595
EBITDA for the year/(period)	40,187	23,975	47,341	36,895
Amortization and write downs of Rights on Audiovisual Content ………………….………..	(38,263)	(23,984)	(45,579)	(36,148)
EBITDA Adjusted for the year/(period)	1,924	(9)	1,762	747

b) Revenues

The following table presents revenues for the periods indicated:

	Consolidated Financial Statements				**Condensed Interim Consolidated Financial Statements**			
	For the financial year ended December 31,				**For the six months ended June 30,**			
	2021		**2020**		**2022**		**2021**	
	in EUROthousand	in %	in EUROthousand	in %	in EUROthousand	in %	in EUROthousand	in %
Advertising services………………	47,134	100%	24,596	100%	52,497	98%	38,431	0%
Food & Beverage…………………					1,130	2%	-	
Sale of products on e-commerce….	1	0%	-	0%	1	0%	-	0%
Consultancy services for related parties……………………………..	61	0%	-	0%	-	0%	-	0%
Sales………………………………	**47,196**	**100%**	**24,596**	**100%**	**53,628**	**100%**	**38,431**	**100%**
Other income ……...……………	**200**	**0%**	**-**	**0%**	**92**	**0%**	**216**	**0%**
Total Revenues…………………..	**47,396**	**100%**	**24,596**	**100%**	**53,720**	**100%**	**38,647**	**100%**

Total revenues are mainly composed by sales related to advertising services. Specifically, the advertising services include promotional notifications and other forms of advertising conveyed via the App throughout Italy. Such revenues were accounted for by applying the accrual principle and with particular reference to bartering equivalent transactions.

It is important to point out that the company puts in place two main categories of bartering transactions:

- "Pure" advertising "Barter": having, as its object, the exchange of advertising against advertising by netting the respective economic positions. Advertising barter transactions were specifically excluded from the scope of IFRS 15;

- "Barter" equivalent: relating, specifically, to the sale of advertising in exchange for content, generally audiovisual rights, that contributes to enriching the entertainment offer of the app. Equivalent barter transactions fall within the scope of IFRS15 as the company carried out, on each contract, a timely assessment which led to the identification of whether: (i) the transaction was carried out in the course of ordinary activity; (ii) the transaction has commercial substance; (iii) the service to be transferred to the customer has been identified; (iv) the company has obtained control of any non-monetary consideration; (v) the fair value was determined.

In 2021, total revenues increased by EURO 22,800 thousand (+92.7%), from EURO 24,596 thousand for the year 2020 to EURO 47,396 thousand for the year 2021, primarily due to new advertising contracts signed with major anchor clients for the sale of advertising spaces. For barter equivalent transactions, the consideration for such advertising services is represented by the purchase of audiovisual rights which allowed the Company to enrich its platform with additional video content and make it more attractive to users.

In the first half of 2022, total revenues increased by EURO 15,073 thousand (+39%) compared to the corresponding period of the preceding year, from EURO 38,647 thousand as of June 30, 2021 to EURO 53,720 thousand as of June 30, 2022, primarily due to: (i) new advertising contracts signed with major anchor clients for the sale of advertising spaces, in exchange for rights on audiovisual content; and (ii) food and beverage services, contributed by the newly-acquired WWMM and its subsidiaries starting from its acquisition date - May 13, 2022 – to the end of the reporting period.

(b) Operating profit/(loss)

In 2021, the Group's operating result changed from a loss of EURO 31 thousand in 2020 to a profit of EURO 1,031 thousand in 2021, with an overall improvement of EURO 1,062 thousand.

The growth is mostly originated by the aforementioned increase in Revenues occurred in 2021 as compared to the corresponding amount in 2020 (+ EURO 22,800 thousand), which was partly offset by a growth in Amortization, depreciation and write downs (+ EURO 15,150 thousand), which passed from EURO 24,006 thousand in 2020 to EURO 39,156 thousand in 2021, and a rise in other costs, composed by Costs of services, Staff costs and Other operating costs, by EURO 6,588 thousand, from overall EURO 621 thousand in 2020 to overall EURO 7,209 thousand in 2021.

The growth in Amortization, depreciation and write downs is mostly related to an increase in amortization of rights on audiovisual content (+ EURO 14,279 thousand), primarily due to the purchase of new video content during the year in the amount of EURO 39,463 thousand, net of related amortization in the amount of EURO 38,263 thousand.

The increase in other costs is mainly driven by a rise in Costs of services (from EURO 532 thousand to EURO 6,837 thousand), which is essentially due to higher advertising costs attributable to the purchase of advertising spaces and related commercial services (+ EURO 2,222 thousand), higher strategic and marketing advisory services (+ EURO 823 thousand), higher technological services (+ EURO 372 thousand) and other services (+ EURO 2,194 thousand), in line with the growth of the Group's activities.

In the first half of 2022, the Group's operating result changed from an operating profit of EURO 300 thousand for the six months ended June 30, 2021 to an operating profit of EURO 1,159 thousand for the six months ended June 30, 2022, with an overall improvement of EURO 859 thousand.

The increase is mainly generated by the commented rise in Revenues which occurred in the first half of 2022, as compared to the corresponding amount in the first half of 2021. Such increase is partly offset by a growth in Amortization, depreciation and write downs, which passed from EURO 36,595 thousand in in the first semester of 2021 to EURO 46,182 thousand in the first semester of 2022 and an increase in other costs, composed by Costs of services, Staff costs and Other operating costs, by EURO 4,627 thousand, from overall EURO 1,752 thousand in 2021 to overall EURO 6,379 thousand in 2022.

The Amortization, depreciation and write downs increase is mostly related to an increase in amortization of audiovisual content (+ EURO 9,431 thousand), primarily due to the purchase of video content during the first half of 2022 in the amount of EURO 42,362 thousand, net of amortization in the amount of EURO 45,578 thousand.

The increase in other costs is mainly driven by a rise in Costs of services (from EURO 1,130 thousand to EURO 5,435 thousand), which is essentially due to higher advertising costs attributable to the purchase of advertising spaces and related commercial services (+ EURO 2,703 thousand), higher marketing advisory services (+ EURO 354 thousand) and other services (+ EURO 825 thousand), in line with the growth of the Group’s activities.

(c) Profit/(loss) before taxes

In 2021, the result before taxes improved from a pre-tax loss in the amount of EURO 19 thousand in 2020 to a pre-tax income in the amount of EURO 1,028 thousand in 2021, with an overall increase by EURO 1,047 thousand. This change is basically explained by the change in Operating profit.

In the first half of 2022, the result before taxes decreased from a pre-tax income in the amount of EURO 282 thousand for the first semester of 2021 to a pre-tax income in the amount of EURO 334 thousand for the first semester of 2022, with an overall increase by EURO 52 thousand. This change is affected by the improvement of EURO 859 thousand in the operating result, which is partly offset by the worsening financial result for EURO 807 thousand (net financial expenses of EURO 825 thousand in the first half of 2022 and EURO 18 thousand in the first half of 2021, respectively).

(d) Profit/(loss) for the year

In 2021, the net result for the year improved from a net loss of EURO 488 thousand in 2020 to a net income of EURO 1,309 thousand in 2021, with an overall difference of EURO 1,797 thousand. In addition to the reasons for the change explained as part of the comment related to operating result, Income taxes improved from negative EURO 469 thousand in 2020 to positive EURO 281 thousand in 2021. The increase in Income Taxes mainly refers to the accrual of deferred tax assets recorded as a consolidation adjustment in connection with a temporary difference between tax and book value of the net assets at the subsidiary Tatatu Hungary, which is expected to fully reverse in the second half of 2022.

In the first half of 2022, the net result for the period increased from a net income of EURO 232 thousand in the first semester of 2021 to a net income of EURO 292 thousand in the first semester of 2022. The reasons for the change are those explained as part of the comment for operating result and result before taxes, with Income taxes only having a slight improvement from negative EURO 50 thousand in the first semester of 2021 to negative EURO 42 thousand in the first semester of 2022.

10.2 Information on the Group's financial position

The following table presents the Statement of Financial Position for all the periods indicated:

	Consolidated Financial Statements		Condensed Interim Consolidated Financial Statements
	As of December 31,		As of June 30,
	2021	2020	2022
	in EUROthousand	in EUROthousand	in EUROthousand
	(audited)		*(unaudited)*
Rights on audiovisual content	6,368	4,131	5,666
Trademarks	4,296	4,549	4,169
Technological software	2,541	3,180	2,221
Goodwill	-	-	17,407
Intangible Assets under construction	-	-	2,768
Property, Plant and Equipment	4	-	838
Rigths of use	-	-	11,397
Deferred tax assets	1,018	10	1,153
Total non-current assets	**14,227**	**11,870**	**45,619**
Trade receivables	22,298	22,470	70,932
Other current assets	449	16	1,311
Inventories	-	-	134
Prepayments and Accrued Income	-	-	464
Tax assets	26	-	-
Cash and cash equivalents	816	61	3,278
Total current assets	**23,589**	**22,547**	**76,119**

Non-current trade payables………….........................	1,721	3,876	1,721
Non-current financial liabilities …...…...................	1,630	-	16,725
Employee benefits……………………...................	4	-	4
Other non-current liabilities…………………..	-	-	679
Total non-current liabilities …..….......................	**3,355**	**3,876**	**19,129**
Current financial liabilities …..…..........................	583	5	3,281
Trade payables …...…..	23,619	22,541	75,549
Other current liabilities …..…................................	124	20	1,536
Tax payables …..…..	1,013	462	743
Total current liabilities …..…...............................	**25,339**	**23,028**	**81,109**
Share capital………..	8,013	8,010	8,105
Share premium reserve …...…..................................	297	-	16,404
Legal Reserve …..……………………………….	-	-	32
Other reserves …...…...	(32)	(9)	1,090
Profit and loss carried forward……….....................	(465)	-	(2,781)
Result attributable to the Group…………………..	1,309	(488)	257
Equity of non controlling interests …..……………	-	-	(1,642)
Result attributable to non-controlling interests……	-	-	35
Total shareholders' equity …...….........................	**9,122**	**7,513**	**21,500**

(a) Fixed Assets

On the basis of the Consolidated Financial Statements and the Condensed Interim Consolidated Financial Statements:

- Rights on audiovisual content increased from EURO 4,131 thousand as of December 31, 2020 to EURO 6,368 thousand as of December 31, 2021 and to EURO 5,666 thousand as of June 30, 2022. The audiovisual rights are owned by the subsidiary Tatatu Hungary. These assets are mostly acquired from third party suppliers through barter agreements and refer to RAVOD audiovisual rights.
- The increase as of December 31, 2021 compared to the corresponding period of the preceding year is primarily due to the purchase of video content during the year in the amount of EURO 39.4 million, net of amortization in the amount of EURO 38.2 million. The decrease by EURO 702 thousand over the first half of 2022 is primarily due to the purchase of video content during the year in the amount of EURO 42.3 million, net of amortization in the amount of EURO 45.6 million.
- Goodwill amounts to EURO 17,407 thousand as of June 30, 2022 (nil as of December 31, 2021 and 2020) and originates from the business combination of WWMM Ltd and its subsidiaries. The figure is calculated as the difference between the fair value of consideration transferred in the acquisition and the net value of the acquisition-date fair values of the identifiable assets acquired and liabilities assumed in the transaction.

- Trademarks decreased from EURO 4,549 thousand as of December 31, 2020 to EURO 4,296 thousand as of December 31, 2021 and to EURO 4,169 thousand as of June 30, 2022 due to the depreciation charges attributable to each period.
- Technological software, which incorporates the value of the App, decreased from EURO 3,180 thousand as of December 31, 2020 to EURO 2,541 thousand as of December 31, 2021 to EURO 2,221 thousand as of June 30, 2022 due to the depreciation charges attributable to each period.
- Deferred tax assets increased from EURO 10 thousand as of December 31, 2020 to EURO 1,018 thousand as of December 31, 2021 and to EURO 1,153 thousand as of June 30, 2022. The most part of the amount as of June 30, 2022 still reflects the accrual recorded in 2021 as consolidation adjustment in connection with certain net assets of Tatatu Hungary and was necessary to harmonize the accounting treatment of the entities at Group level. The reversal of this temporary difference is expected to occur during the second half of 2022. Deferred tax assets also include the provision for deferred IRES taxes for 2021 corresponding to the temporary increases in the tax base that refer to negative items for the year, the deduction of which is expressly postponed to subsequent years in accordance with provisions of the Consolidated Income Tax Act.
- Rights of use amounted to EUR 11,397 thousand as of June 30, 2022 and originates as a consequence of the acquisition of Group WWMM. It includes the value in use of Group WWMM's leased buildings in accordance with IFRS16. The amount was nil as of either December 31, 20201 and 2020, prior to this business combination.

(b) Working capital elements

On the basis of the Consolidated Financial Statements and the Condensed Interim Consolidated Financial Statements:

- Trade receivables decreased from EURO 22,470 thousand as of December 31, 2020 to EURO 22,298 thousand as of December 31, 2021, before increasing to EURO 70,932 thousand as of June 30, 2022.

  The decrease in 2021 is the net result of: (i) the offsetting of receivables recorded in the previous year and in the current year with trade payables due to the same counterparties and recorded in connection with the purchase of rights on audiovisual content year; and (ii) the new trade receivables recorded for services rendered in the year, that will be offset in the following one. It should be reminded that revenues are generally recorded on an accrual basis, which means that they are recognized when the related services are rendered and regardless the issuance of the related invoices, which might happen in future administrative periods. In this respect, as of December 31, 2021 (i) the total trade receivables of the Group amounted revenues for an amounted equal to EURO 22,298 thousand, out of an amount of total sale revenues equal to EURO 47,196 thousand and (ii) out of the total amount of EURO 22,298 thousand, trade receivables for EURO 21,617 thousand were related to invoices to be issued and which are expected to be issued and collected by the end of the following year. These receivables will likely be realized in the short term not in cash but rather through set-off of the respective debit/credit positions with the same counterparties (i.e., barter agreements), pursuant to the contractual agreements that legitimate the parties of the arrangements to do so.

  The increase of the first half of 2022 amounts to EURO 48,634 thousand and it is the net effect of the growth in revenues recorded in the period and the offsetting of credit/debit related to trade receivables recorded either in prior years or in the current period.

- Other current assets increased from EURO 16 thousand as of December 31, 2020 to EURO 449 thousand as of December 31, 2021 and to EURO 1,311 as of June 30, 2022. The increase in 2021 is primarily due to VAT receivables in the amount of EURO 226 thousand and advertising investment tax credit for EURO 203 thousand pursuant to Article 57-bis of Law Decree 50/2017 recorded in the year with reference to advertising costs incurred in 2020. The addition increase recorded in the first semester of 2022 is mainly due to the inclusion of WWMM in the area of consolidation.
- Trade payables amounted to EURO 22,541 thousand as of December 31, 2020, to EURO 23,619 thousand as of December 31, 2021 and to EURO 75,549 as of June 30, 2022. They refer to liabilities incurred by the Group. Payables specifically refer to the following expense items: i) administrative and technical services necessary for the operation of the company; ii) content made available to users on the platform; and iii) development activities conducted by the dedicated team on the Company's platform. Most of the services related to the aforementioned trade payables are rendered by parties that are also customers of advertising spaces made available by the Company and – as a result of that – the related liabilities are intended to be offset in the context of trade relations (so-called barter agreements) by virtue of which the parties are given the opportunity to extinguish their mutual debit - credit positions.
- Other current liabilities increased from EURO 20 thousand as of December 31, 2020 to EURO 124 thousand as of December 31, 2021 and to EURO 1,536 thousand as of June 30, 2022. As of December 31, 2021, they refer to payables to employees for EURO 16 thousand, to payables to the Lone Director by way of financial advances disbursed during the year in question for EURO 61 thousand and to tax and social security positions associated with the payroll for EURO 47 thousand. As of June 30, 2022, other current liabilities increased by EURO 1,412 thousand compared to December 31, 2021 mainly due to the inclusion of WWMM in the consolidation area.
- Tax payables increased by EURO 551 thousand from EURO 462 thousand as of December 31, 2020 to EURO 1,013 thousand as of December 31, 2021 and then decreased to EURO 743 thousand as of June 30, 2022. The increase in 2021 is primarily due to local income taxes recorded in the financial statements of the Company and Tatatu Hungary. As of June 30, 2022 tax payables decreased by EURO 270 thousand compared to December 31, 2021.

(c) Equity

On the basis of the Consolidated Financial Statements and the Condensed Interim Consolidated Financial Statements:

- Total equity increased from EURO 7,513 thousand as of December 31, 2020 to EURO 9,122 thousand as of December 31, 2021 and to EURO 21,500 thousand as of June 30, 2022. Specifically, the share capital grew as a result of the paid-in capital increase transaction approved by the Parent Company on September 28, 2021. In details, 300,400 ordinary shares with a par value of EURO 0.01 per share were issued, at the unit price of Euro 0.9987515. In the first half of 2022, shareholders' equity changed as a result of further share capital increases of Tatatu S.p.A.: against the contributions received, 10,637,958 ordinary shares with a nominal value of EUR 0.01 per share were issued. Consequently, the share capital increased by EURO 92 thousand and a share premium amounting to EURO 16,404 was recorded.

(d) Net financial indebtedness

On the basis of the Consolidated Financial Statements and the Condensed Interim Consolidated

Financial Statements, the following table presents net financial indebtedness for all the periods indicated:

		Consolidated Financial Statements		Condensed Interim Consolidated Financial Statements
		As of December 31,		As of June 30,
		2021	2020	2022
		in EUROthousand	in EUROthousand	in EUROthousand
A	Cash……...	-	-	-
B	Cash equivalents……………………………………	816	61	3,278
C	Other current financial assets………………………	-	-	-
D	**Liquidity (A + B + C)**	**816**	**61**	**3,278**
E	Current financial debt………………………………	-	-	-
F	Current portion of non-current financial debt……....	(583)	(5)	(3,281)
G	**Current financial indebtedness (E + F)**	**(583)**	**(5)**	**(3,281)**
H	**Net current financial indebtedness (G – D)**	**233**	**(56)**	**(3)**
I	Non-current financial debt (excluding current portion and debt instruments)...	(1,630)	-	(16,725)
J	Debt instruments	-	-	-
K	Non-current trade and other payables for which there is a significant financing component…………	-	-	-
L	**Non-current financial indebtedness (I + J + K)**	**(1,630)**	**-**	**(16,725)**
M	**Total financial indebtedness (H + L)**	**(1,397)**	**(56)**	**(16,728)**

Total financial indebtedness increased from EURO 56 thousand as of December 31, 2020 to Euro 1,397 thousand as of December 31, 2021 to EURO 16,728 thousand as of June 30, 2022. This increase is due to the obtaining of the loans from Banca Progetto and Deutsche Bank as well as to the consolidation of WWMM LTD's financial payables amounting to EURO 13,137 thousand, part of which – for an amount of EURO 11,518 thousand, corresponds to the financial liabilities that resulted from the accounting treatment of lease arrangements in accordance with IFRS 16.

The change in Cash and cash equivalents is illustrated in next Section 10.4 "*Information on the Group's cash flow*".

10.3 Off-balance-sheets items

As of December 31, 2021, the Group obtained guarantees to secure the payment obligations resulting from unsecured mortgages. The guarantee was issued by SACE pursuant to Article 1

of the Liquidity Decree.
The SACE guarantee is specifically granted to Banca Progetto, as lender of Tatatu S.p.A. and the guaranteed amount is equivalent to 90% of the loan, equal to EURO 2,205 thousand.

10.4 Information on the Group's cash flow

The following table presents cash flow for all the periods indicated:

	Consolidated Financial Statements		**Condensed Interim Consolidated Financial Statements**
	For the financial year ended December 31,		**For the six months ended June 30,**
	2021	**2020**	**2022**
	in EUROthousand	in EUROthousand	in EUROthousand
Cash and cash equivalents - Beginning of the period ……...	**61**	**10**	**816**
Group profit/(loss)…..	1,309	(488)	292
Income tax…..	(281)	469	42
Financial (income)/charges…...	3	(12)	825
Amortization, depreciation and write downs…............................	39,156	24,006	46,182
Employee benefits ………………...	5	-	-
Decrease/ (Increase) in trade receivables…................................	(39,291)	(22,470)	(48,634)
Increase / (Decrease) in trade payables…...................................	(1,077)	(615)	(1,659)
Decrease/ (Increase) in other current and non-current assets….	(1,508)	(16)	1,832
Increase/(Decrease) in other current and non-current liabilities	(72)	19	(1,594)
Other adjustments…..	9	(821)	(779)
Cash flow generated from/(used in) operating activities	**(1.747)**	**72**	**(3,493)**
Cash flow generated from/(used in) investment activities	**(4)**	**-**	**(1,552)**
Capital increase transaction…...	300	(26)	2,315
Other contributions of shareholders' equity on account of future capital increase	-	-	505
New financing agreements………..	2,419	5	4,985
Repayment of loans…..	(213)	0	(298)
Cash flow generated from/(used in) financing activities	**2,506**	**(21)**	**7,507**
Increase/(decreases) in net cash and cash equivalents…......	**755**	**51**	**2,462**
Cash and cash equivalents - End of the period …................	**816**	**61**	**3,278**

In 2021, the cash outflow from operating activities worsened by EURO 1,819 thousand compared to the prior year, mainly due to the increase of Costs for services, Staff costs and Other operating costs with a monetary effect.

In the same period, the cash flow generated from financing activities amounted to EURO 2,506 thousand (EURO -21 thousand in 2020) due to: (i) the loan obtained in 2021 from Banca Progetto for EURO 2,419 thousand, net of repayments for the period of EURO 213 thousand, and (ii) the increase in share capital of EURO 300 thousand.

In the first half of 2022, the cash outflow from operating activities increased by EURO 1,746 thousand compared to the prior year, mainly due to a further increase of Costs for services, Staff costs and Other operating costs with a monetary effect.

The cash flow used from investment activities in the first half of 2022 amounted to EURO 1,552 thousand due to: (i) the new investments in tangible assets for the period, amounting to EURO 930 thousand, and (ii) the acquisition of WWMM for EURO 622 thousand, which corresponds to the cash outflow for the acquisition net of the cash acquired in the transaction.

The cash flow generated from financing activities in the first half of 2022 amounted to EURO 7,507 thousand due to: (i) the loan obtained for EURO 4,985 thousand, net of repayments for the period of EURO 298 thousand; (ii) the increase in share capital of EURO 2,315 thousand; and (iii) the increase in other contributions of shareholders' equity on account of future capital increase of EURO 505 thousand.

In making its assessment of the Group's ability to continue as a going concern, the Company has considered (i) its existing cash position as of June 30, 2022, (ii) the projected cash requirements for the financial years ended December 31, 2022 and 2023, (iii) the projected cash sources for the financial year ended December 31, 2023, which includes notably a Euro 8 million aid to be granted by the European Union in several installments over 2023, which, as of the date of this Information Document, has been pre-approved by the competent local Italian public authority and (iv) its ability to attract additional investors and obtain financing to grow and operate its business, which is supported on the current track record in this respect, also proven by the recent capital increases finalized in July and September. Subject to the above factors, the Company is of the opinion that the Group is in a position to meet the payment obligations that become due within at least the next twelve months from the date of this Information Document.

11 Corporate bodies

11.1 Administrative, executive and supervisory bodies

The Company is a joint stock company (*società per azioni*) under Italian law. In accordance with its by-laws (the "**By-laws**"), the Company's administrative, executive and supervisory bodies consist of: (i) the shareholders' general meeting, (ii) the board of directors and (iii) the board of statutory auditors.

The powers to represent the Company are vested in the chairman of the board of directors, as well as, in the vice president, severally.

Representation powers may also be granted to the chief executive officers (*amministratori delegati*) through a specific appointment resolution approved by the Company's board of directors.

In addition to the general manager (*direttore generale*), the administrative body may appoint institors (*institori*) and attorneys-in-fact (*procuratori*) for certain acts or categories of acts.

In any case, when the appointed representative is not a member of the board of directors, the granting of powers of representation is governed by the terms and conditions of the applicable power of attorney.

At the Date of this Information Document, the chairman of the board of directors and chief executive officer is Andrea Iervolino.

(a) Board of Directors

(i) Composition, powers and operating rules

The board of directors is composed of a number of members from 5 to 7, at the discretion of the ordinary shareholders' meeting. It is in charge of the management of the Company.

The directors must be in possession of the integrity and independence requirements pursuant to the Italian law and other applicable provisions.

The Company's board of directors in office at the Date of this Information Document comprises 5 members of which 2 are independent, on a voluntarily basis, within the meaning of Article 148, paragraph 3 of the Italian Legislative Decree no. 58 of 24 February 1998, as amended and supplemented ("**TUF**"), appointed by the ordinary shareholders' meetings held on September 6, 2022 and on September 30, 2022. The directors will remain in office until the date of the shareholders' meeting called to resolve upon the approval of the annual financial statements as at 31 December 2024.

The appointed board of directors of the Company, which will be effective as of Listing Date, is composed by the following members:

Office	First name and surname	Place of birth	Date of birth
Director	Andrea Iervolino	Cassino (FR)	1 December 1987
Director	Giorgio Paglioni	Roma (RM)	2 October 1958
Director	Eduardo Teodorani Fabbri	Rome (RM)	21 September 1965
Director	Giada Briziarelli	Roma (RM)	2 June 1973
Director	Elisabetta Randazzo	Cosenza (CS)	2 February 1974

All the members of the board of directors are domiciled for purposes of their office at the Company's registered office.

Below is a brief biography of the current members of the board of directors, setting out their skills and relevant experience gained in business management:

Andrea Iervolino: was born in Cassino (FR) on December 1, 1987. He received the title of "Cavaliere della Repubblica Italiana" from the Italian President Sergio Mattarella on June 18, 2018 for his achievements in the business field and, in particular, in the film industry. In 2014 and 2016 he was awarded Best Film Producer at the Venice Film Festival, together with Al Pacino, Barry Levinson, and James Franco, and in 2015 he became an "ambassador of Italian cinema in the world". He has, also, received two honorary degrees from the Vest Vasile Goldis University in Arad, Romania. He began his work as a film producer from the age of 15, producing, financing and distributing more than 60 films, involving Hollywood movie stars including Sarah Jessica Parker, Nicole Kidman, Naomi Watts, Johnny Depp, Robert Pattinson, Selena Gomez and many others.

Giorgio Paglioni: was born in Rome on October 2, 1958. After graduating in 1981 from the LUISS - Guido Carli University in Rome with a degree in Economics and Business, he has been a member of the Register Accountants in Rome since 1983 and a member of the Register of Auditors since 1995. He served as a partner at the auditing firm Ernst & Young S.p.A. from 1997 to 2018. He has advised on various extraordinary finance transactions, including "business combinations" and debt restructuring. He is a member of various supervisory bodies and, in particular, is chairman of the board of statutory auditors of Gioia S.p.A., Valori S.p.A. and Demetra S.p.A. He is, also, a member of the supervisory board of a major defense company and has had experience with Ernst & Young teams in projects assisting in the preparation of organizational models under the Italian Legislative Decree 231/2001. He has also been responsible since 1997 for the certified audit of financial statements of major industrial groups, including Fincantieri, ENI, PEG, Leonardo Finmeccanica, Nissan and Renault.

Eduardo Teodorani Fabbri: was born in Rome on September 21, 1965. He obtained a high school diploma at the Collegio Navale "Francesco Morosini" of Venice and graduated in Business & Economics at La Sapienza University of Rome. During his studies, he gained professional experience at Lazard & Frères Bank in New York and at Safic Alcan of London. After 30+ years of overall experience within the FIAT Group he is currently advising the WRM Group and is a member of the Boards of AON Italia S.r.l., HippoGroup Cesenate S.p.A., Margherita Distribuzione S.p.A. and uFirst S.r.l.. He is also a director of the Italian Chamber of Commerce & Industry to the United Kingdom of Great Britain & Ireland and a member of ConsiUSA, the Council for the United States of America and Italy.

Giada Briziarelli: was graduated in law and specialized in international criminal procedure. After having worked with the law firm Dean and the Withers law firm of London, she becomes an associated holder of the law firm Di Mario Nannarone Briziarelli with offices in Perugia and Roma. She collaborated with the university of Perugia for the course of criminal law and international procedural and later with the university of Florence with the course of refinement in law and handling of a corporate and debtor's crisis to deepen the knowledge in subjects related to corporate and bankruptcy criminal law. Specialized in corporate criminal law and member of multiple organs of vigilance in compliance to the law 231/01.

Elisabetta Randazzo: is focused on transactions, such as asset acquisitions, M&A transactions, IPOs/MTOs and other uncommon corporate transactions involving listed companies. Elisabetta also deals with the regulatory and corporate aspects of these deals. She works with financial institutions and investments funds. She was graduated in law (cum laude) at Università degli Studi di Perugia in 1997. After winning a scholarship at the University of Turin for the Master's Degree in Corporate Law, Elisabetta was admitted to the bar in 2000. Since that time, she has advised clients on all aspects of corporate and commercial law, and is knowledgeable and skilled in international and domestic M&A transactions, joint ventures, shareholders agreements, mergers and other corporate reorganizations.

There are no family relationships between the members of the board of directors, or between such persons and the members of the board of statutory auditors.

At the Date of the Information Document, to the Company's knowledge, none of the members of the board of directors:

- have been convicted in relation to offences relating to fraud in the 5 years prior to the publication of the Information Document;

- have been declared bankrupt or subjected to insolvency proceedings or associated, in connection with the performance of their duties, with bankruptcy, receivership or involuntary liquidation procedures in the 5 preceding years;
- have been officially indicted and/or has received sanctions from public or regulatory authorities (including the designated professional associations), nor have they been disqualified by a court from holding a position as a member of the Company's administration, management or supervisory bodies or from carrying out direction or management activities of any issuer in the 5 years prior to the publication of the Information Document.

No member of the board of directors and no family members of such individuals hold financial products related to the trend of the Shares or other financial instruments relating to the admission.

The table below shows the main offices held by the members of the board of directors in the last 5 years prior to the Date of the Information, as well as the companies in which they have been or are still shareholders at that date.

Name	Company	Office / Shareholding	Status
Andrea Iervolino	Iervolino Turco Film S.r.l.	Chairman of the board of directors, chief executive officer and shareholder	In office/Current
	Iervolino & Lady Bacardi Entertainment S.p.A.	Chairman of the board of directors, chief executive officer	In office
	LAB81.2 S.r.l.	Shareholder	Ceased
Giorgio Paglioni	Ernst & Young S.p.A.	Shareholder	Ceased
	Synergie 4 Airiminum S.r.l.	Shareholder	Ceased
	Sobe Sport S.r.l.	Director	In office
	Fimmar S.p.A.	Alternate auditor	In office
	R.E.D. Carpet S.r.l.	Chairman of the board of directors	In office
	P&B Linking S.p.A.	Alternate auditor	In office
	Wepost S.r.l.	Director	In office
	Iervolino & Lady Bacardi Entertainment S.p.A.	Director	In office
	Arte Video S.r.l.	Chairman of the board of directors	Ceased
Eduardo Teodorani Fabbri	AON Italia S.r.l.	Director	In office
		Shareholder	Ceased
	HippoGroup Cesenate S.p.A.	Director	In office
		Shareholder	Ceased
	Anivad Consulting Limited	Director/Shareholder	In office/Current
	Margherita Distribuzione S.p.A.	Director	In office
		Shareholder	Ceased
	uFirst S.r.l.	Director/Shareholder	In office/Current
Giada Briziarelli	Giava Immobiliare S.r.l.	Shareholder	Current
	AB Holding S.r.l.	Shareholder	Current
Elisabetta Randazzo	Mandolorian Investment S.r.l.s.	Shareholder	Current

The Company's board of directors is granted with the broadest powers for the ordinary and extraordinary management of the Company and with the right to perform all acts it deems necessary or appropriate for the implementation and achievement of the Company's corporate purposes, without prejudice to the need for specific authorization in cases required by law.

The Company's board of directors is also granted with powers to pass upon resolutions concerning mergers in the situations provided under Articles 2505, 2505-*bis* and 2506-*ter*, last paragraph of the Italian Civil Code (*i.e.* simplified merger/demerger), the creation or abolition of secondary establishments, the designation of the directors who have powers to represent the Company, the reduction of share capital in the event of a shareholder's withdrawal, the amendment of the By-laws to regulatory provisions, the transfer of the Company's registered office to another municipality in the national territory, the reduction of the capital if more than one third of the share capital is lost in the cases referred to as in Article 2446, third paragraph of the Italian Civil Code.

If one or more directors ceases from office for any reason, provided that the majority of the board is always constituted by directors appointed by the shareholders' meeting, the board of directors will replace them by resolution of the board of directors approved by the board of statutory auditors (so-called "co-optation procedure"). The directors appointed through the co-optation procedure will remain in office until the next shareholders' meeting.

If the majority of the directors ceases from office, the co-optation procedure or the provisions will no longer be applicable and the entire board shall cease to be in charge. In this case, the shareholders' meeting for the new board is convened as a matter of urgency by the directors remaining in office.

If all the directors cease from office, the shareholders' meeting for the appointment of the entire board must be convened as a matter of urgency by the board of statutory auditors, which, in the meantime, may only carry out acts of ordinary management.

(b) Senior management

Name	Age	Function
Nicola Allieta	37	Chief Content Officer
Patrizia Conte	50	Chief Marketing Officer
Danilo Barletta	48	Chief Financial Officer
Bojan Bjelic	50	Chief Technology Officer

Nicola Allieta: he graduated being awarded with a Master of Science in Management in 2010 from ESCP Business School, University of Turin and London City University. He has worked as a professional in the international media and entertainment world for more than 12 years, gaining an in-depth experience in strategic and creative management of multiplatform distribution plans for the launch of movies, documentaries and specials in TVOD, SVOD, AVOD and iOS apps. He also gained a huge experience in the companies Mind the Bridge, located in in San Francisco, and Studio Canal, located in Paris.

Patrizia Conte: after graduating in 1998 with a degree in Economics from "*Università Cattolica del Saco Cuore*" in Milan, she started working in digital at Double Click Italy, now Google. In the following years she was in charge of launching various start-ups in the Italian market such as, IOL Italia online Leonardo.it, as sales manager. In 2010 , after 12 years in digital advertising, she joined as the first woman on the board of

Universal Music. Reporting to the international, between London, Paris and New York, she developed off and online communication projects with major Brands. After a year in Australia for studies at Cambridge University in Melbourne, in June 2017, as the first woman entrepreneur in Italian digital advertising, she created Oyster Technology, a trading desk specialized in premium video formats. Since 2019 she has a digital consulting agency, and since 2019 she has been following the launch of Tatatu with the role of chief marketing officer. Greatly passionate about technologies applied to digital, since years she collaborates with universities and training schools such as Naba, Iulm, RCS accademy del "Corriere" and business school del "sole24ore" as a lecturer in digital adv, mediaplanning and programmatic

Danilo Barletta: holds a degree in economics and commerce from "La Sapienza" University of Rome and is registered as a certified public accountant and auditor (*all'Albo dei Dottori Commercialisti e dei Revisori Contabili*). Since 1999, he has been performing his professional activities mainly in the field of corporate, accounting and tax consulting. Since 2000, he has served as an auditor with Reconta Ernst & Young up to the rank of audit manager. He has audited statutory and consolidated financial statements assisting primary industrial companies mainly from Finmeccanica Group, Telecom Group (Buffetti, ITT Telecom), Astaldi Group (Iricav 1, Iricav 2, Pegaso), Dataservice S.p.A., Hilton S.p.A., Ama S.p.A., Huyck S.r.l., Farla soc. cooperativa. From 2007 to 2011 he was "budget and reporting manager" of Metro C S.p.A. and from 2011 from 2013 he was "administration and finance manager" of Consorzio SGI. From 2014 he joined the GHC Group holding roles of increasing responsibility until he became the Executive in Charge, participating in the company's listing on the MTA segment and subsequent translisting to the Star segment. He oversaw the post-listing M&A transactions, related impairment tests and Purchase Price Allocation, and the ABB transaction. Since 2021, he held the office as CFO of the Company.

Bojan Bjelic holds a degree in engineer of informatics systems from the University of organizational sciences of Belgrade He started working on software projects in 1997, proceeding to enrich his experience and advance in software related roles in Energy, Gaming, FinTech, and e-commerce industries. He had the opportunity to develop in the most advanced Belgrade software development companies at the time, Teletrader and Finsoft. In 2009 he moved to Vienna, Austria as he was invited by Teletrader to work in the headquarters as a software architect and team lead. His capability to bridge the communication gap between software and its stakeholders, enriched by deep understanding of the technology, enabled him to further advance in roles of technical project manager, enterprise architect, systems architect, and team lead in Greentube, Global Blue, and s-lT. Board of director's meetings

The Company's board of directors, at its first meeting following its appointment, appoints a vice president from among its members, if the shareholders' meeting has not done so and the board is also required to appoint a secretary, who could also be appointed outside its members.

The Company's board of directors is required to meet at the place indicated in the notice of call, at its registered office or elsewhere, whenever deemed necessary by the chairman, the board of statutory auditors or by a single member of the board of directors.

The board of directors is validly held with the presence of a majority of the directors in office and resolves with the favorable vote of the absolute majority of the directors present. Directors who abstain or who declared themselves in conflict of interest are not counted for the purposes of determining the required board majority (deliberative *quorum*).

The board of directors may meet and validly approve resolutions also by telecommunications means provided that the Shareholders' Meeting must be held in such a way that all those who have the right to participate in it can become aware of the events in real time, freely form their conviction and freely and promptly express their vote.

Board of directors' meetings are chaired by the Chairman of the board of directors or by the oldest director in office or, in the alternative, by age.

(c) Shareholders' meetings

(i) Matters subject to the competence of the shareholders' meeting

The ordinary Shareholders' Meeting shall deliberate on the matters reserved to it by law and by these By-laws.

The extraordinary Shareholders' Meeting is responsible for:

(A) amendments to the By-laws, except as provided for in Article 21.2 of the By-laws ("*Competence and powers of the administrative body*");

(B) the appointment, replacement and determination of the powers of liquidators;

(C) the issuance of the financial instruments referred to in Article 8 of the By-laws ("*Financial instruments*");

(D) other matters attributed to it by law or by the By-laws.

The resolutions of the Shareholders' Meeting are adopted with the majorities required by Italian law for the companies that have access to capital markets.

(ii) Shareholders' meetings operating rules

Shareholders' meetings shall be convened by the administrative body at least once a year, by notice to be sent to the shareholders at least eight (8) days prior to the date set for the Shareholders' Meeting which includes the information required by the relevant laws and regulations and shall be published, within the terms required by law, on the company's website, as well as in the manner prescribed by the laws and regulations in force from time to time with not less than the minimum notice required by law with respect to the date established for the shareholders' meeting.

The shareholders' meeting may also be convened outside the municipality in which the registered office is located provided that it is in Italy.

In case of impossibility for all directors or in the event of their inactivity, the shareholders' meeting may be convened by the board of statutory auditors, or by court order at the request of shareholders representing at least one tenth of the share capital.

The shareholders' meeting is chaired by the chairman of the board of directors or, in case of his absence or impediment, by a Vice President (if appointed) or by a person appointed by those present.

The minutes of the meeting must be drawn up in accordance with the applicable legislation in force from time to time and must be signed by the President, the secretary or the notary.

(iii) Attendance, representation and voting rights

The right to participate in the Shareholders' Meeting and exercise voting rights is governed by the legislation in force.

The Board of Directors may provide, in relation to individual meetings, that those entitled to attend the meeting and exercise voting rights may participate in the meeting by electronic means, including exclusively. In this case, the call notice shall specify, also by means of reference to the company's website, the methods of participation (omitting, in the case of a Shareholders' Meeting held exclusively by means of telecommunications, the indication of the physical location of the meeting).

(d) Board of Statutory Auditors

(i) Composition

The Company’s shareholders’ meeting appoints the board of statutory auditors, consisting of 3 effective auditors and 2 alternates, who satisfy the requirements of the law.

The board of statutory auditors, in office as of the Date of the Information Document, was appointed by the ordinary shareholders’ meeting of December 22, 2020, except for Marco Pianigiani and Franca Brusco who were appointed by the shareholders’ meeting on June 28, 2022, to replace Fabrizio Marsala and Fabrizio Del Franco, who resigned from their positions as effective auditors and Francesco Brusco was appointed by the shareholders’ meeting on June 28, 2022, to replace Alessandro Lonigro who expired from his office as an alternate auditor. The Company’s board of statutory auditors will remain in office until the date of the shareholders’ meeting called to resolve upon the approval of the annual financial statements as at 31 December 2023.

The current board of statutory auditors is composed by the following members:

Office	First name and surname	Place of birth	Date of birth
Chairman and Statutory auditor	Fabio Tinari	Roma (RM)	16 January 1967
Effective auditor	Marco Pianigiani	Roma (RM)	6 April 1982
Effective auditor	Franca Brusco	Catanzaro (CZ)	5 October 1971
Alternate auditor	Pacifico Ribechi	Roma(RM)	15 January 1966
Alternate auditor	Francesco Brusco	Catanzaro (CZ)	30 July 1974

Below is a brief biography of the current members of the board of the Company’s statutory auditors:

Fabio Tinari: is the Chairman of the Board of Statutory Auditors as of December 22, 2020. Fabio Tinari has 26 years of experience holding the office as statutory auditor in corporations and sports federations and is registered with the Register of Auditors (*Registro dei Revisori Legali*) held at the MEF under no. 57595 with Ministerial Decree 12/04/1995 official gazette no. 31/bis of 21/04/1995. He also acts as a consultant in bankruptcy proceedings, debt restructuring and arrangements and has also been a bankruptcy receiver with appointments at the Court of Rome until 2010. He also carries out technical consultancy in the context of tax litigation, with about three hundred appeals to his credit filed with the Tax Commission in the various levels of judgment.

Marco Pianigiani: is an effective member of the Board of Statutory Auditors as of June 28, 2022. Marco Pianigiani has 13 years of professional specialized consulting services in collaboration with leading professional firms in favor of, among others, public entities and listed companies. As part of his activities, he lends professional support on: administrative, corporate and commercial consulting services; advocacy and assistance in proceedings concerning tax matters in Italy and abroad; he also carries out auditing and control activities in Board of Statutory Auditors inspections; valuation activities of companies and business branches; liquidation activities of companies and non-commercial entities; corporate consulting services related to the Organization, Management and Control Model pursuant to Legislative Decree 231/01.

Franca Brusco: is an effective member of the Board of Statutory Auditors as of June 28, 2022. Franca Brusco has experience in corporate, tax consulting and accounting auditing, both in private and non-profit companies as well as in economic and non-economic public entities, and in corporate and governance issues of public and private entities.

Pacifico Ribechi: is an alternate member of the Board of Statutory Auditors as of December 22, 2020. Pacifico Ribechi has 20 years of experience in accounting, financial and consulting services. He works as external auditor for several joint-stock companies.

Francesco Brusco: is an alternate member of the Board of Statutory Auditors as of December 22, 2020. Francesco Brusco has experience in accounting and consulting services and carries out support services for venture capital and start-up as well as consulting financial and tax services for companies and corporate groups He is registered with the Register of Certified Public Accountants ("*Albo dei Dottori Commercialisti*"), with the number AA008366 and is registered with the Register of Auditors (*Registro dei Revisori Legali*) under no. 146024 with official gazette no. 63 IV Special Series of 3 July 2007.

There are no family relationships between the members of the board of statutory auditors or between such members and the members of the board of directors.

At the Date of the Information Document, to the knowledge of the Company (and except as may be specified below), none of the members of the board of statutory auditors:

- have been convicted in relation to offences relating to fraud in the 5 years prior to the publication of the Information Document;
- have been declared bankrupt or subjected to insolvency proceedings or associated, in connection with the performance of their duties, with bankruptcy, receivership or involuntary liquidation procedures in the 5 preceding years;
- have been officially indicted and/or has received sanctions from public or regulatory authorities (including the designated professional associations), nor have they been disqualified by a court from holding a position as a member of the Company's administration, management or supervisory bodies or from carrying out direction or management activities of any issuer in the 5 years prior to the publication of the Information Document.

No member of the board of statutory auditors and no family members of such individuals hold financial products related to the trend of the ordinary shares or other financial instruments relating to the admission

The table below shows the main offices held by the members of the board of statutory auditors in the last 5 years prior to the Date of the Information, as well as the companies in which they have been or are still shareholders at that date.

Name	Company	Office / Shareholding	Status
Fabio Tinari	I.BE.CO. Costruzioni S.p.A.	Chairman of the board of statutory auditors	In office
	Nuova Talamo S.r.l.	Receiver	In office
	Gardino S.r.l.	Sole director	In office
	Gardino Lab S.r.l.	Sole director	In office
	DUEA Film S.p.A.	Statutory auditor	Ceased
	GSC Servizi – Società Cooperativa a responsabilità limitata	Sole auditor	Ceased
	Studio Tinari & Partners Società a responsabilità limitata in liquidazione	Liquidator and shareholder	In office/Current
	Arcadia Gold S.r.l.	External auditor	In office
	Aura – Società Cooperativa	Chairman of the board of statutory auditors	Ceased
	M.P.G. S.r.l.	External auditor	In office
	Iervolino & Lady Bacardi Entertainment S.p.A.	Chairman of the board of statutory auditors	In office
	EL Stark S.r.l.	External auditor	In office
Franca Brusco	Società Aeroportuale Calabrese S.p.A.	Statutory auditor	In office
	Sacal Ground Handling S.p.A.	Statutory auditor	In office
	Pirelli & C. S.p.A.	Alternate auditor	In office
	Retelit Med S.r.l. – In liquidazione	Liquidator	In office
	Garofalo Health Care S.p.A.	Director	In office
	FS Sistemi Urbani S.r.l.	Director	In office
	ENAV S.p.A.	Statutory auditor	In office

Name	Company	Office / Shareholding	Status
	Associazione Italiana per la Riabilitazione e per il Reinserimento degli Invalidi (A.I.R.R.I.)	External auditor	In office
	Cassa Depositi e Prestiti Società per Azioni	Statutory auditor	In office
	Fondazione Musica per Roma	Chairman of the external auditors	In office
	Benedettina S.p.A.	Alternate auditor	In office
	CDP Industria S.p.A.	Statutory auditor	In office
	Bludis S.r.l.	Statutory auditor and Chairman of the Board of statutory auditor	Ceased
	Sia S.p.A.	Alternate auditor	Ceased
	Ferrovie Appulo Lucane S.r.l.	Director	Ceased
	Società Consortile per la Gestione del Centro Agroalimentare all'ingrosso di fondi	Statutory auditor	Ceased
	Biancamano S.p.A.	Statutory auditor	Ceased
	Banca Widiba S.p.A.	Director	Ceased
	Banca del Mezzogiorno S.p.A.	Alternate auditor	Ceased
	Azienda Territoriale per l'Edilizia Residenziale Pubblica del COM Prensorio di Civitavecchia	Statutory auditor	Ceased
	Laziocrea S.p.A.	Alternate auditor	Ceased
	D – Flight S.p.A.	Chairman of the Board of Statutory auditors	Ceased
Pacifico Ribechi	Sciamlab S.r.l.	Sole external auditor	In office
Francesco Brusco	Be Safe Group S.r.l.	Shareholder/Director	Current
	Management Artificial Intelligence and Operations Research S.r.l.	Statutory Auditor	Current

Name	Company	Office / Shareholding	Status
	Eco World Company S.r.l.	Director	Current
	Take Counsel S.r.l.	Shareholder/ Director	Current
	Azienda Sanitaria USL Roma D	Chairman of the Board of Statutory auditors	Ceased
	F.N.B. Consulting S.r.l.	Director	Ceased
	Fondazione Istituto Superiore di Studi Sanitari "Giuseppe Cannarella"	External Auditor	Ceased
	H.C. Litorale S.p.A in liquidazione	Chairman of the Board of Directors	Ceased
	Trigno Energy	Statutory Auditor	Ceased
	Kopron S.p.A.	Chairman of the Board of Directors	Ceased
	Vergani S.r.l.	External Auditor	Ceased
	Inprof Servizi S.r.l.	Statutory Auditor	Ceased
	Italprof S.r.l.	Statutory Auditor	Ceased
	Servizi Marittimi Portuali S.r.l.	Liquidator	Ceased
	Cantieri Navali Riuniti Civitavecchia S.r.l.	Liquidator	Ceased
	Marine Service Civitavecchia S.r.l	Liquidator	Ceased
	I.P.R. - Impresa Porto Roma S.r.l.	Liquidator	Ceased
Marco Pianigiani	Keep Up S.p.A.	Statutory auditor	In office
	Società edilizia immobiliare Sarda S.p.A.	Alternate auditor	In office
	CESI S.p.A.	Alternate auditor	In office
	GE.SAT S.c.a.r.l.	Alternate auditor	In office
	ITALSTRADE S.p.A.	Alternate auditor	In office
	FIN.AST. S.r.l.	Statutory auditor	In office
	CO.MERI S.p.A.	Statutory auditor	In office

Name	Company	Office / Shareholding	Status
	AR.GI – Società Consortile per azioni in liquidazione	Statutory auditor	In office
	Metro C S.C.P.A.	Alternate auditor	In office
	Lotterie nazionali S.r.l.	Alternate auditor	In office
	Gestione Concessioni S.p.A.	Alternate auditor	In office
	DIRPA 2 – Direttrice Perugia Ancora e Pedemontana delle Marche – Società consortile a responsabilità limitata	Alternate auditor	In office
	Astaldi Concessions S.p.A.	Alternate auditor	In office
	Veneta Sanitaria Finanza di Progetto S.p.A.	Statutory auditor	In office
	S.E.I.S. S.p.A.	Alternate auditor	Ceased
	S.P.T. in liquidazione	Alternate auditor	Ceased
	Terna Rete Italia S.p.A.	Alternate auditor	Ceased
	Astaldi Enterprise S.r.l. in liquidazione	Alternate auditor	Ceased
	Astaldi Infrastructure S.r.l. in liquidazione	Alternate auditor	Ceased

11.2 Conflicts of interest of the administration, management and supervisory bodies

To the Company's knowledge, on the Date of the Information Document, none of the members of the board of directors or the members of the board of statutory auditors currently in office have interests that conflict with their obligations arising by virtue of their office or qualification in the Company, except for Andrea Iervolino and Giorgio Paglioni, who also sit on the board of ILBE.

ILBE is a global production company founded in 2011 by Andrea Iervolino, Company's founder and main shareholder through IA Media, and Lady Monika Bacardi, whose activities are focused on producing contents for movies and television. ILBE operates in the production of diversified contents for an international audience; ILBE's shares are listed on Euronext Growth Milan and Paris.

As of the date of this Information Document, IA Media held 57.66% of the voting rights in ILBE (taking into account its multiple voting right shares) and 96.65% of the share capital of the Company. Following the listing date, IA Media will continue to hold 96.65% of the share capital of the Company. The Company's founder Andrea Iervolino is the ultimate beneficial owner of IA Media and he is also the Chairman of ILBE while Giorgio Paglioni is the CFO of the Company and sits at the board of ILBE.

ILBE, on the basis of the current structure of its group and of the services provided, qualifies as an "independent producer" (*produttore indipendente*). The "independent producer" status could be jeopardized if the Company started distributing video contents within the territory of the Republic of Italy (see also Section 5 "*Risks related to the position of the Company's founder within ILBE*" above).

Pursuant to Italian corporate law, in case of interests of the directors on their own or on behalf of third parties (this includes interests that might also be in line with those of the company and not only in case of conflicting interests), the relevant director is required to disclose such interests to the other board members indicating the nature, terms, origin and scope of those interests. If such director is also the CEO he or she is also required to abstain from carrying out the relevant transaction on their own and must submit the relevant decision to the Board of Directors. The directors' conduct will strictly comply with such requirements.

In addition, upon commencement of trading of the shares on Euronext Growth Paris, the "Related Party Transactions Regulation" will become effective providing for specific authorization procedures involving the Company's related party transactions committee consisting of independent directors.

11.3 Responsibilities

The main responsibility of the Board of Directors is to manage the Company, to determine the general policy of the Company, and to carry out its day-to-day operations. The duties of the members of the Board of Directors are collective, but to a certain extent, the members of the Board of Directors may allocate these tasks between them.

The main responsibility of the Board of Statutory Auditors is to supervise the (i) the compliance of the law and the Articles of Association, (ii) the compliance with the principles of correct administration and (iii) the adequacy of the organizational, administrative and accounting structure adopted by the company as well as its proper functioning.

11.4 Compensation

By virtue of the resolutions of the shareholders' meetings of the Company held on September 6, 2022, and on September 30, 2022, the members of the Board of Directors of the Company will be granted with the remunerations (in terms of costs for the Company) as follows:

(i) Andrea Iervolino, as Chairman of the board of directors and CEO, will be granted with an annual gross remuneration composed of (a) a fixed amount equal to Euro 300,000.00 and (b) a variable amount for a maximum of Euro 700,000.00;

(ii) Giorgio Paglioni, as director, will be granted with an annual gross remuneration composed of (a) a fixed amount equal to Euro 120,000.00 and (b) a variable amount for a maximum of Euro 300,000.00;

(iii) Eduardo Teodorani Fabbri, as director, will be granted with an annual gross remuneration equal to Euro 15,000.00;

(iv) Giada Brizziarelli, as director, will be granted with an annual gross remuneration equal to Euro 15,000.00;

(v) Elisabetta Randazzo, as director, will be granted with an annual gross remuneration equal to Euro 15,000.00.

11.5 D&O Insurance

The D&O liability insurance taken out by the Company covers the present and future members of the board of directors, the general manager (*direttore generale*) and people in charge to draw-up the accounting documents. The liability limit is Euro 3 million in aggregate per year. Furthermore, the insurance stipulates a sub-limit, including for defense expense at Euro 750,000. The insurance stipulates no deductible. The insurance policy is subject to further customary exclusions and limits.

12 Shareholder information

12.1 Shareholder structure

As of the date of this Information Document and based on the shareholders' ledger as well as on other information available to the Company, the following direct shareholders hold Shares:

Shareholder	No. of Shares	Percentage of the share capital represented
IA Media S.A. (the holding company held by Andrea Iervolino)	787,000,000 Shares	96.65%
Andrea Rasca	8,153,667 Shares	1.00%
Nicola Allieta	8,000,000 Shares	0.98%
Giorgio Paglioni	4,000,000 Shares	0.49%
Patrizia Alessandra Conte	2,000,000 Shares	0.25%
Siempre Benedetta, LLC	1,802,000 Shares	0.22%
AIS PCC Ltd.	1,000,000 Shares	0.12%
Crédit des Alpes	1,000,000 Shares	0.12%
Lumama Investments Ltd.	337,900 Shares	0.04%
Lighea 2018 S.r.l.	225,250 Shares	0.03%
Leo Darrin Jones	168,938 Shares	0.02%
Mamita Publishing, LLC	154,854 Shares	0.02%
Bros Club Production Inc.	153,733 Shares	0.02%
Julio Bruno Castellanos	166,401 Shares	0.02%
6561373 Canada Incorporated	102,489 Shares	0.01%
TOTAL	814,265,232 Shares	100%

12.2 Information regarding the control of the Company

Andrea Iervolino holds the entire share capital in IA Media S.A., the majority shareholder of the Company.

12.3 Shareholders' agreements

As of the date of this Information Document, the Company is not aware of any shareholders' agreements.

12.4 Agreements that may result in a change of control

As of the date of this Information Document, the Company is not aware of any agreement whose implementation may result in a change of the Company's control structure.

12.5 Information on thresholds crossed

The Company intends to apply for admission to trading on the Euronext Growth market of Euronext Paris ("**Euronext Growth**"). Application for admission to trading on a regulated market is not intended in connection with the Listing. Thus, as of the date of this Information Document, shareholders of the Company are not subject to the provisions of the Italian Financial Act (Legislative Decree no. 58 dated February 24, 1998, as subsequently amended) governing disclosure requirements for significant shareholdings.

13 Related-party transactions

The Company has entered into a number of transactions with its related parties. The financial and economic transactions with related parties from 1 January 2021 to 31 December 2021 are set out below. It is specified that the payable to ILBE, resulting from the transfer made in December 2020 by IA Media of assets and liabilities has not had any changes. The related payment is expected to be made in 2023 (see also note 11 of the Group's consolidated financial statements for the financial year ended 31 December 2021).

14 Financial information

14.1 Financial statements of the Company for the financial years ended December 31, 2020 and December 31, 2021

(a) Consolidated financial statements as at December 31, 2021

FINANCIAL REPORT
2021

Tatatu S.p.A.
Via Barberini 29
00187 Rome
Tax Code, VAT No. and Companies Registry Entry No.: 15653581007

CONSOLIDATED FINANCIAL STATEMENTS AS AT 31/12/2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS **Thousand Euro**	**31/12/2021**	***of which towards related parties***	**31/12/2020**	***of which towards related parties***	**Notes**
Non-current assets					
Intangible fixed assets					
Rights over audiovisual content	6,368		4,131		Note 3
Trademarks	4,296		4,549		Note 3
Technological software	2,541		3,180		Note 3
Total Intangible Assets	**13,205**		**11,860**		
Tangible assets					
Office equipment	4		-		Note 4
Total tangible assets	**4**		-		
Deferred tax assets	1,018		10		Note 5
Total non-current assets	**14,227**		**11,870**		
Current assets					
Trade receivables	22,298		22,470		Note 6
Other current assets	449		16		Note 7
Tax receivables	26				Note 8
Cash and cash equivalents	816		61		Note 9
Total current assets	**23,589**		**22,547**		
Total assets	**37,816**		**34,417**		
LIABILITIES	**31/12/2021**	**of which towards related parties**	**31/12/2020**	**of which towards related parties**	**Notes**
Shareholders' Equity					
Share capital	8,013		8,010		Note 10
Share premium reserve	297		-		Note 10
Other reserves	(32)		(9)		Note 10
Profit and loss carried forward	(465)		-		Note 10
Group result	1,309		(488)		Note 10
Assets attributable to the shareholders of the parent company	**9,122**		**7,513**		
Minority interests	-		-		
Total shareholders' equity	**9,122**		**7,513**		
Non-current liabilities					
Non-current trade liabilities	1,721	*1,721*	3,876	*1731*	Note 11

Non-current financial liabilities	1,630		-		Note 12
Employee benefits	*4*		-		Note 13
Total non-current liabilities	**3,355**		**3,876**		
Current liabilities					
Current financial liabilities	583		5	*5*	Note 14
Trade payables	23,619	*28*	22,541		Note 15
Other current liabilities	124		20		Note 16
Tax payables	1,013		462		Note 17
Total current liabilities	**25,339**		**23,028**		
Total liabilities & Equity	**37,816**		**34,417**		

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR

REVENUE **Thousand Euro**	**31/12/2021**	**of which towards related parties**	**31/12/2020**	**of which towards related parties**	**Notes**
Sales revenue	47,196		24,596		Note 18
Other positive entries	200	*61*			Note 18
Total revenues	***47,396***		**24,596**		
Costs for services	6,837	*72*	532		Note 19
Staff costs	180		12		Note 20
Other operating costs	192		77		Note 21
Amortisation, depreciation and write downs	39,156		24,006		Note 22
OPERATING EARNINGS	**1,031**		**-31**		
Borrowing costs	897		*1*		Note 23
Financial income	894		*13*		Note 24
EARNINGS BEFORE TAXES	**1,028**		**-19**		
Taxes	(281)		469		Note 25
Profit/(loss) for the year	**1,309**		**-488**		
Group interest	1,309		-488		
Minority interest	**-**		**-**		
Other items of the statement of comprehensive income	-		-		
Total profit /(loss)	**1,309**		**-488**		

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Breakdown of changes in shareholders' equity entries	**Notes**	**Share Capital**	**Share premium reserve**	**Other reserves**	**Profit/ Loss carried forward**	**Profits and losses for the financial year**	**Total shareholders' equity**
Net equity at 23 February 2020	10	10					10
Capital increase of 23/12/2020	10	8,000		(26)			7,974
Translation of financial statements of subsidiaries expressed in foreign currencies	10			17			17
Group profit/(loss) of 2020	10					(488)	(488)
Net equity at 31 December 2020	10	8,010		(9)		(488)	7,513
Capital increase of 28/09/21	10	3	297				300
Translation of financial statements of subsidiaries expressed in foreign currencies	10			(23)			(23)
Transfer of profits/losses carried forward	10				(465)	488	23
Group profit/(loss) for the financial year	10					1,309	1,309
Shareholders' equity as at 31 December 2021		**8,013**	**297**	**(32)**	**(465)**	**1,309**	**9,122**

CONSOLIDATED STATEMENT OF CASH FLOW

		2021	**2020**
OPERATING ACTIVITIES	**Notes**	**€/000**	**€/000**
Group profit/(loss)		1,309	(488)
Adjustments for			
Income tax	Note 25	(281)	469
Financial (income)/charges	Note 23.24	3	(12)
Amortisation, depreciation and write downs	Note 22	39,156	24,006
Employee benefits	Note 13	5	-
Exchange rate differences from valuation			
Changes in net working capital			
Inventories		-	
Decrease/ (Increase) in trade receivables	Note 6	(39,291)	(22,470)
Increase / (decrease) in trade payables	Note 11-15	(1,077)	(615)
Decrease/ (Increase) in other current and non-current assets	Note 7	(1,508)	(16)
Increases/(Decrease) in other current and non-current liabilities	Note 16	(72)	19
Other adjustments			
Income tax paid		-	-
Financial income/(expenses) collected/paid	Note 23.24	6	12
Use of provisions	Note 13	(1)	17
Exchange rate differences from translation of the financial statements of foreign companies	Note 10	4	(850)
A. Cash flow generated from/(used in) operating activities		**(1,747)**	**72**
INVESTMENT ACTIVITIES			
Acquisition of:			
Property, plant and equipment	Note 4	(4)	-
B. Cash flow generated from/(used in) investment activities		**(4)**	**-**
FINANCING ACTIVITIES			
Capital increase transactions	Note 10	300	(26)
New financing agreements	Note 12-14	2,419	5
Repayment of loans	Note 12-14	(213)	-
C. Cash flow generated from/(used in) financing activities		**2,506**	**(21)**
D. Increase/(decreases) in net cash and cash equivalents (A+B+C)		**755**	**51**
CASH AND CASH EQUIVALENTS - BEGINNING OF THE PERIOD		**61**	**10**
CASH AND CASH EQUIVALENTS - END OF THE		**816**	**61**

PERIOD			

Notes to the Group Financial Statements

1. Corporate and Group information

Tatatu S.p.A. (hereinafter, Tatatu, or the Company) and its subsidiary Tatatu Hungary Kft. (hereinafter, jointly, the "Group" or the "Tatatu Group") is the global operator engaged in the innovative sharing economy project for users' free time.
Tatatu is the owner of the App of the same name which includes social media, video calls and chat, premium video content and e-commerce, which starts from the Vision of a fair system where the creation of value takes place through the meeting between Users, platform and advertisers. The Tatatu App is the first platform that allows users to receive a fee for sharing and viewing content. The users' reward is realised through the attribution of Ttu coins that are recognized for the use of the App.
Tatatu thus proposes an alternative model to traditional business models, identifying the business model based on the "RAVOD" (Reward Advertising Video on Demand), thanks to which users can be remunerated for the time they devote to using the app.
The platform offers a wide range of content and features, such as films, vodcasts, sports-content, fashion, games and celebrity content. The various versions of the app allow the publication of advertising spaces to be sold to customers.
The companies comprising the Group are Tatatu S.p.A., Tatatu Hungary Kft., the 100% stake of which is held by Tatatu S.p.A. Furthermore, the parent company fully controls Sant'elmo Multimedia srl, which is not operational and which is in the process of liquidation.
These financial statements are audited in full by EY S.p.A.

2. Significant accounting standards

2.1. Basis of preparation

The Consolidated Financial Statements were prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), and adopted by the European Union ("EU-IFRS"). EU-IFRS means all the "International Financial Reporting Standards", all the "International Accounting Standards" ("IAS"), all the interpretations of the International Financial Reporting Standards Interpretations Committee ("IFRIC"), previously referred to as "Standard Interpretations Committee" ("SIC").

The Consolidated Financial Statements were also prepared:

- on the basis of the best knowledge of the EU-IFRS and taking into account the best doctrine on the subject; any future guidelines and interpretative updates will be reflected in subsequent years, in accordance with the procedures envisaged from time to time by the reference accounting standards;
- in the perspective of business continuity, in the absence of financial, managerial or other indicators that could signal critical issues regarding the ability of the Group to meet its obligations in the foreseeable future and, specifically, in the next 12 months.

The consolidated financial statements have been prepared under the historical cost convention. The consolidated financial statements are presented in thousands of euros and all values are rounded to the nearest thousand, unless otherwise indicated.

2.2 Financial statements

This document consists of the Consolidated Statement of Financial Position, the Consolidated Statement of Comprehensive Profit/(Loss), the Statement of Changes in Consolidated Shareholders' Equity, the Consolidated Cash Flow Statement and the Notes to the Financial Statements.

The Group's Statement of Financial Position shows the separate presentation of current and non-current assets and current and non-current liabilities.

An asset is classified as current when it meets one of the following criteria:

- it is held for sale or consumption, or expects its realization, in the normal course of its operating cycle;
- it is owned mainly for the purpose of negotiating it;
- it is expected to be realized within twelve months from the closing date of the financial year; or
- it consists of cash or equivalent means, the use of which is not subject to constraints or restrictions such as to prevent its use for at least twelve months from the closing date of the financial year.

All assets that do not meet the conditions listed above are classified as non-current.

A liability is classified as current when:

- it is expected to settle the liability in its normal operating cycle;
- it is owned mainly for the purpose of negotiating it;
- it must be paid off within twelve months from the closing date of the financial year; or it does not have an unconditional right to defer the settlement of the liability for at least twelve months from the closing date of the financial year.

The contractual conditions could, at the option of the counterparty, lead to the extinction of the assets by assigning rights or consideration of various kinds.

The Consolidated Profit/(Loss) Statement was drawn up by classifying the costs based on their nature, so as to arrive at the net result for the period by highlighting the operating result. Operating income is determined as the

difference between revenues and other income and operating expenses (the latter including non-cash expenses related to write-downs and amortization of current and non-current assets, net of any reversals). The operating result is the main measure used by the company management to monitor the performance of the Group, in this start-up phase where the operational management is strongly impacted by barter transactions.
Lastly, the Consolidated Cash Flow Statement shows the cash flows resulting from operating activities according to the "indirect method".

2.3 Principles and scope of consolidation

The consolidated financial statements include the financial statements of Tatatu S.p.A. and its subsidiaries at 31 December 2021.
Control is achieved when the Group is exposed to or entitled to variable returns from its relationship with the entity being invested in and, in the meantime, can affect those returns by exercising its power over that entity.
There is a presumption that most voting rights involve control. To support this presumption and when the Group holds less than a majority of the voting (or similar) rights, the Group considers all relevant facts and circumstances to determine whether it controls the investee, including:

- Contractual arrangements with other holders of voting rights;
- Rights under contractual agreements;
- Voting rights and potential voting rights of the Group.

The Group reconsiders whether or not it has control of an investee if facts and circumstances indicate that there have been changes in one or more of the three elements relevant to the definition of control.
Consolidation of a subsidiary begins when the Group obtains control and ceases when the Group loses control. The assets, liabilities, revenues and expenses of the subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date on which the Group obtains control until the date on which the Group no longer exercises control over the company.
If the Group loses control of a subsidiary, it must derecognize the related assets (including goodwill), liabilities, non-controlling interests and other items of shareholders' equity, and any gain or loss is recognized in profit or loss.
The Group's area of consolidation is represented by the following companies:

Company	**% control**	**Share capital**
Tatatu S.p.A.	Parent Company	€ 8,013,004.00
Tatatu Hungary Kft.	100%	€ 8,244.00
Sant'Elmo Multimedia srl in liquidation	100%	€ 300

2.4 Summary of accounting standards and valuation criteria

Intangible fixed assets

Intangible assets acquired separately are initially recognized at cost, whilst those acquired through business combinations are recognized at fair value at the acquisition date.

After initial recognition, intangible assets are carried at cost less accumulated amortization and any accumulated impairment losses. Internally produced intangible assets, except for development costs, are not capitalized and are recognized in the year's income statement in which they are incurred.

The useful life of intangible assets is assessed as finite or indefinite.

Intangible assets with a finite useful life are amortized over their useful life and are subject to a verification of the adequacy of their value whenever there are indications of a possible loss in value. The amortization period and the amortization method of an intangible asset with a definite useful life is reconsidered at least at each financial year end. Changes in the expected useful life or in the ways in which the future economic benefits related to the asset will be realized are recognized by changing the depreciation period or method, as appropriate, and are considered changes in accounting estimates. The amortization rates of intangible assets with a finite useful life are recognized in the profit/(loss) for the year in the cost category consistent with the function of the intangible asset.

The principles applied by the Group for intangible assets are summarized below:

	Trademarks	**Technological software**	**Video rights**
Useful Life	Definite (18 years)	Definite (5 years)	Definite (3 years)
Depreciation method used	Amortized on a straight-line basis	Amortized on a straight-line basis	Film forecast computation method

Rights are amortized using the film forecast computation method, under which amortization at the reporting date is determined over the time horizon over which the intangible asset will generate revenue.

The amortization plan provides for the application, in the first year of use of the audiovisual rights, of a depreciation rate of 91.5%.

An intangible asset is eliminated at the time of disposal (i.e., on the date on which the buyer obtains control of it) or when no future economic benefits are expected from its use or disposal.

Any profit or loss resulting from the elimination of the asset (calculated as the difference between the net consideration for the disposal and the book value of the asset) is included in the income statement.

Specifically, the intangible assets were recognized at the fair value resulting from the appraisal drawn up at the time of the capital increase by contribution in kind.

Fair value valuation

The company assesses the rights acquired through barter-type transactions equivalent to fair value at the time they were recognized in the financial statements.

The fair value is the price that would be received for the sale of an asset, or that would be paid for the transfer of a liability, in a regular transaction between market operators on the valuation date. A fair value assessment assumes that the sale of the asset or the transfer of the liability takes place:

• in the main market of the asset or liability;

or

• in the absence of a main market, in the most advantageous market for the asset or liability.

The main market or the most advantageous market must be accessible to the company.

The fair value of an asset or liability is assessed by adopting the assumptions that market operators would use in determining the price of the asset or liability, assuming that they act to best satisfy their economic interest.

A fair value measurement of a non-financial asset considers the ability of a market operator to generate economic benefits by using the asset to its maximum and best use or by selling it to another market operator who would use it to its maximum and best use.

The company uses valuation techniques that are suitable for the circumstances and for which there is sufficient data available to assess the fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which the fair value is measured or shown in the financial statements are categorized according to the fair value hierarchy, as described below:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access on the valuation date;

Level 2 - Inputs other than the listed prices included in Level 1, observable directly or indirectly for the asset or liability;

Level 3 - valuation techniques for which the input data are not observable for the asset or liability.

The fair value measurement is classified entirely in the same level of the fair value hierarchy in which the input of the lowest hierarchy level used for the valuation is classified.

Trade receivables A receivable is recorded if the consideration is unconditionally owed by the customer (i.e., it is only necessary that the time elapses for the payment of the consideration to be obtained).

Contractual liabilities

Contractual liability is an obligation to transfer to the customer goods or services the Group has already received consideration (or for which a portion of the consideration is due). Contractual liability is recognized if payment has been received or payment is due (whichever comes first) from the customer before the Group has transferred control of the goods or services to the customer. Liabilities arising from contracts are recognized as revenue when the Group meets its obligations under the relevant contract (i.e., the control of goods or services was transferred to the client).

Income tax

Current tax assets and liabilities for the year are valued at the amount expected to recover from or pay to the tax authorities. The tax rates and regulations used to calculate the amount are enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates its taxable income.

Current income taxes relating to items recognized directly in equity are also recognized in equity and not in the profit/(loss) statement for the period. Management periodically assesses the position taken in the tax return in cases where tax rules are subject to interpretation and, where appropriate, makes provisions.

Deferred taxes

Deferred taxes are calculated by applying the liability method to temporary differences between the tax bases of assets and liabilities and their corresponding carrying amounts at the balance sheet date.

Deferred tax assets are recognized for all temporary deductible differences and unused tax credits and losses carried forward to the extent that sufficient future taxable profit will probably be available against which the temporary deductible differences and tax credits and losses carried forward can be utilized, except to the extent that the deferred tax asset associated with the temporary deductible difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the profit or loss reported in the financial statements nor the tax profit or loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in the future to allow all or part of that credit to be utilized. Unrecognized deferred tax assets are reviewed at each balance sheet date. They are recognized to the extent that it becomes probable that taxable profit will be sufficient to allow the recovery of those deferred tax assets.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when those assets are realized, or those liabilities are settled, taking into account tax rates that have been enacted or substantively enacted by the balance sheet date.

Currency conversion

In the Consolidated Financial Statements, the results of transactions, assets and liabilities are expressed in Euro, which is the presentation currency of the Parent Company, Tatatu S.p.A.. To prepare the Consolidated Financial Statements, the financial statements of the investee company, Tatatu Hungary Kft, are converted into euros by applying to assets and liabilities the exchange rate in force at the end of the financial year and to the items of the Profit and Loss Account the average exchange rates of the financial year if they approximate the exchange rates in force at the date of the respective transactions.

The Group uses the direct consolidation method; the gain or loss reclassified to profit or loss upon disposal of a foreign subsidiary represents the amount that arises from using this method.

Impairment of assets

At each balance sheet date, the Group assesses whether indicators of asset impairment exist. In this case, or in cases where an annual impairment test is required, the Group estimates the recoverable amount. The recoverable amount is the higher of the fair value of the asset or cash-generating unit, less costs to sell, and its value in use. The recoverable amount is determined for each individual asset, except when that asset generates cash flows that are largely independent of those generated by other assets or groups of assets.

If the carrying amount of an asset is greater than its recoverable amount, the asset is impaired and written down to its recoverable amount accordingly.

In determining value in use, the Group discounts estimated future cash flows to present value using a pre-tax discount rate that reflects market assessments of the present value of money and the risks specific to the asset. Recent market transactions are considered when determining the fair value less costs to sell. An appropriate valuation model is used if such transactions cannot be identified.

The Group bases its impairment test on the most recent budgets and forecast calculations, prepared separately for each of the Group's cash-generating units to which individual assets are allocated. These budgets and forecast calculations generally cover five years. A long-term growth rate is calculated to project future cash flows beyond the fifth year.

Impairment losses on continuing transactions are recognized in the profit/(loss) statement for the year in the cost categories consistent with the function of the asset that caused the impairment loss. An exception is made for previously revalued fixed assets, where the revaluation has been recognized in other comprehensive income. In such cases, the impairment loss is recognized in other comprehensive income up to the amount of the previous revaluation.

Financial liabilities

Upon initial recognition, financial liabilities are classified as financial liabilities at fair value through profit or loss, as loans and borrowings, or as derivatives designated as hedging instruments.

All financial liabilities are initially recognized at fair value plus, in the case of mortgages, loans and borrowings, directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, mortgages and loans, including overdrafts and derivative financial instruments.

For subsequent measurement, financial liabilities are classified into two categories:

- Financial liabilities at fair value through profit or loss.
- Financial liabilities at amortized cost (loans and loans).

Financial liabilities at fair value with changes recognized in the income statement include liabilities held for trading and financial liabilities initially recognized at fair value with changes recognized in the income statement.

Liabilities held for trading are all those assumed with the intention of extinguishing them or transferring them in the short term. This category also includes derivative financial instruments subscribed by the Group that are not designated as hedging instruments in a hedging relationship defined by IFRS 9. The embedded derivatives, separated from the main contract, are classified as financial instruments held for trading unless they are designated as effective hedging instruments.

Under financial liabilities at amortized cost, after initial recognition, loans are measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income statement when the liability is extinguished and through the amortization process.

Amortized cost is calculated by recognizing the discount or premium on the acquisition and the fees or costs that form part of the effective interest rate. Amortization at the effective interest rate is included in financial charges in the statement of profit/(loss).

A financial liability is derecognized when the obligation underlying the liability is discharged, cancelled or fulfilled. When an existing financial liability is exchanged for another financial liability of the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such exchange or modification is treated as a DE recognition of the original liability, accompanied by the recognition of a new liability, with any difference between the carrying amounts recognized in the statement of profit or loss.

Foreign currency transactions and balances

Foreign currency transactions are initially recognized in the functional currency, applying the spot exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rate at the balance sheet date.

The exchange differences realized or those deriving from the conversion of monetary items are recorded in the income statement, with the exception of the monetary elements that constitute part of the coverage of a net investment in a foreign transaction. These differences are recognized in the statement of comprehensive income until the sale of the net investment, and only then is the total amount reclassified to the income statement. The taxes attributable to foreign exchange differences on monetary items are also recognized in the statement of comprehensive income.
In preparing the cash flow statement, presented using the indirect method, the cash flow from operating activities is determined by adjusting profit for the effects of unrealized foreign exchange gains or losses, as these are non-monetary items.
Non-monetary items measured at historical cost in a foreign currency are translated at the exchange rates on the date of initial recognition of the transaction. Non-monetary items recorded at fair value in foreign currency are converted at the exchange rate on the date of determination of this value. The profit or loss that emerges from the conversion of non-monetary items is treated consistently with the recognition of profits and losses related to the change in the fair value of the aforementioned items (i.e. the translation differences on the items whose variation in fair value is recognized in the statement of comprehensive income or in the income statement, respectively, recorded in the statement of comprehensive income or in the income statement).
In determining the spot exchange rate to be used when initially recognizing the related asset, expense or income (or portion thereof) upon DE recognition of a non-monetary asset or non-monetary liability related to the upfront consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability resulting from the upfront consideration. If there are several payments or advances, the Group determines the transaction date for each payment or advance.

Revenue

Revenues from sales and services are recognized respectively when the actual transfer of control occurs. A summary description of the applied recognition, measurement, and measurement process is provided below for each of the main revenue streams identified.

Revenues from the sale of advertising in "barter equivalent" transactions

Revenues relating to the sale of advertising in “barter equivalent” transactions are recognized according to an accounting policy developed by the company based on the IFRS15 standard. Specifically, the revenue is recognized if the "barter" transaction meets the following conditions: i) the contract was stipulated for advertising services rendered in the ordinary activities of the

entity; ii) the contract has commercial substance in accordance with the provisions of IFRS 15 paragraph 9.d.; iii) the service to be transferred to the customer has been identified; iv) the company has obtained control of any non-monetary consideration; v) the fair value of the service can be reliably estimated and corresponds to the fair value of the acquired right or of the active contract.
In carrying out the analysis of the contracts, the company, in compliance with the provisions of IFRS 15, considered the discipline of the combination of contracts, also for the application of the policy described above.
Customers are given the opportunity to choose how to regulate the consideration for the services provided by the group. If the payment of a right in kind falls within the possibilities, the revenues for the services provided are not recognized, provided that as the option is not exercised and, therefore, the value of the consideration to which one is entitled is known.

Revenues are shown net of returns, discounts, allowances and premiums, and directly related taxes.

Cost recognition
Costs are recognized when the good or service is acquired or consumed.

Cash and cash equivalents
Cash and cash equivalents include cash on hand and sight and short-term deposits, highly liquid deposits with a maturity of three months or less, which are readily convertible into a given amount of cash and subject to an insignificant risk of changes in value.
For presentation in the consolidated cash flow statement, cash and cash equivalents are represented by cash and cash equivalents as defined above, net of bank overdrafts, as these are considered an integral part of the Group's cash management.

2.5 Discretionary evaluations and significant accounting estimates

The preparation of the Group's financial statements requires management to make discretionary judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could lead to outcomes that will require a significant adjustment to the carrying amount of these assets and/or liabilities in the future.
The main evaluations that require management's judgement are as follows:

Assessments on the existence of control

According to the provisions of IFRS 10, control is achieved when the Group is exposed to, or has the right to, the variable returns from its relationship with the investee and has the ability, through the exercise of power over the investee, to affect those returns. Power is defined as the current ability to direct the relevant activities of the investee under existing substantive rights.
The existence of control does not depend solely on the possession of a majority of voting rights but on the investor's substantive rights over the investee. Accordingly, management judgement is required to assess specific situations that give rise to substantial rights giving the Group the power to direct the relevant activities of the investee to influence its performance.
Management analyses all facts and circumstances to assess the control requirement, including agreements with other investors, rights arising from other contractual arrangements, and potential voting rights. These other facts and circumstances may be particularly relevant in the context of this assessment, especially in cases where the Group holds less than a majority of the investee's voting rights or similar rights.
The Group reviews the existence of the conditions of control over an investee when facts and circumstances indicate that there has been a change in one or more of the elements considered to verify its existence.

Amortization and verification of the recoverable amount of Intangible Assets

The most significant valuation used in the preparation of the statement of profit/(loss) relates to the film forecast computation method, which affects the determination of amortization of Intangible Assets. The application of the 'film forecast computation method', according to which the amortization at the date of the financial statements is determined based on the time horizon, referring to the ratio existing between the revenues realized and the total revenues to be received throughout the life cycle of the film, requires the application of an estimation criterion to determine the future revenues in which the intangible asset will produce revenues.
With reference to the Tatatu App, the management has estimated a useful life of 5 years considering its technological obsolescence. With reference to the brand, at present, the management, in consideration of the start-up phase of the company, has prudently estimated a useful life of 18 years.

Revenue

Management assesses at the outset of each contract with customers the appropriate method of measuring the fulfilment of the performance obligation contained in the contract. The management considers this to be the moment when the service is provided.

Approach to accounting for bartering transactions

In the year under review, the Group concluded important commercial agreements with customers operating in the entertainment and advertising sectors, in line with the business development strategy. Specifically, the transactions underlying these agreements are attributable to two contractual models:

• "Pure" advertising "Barter":

Specifically, the advertising barter transactions provide for the exchange of advertising implemented through separate contracts which provide for the reciprocal obligation to provide advertising services. These contracts have led to the recognition of receivables and payables, which are extinguished when the parties declare that they wish to make use of the offsetting between the reciprocal balance sheet items.

• "Barter" equivalent:

Barter equivalent transactions specifically involve the sale of advertising in exchange for the purchase of video rights. These contracts have led to the recognition of receivables and payables, which are extinguished when the parties declare that they wish to make use of the offsetting between the reciprocal balance sheet items.

Revenues relating to the sale of advertising in "barter equivalent" transactions are recognized according to an accounting policy developed by the company based on the IFRS15 standard. Specifically, the revenue is recognized if the "barter" transaction meets the following conditions: i) the contract was stipulated for advertising services rendered in the ordinary activities of the entity; ii) the contract has commercial substance in accordance with the provisions of IFRS 15 paragraph 9.d.; iii) the service to be transferred to the customer has been identified; iv) the company has obtained control of any non-monetary consideration; v) the fair value of the service can be reliably estimated and corresponds to the fair value of the acquired right (level 3 in the fair value hierarchy)..

In carrying out the analysis of the contracts, the company, in compliance with the provisions of IFRS 15, considered the discipline of the combination of contracts, also for the application of the policy described above.

With reference to point ii), the directors have assessed that the contract has commercial substance through the analysis of the sales of the advertising spaces planned for the following years, specifically, the cash flows deriving from the exploitation of the right.

Determination of Fair Value

Management determines the criteria and procedures for recurring fair value assessments, such as video rights and revenues deriving from barter transactions.

For the fair value of the equivalent barter transactions, the company determined the fair value on the basis of the specific features of the single acquired right.
For the purposes of disclosure relating to fair value, the company determined a level 3 fair value for both the barter transactions and the transferred assets.

Deferred tax assets

Deferred tax assets are recognized against the connected accounting of negative items, the deduction of which is deferred to the years in which the cost is financially incurred.
For the purposes of the allocation, a significant estimate is required by the company management to determine the amount of tax assets that can be recognized on the basis of the level of future taxable profits, the timing of their occurrence and the applicable tax planning strategies.

2.6 Change of accounting standards and disclosures

2.6.1 Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The changes include the temporary easing of the requirements concerning the effects on the balance sheets when the interest rate offered in the interbank market (IBOR) is replaced by an alternative rate that is essentially risk-free (Risk-Free Rate - RFR):

The changes include the following practical expedients:

• A practical expedient that allows for contractual changes, or changes in cash flows that are directly required by the reform, to be considered and treated as changes in a variable interest rate, equivalent to a movement of an interest rate in the market;

• Allowing for changes required by the IBOR reform to be made to the documentation for the designation of the hedging report without the hedging report having to be discontinued;

• It provides temporary relief to entities to comply with separate identification requirements when an RFR is designated as a hedge of a risk component.

These changes have no impact on the Company's financial statements.

2.7 Financial risk management

Liquidity risk

The current operational management of the Group, still in the start-up phase, has absorbed financial flows destined to the needs and absorbed by the current management for the regular payment of suppliers. The Tatatu Group business model involves the use of a compensation system that allows, through agreements with customers and suppliers, to help manage liquidity risk.
Additional financial resources for investment are raised either through financial or capital transactions.

Foreign exchange rate risk

The Group is limited to financial risks related to exchange rate fluctuations regarding transactions with countries outside the Eurozone. It should also be noted that almost all receivables and payables are in the same foreign currency (US dollar).

The Group has not implemented any exchange rate risk hedging transactions as they are significantly reduced by offsetting costs incurred in the same currency as revenues.

Interest Rate Risk

The Group has no derivative contracts in place to hedge risks related to interest rate fluctuations as this risk exposure is marginal.

Market risk, credit risk and price risk

Risks related to the competitiveness and cyclicality of the sector

An element that increasingly characterizes the entertainment market is the growing importance of the contents offered, which are increasingly differentiated according to the transmission channels.

Credit risk

The Group does not have a significant concentration of credit risk and has appropriate procedures, such as verifying the creditworthiness of debtors by analyzing their reliability in the market, to minimize credit risk The company did not write down the recorded receivables as they were almost entirely offset in the first months of financial year 2022.

Financial instruments by category

As required by IFRS 7, financial instruments are identified by category of the Group's assets and liabilities concerning the classification presented in the statement of financial position:

€/000	Receivables and other assets	FA/FL at amortized cost	FA/FL adjusted for fair value in the Income Statement	FA Adjusted for fair value change	A/L not covered by IFRS 7	Total

				OCI		
Rights over audiovisual content					6,368	**6,368**
Trademarks					4,296	**4,296**
Technological software					2,541	**2,541**
Tangible assets					4	**4**
Deferred tax assets					1,018	**1,018**
Trade receivables	22,298					**22,298**
Other current assets					449	**449**
Tax receivables	26					**26**
Cash and other liquid assets	816					**816**
Total	**23,140**	**-**	**-**	**-**	**14,676**	**37,816**

€/000	Receivables and other assets	FA/FL at amortized cost	FA/FL adjusted for fair value in the Income Statement	FA Adjusted for fair value change OCI	A/L not covered by IFRS 7	Total
Total shareholders' equity					9,122	**9,122**
Non-current trade liabilities					1,721	**1,721**
Non-current financial liabilities		1,630				**1,630**
Current financial liabilities		583				**583**
Trade payables					23,619	**23,619**
Employee benefits					4	**4**
Other current liabilities					124	**124**
Tax payables					1,013	

						1,013
Total	**-**	**2,213**	**-**	**-**	**35,603**	**37,816**

3. Intangible fixed assets

The Group shows intangible assets in the consolidated financial statements attributable to the following asset categories:

€/000	Net book value 01/01/2021	Increases/Acquisitions	Depreciation for the period	Valuation effect at the closing exchange rate for the period	Net book value as at 31/12/2021
Tatatu Brand	4,549	-	253	-	4,296
Tatatu App	3,180	-	639	-	2,541
Audiovisual content	4,131	39,463	38,263	1,037	6,368
Total Intangible Assets	**11,860**	**39,463**	**39,155**	**1,037**	**13,205**

The assets listed above refer to intangibles acquired by the Group, in part, following the contribution made by the sole shareholder IA Media S.A. in 2020, as part of the share capital increase approved by the parent company Tatatu S.p.A. and, in part, to assets acquired through contractual relationships with commercial partners.
The value of the aforementioned assets also decreased due to the depreciation charges attributable to the period.
More specifically, the Tatatu brand and App are owned and accounted for by the Company Tatatu S.p.A. The net book value of the aforementioned assets amounts to €4,296 and €2,541 thousand, respectively. The audiovisual rights are instead owned by the subsidiary Tatatu Hungary K.f.t. and are shown at the net book value of €6,368. These assets are mostly acquired from third party suppliers through barter agreements and refer to "Ravod" audiovisual rights.

4. Tangible assets

The Group, in the year under review, purchased capital goods functional to the exercise of administrative and non-administrative activities. This equipment is used by the employees of the company and refers to telephones, PCs and other similar instruments of modest value. Below is a summary of the type of asset.

€/000	As at 31 December 2020	Increases	Divestments	Depreciation	As at 31 December 2021
Telephone systems	-	1	-	0.2	1
Office equipment	-	3	-	0.3	3
Total Intangible Assets	**-**	**4**	**-**	**0.5**	**4**

5. Deferred tax assets

Non-current assets also include deferred tax assets for Euro 1,018 thousand, largely attributable to Tatatu Hungary K.f.t. The amount is set aside for the adjustments of some accounting balances of Tatatu Hungary made necessary in order to harmonize the accounting treatment of the entities making up the Group. The item in question also includes the provision for deferred IRES taxes for 2021 corresponding to the temporary increases in the tax base that refer to negative items for the year, the deduction of which is expressly postponed to subsequent years in accordance with provisions of the Consolidated Income Tax Act.
For the purpose of further information, in the balance sheet, the balance relating to the previous year, equal to €10 thousand, was reclassified from the class of current assets to that of non-current assets.

€/000	31/12/2021	31/12/2020	Change
Tatatu S.p.A. Prepaid tax assets	10	10	-
Tatatu Hungary K.f.t. Prepaid tax assets	1,008	-	1,008
Total prepaid tax assets	**1,018**	**10**	**1,008**

6. Trade receivables

The Trade receivables of the Group amount to €22,298 thousand, and mainly refer to the sale of advertising space. Specifically, the geographical composition of the aforementioned receivables is as follows:

€/000	31/12/2021	31/12/2020	Change
Trade receivables from Italian customers	5,607	657	4950
Trade receivables from non-Italian customers	16,691	21,813	(5,122)
Total Trade receivables	**22,298**	**22,470**	**(172)**

Almost all of the above receivables accrued by Tatatu Hungary K.f.t. These receivables, over the next 12 months, will likely be realized, not in monetary form, but rather through possible offsettings in accordance with contractual agreements that legitimize the parties to extinguish the reciprocal debt - credit positions (i.e., barter agreements). The extinction of an insignificant part of the receivables, precisely equal to €126 thousand, will presumably be cashed in cash.

7. Other current assets

More precisely, as at 31 December 2021, the Group shows other current assets for €449 thousand, referring to the net surplus VAT credit accrued with reference to the 2021 tax period and to the advertising investment tax credit pursuant to Article 57-bis, of Decree Law 50/2017, recognized in 2021 with reference to advertising costs incurred in 2020.

€/000	31/12/2021	31/12/2020	Change
Tatatu S.p.A. Tax receivables	203	-	203
Tatatu S.p.A. VAT receivable	226	-	226
Tatatu Hungary K.f.t. Tax and social security receivables	20	16	4
Total Other current assets	**449**	**16**	**433**

8. Tax receivables

The item "tax receivables", also shows some advances paid for direct tax purposes by Tatatu Hungary, for €26 thousand.

9. Cash and cash equivalents

The item, equal to €816 thousand, only includes the balance of the bank current account relations held by the Group companies with credit institutions. Cash and cash equivalents are not burdened by restrictions that limit their full use. Below is a detailed description of the funds held by each current account company:

Company	31-12-2021	31-12-2020	Change
Tatatu S.p.A.	790	51	739
Tatatu Hungary K.f.t.	26	10	16
Total cash equivalents	**816**	**61**	**755**

10. Group net equity

The Group's shareholders' equity consists of the items relating to the share capital, the share premium reserve, the loss carried forward from the previous period and the profit for the year.
Specifically, the share capital moved as a result of the paid capital increase transaction approved by the Parent Company on 28/09/2021.
More specifically, against the contribution received, 300,400 ordinary shares with a par value of €0.01 per share were issued, at the unit price of €0.9987515. Consequently:

- the share capital increased by €3,004;
- a share premium amounting to €296,996 was recognized.

The item “shareholders’ equity” also includes the transaction costs incurred in previous periods for capital increases amongst other reserves. The recognition took place in compliance with the provisions of IAS 32.
In addition, the Group has also included, under other reserves, the amount corresponding to the translation reserve of financial statements of subsidiaries expressed in foreign currencies, aimed at accommodating the net difference linked to the valuation of the foreign entities' currency in the parent company's functional currency of reference.

€/000	31/12/2021	31/12/2020	Change
Share capital	8,013	8,010	3
Share premium reserve	297	-	297
Other reserves	(32)	(9)	(23)
Profit and loss carried forward	(465)		(465)
Operating profit	1,309	(488)	821
Total shareholders’ equity	**9,122**	**7,513**	**1,609**

Tatatu's objectives in managing capital are inspired by the creation of shareholder value, guaranteeing the interests of stakeholders and safeguarding business continuity, and maintaining an adequate level of capitalization that allows economic access to external sources of finance to support the development of the Group's activities adequately.

11. Non-current trade liabilities

As at 31/12/2021, the Group has equity relations with related parties attributable to the payable to Ilbe S.p.A., equal to €1.7 million.
The liability arose following the capital increase subscribed by the sole shareholder of Tatatu S.p.A. I.A. Media on 23 December 2020, the transfer of which included assets for €9.7 million and liabilities for €1.7 million.
The debt in question expires after 12 months.

12. Non-current financial liabilities

The item includes the data relating to the financial debt due in the financial years subsequent to 2022. The value, equal to €1,632 thousand, is attributable to the expected outgoing cash flows as a result of the fulfilment of the obligations underlying the loan received from the Banca Progetto credit institution. The item recognized in the financial statements at the amortized cost of the liability, determined according to IFRS 9 and, specifically, corresponds to the value at which the financial liability was valued at the time of initial recognition, net of capital repayments, increased or decreased by amortization cumulated using the criterion of effective interest on any difference between the initial value and that at maturity.
The effective interest rate, or rather, the rate that exactly discounts the estimated incoming and outgoing financial flows over the expected life of the nominal financial instrument of the loan, is equal to 5.29% and differs from the contractual interest rate, equal to 4.75%.

The discounting of the loan at the market rate was not deemed necessary, taking into account the fact that the rate inferable from the contractual conditions does not differ significantly from the market interest rate, to be understood as the rate that would have been applied if two independent parties had negotiated a similar transaction with terms and conditions comparable to that being examined which generated the debt.

13. Employee benefits

The Group, in the year under review, exposes a fund for employee benefits equal to €4 thousand, equal to the allocation of the portion accrued in 2021, net of the disbursements made in the same year and the related tax burden.

€/000	31/12/2021	31/12/2020	Change
Employee benefits	5	-	5
Use of the Employee benefits	1	-	1
Reclassifications	-	-	-
Total	4	-	4

14. Current financial liabilities

The item mainly includes the financial debt due within 12 months in relation to the bank loan received from the Parent Company. This short-term portion, determined according to the amortized cost technique, refers to the bank loan agreement with a total term of 6 years in place with the Banca Progetto credit institution, for a total of €578 thousand.
Alternatively, the Group exposes financial liabilities equal to Euro 5 thousand, which arose in the hands of the Parent Company against the short-term non-interest bearing loan disbursed by the respective I.A. Media.

15. Trade payables

Trade payables, for a total amount of €23,619 thousand, refer to liabilities incurred by the Group.
Payables specifically refer to the following expense items:

- purchase of administrative and technical services of various kinds necessary for the operation of the company;
- purchase of content made available to users on the Tatatu platform;
- purchases for development activities conducted by the dedicated team.

Most of the aforementioned trade payables are intended to be offset in the context of trade relations (so-called barter agreements) by virtue of which the parties are given the opportunity to extinguish their mutual debt - credit positions.

Furthermore, it should be noted that the trade payables in question include some liabilities towards related parties, totaling €28 thousand. This payable is distributed amongst the following suppliers:

€/000	31/12/2021	31/12/2020	Change
Arte Video S.r.l.	20	-	20
Lab81.2 S.r.l.	6	-	6
R.E.D. Carpet S.r.l.	2	-	2
Total	**28**	**-**	**28**

16. Other current liabilities

The Company exposes current liabilities totaling €124 thousand, to be attributed to the payable to employees for €16 thousand, to the payable to the Director by way of financial advances disbursed during the year in question, for €61 thousand and tax and social security debts associated with the payroll.

Tatatu S.p.a.			
€/000	**31/12/2021**	**31/12/2020**	**Change**
Tatatu VAT	-	20	(20)
Employees	16	0	16
Director	61	0	61
Tax withholding	27	-	27
Social security payables	20	-	19
Total other current liabilities	**124**	**20**	**104**

Tatatu Hungary K.f.t.			
€/000	**31/12/2021**	**31/12/2020**	**Change**
Tatatu VAT	-	(0.5)	0.5
Total other current liabilities	0	(0.5)	0.5

17. Tax payables

Tax payables refer to liabilities relating to direct taxes that have accrued to the Group. Specifically, the total debt, equal to €1,013 thousand, is represented by the direct taxes recognized by the two companies Tatatu S.p.A. and Tatatu Hungary K.f.t.

Tatatu S.p.A.			
€/000	**31/12/2021**	**31/12/2020**	**Change**
Current IRES (Corporate Income	219	-	219

Tax)			
Current IRAP	50	-	50
Total tax payables	**269**	**0**	**269**

Tatatu Hungary K.f.t.			
€/000	**31/12/2021**	**31/12/2020**	**Change**
Corporate income Tax	145		145
Local Business Tax	332	462	(130)
R&D Tax	267		267
Total tax payables	**744**	**462**	**282**

18. Sales revenues and other positive items

The sales revenues shown refer to the sale of advertising space. Specifically, the advertising spaces include promotional notifications and other forms of advertising conveyed via the Tatatu app throughout Italy.

€/000	**31/12/2021**	**31/12/2020**	**Change**
Advertising services	47,134	24,596	22,538
Sale of products on e-commerce	1	-	1
Consultancy services for related parties	61	-	61
Other positive entries	200	-	200
Total	**47,396**	**24,596**	**22,800**

The revenues in question were accounted for by applying the accrual principle and with particular reference to bartering equivalent transactions.
With reference to the latter, it is important to point out that the company has put in place two main categories of bartering transactions:

- Advertising Barter: having, as its object, specifically, the exchange of advertising against advertising by netting the respective economic positions;
- Equivalent Barter: relating, specifically, to the sale of advertising for content that contributes to enriching the entertainment offer of the app.

Advertising barter transactions were specifically excluded from the scope of IFRS 15. Equivalent barter transactions fall within the scope of IFRS15 as the company carried out, on each contract, a timely assessment which led to the identification of whether: i) the transaction was carried out in the course of ordinary activity; ii) the transaction has commercial substance; iii) the service to be transferred to the customer has been identified; iv) the company has obtained control of any non-monetary consideration; v) the fair value was determined.
Revenues were recognized at point in time.
In addition to other revenues resulting from operating activities, the Group recorded (in the hands of Tatatu S.p.A.) positive items corresponding to

obtaining the tax credit for advertising investments pursuant to Article 57-bis, of Decree Law 50/2017, recognized in 2021 with reference to advertising costs incurred in 2020. This contribution amounts to €200 thousand.
The geographical distribution of sales revenues is as follows:

AREA	31 Dec. 2021
ITALY	17,398
USA	29,798
TOTAL	**47,196**

19. Costs for services

The item costs for services, for a total of €6,837 thousand, includes the following negative items pertaining to the year listed in the table below:

€/000	2021	2020	Change
Legal consultancy - notary public	77	6	**71**
Bank fees	6	2	**4**
Technical expertise	14	6	**8**
Tax advice - payrolls	108	10	**98**
Other services	2,218	24	**2,194**
Advertising expenses	2,222	-	**2,222**
Directors' fees	44	-	**44**
Financial advice	270	13	**257**
Marketing advice	457	51	**406**
Editorial advice	10	3	**7**
Purchase of advertising spaces		-	**-**
Contents advice	96	30	**66**
Strategic advice	517	100	**417**
Public Relations	2	5	**-3**
Statutory auditors' fees, auditing services and similar	50	-	**50**
Periodic - contractual maintenance	63	19	**44**
Expenses for travel, business trips and other reimbursements	7	3	**4**
Transport services	3	-	**3**
Technological services	632	260	**372**
HR services	41	-	**41**
Total costs for services	**6,837**	**532**	**6,305**

Advertising costs are attributable to the purchase of advertising space and related commercial services, such as those incurred by Tatatu Hungary K.f.t. towards commercial partners (the most important of which is Chili).

20. Staff expenses

In the year ended 31/12/2021, the Group employed its own staff hired with permanent employment contracts and with other contractual formulas aimed at permanent employment, such as apprenticeships and internships.
The item, equal to a total of €180 thousand, reflects the total cost pertaining to the staff employed and includes the salary, social security and welfare contributions, to be paid by the company and the employee and the provision for the portion of severance pay allocated in the period.

€/000	31/12/2021	31/12/2020	Change
Employee salaries	135	11	124
Apprentice and trainee salaries	21	1	20
Social security costs	19	-	19
Employee benefits	5	-	5
Total	**180**	**12**	**168**

21. Other operating costs

The item "other operating costs" includes various types of operating expenses, broken down as follows:

€/000	31/12/2021	31/12/2020	Change
Other app-related costs	96	2	94
Miscellaneous materials	8	1	7
Other taxes and accessories	4	1	3
Other contingent liabilities	84	73	11
Total	**192**	**77**	**115**

22. Amortization, depreciation and write downs

The item refers to the amortization quotas calculated on fixed assets with a definite useful life relating to the video rights acquired by Tatatu Hungary K.f.t. and to the amortization quotas of the brand and technological software charged to the financial statements of Tatatu S.p.A. In addition, the Group has accounted for the depreciation allowances set aside for the purchase, which took place during the year, of some office tools.

As regards the first category of asset (audiovisual rights), the amortization coefficient applied for 2020, equal to 91.5%, takes into account the percentage of use of the videos based on the revenues achieved through the use thereof. In fact, from the technical assessments carried out by Tatatu's management, it emerges that the value in use attributable to the aforementioned assets corresponds to 8.5% of the historical cost. This percentage expresses the residual value of the asset intended as the ability to contribute to future revenues from the sale of advertising space through the use of videos.
As regards the trademarks and technological software registered in the assets of Tatatu S.p.A., an amortization period of 18 years has been estimated. As regards the technological software instrumental to the App, the five-year amortisation has been planned.
Below is the analytical indication of the quotas allocated.

€/000	31/12/2021	31/12/2020	Change
Tatatu brand amortisation rate	253	6	247
Tatatu App technology amortisation rate	639	16	623
Audiovisual content amortisation rate	38,263	23,984	14,279
Telephone system amortisation rate	0.2	-	0.20
Office equipment amortisation rate	0.3	-	0.30
Total amortisation 2021	**39,156**	**24,006**	**15,150**

23. Borrowing costs

Borrowing costs include, first and foremost, the amount of interest payable for the year 2021 produced on bank loans, calculated according to the effective interest criterion, for €61 thousand.

The residual part refers to the exchange differences that occurred during the year under review. Specifically, the item captures the change due to the fluctuation of the exchange rate in the period between the date of the transaction and the settlement date of the credit or debit arising as a result of the transaction itself.

In accordance with IAS 21, the initial recognition of the transaction takes place in the functional currency, applying the spot exchange rate between the functional currency and the foreign currency in force on the date of the transaction to the amount in foreign currency.

24. Financial income

The positive items recorded mainly refer to the differences on exchange rates that occurred during the year under review.

More specifically, the profits on foreign exchange produced on Tatatu S.p.A. amount to €17.2 thousand. The residual part refers to the differences on active exchange rates accrued by Tatatu Hungary K.f.t.

These proceeds are realised as a result of the extinction of monetary elements occurred at rates different from those at which they were converted at the time of the initial recognition of the transaction.

25. Taxes

The item represents the amount of direct taxes payable by the Group recognized according to the accrual principle. The amount shows a negative value of €281 thousand. This item consists of the taxes pertaining to the year relating to Tatatu S.p.A., equal to €269 thousand and the income taxes attributable to Tatatu Hungary K.f.t., equal to -€551 thousand. The aforementioned negative amount reflects the movement in deferred taxes resulting from the adjustments to the economic balances recorded by Tatatu Hungary in order to harmonise the accounting treatment of the entities that are part of the Group.
Below is a summary table with the summary elements of the tax item.

Tatatu S.p.A.	**€/000**
IRES (Corporate Income Tax)	219
IRAP (Regional Income Tax)	50
Total Tatatu S.p.A. Taxes	**269**

With reference to the tax burden on the Parent Company, it is reported that the difference between the theoretical tax rate 28.82% and the actual tax rate, equal to 29.5%, is attributable to some increases in the tax base, both temporary and permanent, carried out in compliance with the provisions of the TUIR and the IRAP Decree (Legislative Decree 497/1997).

Tatatu Hungary K.f.t.	**€/000**
Corporate income Tax	145
Local Business Tax	45
R&D Tax	267
DTA Corporate Income Tax movements	(824)
DTA Local Business Tax movements	(183)
Tatatu Hungary K.f.t. Total Taxes	**(550)**

26. Other Information

26.1 Transactions with related parties

The Company's financial and economic transactions with related parties from 1 January 2021 to 31 December 2021 are set out below. It is specified that the payable to Ilbe S.p.A., resulting from the transfer made in December 2020 by IA Media of assets and liabilities has not had any changes. The related payment is expected as of 2023.

Company name	Trade payables	Revenues	Costs
	€/000	€/000	€/000
Ilbe S.p.A.	1,721	-	-
Arte Video S.r.l.	20	-	33
R.E.D. Carpet	2	-	1
Lab 81 .2 S.r.l.	6	-	38
Ambi Media Italia S.r.l.	-	61	-
Total transactions	**1,749**	**61**	**72**
Total budget items	25,340	47,196	46,365
Weight on budget items	6.90%	0.13%	0.15%

26.2. Commitments and guarantees provided for by the Group

In 2021, Tatatu S.p.A. obtained guarantees to meet the payment obligations resulting from unsecured mortgages. The guarantee was issued by Sace pursuant to Article 1 of the Liquidity Decree.

The Sace guarantee is specifically granted to the contractor of Tatatu S.p.A. by Banca Progetto and the guaranteed amount is equivalent to 90% of the loan, equal to €2,205 thousand.

26.3. Significant Events After the Close of the Financial Year

On 31 January 2022, the Extraordinary Shareholders' Meeting of the Parent Company approved a paid share capital increase with the exclusion of the option right pursuant to Article 2441, subscribed and paid up by new investors who joined the shareholding structure for a total of €1,800 thousand, of which €18 thousand for share capital and €1,782 thousand for share premium reserve.

On 26 April, a second extraordinary Shareholders' Meeting approved a further increase in capital with the exclusion of the option right pursuant to Article 2441, subscribed and paid up by new investors for a total of €515 thousand, of which €5 thousand as capital share capital and €510 thousand for the share premium reserve.

The process of opening the capital to new shareholders is functional to bringing strategic partners into the shareholding structure that can support the Company, in its growth and development path.

On 13 May, a third extraordinary shareholders' meeting approved a further increase in the share capital for divisible payment with the exclusion of the option right pursuant to Article 2441, paragraph 5, of the Italian Civil Code to be released by Andrea Rasca, through the contribution of 100% of the investment in WWMM Ltd, a company that holds 63.094% in Mercato Metropolitano LTD and the contribution of 11.906% of the share capital of Mercato Metropolitano Ltd against the issuance, by Tatatu S.p.A., of a maximum total of 8,320,067 ordinary shares with a nominal value of €0.01 per share, with regular entitlement, at the unit price of €2.00 per share, for a maximum total of €16,640,135.00, of which €83,200.67 to share capital and €16,556,934.33 as the share premium reserve; amendment of Article 5 of the Articles of Association.

On 13 May, the contribution of 63.094% of Mercato Metropolitano took place, whilst the subsequent contribution of 11.906% will take place by the end of June 2022.
It is specified that the acquisition of Mercato Metropolitano also involved a financial outlay of approximately €800,000.

Lastly, it is noted that the geopolitical dynamics relating to the conflict between Russia and Ukraine have not had an appreciable impact on the evolution of business management which, still in an embryonic and developmental phase, has not been affected by the adverse conditions resulting therefrom.

(b) Consolidated financial statements as at December 31, 2021

CONSOLIDATED FINANCIAL STATEMENTS 2020

Tatatu S.p.A.
Via Barberini 29
00187 Rome
Tax Code, VAT no. and Companies Register no.: 15653581003

CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2020

Group consolidated financial statements

Consolidated Statement of Financial Position

ASSETS	31/12/2020	Notes
Non-current assets		
Intangible assets		
Rights to audiovisual content	4,131	Note 3
Trademarks	4,549	Note 3
Technological software	3,180	Note 3
Financial assets	-	
Total non-current assets	**11,860**	
Current assets		
Trade receivables	22,470	Note 4
Other current assets	16	Note 5
Deferred tax assets	10	Note 6
Cash and cash equivalents	61	Note 7
Total current assets	**22,557**	
Total Assets	**34,417**	

LIABILITIES	2020	Notes
Shareholders' equity		
Share capital	8,010	
Legal reserves	-	
Other reserves	(9)	
Profit and loss carried forward	-	
Group result	(488)	
Equity attributable to shareholders of the parent company	**7,513**	Note 8
Third-party equity	-	
Total shareholders' equity	**7,513**	
Non-current liabilities		
Payables to related parties	1,731	Note 9
Non-current trading liabilities	2,145	Note 12
Total non-current liabilities	**3,876**	
Current liabilities		
Current financial liabilities	5	Note 10
Trade payables	22,541	Note 11
Other current liabilities	_	Note 14
Tax payables	482	Note 13
Total current liabilities	**23,028**	

Total liabilities and Shareholders' equity	**34,417**

Consolidated statement of comprehensive income

Revenues	31/12/2020	Notes
Sales revenue	24,596	Note 15
Total revenues	**24,596**	
Costs for services	532	Note 16
Staff cost	12	Note 17
Other operating costs	77	Note 18
Depreciation, amortisation and write-downs	24,006	Note 19
OPERATING PROFIT/(LOSS)	**(31)**	
Net financial income	12	Note 20
PROFIT (LOSS) BEFORE TAXATION	(19)	
Taxation	469	Note 21
Profit (loss) for the period	**(488)**	
Attributable to Group	**(488)**	
Minority interest	**-**	
Other components of comprehensive income	-	
Total profit/(loss)	**(488)**	

*As the company was newly established, the financial year runs from 20 February 2020 to 31 December 2020.

Statement of changes in consolidated equity

Details of changes in the items of shareholders' equity	Notes	Share capital	Other reserves	Legal reserve	Profit for the year	Total shareholders' equity
Equity as at 23/02/2020	Note 8	**10**				**10**
Share capital increase of 23/12/2020	Note 8	8,000	(26)			7,974
Translation of financial statements of subsidiaries expressed in foreign currency	Note 8		17			17
Group profit/(loss) for the year	Note 8				(488)	(488)
Total shareholders' equity as at	Note 8	**8,010**	**(9)**		**(488)**	**7,513**

31.12.2020

Consolidated Statement of Cash Flows

	Notes	
OPERATING ACTIVITIES		
Group profit/(loss)		(488)
Adjustments for		
Income tax	Note 21	469
Financial (income)/charges	Note 20	(12)
Depreciation, amortisation and write-downs	Note 19	24,006
(Gains)/Losses on disposal of non-current assets and other (income)/charges		-
Exchange differences	Note 20	
Changes in net working capital		
Inventories		-
Decrease/(Increase) in trade receivables	Note 4	(22,470)
Increase/(Decrease) in trade payables	Note 11	(615)
Decrease/(Increase) Other current and non-current assets	Note 5	(16)
Increase/(Decrease) Other current and non-current liabilities	Note 14	19
Other adjustments		
Income taxes paid		-
Other financial income and expenses collected (paid)	Note 20	12
Change in reserves from translation of financial statements of foreign subsidiaries	Note 8	17
Differences deriving from the different measurement of exchange rates between the balance sheet and the income statement for the year		(850)
A. Net cash and cash equivalents generated/(used) in operating activities		**72**
INVESTMENT ACTIVITIES		
Acquisition of:		
Tangible assets		-
Intangible assets with defined useful life		
B. Cash and cash equivalents generated/(used) in investing activities		
FINANCING ACTIVITIES		
Increase/(decrease) in other short-term financial liabilities	Note 10	5
Transaction costs associated with the share capital increase	Note 8	(26)
C. Cash and cash equivalents generated/(used) in financing activities		**(21)**
D. Increase/(Decrease) in cash and cash equivalents (A+B+C)		**51**
Net cash and cash equivalents - Beginning of the year		**10**
NET CASH AND CASH EQUIVALENTS - END OF THE YEAR		**61**

Explanatory Notes to the Group Financial Statements

1. Group corporate information

Tatatu S.p.A. (hereinafter the Company) and its subsidiary Tatatu Hungary K.f.t. (hereinafter, together, the "Group" or the "Tatatu Group") is the global operator engaged in the sharing economy project for the free time of users.

Tatatu is the owner of the App of the same name that includes social media, video calls and chat, premium video content and e-commerce, developed on the initiative of the entrepreneur Andrea Iervolino starting from the Vision of a fair system where the creation of value takes place through the meeting of users, platform and advertisers. The Tatatu App is the first platform that allows users to receive a fee for sharing and viewing content. The user is rewarded in Ttu coins that are paid when the App is used.

Thus, Tatatu proposes an alternative to the traditional business models, using a business model based on “RAVOD” (Reward Advertising Video on Demand), which makes it possible to remunerate users for the time they dedicate to using the app.

The platform offers a wide range of content and functions, such as films, podcasts, sports-content, fashion, games and celebrity content. The various versions of the app allow the publication of advertising spaces to be sold to customers.

The companies that make up the Group are Tatatu S.p.A. and Tatatu Hungary K.f.t., which is wholly owned by Tatatu S.p.A.

These Financial Statements are subject to independent audit by EY S.p.A.

2. Significant accounting standards

2.1 Drafting principles

The Consolidated Financial Statements were prepared according to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and approved by the European Union ("EU-IFRS"). “IAS/IFRS” mean all the interpretations of the International Financial Reporting Standards, all the International Accounting Standards ("IAS"), all the interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), previously named the Standing Interpretations Committee (“SIC”).

The Consolidated Financial Statements were also prepared:

- based on the best knowledge of EU-IFRS and taking into account their best interpretation; any future guidelines and interpretative updates will be reflected in subsequent years, according to the methods set out from time to time in the reference accounting standards;
- on a going concern basis, as the Sole Director has verified the absence of financial, operational or other indicators that could indicate critical

issues regarding the Group's ability to meet its obligations in the foreseeable future and in particular in the next twelve months, also taking into account the effects of COVID-19 on the 2020 financial year. Therefore, based on the information available to the Management, no significant doubts have emerged about the entity's ability to continue to operate as a going concern.

The consolidated financial statements were prepared on the basis of the historical cost principle. The consolidated financial statements are presented in thousand of Euro, and all values are rounded to the thousands of Euro unless otherwise specified.

2.2 Financial Statements

These financial statements consist of the Consolidated Statement of Financial Position, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in the Equity, the Consolidated Statement of Cash Flows and the Explanatory Notes.

The Group Statement of Financial Position shows the separate presentation of current and non-current assets and current and non-current liabilities.

An asset is classified as current when it meets one of the following criteria:

- it is held for sale or consumption, or it its realization is anticipated in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is assumed that it will be realized within twelve months from the end of the financial year; or
- it consists of cash and cash equivalents the use of which is not subject to constraints or restrictions such as to prevent its use for at least twelve months from the end of the year.

All assets that do not meet the conditions listed above are classified as non-current.

A liability is classified as current when:

- it is expected that the liability will be settled in its normal operating cycle;
- it is held primarily for the purpose of trading;
- it must be settled within twelve months from the end of the financial year; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the end of the financial year.

The contractual conditions could, by choice of the counterparty, entail the extinction of the assets through the assignment of rights or consideration of various kinds.

The Consolidated Income Statement was prepared by classifying costs based on their nature, so as to arrive at the net result for the period by highlighting the operating result.

Finally, the Consolidated Statement of Cash Flows was prepared by presenting the cash flows deriving from operating activities according to the "indirect method".

2.3 Consolidation principles and scope

The consolidated financial statements comprise the financial statements of Tatatu S.p.A. and its subsidiaries as at 31 December 2020.

Control is obtained when the Group is exposed or is entitled to variable returns, deriving from its relationship with the investee and, at the same time, has the ability to affect these returns by exercising its power over this entity.

It is presumed that a majority of voting rights provides control. In support of this assumption and when the Group holds less than the majority of the voting rights (or similar rights), the Group considers all the significant facts and circumstances to establish whether it controls the entity in which it has invested, including:

- Contractual agreements with other holders of voting rights;
- Rights deriving from contractual agreements;
- Voting rights and potential voting rights of the Group.

The Group re-evaluates whether or not it exercises control over an investee if the facts and circumstances indicate that there have been changes in one or more of the three factors relevant for the purposes of the definition of control.

The consolidation of a subsidiary begins when the Group obtains control and ceases when the Group loses control. The assets, liabilities, revenues and costs of the subsidiary acquired or sold during the year are included in the consolidated financial statements from the time the Group obtains control until the time the Group no longer exercises control over the company.

If the Group loses control of a subsidiary, it must eliminate the relevant assets (including goodwill), liabilities, minority interests and other components of shareholders' equity, while any profit or loss is recognized in the income statement.

The Group's scope of consolidation is represented by the following companies:

Company	% of control	Share capital
Tatatu S.p.A.	Parent	€8,010,000.00
Tatatu Hungary K.f.t.	100%	€ 8,244.00

2.4 Summary of accounting standards and measurement criteria

Intangible assets

The intangible assets acquired separately are initially recognized at cost, while those acquired through business combinations are booked at fair value at the acquisition date.

Following initial recognition, intangible fixed assets are recorded at cost, net of accumulated amortisation and any accumulated impairment losses. Intangible fixed assets generated internally, with the exception of development costs, are

not capitalized and are recorded in the income statement in the financial year in which they are incurred.
The useful life of intangible assets is valued as either definite or indefinite.
Intangible assets with definite useful life are amortized over their useful lifetime and their value is adequacy-tested every time there are indications of a possible impairment. The amortisation period and method applied to an intangible asset with definite useful life are reconsidered at the end of each financial year. Changes in the expected useful life or in the ways in which the future economic benefits associated with the asset will be realized are recognized through the change of amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation charges of intangible assets with defined useful life are recognized in the statement of profit/(loss) for the year, in the cost category consistent with the function of the intangible asset.
The standards applied by the Group for intangible assets are summarized below:

	Trademarks	**Technological software**	**Video rights**
Useful life	Defined (18 years)	Defined (5 years)	Defined (3 years)
Amortisation method used	Amortized on a straight-line basis	Amortized on a straight-line basis	Film forecast computation method

The rights are amortized using the "film forecast computation method", on the basis of which the amortisation at the reporting date is determined along the time-frame in which the intangible asset will produce revenues.
An intangible asset is derecognized upon disposal (i.e. on the date on which the purchaser obtains control) or when no future economic benefit is expected from its use or disposal.
Any gain or loss deriving from the DE recognition of the asset (calculated as the difference between the net sale price on disposal and the book value of the asset) is included in the income statement.
In particular, intangible assets are recognized at the fair value resulting from the appraisal drawn up at the time of the share capital increase by contribution in kind.

Fair value measurement

The company measured the transfer of assets in kind and the rights acquired through barter type transactions equivalent to fair value at the time they were recognized in the financial statements.
Fair value is the price that would be received for the sale of an asset, or that would be paid for the transfer of a liability, in an orderly transaction between market operators at the measurement date. A fair value measurement presumes that the sale of the asset or transfer of the liability has taken place:
• in the principal market for the asset or liability;

or

• in the absence of a principal market, in the most advantageous market for the asset or the liability.

The principal market, or the most advantageous market, must be accessible to the Company.

The fair value of an asset or liability is measured using the assumptions that market operators would use when pricing the asset or liability, assuming that they act in their own economic best interest.

A fair value measurement of a non-financial asset takes into account a market operator's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market operator that would use the asset in its highest and best use.

The Company uses measurement methods that are appropriate for the circumstances, and for which there is sufficient data available to measure fair value, while maximizing the use of relevant observable inputs and limiting the use of non-observable inputs.

All assets and liabilities measured or recognized at fair value are classified based on a fair value hierarchy and described below:

Level 1 - (unadjusted) listed prices in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 – Inputs other than listed market prices included within Level 1, that are observable for the asset or liability, either directly or indirectly;

Level 3: valuation techniques for which the input data are not observable for the asset or the liability.

Fair value measurement is fully classified in the same level of the fair value hierarchy in which the lower level input, used for measurement, is classified.

Trade receivables

A receivable is recorded if the consideration is due unconditionally by the customer (i.e., it is only necessary for the time to run for the payment of the consideration to be obtained). Please refer to the paragraph on the standards in section p) Financial instruments - initial recognition and subsequent measurement.

Contractual liabilities

A contractual liability is an obligation to transfer the customer goods or services for which the Group has already received a consideration (or a portion of the consideration is due). A contractual liability is recognized if payment has been received or is due (whichever comes first) from the customer before the Group has transferred control of the goods or services. The liabilities deriving from a contract are recognized as revenues when the Group meets the obligations specified in the relevant contract (i.e. the control of the goods or services has been transferred to the customer).

Income tax

Current tax assets and liabilities for the year are valued at the amount which it is expected will be recovered from or paid to the tax authorities. The rates and tax regulations used to calculate the amount are those issued, or basically in effect, on the year-end date in the countries where the Group operates and generates its taxable income.

Current taxes regarding elements directly recorded in shareholders' equity are also recorded in shareholders' equity and not in the income statement for the year. The management periodically assesses the position taken in the income tax return in those cases in which the tax laws are subject to interpretations and, where appropriate, allocates provisions.

Deferred taxes

Deferred taxes are calculated by applying the "liability method" to the temporary differences existing at the reporting date between the tax values of the assets and liabilities and the corresponding book values.

Deferred tax assets are recognized against all deductible temporary differences, unused tax credits and losses that can be carried forward, to the extent that it is believed that sufficient future taxable income will be available to use the temporary deductible differences and tax credits and losses carried forward, unless the deferred tax asset connected to the temporary deductible differences derives from the initial recognition of an asset or liability in a transaction that does not represent a business combination and, at the time of the transaction, does not affect the profit resulting from the financial statement or the tax returns.

The book value of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer believed that sufficient taxable income will be available in the future to use this credit fully or in part. Deferred tax assets not recognized are reviewed at every year-end and are recognized to the extent in which it becomes probable that the tax receipts will suffice to consent recovery of these deferred tax assets.

Deferred tax assets and liabilities are measured based on the tax rates expected to be applied in the year in which these assets will be realized or these liabilities will be settled, considering the current rates and those enacted, or basically in force, as at the reporting date.

Foreign currencies

In the consolidated financial statements, the economic results, assets and liabilities are expressed in Euro, which is the presentation currency of the Parent Company Tatatu S.p.A. For the purposes of the preparation of the consolidated financial statements, the financial statements of the Tatatu Hungary K.f.t. have been translated into euros by applying the exchange rate in force at the end of the year to assets and liabilities and the average exchange

rates for the year to the income statement items provided these are close to the exchange rates in force at the date of the respective transactions.
The Group uses the direct consolidation method; the profit or loss reclassified to the income statement at the time of the sale of a foreign subsidiary represents the amount calculated with this method.

Impairment of assets

The Group assesses possible existence of indicators of impairment of the assets on every reporting date. In this case, or in cases where annual impairment test is required, the Group estimates the recoverable amount. The recoverable amount is the higher of the fair value of the asset or cash generating unit, net of sale costs, and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent from those of other assets or groups of assets.
If the carrying amount of an asset is greater than its recoverable amount, the asset is impaired and, consequently, is reduced to its recoverable amount.
When determining the value in use, the Group discounts the estimated future cash flows to the current value, by using a pre-tax discount rate that reflects the market evaluations on the current value of money and specific risks of the asset.
Recent market transactions are taken into account when determining the fair value less costs to sell. If such transactions cannot be identified, an appropriate valuation model is used.
The Group bases its impairment test on the most recent budgets and forecast calculations, prepared separately for each of the Group's cash-generating units to which individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. In order to project future cash flows beyond the fifth year, a long-term growth rate is calculated.
Impairment of continuing operations is recorded in the statement of profit/(loss) for the year in the cost categories consistent with the use of the asset that showed impairment. An exception is made for previously revalued fixed assets, where the revaluation has been recognized in other comprehensive income. In such cases, the impairment loss is recognized in other comprehensive income up to the amount of the previous revaluation.
Intangible assets with an indefinite useful life are tested for impairment at least once a year.

Financial liabilities

Financial liabilities are classified on initial recognition among financial liabilities designated at fair value through profit and loss, among mortgages and loans or among derivatives designated as hedging instruments.
All financial liabilities are initially recognized at fair value plus, in the case of mortgages, loans and borrowings, directly attributable transaction costs.

The financial liabilities of the Group include trade payables and other payables, mortgages and loans, including current account overdrafts and derivative financial instruments.
For the subsequent measurement, the financial liabilities are classified in two categories:

- Financial liabilities at fair value reported in the Income Statement
- Financial liabilities at amortized cost (financing and loans)

Financial assets at fair value with changes recorded in profit and loss comprise liabilities held for trading and financial liabilities initially recognized at fair value with changes recorded in the income statement.
Liabilities held for trading are all those assumed with the intention of settling them or transferring them in the short term. This category also includes derivative financial instruments subscribed by the Group that are not designated as hedging instruments in a hedging relationship defined by IFRS 9. The embedded derivatives, separated from the main contract, are classified as financial instruments held for trading unless they are designated as effective hedging instruments.
After initial recognition, loans included under financial liabilities measured at amortized cost are measured using the amortized cost criterion, through the effective interest method. The profits and losses are recognized in the income statement when the liability is settled, in addition to through the amortisation process.
The amortized cost is calculated by recognizing the discount or premium on the acquisition and the fees or costs forming an integral part of the effective interest rate. Amortisation at the effective interest rate is recognized among financial charges in the statement of comprehensive income.
A financial liability is written off when the liability underlying obligation has been extinguished, cancelled, or discharged. Where an existing financial liability is replaced by another of the same lender, at basically different conditions, or the conditions of an existing liability are substantially altered, this exchange or change is treated as an accounting write-off of the original liability, accompanied by recognition of a new liability with recognition in the statement of comprehensive income of any differences between the carrying amounts.

Transactions and balances in foreign currency

Transactions in a foreign currency are initially recognized in the functional currency, applying the spot exchange rate on the transaction date.
The monetary assets and liabilities which are denominated in a foreign currency are converted into the functional currency at the exchange rate on the reporting date.
The exchange differences realized or those deriving from the conversion of monetary items are recorded in the income statement, with the exception of the monetary elements that constitute part of the coverage of a net investment in a foreign operation. These differences are recognized in the statement of

comprehensive income until the sale of the net investment, and only then is the total amount reclassified to the income statement. Taxes attributable to exchange rate differences on monetary elements are also recognized in the comprehensive income statement.
In preparing the statement of cash flows, using the indirect method, the cash flow from operating activities is calculated by adjusting the profit for the effects of unrealized exchange gains or losses, as non-monetary items.
Non-monetary items valued at historical cost in foreign currency are converted at the exchange rates on the date the transaction is initially recognized. Non-monetary items recognized at fair value in foreign currency are converted at the exchange rate on the date this value is calculated. The profit or loss from the conversion of non-monetary items is treated consistently with the recognition of the profits and losses related to the change in the fair value of these items: the conversion differences on the items the change in fair value of which is recognized in the comprehensive income statement or in the income statement are recognized in the comprehensive income statement or in the income statement, respectively.
In determining the spot exchange rate to be used at the time of initial recognition of the related asset, cost or revenue (or part thereof) upon the cancellation of a non-monetary asset or non-monetary liability relating to the advance payment, the transaction date is the date when the Group initially recognizes the non-monetary asset or non-monetary liability resulting from the advance payment. If there are several payments or advances, the Group determines the transaction date for each payment or advance.

Revenues

Revenues from sales and services are recognized when the actual transfer of control occurs. A summary description of the recognition, measurement and valuation process applied is provided below for each of the main revenue streams identified.

Revenues from the sale of advertising in “barter equivalent” transactions

Revenues from the sale of advertising in “barter equivalent” transactions are recognized in accordance with an accounting policy developed by the company based on IFRS 15. In particular, the revenue is recognized if the “barter” transaction meets the following conditions: i) the contract was stipulated for advertising services rendered in the ordinary activities of the entity; ii) the contract has commercial substance in accordance with IFRS 15 paragraph 9.d.; iii) the service to be transferred to the customer has been identified; iv) the company has obtained control of any non-monetary consideration; v) the fair value of the service can be reliably estimated and corresponds to the fair value of the right acquired.

At times, customers are given the opportunity to choose how to pay for the services provided by the group. If the possibility includes the payment of a right in kind, the revenues for the services provided are not recognized until the option is exercised and therefore the value of the consideration to which one is entitled is known.

Revenues are shown net of returns, discounts, allowances and bonuses, as well as directly related taxes.

Recognition of costs

Costs are recognized at the time of acquisition or consumption of the good or service.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits and short-term deposits, highly liquid deposits with due date not beyond three months, which can be readily turned into a given amount of cash and subject to an insignificant risk of change in value.

For the purposes of representing the consolidated statement of cash flows, cash and cash equivalents are represented by the cash and cash equivalents as defined above, net of bank overdrafts given that these are considered an integral part of the Group's liquidity management.

2.5 Discretionary measurements and significant accounting estimates

The preparation of the Group's financial statements requires the directors to make discretionary assessments, estimates and assumptions that influence the values of revenues, costs, assets and liabilities and the information relating thereto, as well as the indication of potential liabilities. Uncertainty about these assumptions and estimates could lead to outcomes which will require a significant adjustment to the book value of these assets and/or liabilities in the future.

The main assessments that require management to use judgement are as follows:

Assessments on the existence of control, joint control and significant influence

According to the provisions of IFRS 10, control is obtained when the Group is exposed to, or is entitled to, variable returns deriving from the relationship with the investee and has the ability, through the exercise of power over the investee, to influence the related returns. Power is defined as the current capacity to

direct the relevant activities of the investee by virtue of existing substantial rights.
The existence of control does not depend exclusively on the possession of the majority of voting rights, but on the substantial rights of the investor over the investee. As a result, management’s judgement is required to assess specific situations resulting in substantial rights that give the Group the power to direct the relevant activities of the investee in such a way as to influence its returns.
For the purpose of assessing the control requirement, management reviews all facts and circumstances, including agreements with other investors, rights deriving from other contractual agreements and potential voting rights. These other facts and circumstances may be particularly relevant in the context of this assessment, especially in cases where the Group holds less than the majority of the voting rights, or similar rights, of the investee.
The Group reviews the existence of the conditions for control over the investee when the facts and circumstances indicate that there has been a change in one or more elements considered for the verification of its existence.
Equity investments in associated companies are those in which the company exercises significant influence, i.e. those in which it has the power to participate in the determination of financial and management policies without having control or joint control. In general, it is assumed that the Group has a significant influence when it holds an interest equal to at least 20% of the investee's capital. In order to establish the existence of a significant influence, the judgement of management is required to assess all the facts and circumstances.
The Group re-examines the existence of significant influence when facts and circumstances indicate that there has been a change in one or more elements considered to verify the existence of such significant influence.

Amortisation and verification of the recoverable value of intangible assets

The most significant assessment used in the preparation of the income statement relates to the application criterion for calculating future revenues used in applying the "film forecast computation method", which affects the calculation of the amortisation charges for intangible assets. With the film forecast computation method, the amortisation charge at the reporting date is calculated over the time horizon based on the ratio of the revenues realized and the total revenues to be received throughout the life cycle of the film. The application of this method requires the use of estimates to calculate the future revenues generated by the intangible asset.
With reference to the Tatatu App, management has estimated a useful life of 5 years considering its technological obsolescence. With reference to the brand, at present, given that the company is in start-up phase, the management has estimated a prudential useful life of 18 years.

Revenues

When each agreement is signed with a customer, management assesses the appropriate method to measure the fulfilment of the contractual obligation deriving from the agreement. The management believes this to be identifiable with the moment when the service is rendered.

Approach to the accounting recognition of barter transactions

During the year under review, the Group concluded important commercial agreements with customers operating in the Entertainment and Advertising sectors, in line with the business development strategy. In particular, the transactions underlying these agreements are attributable to two contractual models:

• “Pure” advertising “Barter”:

In particular, the advertising barter transactions envisage the exchange of advertising carried out through separate contracts that envisage the reciprocal obligation to provide advertising services. These contracts have determined the recognition of receivables and payables, whose settlement occurs when the parties declare their intention to offset their the reciprocal assets. At the same time, in compliance with the provisions of IFRS 15, the accounting of any margin generated as a result of bartering, with consequent exposure of advertising income net of advertising costs.

• “Barter” equivalent:

In particular, the barter equivalent transactions envisage the sale of advertising in exchange for the purchase of video rights. These contracts have determined the recognition of receivables and payables, whose settlement occurs when the parties declare their intention to offset their the reciprocal assets.

Revenues from the sale of advertising in “barter equivalent” transactions are recognized in accordance with an accounting policy developed by the company based on IFRS 15. In particular, the revenue is recognized if the “barter” transaction meets the following conditions: i) the contract was stipulated for advertising services rendered in the ordinary activities of the entity; ii) the contract has commercial substance in accordance with IFRS 15 paragraph 9.d.; iii) the service to be transferred to the customer has been identified; iv) the company has obtained control of any non-monetary consideration; v) the fair value of the service can be reliably estimated and corresponds to the fair value of the right acquired (level 3 of the fair value hierarchy).

With reference to point ii), the Sole Director assessed that the contract has commercial substance through the analysis of the sales of advertising space forecast for the following years, in particular, the cash flows deriving from the exploitation of rights.

Determination of the fair value

The Management determines the criteria and procedures both for recurring fair value measurements, such as video rights and revenues from barter transactions, and for non-recurring measurements, such as contributions in kind made by the sole shareholder IA Media S.A.
An external expert was involved in the valuation of the assets transferred. The selection criteria include market knowledge, reputation, independence and compliance with professional standards.
For the fair value of the equivalent barter transactions, the company determined the fair value on the basis of the characteristics of the individual rights acquired.
For fair value disclosure purposes, the company determined a level 3 fair value for both barter transactions and transferred assets.

Deferred tax assets

Deferred tax assets are recognized for unused tax losses, to the extent that a taxable profit such to allow the use of the losses is deemed probable in the future. A significant estimate is required by company management to determine the amount of tax assets that can be recognized on the basis of the level of future taxable profits, the timing of their occurrence and the applicable tax planning strategies.

Changes in accounting standards and disclosure

New accounting standards, interpretations and amendments adopted by the Group

The Group applied for the first time some standards or amendments that have been in force since 1 January 2020. The Group has not adopted in advance any new standard, interpretation or amendment issued but not yet in force.

Amendments to IFRS 3: Definition of a business

The amendments to IFRS 3 have clarified that to be considered a business, an integrated set of activities and assets must include at least one input and an underlying process that together contribute in a significant way to the ability to create an output. Furthermore, it was clarified that a business can exist without including all the inputs and processes necessary to create an output.

Amendments to IFRS 7, IFRS 9: Reform of the interest rate benchmark

The amendments to IFRS 9 provide a number of practical expedients that apply to hedging relationships that are directly impacted by the reform of the reference interest rates. A hedging relationship that is impacted by the reform is subject to uncertainties regarding the timing and amount of cash flows based on the reference rate with reference to the hedged instrument. These amendments have no impact on the Group's consolidated financial statements as there are no interest rate hedges in place.

Amendments to IAS 1 and IAS 8 - definition of material

The amendments provide a new definition of materiality which states that information is material if it is reasonable to assume that its omission, misstatement or concealment could influence the decisions that the main users of the financial statements prepared for general purposes take on the basis of these financial statements, which provide financial information about the specific entity preparing the financial statements. The materiality depends on the nature or extent of the information, or on both. The entity assesses whether the information, individually or in combination with other information, is material in the context of the financial statements, taken as a whole. The information is hidden if it is communicated in such a way as to have, for the main users of the financial statements, an effect similar to that of the omission or incorrect indication of the same information. These amendments did not have any impact on the consolidated financial statements.

Conceptual Framework for Financial Reporting issued on 29 March 2018

The Conceptual Framework does not represent a standard and none of the concepts contained in it takes precedence over the concepts or requirements of a standard. The purpose of the Conceptual Framework is to support the IASB in the development of standards, to help the drafters to develop homogeneous accounting policies where there are no applicable standards in the specific circumstances and to help all parties involved to understand and interpret the standards.

The revised version of the Conceptual Framework includes some new concepts, provides updated definitions and updated recognition criteria for assets and liabilities and clarifies some important concepts. These amendments did not have any impact on the Group's consolidated financial statements.

Amendment to IFRS 16 Covid-19 Related Rent Concessions

On 28 May 2020, the IASB published an amendment to IFRS 16. The amendment allows a lessee not to apply the requirements in IFRS 16 on the accounting effects of the contractual amendments for the reductions in lease payments granted by the lessors that are a direct consequence of the Covid-19 epidemic. The amendment introduces a practical expedient according to which a lessee may choose not to assess whether the reduction in lease payments represent contractual changes. A lessee who chooses to use this expedient accounts for these reductions as if they were not contractual changes in the scope of IFRS 16.

The amendments are applicable to financial statements the accounting period of which starts on 1 June 2020 or later. Early adoption is permitted. These amendments did not have any impact on the Group's consolidated financial statements.

2.6 Accounting standards for future application

The list of standards, amendments to standards and interpretations whose effective date for the Group is after 31 December 2020 is provided below:

Amendment to IFRS 16: Covid-19 related rent concessions, issued on 28 May 2020 in order to allow lessees not to account for concessions on lease payments (suspension of lease payments, deferment of payments due for leases, reductions in leases for a period of time, possibly followed by rental increases in future periods) as contractual changes to the lease if they are a direct consequence of the Covid-19 pandemic and meet certain conditions. According to IFRS 16, a contractual change to the lease is a change in the object or consideration of a lease that is not envisaged in the original contractual terms and conditions of the lease; therefore, concessions on lease payments would be contractual changes to the lease, unless they were provided for in the original lease agreement. The amendment applies only to lessees, while lessors are required to apply the current provisions of IFRS 16. The amendment, which applies retrospectively for financial years beginning on or after 1 June 2020, was not adopted in advance by the company.

Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, issued in September 2014. The amendments clarify the accounting treatment of sales or transfers of assets between an investor and its associated companies or joint ventures. The amendments confirm that the accounting treatment varies according to whether the assets sold or transferred to an associated company or joint venture constitute a "business" (as defined by IFRS 3). The IASB indefinitely postponed the date of first application of the amendments in question; early application is allowed provided that the amendments are applied prospectively.

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current issued in January 2020. The amendments concern the provisions of IAS 1 related to the presentation of liabilities. More specifically, the amendments clarify:

• the criteria for classifying a liability as current or non-current, specifying what is meant by a company’s right to defer settlement and that this right must exist at the end of the year;

• that the classification is not affected by the intentions or expectations of management as to when a company will exercise its right to defer the settlement of a liability;

• that there is a right to defer only if the company meets the conditions specified in the loan agreement at the end of the year, even if the creditor does not verify compliance until a later date; and
• that the regulation refers to the transfer to the counterparty of liquidity, equity instruments, other goods or services.
The amendments will be applicable, subject to endorsement, for financial years beginning on or after 1 January 2023. Early application is allowed. The Group is monitoring the discussions of the IFRS IC in this regard.

Amendments to IFRS 3 - Reference to the Conceptual Framework issued in May 2020. The amendments are intended to replace a reference to the definitions of assets and liabilities provided by the Revised Conceptual Framework for Financial Reporting issued in March 2018 (Conceptual Framework) without significantly changing its provisions.
The amendments also added a provision to IFRS 3 (according to which, in relation to transactions and other events that fall within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, an acquirer applies, instead of the Conceptual Framework, the aforementioned principles to identify the liabilities assumed in a business combination.
Finally, the amendments clarify the existing guidelines in IFRS 3 for contingent assets acquired in a business combination, specifying that, if it is not certain that an asset exists at the acquisition date, the possible asset does not qualify for recognition.
The amendments will be applicable, subject to endorsement, for financial years beginning on or after 1 January 2022.

Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use, issued in May 2020. The amendments prohibit companies from deducting from the cost of an item of property, plant and equipment any income deriving from the sale of items produced while the asset is brought to the location and condition necessary for it to function in the manner intended by management. On the contrary, a company must recognize the income deriving from the sale of these elements and the costs related to their production in the income statement. The amendments will be applicable, subject to endorsement, for financial years beginning on or after 1 January 2022. Early application is allowed.

Amendments to IAS 37 - Onerous Contracts - Cost of Fulfilling a Contract, issued in May 2020. The amendments specify which costs a company includes in calculating the cost necessary to fulfil a contract in order to assess whether the contract is onerous. To this end, the "cost necessary for the performance" of a contract includes costs that refer directly to the contract; the latter may be either incremental costs necessary for the fulfilment of that contract or an allocation of other costs that relate directly to the fulfilment of the contract. The amendments will be applicable, subject to endorsement, for financial years beginning on or after 1 January 2022. Early application is allowed.

Annual improvements to IFRS Standards 2018-2020, issued in May 2020. The document mainly makes changes to the following standards:
IFRS 1 First-time Adoption of International Financial Reporting Standards; the amendment simplifies the application of IFRS 1 for an investee company (subsidiary, associated and joint venture) that becomes a new user of the IFRSs after its parent/investing company. In particular, if the investee adopts the IFRSs after its parent/investing company and applies IFRS 1.D16 (a), then this investee may choose to measure the cumulative translation differences for all foreign operations at the amounts included in the consolidated financial statements of the parent/investing company, based on the date of transition of the latter to the IFRSs.
IFRS 16 Leases, the International Accounting Standards Board amended the Illustrative example 13 that accompanies IFRS 16 Leases. In particular, the amendment eliminates the likely confusion in the application of IFRS 16 due to the way in which Illustrative example 13 had described the requirements for lease incentives. Indeed, the example included a reimbursement for leasehold improvements without providing an explanation as to whether the reimbursement met the definition of a lease incentive. The amendment removes from the example the illustration of the reimbursement related to leasehold improvements.
The amendments must be applied prospectively, subject to prior approval, for annual periods beginning on or after 1 January 2022. Early application is allowed.

Amendments to IFRS 9, IFRS 7, and IFRS 16 - Interest Rate Benchmark Reform - Phase 2, issued in August 2020. The amendments supplement those issued in 2019 ("Interest Rate Benchmark Reform - Phase 1") and address issues that could affect financial reporting after a benchmark has been reformed or replaced with an alternative reference rate due to the reform. The objectives of the amendments of Phase 2 are to assist the companies: (i) in applying the IFRSs when changes are made to the contractual cash flows or to the hedging relationships due to the reform of the benchmarks for calculating interest rates; and (ii) providing useful information to users of financial statements.
Moreover, when the exemptions of Phase 1 cease to be applicable, the companies are required to modify the documentation of the hedging relationship to reflect the changes required by the IBOR reform by the end of the year during which the changes are made (these amendments do not constitute a termination of the hedging relationship). The amounts accumulated in the cash flow hedge reserve, when the description of a hedged element in the

documentation of the hedging relationship is changed, are considered based on the alternative reference rate on the basis of which the future cash flows hedged are calculated.
The amendments will require the provision of additional information on the exposure of the company to the risks deriving from the Interest Rate Benchmark Reform and on the related risk management activities.
The amendments will be applicable for annual periods beginning on or after 1 January 2021. Early application is allowed.
Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies, issued in February 2021. The amendments are intended to support the companies in deciding which accounting standards to illustrate in the financial statements. The amendments to IAS 1 require companies to provide information on the relevant accounting standards, rather than on the significant ones. A guide on how to apply the concept of materiality to the disclosure on accounting standards is provided by the amendments to IFRS Practice Statement 2. The amendments will be applicable, subject to endorsement, for financial years beginning on or after 1 January 2023. Early application is allowed.
Amendments to IAS 8 - Definition of Accounting Estimates, issued in February 2021. The amendments are intended to support companies in distinguishing between changes in accounting standards and changes in accounting estimates; the definition of changes in accounting estimates is replaced with a definition of accounting estimates as "monetary amounts that are subject to measurement uncertainty in the financial statements". The amendments will be applicable, subject to endorsement, for financial years beginning on or after 1 January 2023. Early application is allowed.
At present, the Group does not expect any (significant) impact from such adoptions.

2.7 Management of financial risks

Liquidity risk

The current operational management of Group has generated cash flows intended for its needs and used by the current management for the regular payment of suppliers. Additional financial resources for investments are obtained either through financial or capital transactions. Having put in place an effective economic and financial planning system, the Group constantly monitors operational flows in order to finance working capital and monitor the monetization of the EBIT achieved that takes place starting a few months after the delivery of the audiovisual work and appropriately financed and guaranteed by the banking system.

Exchange rate risk

The Group has a limited exposure to the financial risks associated with fluctuations in exchange rates, with reference to operations carried out with countries that are not part of the Eurozone. It should also be noted that almost all the receivables and payables are in the same foreign currency (US dollar).

The Group has not entered into any transactions to hedge exchange risk as the risk is significantly reduced by offsetting the costs incurred in the same currency as the revenues.

Interest rate risk

The Group has no derivative contracts in place to hedge the risks associated with fluctuations in interest rates since its exposure to this risk is marginal.

Market risk, credit risk and price risk

Risks related to the competitive and cyclical nature of the sector

One element that increasingly characterizes the entertainment market is the growing importance of the content offered which, increasingly, differ according to the transmission channel.

Credit risk

The Group does not have a significant concentration of credit risk, and has appropriate procedures, such as verifying the solvency of debtors through the analysis of their reliability on the market, to minimize credit risk. The company did not write down the receivables recorded as they were almost entirely offset in the first months of 2021.

3. Intangible assets

The Group shows intangible assets in the consolidated financial statements attributable to the following asset categories:

Assets	Contributions /Acquisitions	Amortisation in the year	Effect of valuation at the year-end exchange rate	Net book value 31.12.2020
Tatatu brand	4,555	6		4,549
Tatatu App	3,196	16		3,180
Audio-visual content	28,192	23,984	(77)	4,131

Total intangible assets	**35,943**	**24,006**	**(77)**	**11,860**

The assets shown above are acquired by the Group, in part, following the transfer made by the sole shareholder IA Media S.A., as part of the share capital increase resolved by the Parent Company Tatatu S.p.A., in part to assets acquired through contractual relationships with commercial partners.
More specifically, the assets acquired from third-party suppliers refer to “RAVOD” audio-visual rights and are recorded at the net book value of €2,151 thousand.
The remaining portion of assets refers to the brand, the App and the audio-visual content acquired as a result of the contribution in kind of assets and liabilities mentioned. In detail, the breakdown of assets, as resulting from the estimate report pursuant to Art. 2465 of the Italian Civil Code, annexed to the resolution to increase the Company's share capital, is as follows:

Tatatu brand	4,555
Tatatu App	3,196
Audio-visual content	1,980
Total intangible assets	**9,731**

4. Trade receivables

Trade receivables amount to €22,470 thousand, and arose mainly from the sale of advertising space in the first months of the Company’s operations. In particular, the geographical breakdown of these receivables is as follows:

Trade receivables due from Italian customers	657
Trade receivables due from non-Italian customers	21,813
Total trade receivables	**22,470**

Some of the above receivables will probably be realized in the next 12 months, not in monetary form, but through possible offsetting in accordance with contractual agreements that allow the parties to extinguish their reciprocal debt/credit positions (so-called *barter agreements*). The reference is, in detail, to the receivables due from the counterparties Blue Financial Communication, Gooruf Ltd, Worldwide Production Services and Abilis Acp.
It should be noted that in 2021 receivables for a total of €22,109 thousand due from customers Worldwide Production Services, Abilis Acp, Blue Financial Communications, were offset by virtue of contractual agreements that grant the right to settle reciprocal credit and debit positions.

5. Other current assets

The item Other current assets mainly refers to some advances paid by the Group for the purchase of services available in the next year.

6. Deferred tax assets

In the year in question, the Company shows the deferred tax assets corresponding to the allocation of deferred IRES taxes pertaining to 2020. More specifically, the balance sheet item represents the tax benefit related to the possibility of carrying forward the tax loss generated, equal to a negative taxable amount of €43 thousand.

7. Cash and cash equivalents

The item, amounting to €61 thousand, includes only the balance of bank current accounts held by Group companies with credit institutions. Cash and cash equivalents are not encumbered by restrictions that limit their full use. Below is a detailed description of the available funds of each current account company:

Tatatu S.p.A.	51.23
Tatatu Hungary K.f.t.	9.89
Total cash and cash equivalents	**61.12**

8. Group shareholders' equity

The Group's shareholders 'equity consists of the items relating to share capital and the (negative) result for the current year.
In particular, the share capital of the Company changed as a result of the following transactions:

- Contribution in cash made by IA Media S.A. when the Company was established;
- Contribution in kind made during the capital increase subscribed by IA Media S.A. on 23 December 2020;
- Loss accrued during the year.

As at 31 December 2020, the share capital of Tatatu S.p.A. amounted to €8,010,000, fully subscribed and pain up, representing ordinary shares with a nominal value of €0.01 each.

The net equity item includes the transaction costs incurred for the share capital increase, in compliance with the provisions of IAS 32. Therefore, the accounting recognition determined the negative allocation of the relative amount under other reserves.
In addition, the Group also included among other reserves the amount corresponding to the translation reserve of financial statements of subsidiaries expressed in foreign currency, intended to include the net deviation linked to

the valuation of the currency of the foreign entities in the Parent Company's reference functional currency.
Below is a numerical description of the changes that occurred:

Increase in share capital increase	8,010
Change in other reserves due to translation of financial statements of foreign subsidiaries	16
Change in other reserves due to transaction costs	(26)
Group loss	(488)
Total Equity	**7,512**

The objectives of Tatatu in capital management are inspired by the creation of value for shareholders, the guarantee of the interests of the stakeholders and the safeguarding of the continuity of the business, as well as the maintenance of an adequate level of capitalization to permit economical access to external sources of financing in order to adequately support the development of the Group's activities.

9. Payables to related parties

As at 31 December 2020, the Group had financial relations with related parties attributable to the payable to Iervolino Entertainment S.p.A., equal to €1.7 million.
The liability arose following the share capital increase subscribed by the sole shareholder I.A. Average on 23 December 2020, whose the transfer included assets of €9,731 million and liabilities of €1,731 million.
The payable in question is due beyond 12 months.

10. Current financial liabilities

The item refers to financial liabilities of €5 thousand, arising from the Parent Company against the short-term interest-free loan disbursed by the respective Shareholder I.A. Average.

11. Trade payables

Trade payables, totaling €22,541 thousand, refer to liabilities incurred by the Group.
In particular, payables refer to the following expense items:

- purchase of administrative and technical services of various kinds necessary for business operations;
- purchase of content made available to users on the Tatatu platform;
- purchases for the development activities carried out by the dedicated team.

The breakdown of payables by geographical area is shown in the table below:

Payables to Italian suppliers	593
Trade receivables from foreign suppliers	21,948

Total trade payables	**22,541**

12. Non-current trading liabilities

The above-mentioned item, recorded under liabilities in the balance sheet, identifies the residual debt relating to the investments made in the acquisition of audio-visual rights from the supplier WorldWide Production Services.

13. Tax payables

Tax payables refer to liabilities relating to direct and indirect taxes accrued by the Group. In particular, the total debt is represented by:
Direct taxes: these refer to the "local business tax" due under the local tax regime applicable in the place where the Tatatu Hungary K.f.t. is established. The amount of the above-mentioned tax amounts to €463 thousand.
Indirect taxes, broken down as follows: €19.9 thousand, relating to the VAT payable for 2020 accrued by the Parent Company, net of the VAT credit replicable by Tatatu Hungary, equal to €0.5 thousand.

14. Other current liabilities

The aforementioned liabilities, of a modest amount, refer to expense reports of the Sole Director for advances on costs incurred on behalf of the Parent Company.

15. Sales revenue

The sales revenues shown refer to the sale of advertising space in the second half of 2020. In particular, advertising spaces include promotional notifications and other forms of advertising conveyed through the Tatatu app in Italy.
The income in question was accounted for by applying the accrual principle and, with particular reference to bartering transactions, by netting the respective economic positions, in compliance with the provisions of IFRS 15.
With reference to the latter, it is important to note that the Company has put in place two main categories of barter transactions:

- Advertising barter: in particular, the exchange of advertising for advertising;
- Equivalent barter: relating, in particular, to the sale of advertising for content that contributes to enriching the app's entertainment offer.

In particular, advertising barter transactions were excluded from the scope of IFRS 15. Equivalent barter transactions fall within the scope of IFRS 15 as the company carries out, on each contract, an accurate assessment that led to the identification of whether: i) the transaction is carried out in the course of ordinary activities; ii) the transaction has commercial substance; iii) the service to be transferred to the customer has been identified; iv) the company has obtained control of any non-monetary consideration; v) the fair value has been determined.

16. Costs for services

The item Costs for services, for a total of €532 thousand, includes the following negative components pertaining to the year indicated in the table below:

Legal advice - notary costs	6
Bank fees	2
Technical consultancy	6
Tax/payroll consultancy	10
Other services	24
Financial advice	13
Marketing consultancy	51
Editorial consultancy	3
Content consultancy	30
Strategic consultancy	100
Statutory auditors' fees and independent auditing services	5
Periodic contractual maintenance	19
Travel expenses, business trips and other reimbursements	3
Supply services for the team dedicated to technological R&D	260
Total costs for services	**532**

It should be noted that the item, amounting to €260 thousand, refers to expenses incurred for the supply of the team specifically employed in the development of the platform. For this purpose, during the year under review, the Company made use of personnel from an external partner dedicated to the maintenance and research and development of the "Tatatu" platform.

17. Personnel costs

The item, amounting to €12 thousand, refers to the cost incurred for the internship of one staff member at the Parent Company and to the cost incurred for the manager in charge of Tatatu Hungary K.f.t..

18. Other operating costs

The item "other operating costs" includes operating expenses, broken down as follows:

Other taxes and accessories	1
Extraordinary expenses for out-of-court disputes	60
Purchase of goods	2
Advertising material	1
Other costs	13

Total	**77**

19. Amortisation, depreciation and write-downs

The item refers to the amortisation amounts calculated on fixed assets with a definite useful life relating to the video rights acquired by Tatatu Hungary K.f.t., and to the amortisation amounts of the trademark and of the technological software charged to the financial statements of Tatatu S.p.A..
With regard to the first category of asset (audio-visual rights), the amortisation coefficient applied for the year 2020, equal to 91.5%, takes into account the percentage of use of the videos in relation to the revenues achieved through the use of the same. The technical assessments made by the management of Tatatu show that the value in use attributable to these assets corresponds to 8.5% of the historical cost. This percentage expresses the residual value of the asset, intended as the ability to contribute to future revenues from the sale of advertising space through the use of videos.
The following table summarizes the amortisation carried out, which shows the initial historical cost and the net book value of the audiovisual rights with a finite useful life, equal to €2,151 thousand.

Depreciation of assets with a finite useful life	
Cost of acquisition of RAVOD rights	26,212
Depreciation/amortisation for the year	23,984
Effect of valuation of the asset at the year-end rate	(77)
Net book value as at 31/12/2020	2,151

With regard to the trademarks and technological software recorded in the assets of Tatatu S.p.A., an amortisation period of 18 years has been estimated. With regard to the technological software instrumental to the App, amortisation is planned for five years.
The amortisation process of the aforementioned assets starts from the day of acquisition of their availability, coinciding with the date of transfer of the same (22/12/2020).
Considering the period of time in which the assets were controlled by the entity, amortisation was recognized on a *pro-rata temporis basis*. Below is a breakdown of the amounts allocated.

Amount of amortisation of the Tatatu brand	6
Amount of amortisation of the App Tatatu technology	16
Total amortisation 2020	**22**

The summary of total amortisation is provided below, with separate indication of the amortisation amount associated with each category of intangible asset:

Amortisation of video rights	23,984
Amount of amortisation of the Tatatu brand	6
Amount of amortisation of the App Tatatu technology	16

Total amortisation 2020	**24,006**

20. Net financial income

The item includes net exchange differences of €12 thousand, represented by the following components:

Exchange rate gains	12.8
Exchange losses	0.7
Total	**12.1**

The positive components recorded refer to exchange differences that occurred during the year under review.
The item is composed of both realized and unrealized exchange gains (valuation differences).
In detail, the amount of €12.3 thousand refers to exchange gains realized as a result of the settlement of monetary elements at rates different from those at which they were converted at the time of the initial recognition of the transaction during the period.
The remaining part, equal to €0.5 thousand, is instead the result of the application to the value expressed in the foreign currency of the exchange rate between the functional currency and the foreign currency in force at the end of the year.
The negative components refer to exchange differences realized during the year under review. In particular, the item captures the change due to the fluctuation of the exchange rate in the period between the date of the transaction and the date of financial settlement of the receivable or payable arising as a result of the transaction.
The amount, equal to €0.7 thousand, derives from exchange losses realized as a result of the settlement of monetary elements at rates different from those at which they were converted at the time of the initial recognition of the transaction during the year.

21. Taxation

The item represents the amount of direct taxes due by the Group.
More specifically, there is no taxable base for Tatatu S.p.A. for IRES purposes, since a loss was recorded that can be used pursuant to Art. 84, of the TUIR. Also for IRAP purposes, there is no taxable net production value according to Legislative Decree 446/1997.
However, Tatatu S.p.A. allocated the related deferred tax assets, amounting to €10 thousand, on the assumption that the recovery of the tax benefit deriving from the carry-over of the tax loss is reasonably foreseeable, by reducing the future taxable income that the company will expects to realize from the following year.
The figure charged to the consolidated income statement is also strongly influenced by the municipal levy (Local Business Tax) of €480 thousand, borne by the company Tatatu Hungary K.f.t. as an entity legally established in Budapest.

The value of the levy is determined by applying 2% to the value of revenues, calculated net of the cost of raw materials, goods and services sold.

22. Additional information

22.1 Transactions with related parties

As at 31 December 2020, Tatatu S.p.A. had equity transactions with related parties attributable to the payable to Iervolino Entertainment S.p.A., amounting to €1,731 million.
The liability arose following the capital increase subscribed by the sole Shareholder IA Media on 23 December 2020, which included assets of €9,731 million and liabilities of €1,731 million.
The payable in question is due beyond 12 months.

22.2 Fees due to the Statutory Auditors and the Independent Auditors

The amount of the remuneration due to the Statutory Auditors amounts to €7 thousand gross per year, of which €146 pertaining to the year 2020.
Fees for audit services amounted to €5 thousand.

22.3 Commitments and guarantees given by the Company

As part of its activities, the Company has not received or provided guarantees.

22.4 Significant events after the close of the year

No events or transactions that could impact these financial statements took place after the end of the financial year.

22.5 Transactions deriving from atypical and/or unusual operations

In the period between 20 February 2020 and 31 December 2020, no atypical and/or unusual transactions were carried out.

Condensed Interim Consolidated Financial Statements
as at June 30, 2022

Tatatu S.p.A.
Via Barberini 29
00187 Rome
Tax Code, VAT No. and Companies Registry Entry No.:
15653581007

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT JUNE 30, 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS Thousand Euro	30/06/2022	of which towards related parties	31/12/2021	of which towards related parties	Note
Non-current assets					
Intangible fixed assets					
Rights over audiovisual content	5,666		6,368		Note 3
Trademarks	4,169		4,296		Note 3
Technological software	2,221		2,541		Note 3
Assets under construction	2,768		-		Note 3
Goodwill	17,407		-		Note 3
Total Intangible Assets	**32,231**		**13,205**		
Tangible assets					
Property, Plant and Equipment	838		4		Note 4
Right of use assets	11,397		-		Note 4
Total tangible assets	**12,235**		**4**		
Deferred tax assets	**1,153**		**1,018**		Note 5
Total non-current assets	**45,619**		**14,227**		
Current assets					
Trade receivables	70,932		22,298		Note 6
Other current assets	1,311		449		Note 7
Inventory	134				
Tax receivables	-		26		
Cash and cash equivalents	3,278		816		Note 8
Prepayments and accrued income	464		-		Note 9
Total current assets	**76,119**		**23,589**		
Total assets	**121,738**		**37,816**		
LIABILITIES					
Shareholders' Equity					

Share capital	8,105		8,013		Note 10
Share premium reserve	16,404		297		Note 10
Legal reserve	32		-		Note 10
Other reserves	1,090		(32)		Note 10
Profit (loss) carried forward	(2,781)		(465)		Note 10
Profit (loss) for the year attributable to equity holders of the parent	257		1,309		Note 10
Equity of the equity owner of the parent	**23,107**		**9,122**		
Profit (loss) for the year attributable to no controlling interests	35		-		Nota 10
Equity of no controlling interests	(1,642)		-		
Equity and profit (loss) attributable to no controlling interest	**(1,607)**				
Total shareholders' equity	**21,500**		**9,122**		
Non-current liabilities					
Non-current trade payables	1,721	1,721	1,721	1,721	Nota 11
Non-current financial liabilities	16,725		1,630		Nota 12
Other non-current liabilities	679		-		Nota 13
Employee benefits	4		4		Nota 14
Total non-current liabilities	**19,129**		**3,355**		
Current liabilities					
Current financial liabilities	3,281		583		Nota 15
Trade payables	75,549		23,619	28	Nota 16
Other current liabilities	1,536		124		Nota 17
Tax payables	743		1,013		Nota 18
Total current liabilities	**81,109**		**25,339**		
Total liabilities and shareholders' equity	**121,738**		**37,816**		

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AS AT JUNE 30, 2022

CONSOLIDATED INCOME STATEMENT Thousand Euro	30/06/2022	of which towards related parties	30/06/2021	of which towards related parties	
Sales revenue	53,628		38,431		Note 19
Other income	92		216		Note 20
Total revenues	**53,720**		**38,647**		
Purchases of raw materials and consumables	5		-		Note 21
Costs for services	5,435	37	1,130		Note 22
Staff costs	639		51		Note 23
Other operating costs	300		571		Note 24
Amortization, write downs and provision	46,182		36,595		Note 25
Operating profit/(loss)	**1,159**		**300**		
Financial Charges	1,005		18		Note 26
Financial Income	180		-		Note 27
Result from financial operations	**(825)**		**(18)**		
Profit before tax	**334**		**282**		
Taxes	42		50		
Profit/(loss) for the period	**292**		**232**		
Other comprehensive income which subsequently can be reclassified in Profit/(Loss) of the period after taxes.	(5)		-		

Foreign balance sheet conversion differences	(5)	
Other comprehensive income which subsequently shall not be reclassified in Profit/(Loss) of the period after taxes.		
Comprehensive income/(loss)	287	232
Profit/(loss) for the period attributable to:		
Owners of the parent	257	232
Non–controlling interests	35	
Comprehensive income/(loss) attributable to:		
Owners of the parent	252	232
Non–controlling interests	35	
Earnings per share Basic and diluted	0,00000036	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30/06/2022

Details of movements of equity posts	**Share Capital**	**Share Premium Reserve**	**Accumulated Gains / (Losses)**	**Legal Reserve**	**Other reserves**	**Profit / (Loss) for the year**	**Equity pertaining of third**	**Total**
Equity 31/12/2020	8,010	-	-	-	(9)	(488)	-	**7,513**
Capital Increase	-	-	-	-	-	-	-	**-**
Increase/Decrease	-	-	(488)		-	488	-	**-**
Profit / (Loss) for the year	-	-	-	-	-	232	-	**232**
Equity 30/06/2021	**8,010**	**-**	**(488)**	-	**(9)**	**232**	**-**	**7,745**

Details of movements of equity posts	**Share Capital**	**Share Premium Reserve**	**Accumulated Gains / (Losses)**	**Legal Reserve**	**Other reserves**	**Foreign currency translation reserve**	**Profit / (Loss) for the year**	**Total Group Equity**	**Non-controlling interests**	**Total Equity**
Equity 31/12/2021	8,013	297	(465)	-	(26)	(6)	1,309	9,122		**9,122**
Capital Increase	23	2,291	-	-	-		-	2,314		**2,314**
Acquisition of the subsidiary WWMM	69	13,816						**13,885**	**(1,642)**	12,243
Increase/Decrease	-	-	(2,982)		506	5		**(2,471)**		(2,471)
Allocation of the result for the year			666	32	611		(1,309)	**-**		-
Profit / (Loss) for the year	-	-	-	-	-		257	**257**	**35**	**292**
Equity 30/06/2022	**8.105**	**16.404**	**(2.781)**	**32**	**1.091**	**(1)**	**257**	**23.107**	**(1.607)**	**21.500**

CONSOLIDATED STATEMENT OF CASH FLOW

		2022	**2021**
OPERATING ACTIVITIES	**Note**	**€/000**	**€/000**
Group's Profit/(Loss)		292	232
Adjustment for			
Income tax		42	50
Financial income/charges	Note 26, 27	825	18
Amortization and impairment loss	Note 25	46,182	37,015
Provisions for employee benefits		-	-
Differences on foreign exchange valuations		-	-
Changes in net working capita			
Inventories		-	-
Decrease/ (Increase) Trade receivables	Note 6	(48,634)	(15,077)
Increase/ (decrease) Trade payables	Note 16	(1,659)	(23,405)
Decrease/ (Increase) Other current and not current assets		1,832	(274)
Increase/ (decrease) Other current and not current liabilities	Note 13, 17	(1,594)	1.279
Other adjustements			
Income taxes paid		-	-
Interest expense and other borrowing costs paid		(815)	(18)
Use of funds			
Exchange differences from the conversion of balance sheets of foreign companies		36	-
A. Net cash generated/(used) in operating activities		**(3,493)**	**(179)**
INVESTMENT ACTIVITIES			
Acquisition of:			
Tangible assets		(930)	(1)
Acquisition of non-controlling interests		(622)	-
B. Cash generated/(employed) in investment activity		**(1,552)**	**(1)**
FINANCING ACTIVITIES			
Capital increase operations	Note 10	2,315	-
Other equity injections for future share capital increase	Note 10	505	-
New financing	Note 12, 15	4,985	2,420
Paying back loans	Note 12, 15	(298)	-
C. Cash generated/(employed) in financing activity		**7,507**	**2,420**
D. Change in cash and cash equivalents (A+B+C)		**2,462**	**2,240**
OPENING CASH AND CASH EQUIVALENT		**816**	**61**
CLOSING CASH AND CASH EQUIVALENT		**3,278**	**2,301**

NOTES OF THE GROUP FINANCIAL STATEMENTS AS AT 30.06.2022

1) Corporate and Group information

Tatatu S.p.A. (hereinafter, Tatatu, or the Company) and its subsidiary Tatatu Hungary Kft. (hereinafter, jointly, the "Group" or the "Tatatu Group") is the global operator engaged in the innovative sharing economy project for users' free time.

Tatatu is the owner of the App of the same name which includes social media, video calls and chat, premium video content and e-commerce, which starts from the Vision of a fair system where the creation of value takes place through the meeting between Users, platform and advertisers. The Tatatu App is the first platform that allows users to receive a fee for sharing and viewing content. The users' reward is realized through the attribution of TTT coins that are recognized for the use of the App.

Tatatu thus proposes an alternative model to traditional business models, identifying the business model based on the "RAVOD" (Reward Advertising Video on Demand), thanks to which users can be remunerated for the time they devote to using the app.

The platform offers a wide range of content and features, such as films, podcasts, sports-content, fashion, games and celebrity content. The various versions of the app allow the publication of advertising spaces to be sold to customers. In order to expand the user's platform, the Group acquired a majority shareholding in WWMM, the company operates in the mass food and beverage sector. This operation makes possible, on one hand, to diversify the business risk by extending the presence in new sectors, on other hand, to take advantage from the opportunity to give food customers the 'tatatu coin', thus increasing user traffic of the app. The publication of the consolidated interim financial statements at June 30, 2022 of Tatatu S.p.A (Company) was authorized by the Board of Directors on 1 September 2022.

The consolidating company, Tatatu S.p.A., is a joint stock company, registered and domiciled in Italy. The registered office is located in via Barberini 29, 00187 Rome.

The parent of the Group are Tatatu S.p.A. and Tatatu Hungary Kft., whose 100% shareholding is held by Tatatu S.p.A. The parent company also controls 75% of WWMM Ltd.

2) Significant accounting standards

2.1 Basis of preparation

The interim consolidated financial statements for the period to June 30, 2022 have been prepared in accordance with IAS 34 Interim Financial Reporting. The Group has prepared the interim financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period. In the shareholder meeting, the 6th of September 2022, was approved

the increase of equity for € 4 million to support the financial liabilities of the group.
These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Group’s annual financial statements as at 31 December 2021, net of the principles illustrated in paragraph “Accounting principles not present in the consolidated financial statements as at 31 December 2021”.
Current income taxes are calculated based on taxable income at the end of the period. Taxes payable and receivable for current income taxes are recognized at the amount expected to be paid/recovered to/from the tax authorities by applying the tax regulations in force or substantially approved at the end of the period and the estimated tax rates on an annual basis.

No IAS34.21 information on seasonality is disclosed in these financial statements as the Group's sales and results of operations and the segments in which it operates are not affected by seasonality.

2.2 Financial statements

This document consists of the Consolidated Statement of Financial Position, the Consolidated Statement of Comprehensive Profit/(Loss), the Statement of Changes in Consolidated Shareholders' Equity, the Consolidated Cash Flow Statement and the Notes to the Financial Statements.
The Group's Statement of Financial Position shows the separate presentation of current and non-current assets and current and non-current liabilities.
An asset is classified as current when it meets one of the following criteria:

- it is held for sale or consumption, or expects its realization, in the normal course of its operating cycle;
- it is owned mainly for the purpose of negotiating it;
- it is expected to be realized within twelve months from the closing date of the financial year; or
- it consists of cash or equivalent means, the use of which is not subject to constraints or restrictions such as to prevent its use for at least twelve months from the closing date of the financial year.

All assets that do not meet the conditions listed above are classified as non-current.
A liability is classified as current when:

- it is expected to settle the liability in its normal operating cycle;
- it is owned mainly for the purpose of negotiating it;
- it must be paid off within twelve months from the closing date of the financial year; or it does not have an unconditional right to defer the settlement of the liability for at least twelve months from the closing date of the financial year.

The contractual conditions could, at the option of the counterparty, lead to the extinction of the assets by assigning rights or consideration of various kinds e.
The Consolidated Statement of comprehensive income was drawn up by classifying the costs based on their nature, so as to arrive at the net result for the period by highlighting the operating result. Operating profit is determined as the difference between revenues and other income and operating expenses (the

latter including non-cash expenses related to write-downs and amortization of current and non-current assets, net of any reversals). The operating result is the main measure used by the company management to monitor the performance of the Group, in this start-up phase where the operational management is strongly impacted by barter transactions).
Lastly, the Consolidated Cash Flow Statement shows the cash flows resulting from operating activities according to the "indirect method" showing only the effects of transactions that have impacts on cash flows.

2.3 Principles and scope of consolidation

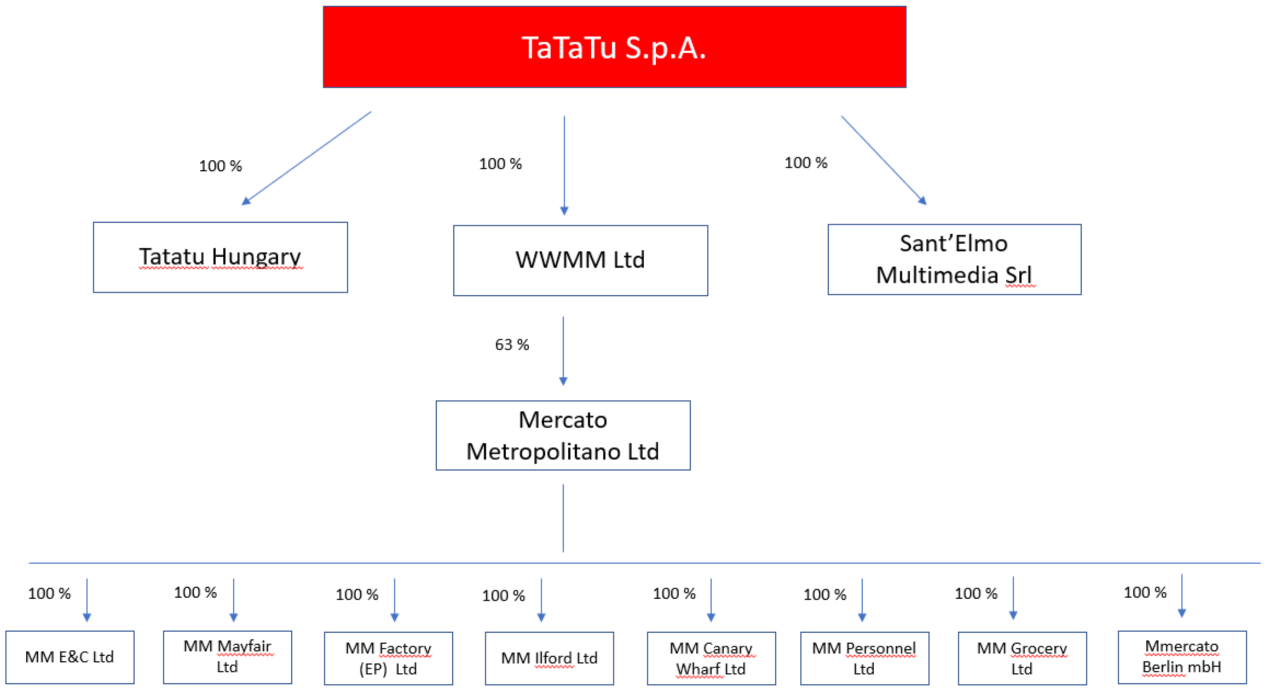
The consolidated financial statements include the financial statements of Tatatu S.p.A. and its subsidiaries as at June 30, 2022.
Control is achieved when the Group is exposed to or entitled to variable returns from its relationship with the entity being invested in and, in the meantime, can affect those returns by exercising its power over that entity.
There is a presumption that most voting rights involve control. To support this presumption and when the Group holds less than a majority of the voting (or similar) rights, the Group considers all relevant facts and circumstances to determine whether it controls the investee, including:

- Contractual arrangements with other holders of voting rights;
- Rights under contractual agreements;
- Voting rights and potential voting rights of the Group.

The Group reconsiders whether or not it has control of an investee if facts and circumstances indicate that there have been changes in one or more of the three elements relevant to the definition of control.
Consolidation of a subsidiary begins when the Group obtains control and ceases when the Group loses control. The assets, liabilities, revenues and expenses of the subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date on which the Group obtains control until the date on which the Group no longer exercises control over the company.
If the Group loses control of a subsidiary, it must eliminate the related assets (including goodwill), liabilities, minority interests and other components of equity, while any profit or loss is recognized in the income statement. The Group's area of consolidation is represented by the following companies:

- Tatatu S.p.A.
- Tatatu Hungary Kft.
- WWMM Ltd.
- Sant'Elmo (in liquidation)

Below is a graphic representing what is described:



2.4 Summary of accounting standards and valuation criteria

The accounting principles and valuation criteria used in the preparation of these consolidated financial statements, which are not present in the consolidated financial statements as at 31 December 2021, are explained below.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses. The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date.

Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. The variation in the fair value of the contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognized in profit or loss.
Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.
After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.
Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Leasing

The Group assesses when entering into a contract whether it is, or contains, a lease. In other words, if the contract confers the right to control the use of an identified asset for a period of time in exchange for a consideration.

The Group as lessee

The Group adopts a single recognition and measurement model for all leases, except for short-term leases and leases of low-value assets. The Group recognizes the liabilities relating to lease payments and the right-of-use asset representing the right to use the asset underlying the lease.

i) *Right-of-use assets*

The Group recognizes right-of-use assets on the lease commencement date (the date on which the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets comprises the amount of recognized lease liabilities, initial direct costs incurred and lease payments made on or before the commencement date net of any incentives received. Right-of-use assets are depreciated on a straight-line basis from the commencement date to the end of the useful life of the right-of-use asset or the end of the lease term, whichever is earlier, as follows:

- Buildings from 3 to 15 years

If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects the fact that the lessee will exercise the purchase option, the lessee shall depreciate the right-of-use asset from the effective date until the end of the useful life of the underlying asset.
The right-of-use assets are subject to impairment. Please refer to the consolidated financial statements as at 31 December 2021.

ii) Lease-related liabilities

At the lease commencement date, the Group recognizes lease liabilities by measuring them at the present value of the lease payments due and unpaid at that date. Lease payments due include fixed payments (including fixed payments in substance) net of any lease incentives to be received, variable lease payments that depend on an index or rate, and amounts expected to be paid as security for the residual value. Lease payments also include the exercise price of a purchase option if it is reasonably certain that the option will be exercised by the Group and lease termination penalty payments if the lease term takes into account the Group's exercise of its lease termination option.
Variable lease payments that are not index- or rate-dependent are recognized as expenses in the period (unless incurred in the production of inventories) in which the event or condition giving rise to the payment occurs.

In calculating the present value of payments due, the Group uses the marginal borrowing rate at the commencement date if the implied interest rate is not readily determinable. After the commencement date, the amount of the lease liability increases to account for interest on the lease liability and decreases to account for payments made. In addition, the carrying amount of the lease liability is restated in the event of any changes to the lease or for the revision of the contractual terms for the change in payments; it is also restated for changes in the valuation of the option to purchase the underlying asset or for changes in future payments resulting from a change in the index or rate used to determine such payments.
The Group's lease liabilities are included in the item Financial liabilities.

Short-term leases and Leases of low-value assets

The Group applies the exemption for the recognition of short-term leases relating to machinery and equipment (i.e. leases that have a term of 12 months or less from the commencement date and do not contain a purchase option). The Group has also applied the exemption for leases relating to low-value assets in respect of leases relating to office equipment whose value is considered low (i.e., below €5,000). Lease payments related to short-term leases and low-value asset leases are recognized as expenses on a straight-line basis over the lease term.

Inventories

Inventories are valued at the lower of cost and net realizable value.
The costs incurred to bring each asset to its current location and condition are recognized with the FIFO's method.
The cost of inventories includes the transfer, from the other components of the comprehensive income statement, of the profits and losses deriving from qualified cash flow hedging operations relating to the purchase of raw materials.
The estimated net realizable value consists of the normal estimated sale price in the normal course of business, less the estimated costs of completion and the estimated costs to make the sale.

2.5 Significant accounting judgements, estimates and assumptions continued

The preparation of the Group's consolidated financial statements requires management to make judgements, reference to the Annual Report 2021.

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of new standards effective as of 1 January 2022. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.
For the first time, in the 2022, many amendments apply but they had no impact on the interim condensed consolidated financial statements of the Group.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.
The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.
These amendments had no impact on the interim condensed consolidated financial statements of the Group.

Reference to the Conceptual Framework – Amendments to IFRS 3

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.
The Board add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.
The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.
These amendments had no impact on the interim condensed consolidated financial statements of the Group as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arisen during the period.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities to deduct from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.
These amendments had no impact on the interim condensed consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.
These amendments had no impact on the interim condensed consolidated financial statements of the Group as it is not a first-time adopter.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include

only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement.
These amendments had no impact on the interim condensed consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the period.

IAS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41. These amendments had no impact on the interim condensed consolidated financial statements of the Group as it did not have assets in scope of IAS 41 as at the reporting date.

2.6. Financial risk management

Liquidity risk

The current operational management of the Group, still in the start-up phase, has absorbed financial flows destined to the needs and absorbed by the current management for the regular payment of suppliers. The Tatatu Group business model involves the use of a compensation system that allows, through agreements with customers and suppliers, to help manage liquidity risk.
Additional financial resources for investment are raised either through financial or capital transactions.

Foreign exchange rate risk

The Group is limited to financial risks related to exchange rate fluctuations regarding transactions with countries outside the Eurozone. It should also be noted that almost all receivables and payables are in the same foreign currency (US dollar).

The Group has not implemented any exchange rate risk hedging transactions as they are significantly reduced by offsetting costs incurred in the same currency as revenues.

Interest Rate Risk

The Group has no derivative contracts in place to hedge risks related to interest rate fluctuations as this risk exposure is marginal.

Market risk, credit risk and price risk

Risks related to the competitiveness and cyclicality of the sector

An element that increasingly characterizes the entertainment market is the growing importance of the contents offered, which are increasingly differentiated according to the transmission channels.

Credit risk

The Group does not have a significant concentration of credit risk and has appropriate procedures, such as verifying the creditworthiness of debtors by analysing their reliability in the market, to minimize credit risk. The company did not write down the recorded receivables as they were almost entirely offset in the first months of financial year 2022.

Information on operating sector

Since the acquisition of WWMM, the group has extended its operations in the food sector by exposing the assets and liabilities of the sector at the mid-balance sheet date by comparing them with the values at the end of the previous year.
The following tables present respectively the information on the revenues and result of the Group's operating segments for the first half of June 30, 2022 and June 30, 2021

30/06/2022	**[App]**	**[Food]**	**Total sectors**	**Adjustments and elisions**	**Consolidated**
	€000	**€000**	**€000**	**€000**	**€000**
Revenues					
Sales to customers	54,712	1,130	55,842	2,122	53,720
Intra-industry sales					
Total revenues	**54,712**	**1,130**	**55,842**	**2,122**	**53,720**
Total costs	53,695	988	54,683	(2,122)	52,561
Operating profit	**1,017**	**142**	**1,159**	**-**	**1,159**

30.06.2021	**[App]**	**[Food]**	**Total sectors**	**Adjustments and elisions**	**Consolidated**
	€000	**€000**	**€000**	**€000**	**€000**
Revenues					
Sales to customers	38,647	-	38,647		
Intra-industry sales				-	
Total revenues	**38,647**		**38,647**	**-**	**3**
Totals costs	38,347		38,347	-	
Operating profit	**300**		**300**	**-**	

The following table presents the assets and liabilities for the Group's operating sectors as at June 30, 2022 and 31 December 2021:

€/000	[App] €000	[Food] €000	Total sectors €000	Adjustments and elisions €000	Consolid €000
Sector activities					
As at June 30, 2022	**114,588**	**15,031**	**129,619**	**(7,881)**	**121,738**
As at 31 December 2021	**44,401**		**44,401**	**(6,585)**	**37,816**
Sector liabilities					
As at June 30, 2022	**91,565**	**19,353**	**110,918**	**(10,680)**	**100,23 8**
As at 31 December 2021	**35,259**		**35,259**	**(6,565)**	**28,694**

Business Combination

On May 13 2022, the Group acquired 63% of the voting shares of WWMM Ltd (WWMM), an unlisted European-based company specializing in catering and food. The accounting method used for the acquisition is the purchase method. The interim condensed consolidated financial statements incorporate the results of the WWMM group for one month from the date of acquisition.

The recognition of business combinations operations implies the attribution to the assets and liabilities of the acquired company of the difference between the purchase cost and the net book value. For most assets and liabilities, the attribution of the difference is made by recognizing the assets and liabilities at their fair value. The part not attributed, if positive, is recorded as goodwill, if negative, it is charged to the income statement. In the allocation process, the Group makes use of the information available.

The fair value of the WWMM group's assets and liabilities at the acquisition date was

€ /000	**Fair value recognized on acquisition**
Cash and cash equivalents	94
Tangible assets	582
Trade receivables	1,399
Right of use	11,572

Other current assets	663
Prepayments and accrued income	301
Total Assets	**14,611**
Current financial liabilities	1,440
Non-current financial liabilities	12,854
Trade payables	2,578
Other current liabilities	1,408
Other non-current liabilities	780
Total liabilities	**19,060**
Total net assets identifiable at *fair value*	**(4,449)**
Non-controlling interests	**(1,642)**
Goodwill arising on acquisition	17,407
Purchase consideration	**14,601**
- **Paid by cash**	**716**
- **Equity issue**	**13,885**
Analysis acquisition's cash flow:	
Net cash acquired with the subsidiary	**94**
Amount paid	**716**
Net cash flow	**622**

The Group has decided to evaluate the no controlling interests of the acquired company on the basis of the corresponding fraction of the acquired shareholders' equity.
The Group measures the lease liabilities acquired value actualizing the remaining lease payments at the acquisition date. The right-of-use asset was recognized for the equal of leasing liability and it was adjusted to consider the favorable terms of the contract with respect to those of the market.
The goodwill of WWMM includes the value of the of entertainment activities on the app and those relating to food. The goodwill was allocated entirely to the food segment.

Since the acquisition date, the WWMM group has contributed to the Group's revenues for € 1,130 thousand and to the Group's pre-tax profit for €94,32 thousand. If the combination had been effective from the beginning of the year, the revenues from the operating activities would have been equal to € 4,574 thousand and the profit from operating activities for the Group would have been equal to € 393 thousand.

It should be noted that at the date of preparation of the interim consolidated financial statements, the procedure for evaluating the assets and liabilities acquired is still preliminary; therefore, in accordance with IFRS 3, the determined goodwill is still provisional in nature.

3) Intangible fixed assets

The Group shows intangible assets in the consolidated financial statements attributable to the following asset categories:

€/000	Net book value 31.12.2021	Increases/ Acquisitions	Depreciation for the period	Valuation effect at the closing exchange rate for the period	Net book value as at 30.06.2022
Tatatu Brand	4,296	-	127	-	4,169
Tatatu App	2,541	-	320		2,221
Audiovisual content	6,368	42,362	45,579	2,515	5,666
Assets under construction	-	2,768	-	-	2,768
Goodwill	-	17,407	-	-	17,407
Total intangible assets	**13,205**	**62,537**	**46,026**	**2,515**	**32,231**

More specifically, the Tatatu brand and App are owned and accounted for by the Company Tatatu S.p.A. The net book value of the aforementioned assets amounts to €4,169 thousand e €2,221 thousand. The audiovisual rights are instead owned by the subsidiary Tatatu Hungary K.f.t. and are shown at the net book value of €5.666 thousand. These assets are mostly acquired from third party suppliers through barter agreements and refer to "Ravod" audiovisual rights". Assets under construction refer to audiovisual content not yet available for use for technical reasons and some advances for works in progress from suppliers.

€/000	Tatatu Brand	Tatatu App	Audiovisual content	Assets under construction	Goodwill	Total
Net book value 31.12.2021	4,296	2,541	6,368	-	-	13,205
Increases	-	-	42,362	2,768	-	45,130
Depreciation	127	320	45,579	-	-	46,026
Exchange rate valuation effect as at 30/6/2022	-	-	2,515	-	-	2,515
Transfers/Reclassifications	-	-	-	-	-	-
Change in the consolidation area	-	-	-	-	17,407	17,407
Net book value as at 30.06.2022	**4,169**	**2,221**	**5,666**	**2,768**	**17,274**	**32,231**

The item " Change in the consolidation area " shows a change of €17,407 thousand compared to 31 December 2021 mainly attributable to the inclusion of WWMM Ltd in the scope of consolidation.
Goodwill, to which the enlargement of the consolidation area is attributable, was recognized following the acquisition of the WWMM group. For a discussion of this transaction, please refer to the section Business Combinations.
Goodwill was not subjected to IAS36 impairment test procedures as no impairment indicators were identified. The Group, as anticipated, was acquired in May 2022 and therefore, as of June 30, 2022, there were no internal or external factors that could determine a potential indicator of impairment. The value of the assets increased as a result of increases mostly attributable to the acquisition of audiovisual content and due to the expansion of the scope of consolidation. At the same time, the company recognized depreciation for the period.
The group posted Assets under construction for €2,768 thousand relative to audiovisual rights not utilized as of June 30, 2022.
WWMM was recently acquired so there are no indicators of impairment and therefore the impairment test will be performed at the end of the next financial year.

4) Tangible assets

The Group shows tangible assets in the consolidated financial statements attributable to the following asset categories:

€/000	**Net book value 31.12.2021**	**Increases /Acquisitions**	**Dismissions**	**Depreciation for the period**	**Net book value as at 30.06.2022**
Plant/equipment	-	187	-	35	152
Electronic office equipment	4	455	-	8	451
Other assets	-	265	-	30	235
Right of use tangible assets	-	11,480	-	83	11,397
Total Tangible Assets	**4**	**12,387**	**-**	**156**	**12,235**

The Group acquired various tangible assets during the period.
This was mainly due to the acquisition of the WWMM group, as the core business of the subsidiary is the leasing of hubs to third-party partners, and for this reason the items 'Plant' and 'Buildings' increased significantly. In addition, in line with previous years, the Group purchased capital goods for the exercise of administrative and other activities. This equipment is used by the company's employees and refers to telephones, PCs and other similar instruments of modest value.
The item "Rights of Use of Tangible Assets" also includes the value in use (RoU) of buildings leased by the subsidiary WWMM Ltd. The net book value of these assets amounts to €11,397 thousand and has been capitalized in accordance with IFRS 16.

€/000	Plant/equipment	Electronic office equipment	Right of use tangible assets	Other assets	Total
Net book value 31.12.2021	-	4	-	**-**	**4**
Increases	-	3	-	**-**	**3**
Change in the consolidation area	187	452	11,480	**265**	**17,140**
Depreciation	35	8	83	**30**	**155**
Transfers/Reclassifications	-	-	-	**-**	**-**
Net book value as at 30.06.2022	**152**	**451**	**11,397**	**235**	**12,235**

5) Deferred tax assets

Non-current assets also include deferred tax assets in the amount of € 1,153 thousand mainly attributable to Tatatu Hungary Kft. The amount represents the residual DTAs as at June 30, 2022. In the period under review, a change in deferred tax assets (€ 135 thousand) was recognized in connection with adjustments to certain accounting balances of Tatatu Hungary Kft. that became necessary in order to harmonies the accounting treatment of the entities comprising the Group. These deferred tax assets will be reversed to the profit and loss account within the next six months. This item also includes the provision for deferred IRES taxation of the Parent Company, amounting to €10 thousand.

€/000	30 June 2022	31 December 2021	Variation
Deferred tax assets Tatatu S.p.A.	10	10	-
Deferred tax assets WWMM Ltd	-	-	-
Deferred tax assets Tatatu Hungary	1,143	1,008	135
Total Deferred tax assets	**1,153**	**1,018**	**135**

6) Trade receivables

The trade receivables of the Group amount to €70,932 thousand as of June 30, 2022 compared to a value of €22,298 thousand as at 31 December 2021, and mainly refer to the sale of advertising space.
Specifically, the composition of receivables among the Group's various investees is as follows:

€/000	30 June 2022	31 December 2021	Variation
Trade receivables Tatatu S.p.a.	239	5,607	(5,368)-
Trade receivables Tatatu Hungary Kft	69,258	16,691	52,567
Trade receivables WWMM	1.435	-	1,435
Totale Trade receivables	**70,932**	**22,298**	**48,634**

Almost all of the above receivables accrued by Tatatu Hungary K.f.t. These receivables, within 12 months, will likely be realized, not in monetary form, but rather through possible offsettings in accordance with contractual agreements that legitimize the parties to extinguish the reciprocal debt - credit positions (i.e., barter agreements).
The positive change in WWMM Group trade receivables is due to the inclusion of the company's consolidation scope following the acquisition of 63.09% of the shares of the company of the same name.

7) Other current assets

More precisely, as of June 30, 2022, the Group shows other current assets of €1,310 thousand, which mainly refer to:

- To the credits of Tatatu S.p.A. referring: to the net surplus VAT credit accrued with reference to the 2021 and 2022 tax period; to the advertising investment tax credit pursuant to Article 57-bis, of Decree Law 50/2017, recognized in 2021 with reference to advertising costs incurred in 2020.
- Other current assets accounted for by Group WWMM and related to other advance receivables.

€/000	30 June 2022	31 December 2021	Variation
Tatatu S.p.A. Tax receivables	298	203	95
Tatatu S.p.A. VAT receivable	313	226	87
Tatatu Hungary K.f.t. Tax and social security receivables	22	20	2
Other current assets Group WWMM	678	0	678
Total Other current assets	**1,311**	**449**	**862**

8) Cash and cash equivalents

The item, equal to €3,278 thousand, only includes the balance of the bank current account relations held by the Group companies with credit institutions. Cash and cash equivalents are not burdened by restrictions that limit their full use. For an analysis of movements, please refer to the cash flow statement and the liquidity risk management report. Below is a detailed description of the funds held by each current account company:

€/000	30 June 2022	31 December 2021	Variation
Tatatu S.p.a.	3.182	790	2.392
Tatatu Hungary Kft	6	26	(20)
WWMM Ltd	90	-	90
Total	**3,278**	**816**	**2,462**

9) Prepayments and accrued income

This item includes the prepaid expenses of Group WWMM and refers to portions of costs (€464 thousand) that have been financially manifested during the financial year closing but whose accrual will be manifested in subsequent years.

10) Shareholders' equity

The Shareholders' equity equity consists of the items relating to the share capital, the share premium reserve and other reserves, as well as the loss carried forward from the previous period and the profit for the current year.
In particular, shareholders' equity changed as a result of the numerous share capital increases in favor of Tatatu S.p.a. that took place in the first half of 2022, with the exclusion of option rights pursuant to Article 2441, paragraph 4, second sentence of the Italian Civil Code, resolved by the Board of Directors on 31/01/2022, 26/04/2022 and 13/05/2022.
More specifically, against the contribution received, 10.637.958 ordinary shares with a par value of €0.01 per share were issued, consequently:

- the share capital increased by €93 thousand;
- the share premium reserve was increased by €16,107 thousand.

The legal reserve increased by €32,000, as a result of the allocation of the 2021 financial year result of Tatatu S.p.A, resolved in 2022.

€/000	30-giu-22	31-dic-21	Variazione
Share capital	8,105	8,013	92
Share premium reserve	16,404	297	16,107
Legal reserve	32	-	32
Other reserves	1,089	(32)	1,121
Profit and loss carried forward	(4,422)	(465)	(3,957)
Profit for the year	292	1,309	(1,017)
Non-controlling interests	(1,642)	-	(1,642)
Total Shareholders'equity	**21,500**	**9,122**	**12,378**

The shareholders' equity item also includes, under "other reserves," transaction costs incurred in previous periods for capital increase transactions (€26 thousand), the reserve for translation of subsidiaries' financial statements expressed in foreign currencies (€ 0,6 thousand), aimed at accommodating the net variation related to the valuation of the foreign entities' currency in the Parent Company's functional currency, the extraordinary reserve (Euro 611 thousand), and payments for future capital increase (€ 505 thousand).
Below is a detailed breakdown of the other equity reserves:

€/000	30 June 2022	31 December 2021	Variation
Foreign currency translation reserve	(1)	(6)	5
Extraordinary Reserves	611	-	611
Payments on account of future capital increase	505	-	505
Transaction Cost Reserve	(26)	(26)	-
Total	**1.089**	**(32)**	**1.121**

Tatatu's objectives in managing capital are inspired by the creation of shareholder value, guaranteeing the interests of stakeholders and safeguarding business continuity, and maintaining an adequate level of capitalization that allows economic access to external sources of finance to support the development of the Group's activities adequately.

11) Non-current trade liabilities

As at 30/06/2022, the Group has equity relations with related parties attributable to the payable to Ilbe S.p.A., equal to €1,721 thousand.
The liability arose as a consequence of the capital increase subscribed by the sole shareholder of Tatatu S.p.A. I.A. Media on 23 December 2020, the transfer of which included assets for €9,7 million and liabilities for €1,7 million.
The debt in question expires after 12 months.

12) Non-current financial liabilities

The item includes the data relating to the financial debt due in the financial years after 2022. The value, equal to €16,725 thousand, is attributable to the expected outgoing cash flows as a result of the fulfilment of the obligations underlying the loan received from the Banca Progetto credit institution and Deutsche Bank, as well as financial payables over 12 months of Group WWMM amounting to € 12,652 thousand. Regarding above, it should be noted that a portion (€ 11,611 thousand) corresponds to the non-banking liability that arose as a result of the accounting treatment of lease liabilities in accordance with IFRS 16.

With reference to the loans obtained, the items are recognized in the financial statements at the amortized cost of the liability, determined according to IFRS 9 and, specifically, corresponds to the value at which the financial liability was valued at the time of initial recognition, net of capital repayments, increased or decreased by amortization cumulated using the criterion of effective interest on any difference between the initial value and that at maturity.
In this regard, it was not considered necessary to discount the loan at the market rate, considering that the rate inferable from the contractual terms and conditions is not significantly different from the market interest rate, to be understood as the rate that would have been applied if two independent parties had negotiated a similar transaction with comparable terms and conditions to the one under examination that generated the debt.

13) Other non-current liabilities

This item includes other non-current liabilities. These liabilities correspond to payables due beyond twelve months.

14) Employee benefits

In this half-year period, the Group posted a provision for employee benefits of €4 thousand, calculated net of the disbursements made in the same year and the related tax burden. There was no further utilization of this fund in the first half of the year.

15) Current financial liabilities

The item mainly includes the financial debt due within 12 months in relation to the bank loan received from the Parent Company and the non-banking liability within 12 months that arose as a result of the application of IFRS 16 to lease liabilities.
Bank loans refer to liabilities incurred with Banca Progetto and Deutsche Bank and Hsbc.

16) Trade payables

Trade payables, for a total amount of €75,549 thousand, refer to liabilities incurred by the Group.
Payables specifically refer to the following expense items:

- purchase of administrative and technical services of various kinds necessary for the operation of the company;
- purchase of content made available to users on the Tatatu platform;
- purchases for development activities conducted by the dedicated team;
- trade payables assumed by WWMM Ltd in order to finance the company's operations.

Most of the trade payables mentioned above, are intended to be offset in the context of trade relations (so-called barter agreements) by virtue of which the parties are given the opportunity to extinguish their mutual debt - credit positions.

17) Other current liabilities

The Company exposes current liabilities totaling €1,526 thousand, mainly attributable to payroll payables, as well as tax and social security payables related to payroll. Below is a detailed breakdown of this item:

€/000	30 June 2022	31 December 2021	Variation
Payables to staff and other current liabilities	606	77	529
Tax and social security debts	930	47	883
Total	**1,536**	**124**	**1,412**

18) Tax payables

Tax payables refer to liabilities for direct taxes that have accrued to the Group Specifically, the total debt is equal to €742 thousand.

Tatatu S.p.A.			
€/000	**30 June 2022**	**31 December 2021**	**Variation**
Current IRES (Corporate Income Tax	219	219	-
Current IRAP	50	50	-
Total tax payables	**269**	**269**	-

Tatatu Hungary K.f.t.			
€/000	**30 June 2022**	**31 December 2021**	**Variation**
Corporate income Tax	109	145	(36)
Local Business Tax	20	332	(312)
R&D Tax	344	267	77
Total tax payables	**473**	**744**	**(271)**

19) Sales revenues and other income

The sales revenues shown refer to the sale of advertising space. Specifically, the advertising spaces include promotional notifications and other forms of advertising conveyed via the Tatatu app throughout Italy.
The revenues in question were accounted for by applying the accrual principle and with particular reference to bartering's equivalent transactions.
With reference to these latter, it is important to point out that the company has put in place two main categories of bartering transactions:

- Advertising Barter: concerning, specifically, the exchange of advertising against advertising by netting the respective economic positions;
- Equivalent Barter: relating, specifically, to the sale of advertising for content that contributes to enriching the entertainment offer of the app.

Advertising barter transactions were specifically excluded from the scope of

IFRS 15. Equivalent barter transactions fall under the scope of IFRS15 because the company carried out, on each contract, a timely assessment which led to the identification of whether: i) the transaction was carried out in the course of ordinary activity; ii) the transaction has commercial substance as it allows the company to obtain production factors that they will generate future revenues; iii) the service to be transferred to the customer has been identified; iv) the company has obtained control of any non-monetary consideration; v) the fair value was determined.
Revenues were recognized at point in time.
Revenues as of June 30, 2022 increased by almost 50% compared to the previous year.
Below is the distribution of sales revenues:

€/000	30 June 2022	31 December 2021	Variation
Revenues from the sale of advertising space	52,497	38,431	14,066
Food-beverage revenues	1,130	-	1,130
E-commerce	1	-	1
Other income	92	216	(124)
Total	**53,720**	**38,647**	**15,073**

A detail is shown to classify the incidence of revenues among the various group companies:

€/000	30 June 2022	31 December 2021	Variation
Tatatu S.p.a.	93	338	(245)
Tatatu Hungary	52,497	38,309	14,188
WWMM	1,130	0	1,130
Total	**53,720**	**38,647**	**15,073**

20) Costs for raw materials and consumables

This item, of modest value, includes goods for resale, consumables and office supplies net of returns, allowances and discounts granted.

21) Costs for services

The item costs for services in 2022 shows a substantial increase compared to the same value in 2021. The reason for this is the increase in costs necessary to support corporate growth. Costs for services at the consolidated level are equal to €5,435 thousand.
A breakdown of the items concerning costs for services for the companies Tatatu S.p.a. and Tatatu Hungary Kft. is shown, as the share of WWMM LTD is small compared to the first two.
The main costs are technology costs to implement and improve the app (€535 thousand) and marketing costs (€261 thousand) to promote and sponsor it.

€/000	30 June 2022	June 30, 2021	Variation

Legal consultancy - notary public	21	34	(13)
Bank fees	13	1	12
Strategic consulting	0	132	(132)
Technical expertise	3	12	(9)
Tax advice - payroll	23	6	17
Other services	890	65	805
Financial advice	96	8	88
Marketing advice	261	169	92
Editorial advice	4	3	1
Content advice	101	24	77
Expenses for travel, business trips and other reimbursements	36	1	35
Transport services	1	0	1
Technological services	535	649	(114)
Total costs for services Tatatu S.p.a.	**1,984**	**1,104**	**880**

As far as Tatatu Hungary is concerned, the most relevant costs are marketing and promotional costs related to the placing of advertisements on other portals.

€/000	**30 June 2022**	**June 30, 2021**	**Variation**
Rentals	2	-	2
Marketing expenses	266	-	266
Promotional expenses	2.703	-	2.703
Tax consultancy - payroll	73	20	53
Other services	140	3	137
Bank fees	4	3	1
Total costs for services Tatatu Hungary Hft	**3.188**	**26**	**3.162**

Costs for services of WWMM LTD, totaling €263 thousand, are costs mainly related to plant maintenance and utility payments. Below is a detailed breakdown of the items that make up the costs for services:

€/000	**30 June 2022**
Event costs	6
Maintenance	134
Waste disposal service	15
Cleaning costs	4
Surveillance and security	1
Disinfestation	2
Stationery	6

Other location services	3
Expenses for employees	6
Logistics and transport	1
Rates	9
Electricity	13
Other utilities	8
Fuels & lubricants	28
Internet	2
Subscriptions	8
Work clothes	4
Insurance	13
Total	**263**

22) Staff costs

In the interim period, the Group employed its own staff hired with permanent employment contracts and with other contractual formulas aimed at permanent employment, such as stage and internships.
The item, equal to a total of € 639 thousand, reflects the total cost pertaining to the staff employed and includes the salary, social security and welfare contributions, to be paid by the company and the employee and the provision for the portion of severance pay allocated in the period.

€/000	**30 June 2022**	**30 June 2021**	**Variation**
Wages and salaries	489	50	439
Social security charges	82	1	81
other staff costs	68	0	68
Total	**639**	**51**	**588**

23) Other operating costs

The item "other operating costs" includes various types of operating expenses, including payments for taxes and other operating charges.

€/000	**30 June 2022**	**30 June 2021**	**Variation**
Total other operating costs	300	571	(271)

24) Amortization, depreciation and impairment losses

The item refers to the amortization's quotas calculated on fixed assets with a definite useful life relating to the video rights acquired by Tatatu Hungary K.f.t. and to the amortization's quotas of the brand and technological software charged to the financial statements of Tatatu S.p.A and the rights of use of the physical Hub by WWMM.
In addition, for some office tools bought during the year, the Group has accounted for them the amortization's quota,.
As regards the trademarks and technological software registered in the assets of Tatatu S.p.A., an useful life of 18 years has been estimated. As regards the technological software instrumental to the App, the five-year amortization has been planned.

Below is the analytical indication of the quotas allocated.

€/000	30 June 2022	30 June 2021	Variation
Tatatu brand amortization rate	127	127	0
Tatatu App technology amortization rate	320	320	0
Audiovisual content amortization rate	45,579	36,148	9,431
Office equipment amortization rate	8	0	8
Plant/equipment amortization rate	35	0	35
Other tangible fixed asset amortization rate	30	85	(55)
Right of use tangible assets amortization rate	83	0	83
Total amortization	**46,182**	**36,680**	**9,502**

It should be noted that the amortization relative to the assets held by WWMM only considers one month (June 2022) as the time period since the acquisition of WWMM by Tatatu S.p.A. took place in May 2022.
It is specified that the amortization relative to the intangible assets of Mercato Metropolitano is attributable to the rights of use that it has obtained in order to be able to rent its sites to interested sparring partners, while the amortization of tangible assets essentially regards works that can be classified as improvements on third party premises leased by the WWMM entity.

25) Financial Charges

Financial charges include, first of all, the amount of interest payable for the year 2022 produced on bank loans, calculated according to the effective interest criterion, for €58 thousand. The residual part refers to the exchange differences that occurred during the year under review. Specifically, the item captures the change due to the fluctuation of the exchange rate in the period between the date of the transaction and the settlement date of the credit or debit arising as a result of the transaction itself.
In accordance with IAS 21, the initial recognition of the transaction takes place in the functional currency, applying the spot exchange rate between the functional currency and the foreign currency in force on the date of the transaction to the amount in foreign currency.
Below are details of the financial expenses incurred by the Group:

Type of financial cost	€/000
Interest expenses and financial charges	116
Interest from application of IFRS 16	39
Realized Foreign Exchange Losses	850
Total	**1,005**

26) Financial income

The positive items recorded mainly refer to the differences on exchange rates that occurred during the year under review. Financial income accrued by the Group amounted to €180 thousand.
These financial incomes are realized as a result of the extinction of monetary elements occurred at rates different from those at which they were converted at the time of the initial recognition of the transaction.

27) Transactions with related parties

The Company's financial and economic transactions with related parties from 1 January 2022 to June 30, 2022 are set out below. It is specified that the payable to Ilbe S.p.A., resulting from the transfer made in December 2020 by IA Media of assets and liabilities has not had any changes in the semester under observation. The related payment is expected from the next financial year.

Company name	**Trade receivables**	**Trade payables**	**Revenues**	**Costs**
	€/000	**€/000**	**€/000**	**€/000**
Ilbe S.p.A.	-	1,721	-	-
Arte Video S.r.l.	-	-	-	37
Total transactions	**-**	**1,721**	**-**	**37**
Total amount in the consolidated financial statements	-	75,549	-	52.562
In percentage on consolidated financial statements	n/a	2,28%	n/a	0,07%

28) Commitments and guarantees provided for by the Group

In 2021, Tatatu S.p.A. obtained guarantees to meet the payment obligations resulting from unsecured mortgages. The guarantee was issued by Sace pursuant to Article 1 of the Liquidity Decree.
The SACE guarantee is specifically granted to Banca Progetto, as lender of Tatatu S.p.A. and the guaranteed amount is equivalent to 90% of the loan, equal to EURO 2,205 thousand.

29) Significant events after the end of the half-year period.

On 15 July 2022, Andrea Rasca's contribution of 11.906% of the share capital of MM LTD was finalized in accordance with the shareholders' resolution of 13 May 2022. As a result of this transaction, the shareholding percentage, considering both the direct shareholding equal to 11.906% and the indirect shareholding equal to 63.094%, is now 75% of MM Ltd.
It is specified that the acquisition of Mercato Metropolitano also entailed a financial payment of approximately € 800 thousand.
On 27 July 2022, the Extraordinary Shareholders' Meeting resolved a further capital increase with the exclusion of option rights pursuant to Article 2441 subscribed by some shareholders already present in the company structure for a total of € 654 thousand, of which € 3 thousand as share capital and € 651 thousand as share premium reserve. It should be noted that currently more than 90% of the subscribed share capital has already been paid in, despite the fact that the shareholders' meeting resolution provided for 60 days to make the payment in cash in consideration of the summer break.

On 6 September 2022, an Extraordinary Shareholders' Meeting was held that resolved on a further capital increase with the exclusion of option rights in favor of two institutional investors for a total of about Euro 4 million, of which Euro 20 thousand to be allocated to share capital and Euro 3,980 thousand to the share premium reserve.
The process of opening the capital to new shareholders is aimed at bringing in strategic partners that can support the Company in its growth and development path.
On 28 July 2022, the company Tatatu S.p.A signed a contract with a leading company in the sector, for the rental of TV rights of Christmas films for a total value of € 7 million with a duration of 60 months, which will enable the Group to make its library even more attractive, with the consequent possibility of increasing the sale of advertising to the benefit of cash flows.
Lastly, it should be noted that the geopolitical dynamics relating to the conflict between Russia and Ukraine did not have an appreciable impact on the evolution of business operations, which were not affected by the adverse conditions arising from.

14.2 Auditor’s report regarding the consolidated financial statements of the Company for the financial years ended December 31, 2020 and December 31, 2021

(a) Auditor’s report regarding the consolidated financial statements of the Company for the financial years ended December, 2021

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Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010
(Translation from the original Italian text)

To the Shareholders of
Tatatu S.p.A.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Tatatu Group (the Group), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.
We are independent of Tatatu S.p.A. in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the consolidated financial statements on a going concern basis unless they either intend to liquidate the Parent Company Tatatu S.p.A. or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on compliance with other legal and regulatory requirements

Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated 27 January 2010

The Directors of Tatatu S.p.A. are responsible for the preparation of the Report on Operations of Group Tatatu as at December 31, 2021, including its consistency with the related consolidated financial statements and its compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Report on Operations, with the consolidated financial statements of Tatatu Group as at December 31, 2021 and on its compliance with the applicable laws and regulations, and in order to assess whether it contains material misstatements.

In our opinion, the Report on Operations is consistent with the consolidated financial statements of Tatatu Group as at December 31, 2021 and comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report

Rome, June 13, 2022

EY S.p.A.
Signed by: Andrea Eronidi, Auditor

This report has been translated into the English language solely for the convenience of international readers.

(b) Auditor’s report regarding the consolidated financial statements of the Company for the financial years ended December, 2020

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Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010
(Translation from the original Italian text)

To the Sole Shareholder of
Tatatu S.p.A.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Tatatu Group (the Group), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year starting from 20 February 2020 then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.
We are independent of Tatatu S.p.A. in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Sole Director and Those Charged with Governance for the Consolidated Financial Statements

The Sole Director is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and, within the terms provided by the law, for such internal control as he determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Sole Director is responsible for assessing the Group's ability to continue as a going concern and, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Sole Director prepares the consolidated financial statements on a going concern basis unless he either intends to liquidate the the Parent Company Tatatu S.p.A. or to cease operations, or has no realistic alternative but to do so.

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The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Sole Director;
- we have concluded on the appropriateness of Sole Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on compliance with other legal and regulatory requirements

Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated 27 January 2010

The Sole Director of Tatatu S.p.A. is responsible for the preparation of the Report on Operations of Group Tatatu as at December 31, 2020, including its consistency with the related consolidated financial statements and its compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Report on Operations, with the consolidated financial statements of Tatatu Group as at December 31, 2020 and on its compliance with the applicable laws and regulations, and in order to assess whether it contains material misstatements.

In our opinion, the Report on Operations is consistent with the consolidated financial statements of Tatatu Group as at December 31, 2020 and comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.
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Rome, May 12, 2021

EY S.p.A.
Signed by: Andrea Eronidi, Auditor

This report has been translated into the English language solely for the convenience of international readers.

15 Dividend Policy

The net profits resulting from the financial statements, less at least 5% (five percent) to be allocated to the legal reserve until it has reached one fifth of the share capital, may be distributed among the shareholders in proportion to the shareholding held by each owned, unless the shareholders' meeting resolves further provisions for extraordinary reserve funds.

16 General information

16.1 Legal name and registered office

The legal name of the Company is "Tatatu S.p.A." and its registered office is at Via Barberini no. 20, 00187 – Rome, Italy.

16.2 Corporate objectives

The corporate objectives of the Company are set forth in the Articles of Association and are summarized below:

16.3 Share capital

As of the date of this Information Document, the Company's issued, subscribed and paid-in share capital amounts to Euro 8,142,652.32.

16.4 Shareholders' meeting

The Shareholders' Meeting, duly constituted, represents the entirety of the shareholders and the resolutions of the Shareholders' Meeting, taken in compliance with the law and the Articles of Association, are binding for all shareholders even if they do not participate in the Shareholders' Meeting or dissent to the proposed resolution.

Shareholders' Meeting may be held in the municipality of Rome (Italy) in which the Company's registered office is located, or may also be convened elsewhere provided that in Italy.

Shareholders, inter alia, are required to discuss and vote upon the following subjects:

- the approval of the annual financial statements;
- the appointment and dismissal of directors, members of the board of statutory auditors and the auditor;
- the determination of the remuneration of directors, members of the board of statutory auditors and the auditor;
- the liability action against directors or statutory auditors;
- other matters reserved to its competence by law or the Articles of Association.

The Shareholders' Meeting is also entitled to pass resolutions on amendments to the Articles of Association with an increase in the required majorities.

The Shareholders' Meeting is convened by the board of directors whenever it deems it appropriate by means of a notice to be sent to the shareholders at least 8 days prior to the date set for the Shareholders' Meeting.

In any case, the Shareholders' Meeting shall be called: (a) at least once a year for the approval of the annual financial statements, within 120 days from the end of the fiscal year, or within 180 days in the case of special circumstances; (b) if one or several shareholders jointly representing at least one twentieth of the issued capital request it, specifying the agenda items to be discussed and voted upon; and (c) without delay if the Board of Directors considers the equity capital of the Company has decreased to an amount equal to or less than one-third of the share capital.

There is only one class of Shares and each Share carries the right to cast one vote at the Shareholders' Meeting. Shareholders may either attend the meeting in person, or be represented by proxy. The Board of Directors may provide, in relation to individual meetings, that those entitled to attend the meeting, also by audio-conference, and exercise voting rights. The relevant notice of call shall specify, also by means of reference to the company's website, the previously mentioned methods of participation.

16.5 Articles of Association

A convenience translation of the Articles of Association is set out in full below. The following English language translation of the original Italian language Articles of Association is for convenience purposes only. The original Italian language Articles of Association are authoritative.

TITLE I

NAME - HEADQUARTERS - DURATION - OBJECT

Art. 1 - Name.

A joint-stock company is established under the name "TaTaTu S.p.A." or "TATATU S.p.A.".

Art. 2 - Headquarters

The company is based in Rome, Via Barberini n. 29. The administrative body may establish and suppress secondary offices, branches, agencies, representations, offices, subsidiaries, warehouses and technical departments, both in Italy and abroad.

Art. 3 - Duration

The duration of the company is established until December 31, 2060 (two thousand sixty).

Art. 4 - Object

The company has as its object:

- the creation of web platforms in any form or content in regard to innovative technological development;
- the purchase, sale and general B2B commercialization of films, telefilms, documentaries and television programs;
- the business of music and record publishing;
- the exercise and management of film and theater companies;
- the exercise of mural, editorial, television and audiovisual advertising.

The company may also own interests in companies carrying out the above activities.

- the information, cultural and recreational activity with particular regard to the production and/or management and/or commercialization and/or distribution of information and communication tools of journalistic nature with the exclusion of newspapers, whatever the mode of their realization, elaboration and dissemination, by means of written, phonic, audiovisual and television reproduction;
- promotional and public relations activities including organization and management of courses, conferences, congresses, seminars, exhibitions, shows and any other activities related to research and culture such as the publication of studies, monographs, catalogs, books, pamphlets and audiovisuals;
- the management of real estate and industrial complexes related to exhibition sector and the

activities specified in the preceding points, the exercise of the rights of economic exploitation of intellectual works by any means of dissemination, including the commercialization of trademarks, inventions and ornamental models also related to cinematographic and television works, merchandising, sponsorship;

- the construction, purchase, sale and exchange of real estate of any business destination;

- the installation and operation of systems for the accomplishment and management of telecommunications services without territorial limits, as well as the performance of all related activities, including that of design on one's own account, implementation, management and marketing of telecommunications, teleinformatics and electronics products, services and systems, all with the exclusion of any activity for which registration in professional registers is required. Said activities may be carried out either directly or in association with third parties or on behalf of third parties both in Italy and abroad. The company may also take equity investments in other companies and enterprises, with the exclusion of taking equity investments *vis-à-vis* the public; it may carry out the financial and technical-administrative coordination of the companies and entities in which it participates and render services to them; it may carry out all commercial, industrial, financial, movable and real estate transactions connected to the achievement of the corporate purpose; it may contract loans and resort to forms of financing of any nature and duration, grant movable and real estate guarantees, real or personal, including sureties, pledges and mortgages to guarantee its own obligations or those of companies and enterprises in the same group to which it belongs; and it may engage in any other activity in general and carry out any other operation inherent in, connected with or useful for the attainment of the corporate purpose. However, the following shall remain excluded: the activities of collecting savings from the public pursuant to applicable laws; the activities reserved for entities licensed to provide financial investment services and collective asset management to the public; and the performance of any activity to the public qualified by law as financial.

- production, sale and trade in retail, wholesale, online, retail store of any kind of existing and future saleable and manufacturable products in any commodity sector;

- dissemination of multimedia content, production of radio and television programs only and exclusively through its own subsidiaries based abroad;

- the buying and selling of cryptocurrency and the acceptance of cryptocurrency receipts and payments;

- sale and purchase of advertising and/or promotional media and/or space both in Italy and abroad, both on its own account and on behalf of third parties;

- accepting payment, in part or in full, for advertising space in the media carried out by a company through the company's products and services (barter) and ascertaining barter as a form of payment for any product;

- the promotion and implementation of commercial, industrial and real estate marketing operations;

- strategic and marketing consulting for advertising planning in media including digital media;

- the management of advertising planning, the organization of marketing research, the design of communication strategies and creative and production assistance in the composition of advertising campaigns, and the management of public relations;

- the coordination and collection of advertising demand and consulting, services and assistance in purchasing;
- the development, consultancy and implementation of advertising propaganda in general and public relations; therefore, by way of example, market research, design and production of advertising materials, entering into agreements both for itself and on behalf of third parties, for advertising, exhibition, design, radio and broadcasting, etc.; and
- the study and implementation of promotional activities for the benefit of the consumer, sales force and intermediaries, as well as the study and implementation of sales support materials and activities in general to support the sales force, the study and implementation of point-of-sale materials, as well as, design, study and design of sales packaging;
- the offer of marketing and communications consultancy services to companies, institutions and entities in general and the activity of optimizing and harmonizing the operations of individual subsidiariaries, associated, affiliated and/or contracted agencies through the preparation and centralized provision of specialized services (at particularly advantageous and competitive price conditions in the market, operating economically also in the interest of its users as well as in its own) and in particular, by way of example, the following: supports the planning of advertising media, market research, coordination, collection and/or the provision of information on the advertising market, the provision of services to enterprises in the advertising sector such as, for example, planning, research, control, documentation, centralization, coordination of information on all advertising media and information to clients about the development of the national and international market for advertising media, negotiation and/or sale and purchase of advertising space on any type of advertising vehicle;
- the performance of the advertising business in general and all activities related thereto, such as, for example, the organization and production of radio and television programs, the organization and production of motion pictures, the performance of statistical and economic research and the organization and execution of public relations projects, promotions and sponsorships. All of the above activities may also be undertaken in the interest and on behalf of third parties;
- the exercise of the editorial activity in all its forms and modes, as well as graphic and typographic activity and the trade of any product derived therefrom, together with all activities pertaining to information, including multimedia modes, communication and activities functionally and directly related to the latter, all by means of any technology and procedures available from time to time for the exercise of the aforementioned activities, including any application of electronic and digital technology;
- the acquisition, divestment, development, protection, management and exploitation of trademarks and intellectual property rights;
- the exercise of the activity of managing a circuit of companies of any kind to promote the multilateral exchange of goods and services, both in Italy and abroad by any means, and to this end the company may:
- organize and manage databases of goods, commodities, services offered by the companies participating in the circuit for the benefit of other companies participating in the circuit;
- market such databases in compliance with all applicable privacy regulations and any other provisions regarding the circularization of data, including sensitive data;
- design, implement, including through third parties, market and maintain computer

programs for managing circuits of companies of all kinds;

– Organize conventions, congresses, meetings and seminars, public events at any level related to the services provided by the company to the circuit companies. The company may also carry out the above activity through electronic and non-electronic means of exchange, such as, merely by way of example and not exhaustively, the use of goods exchange credit cards, discount and gift vouchers on the purchase of goods and services and fidelity cards.

For the pursuit of the above-listed activities, the company may establish and suppress technical laboratories, offices in Italy and abroad, accept and grant sub-representations, agencies and sub-agencies.

The company, for the goal to achieve the corporate purpose, may take equity investments in other companies with similar or related purposes and grant interests and shareholdings with express exclusion for the purpose of market placement; carry out in general any activity, by sale or purchase of a movable, real estate, industrial, commercial and financial active and passive nature however connected, pertaining or related to the corporate purpose, contract loans, may request bank overdrafts and operate with them; present guarantees, issue surety bonds and grant mortgages on corporate assets, even without any consideration insofar as such obligations are inherent to the aims related to the corporate purpose, all to an extent not prevalent with respect to the corporate activity and never to the public.

TITLE II

SHARE CAPITAL - SHAREHOLDERS

Art. 5 - Capital

5.1 The issued, subscribed and paid-in share capital of the Company amounts to Euro 8,142,652.32 (eightmillion onehundredfourty-twothousand sixhundred fifty-two/32) and is divided into 814,265,232 (eighthundredfourteenmillion twohundred sixty-fivethousand twohundred thirty-two) Shares, without indication of the nominal value.

5.2 Each shareholder is assigned a number of Shares proportional to the part of the share capital subscribed and for a value not exceeding that of its contribution.

5.3 The capital may be increased or reduced in compliance with the regulations in force on the subject; the increase can also be made by contribution of assets in kind and receivables.

5.4 In resolutions to increase the paid-up share capital, pre-emptive rights may be excluded to a maximum extent of 10% of the pre-existing share capital, pursuant to and for the purposes of Article 2441, four paragraph, second sentence, of the Italian Civil Code.

5.5 The extraordinary Shareholders' Meeting may grant the directors the power to increase the share capital in one or more instalments pursuant to Article 2443 of the Italian Civil Code.

5.6 The extraordinary Shareholders' Meeting may resolve, pursuant to and for the purposes of Article 2349, first paragraph of the Italian Civil Code, to allocate profits to the employees of the company or its subsidiaries by issuing special classes of Shares, as well as to allocate financial instruments, other than Shares, to the employees of the company or its subsidiaries in accordance with Article 2349, second paragraph of the Italian Civil Code.

Art. 6 - Shares

6.1 The Shares are nominative, indivisible and freely transferable. The Shares can be subjected to dematerialization and entered into the centralized management system for securities at Monte Titoli S.p.A.. Share certificates, however, shall not be issued.

6.2. The Shares may be admitted to trading on regulated markets and multilateral trading facilities, in Italy or abroad.

6.3 Each Share confers the right to one vote at ordinary and extraordinary general meetings of the company as well as other property and administrative rights pursuant to these By-laws and the applicable legislation.

6.4 Pursuant to the laws and regulations in force from time to time, the company may issue special categories of shares with different rights, including as regards the impact of losses, determining their content by virtue of the relevant resolution.

6.5 The company can request to the relevant subjects, at any time and by bearing relevant costs, to provide the identification data of shareholders, subject to the limits and the conditions fixed by the legislation in force from time to time.

Art. 7 - Domicile

7.1 The domicile of the shareholders, directors, statutory auditors and auditor, for their relations with the company, is what appears from the company books.

7.2 To be enforceable having an opportunity contested having a statement of domicile, changes in domicile must be communicated to the company by registered letter with acknowledgment of receipt.

Art. 8 - Financial instruments

The company may issue financial instruments provided with capital rights or even administrative rights, excluding the right to vote at the general meeting of shareholders.

Art. 9 - Obligations

9.1 The company may issue convertible and non-convertible bonds.

9.2 The issue of non-convertible bonds is resolved by the directors who determine the terms and conditions, including placement, in accordance with the laws and regulations in force from time to time.

Art. 10 - Withdrawal

10.1 Shareholders who have not contributed to the approval of the resolutions concerning:

(a) the amendment of the corporate purpose clause, when it allows a significant change in the company's business;

(b) the transformation of the company;

(c) the transfer of the registered office abroad;

(d) the revocation of the state of liquidation;

(e) the modification of criteria for determining the value of the Shares in case of withdrawal;

(f) amendments to the By-laws concerning voting or participation rights;

(g) the elimination of one or more causes for withdrawal provided for in this article;

(h) in all other cases provided for by law.

If the company is subject to management and coordination activities pursuant to articles 2497 *et seq*. of the Italian Civil Code, the shareholders will also have the right of withdrawal in the cases provided for in article 2497-*quarter* of the Italian Civil Code.

Shareholders also have the right to withdraw in relation to the introduction and deletion of arbitration clauses.

10.2 The shareholder who intends to withdraw from the company must notify the administrative body by registered letter.

The registered letter must be sent within 15 (fifteen) days of the registration in the Register of Companies of the resolution that legitimizes the withdrawal, with the indication of the personal details of the withdrawing member, of the domicile for communications relating to the procedure, of the number of Shares for which the right of withdrawal is exercised.

If the fact that legitimizes the withdrawal is different from a resolution, it can be exercised no later than 30 (thirty) days from its knowledge by the member. In this case, the administrative body is required to communicate to the shareholders the facts that may give rise to the exercise of the withdrawal within 5 (five) days from the date on which it itself became aware of it.

The Shares for which the right of withdrawal is exercised cannot be transferred and the related securities, if issued, must be deposited at the registered office.

The withdrawal cannot be exercised and, if already exercised, it is ineffective if, within 90 (ninety) days, the company revokes the resolution that legitimizes it or if the dissolution of the company is deliberated.

10.3 The shareholder is entitled to the liquidation of the Shares for which he exercises the withdrawal.

The value of the Shares is determined by the directors, after consulting the supervisory body, taking into account the company's assets and its income prospects, as well as the possible market value of the Shares.

Each member has the right to view the above value determination and obtain a copy at his own expense.

If the shareholder exercising the withdrawal, at the same time as the declaration of exercise of the withdrawal, opposes the determination of the value by the administrative body, the liquidation value is determined, within 90 (ninety) days of the exercise of the right of withdrawal, by sworn report of an expert appointed by the Court in whose district the company is based, which also provides for the expenses, at the request of the most diligent party. The first paragraph of article 1349 of the Italian Civil Code shall apply.

10.4 The directors offer the Shares of the withdrawing shareholder to the other shareholders in proportion to the number of Shares held.

If there are convertible bonds, the right of option also belongs to the holders of these in competition with the shareholders, on the basis of the exchange ratio.

The option offer shall be filed with the Commercial Register within 15 (fifteen) days of the final determination of the liquidation value, providing for a deadline for the exercise of the option right not less than 30 (thirty) days and not more than 60 (sixty) days from the filing of the offer.

Those who exercise the right of option, provided that they make a simultaneous request, have the right of pre-emption in the purchase of the Shares that have remained unopted.

Unopted Shares may also be placed by the administrative body with third parties.

In case of non-placement of the Shares, the Shares of the shareholder who has exercised the right of withdrawal are reimbursed within 12 (twelve) months of the communication of the withdrawal, by purchase by the company using reserves available also in derogation from the provisions of article 2357, paragraph three, of the Italian Civil Code.

If there are no profits or reserves available, the extraordinary Shareholders' Meeting must be convened to resolve on the reduction of the share capital or the dissolution of the company.

The provisions of article 2445, paragraphs two, third and fourth, of the Italian Civil Code, shall apply to the resolution to the reduction of the share capital; if the opposition is accepted, the company is dissolved.

Art. 11 - Subjection to management and control activities

The company must indicate its possible subjection to the management and coordination activities of others in the acts and correspondence, as well as by registration, by the directors, at the section of the Register of Companies referred to in article 2497-*bis*, second paragraph, of the Italian Civil Code.

TITLE III

SHAREHOLDERS' MEETINGS

Art. 12 - Powers of the ordinary Shareholders' Meeting

The ordinary Shareholders' Meeting shall deliberate on the matters reserved to it by law and by these By-laws.

Art. 13 – Powers of the extraordinary Shareholders' meeting

13.1 The extraordinary Shareholders' Meeting is responsible for:

a amendments to the By-laws, except as provided for in article 21.2 of these By-laws;

b the appointment, replacement and determination of the powers of liquidators;

c the issuance of the financial instruments referred to in article 8 of these By-laws;

d other matters attributed to it by law or by these By-laws.

13.2 The attribution to the administrative body of resolutions that by law are the responsibility of the Shareholders' Meeting, referred to in article 21.2 of these By-laws, does not affect the main competence of the Shareholders' Meeting, which retains the power to deliberate on the matter.

Art. 14 - Convocation of the Shareholders' Meeting

14.1 The Shareholders' Meeting shall be convened by the administrative body at least once a year by notice to sent to the shareholders at least eight (8) days prior to the date set for the Shareholders' Meeting, which includes the information required by the relevant laws and regulations and shall be published, within the terms required by law, on the company's website, as well as in the manner prescribed by the laws and regulations in force from time to time with not less than the minimum notice required by law with respect to the date established for the Shareholders' Meeting.

14.2 The Shareholders' Meeting may also be convened outside the municipality in which the registered office is located provided that it is in Italy.

14.3 The Board of Directors may provide, in relation to individual meetings, that those entitled to attend the meeting and exercise voting rights may participate in the meeting by electronic means, including exclusively. In this case, the call notice shall specify, also by means of reference to the company's website, the aforesaid methods of participation (omitting, in the case of a Shareholders' Meeting held exclusively by means of telecommunications, the indication of the physical location of the meeting).

14.4 The ordinary Shareholders' Meetings and extraordinary Shareholders' Meetings are usually held in single call as per law. The Board of Directors may, however, if it deems it appropriate and by expressly stating so in the call notice, determine that the ordinary and extraordinary Shareholders' Meetings will be held in several calls.

14.5 In case of impossibility of all directors or in the event of their inactivity, the Shareholders' Meeting may be convened by the Board of Statutory auditors, or by Court order at the request of shareholders representing at least one tenth of the share capital.

Art. 15 - Entitlement to participate in the meetings and vote

The right to participate in the Shareholders' Meeting and exercise voting rights is governed by the legislation in force.

Art. 16 - Validity of resolutions

16.1 The Shareholders' Meeting resolves on all matters within its competence by law.

16.2 The resolutions of the Shareholders' Meeting are adopted with the majorities required by law for the companies that have access to capital markets.

16.3 The resolutions of the Shareholders' Meeting, passed in accordance with the law and these By-laws, are binding on all Shareholders, even if they have not attended or dissented.

Art. 17 - Representation of the shareholder at the meeting: proxies.

17.1 Those entitled to vote may be represented at the Shareholders' Meeting in accordance with the law, by means of a proxy issued in the manner provided for by the applicable regulations. The proxy may also be notified to the company electronically, in the manner specified in the call notice.

17.2 The proxy cannot be issued with the name of the delegate in white and is always revocable, despite any agreement to the contrary. The representative can be replaced only by those who are expressly indicated in the proxy.

17.3 If the Shareholder has conferred the proxy to a legal entity, the legal representative of that entity represents the Shareholder at the meeting.

Alternatively, the legal entity may delegate one of its employees or collaborators, even if this is not expressly provided for in the proxy.

Art. 18 - President and secretary of the Shareholders' Meeting. Verbalization.

18.1 The meeting is chaired by the Chairman of the Board of Directors or, in case of his absence or impediment, by a Vice President (if appointed) or by a person appointed by those present.

18.2 The Shareholders' Meeting appoints a secretary, even non shareholder and if necessary, one or more tellers ("*scrutatori*"), including non-shareholders. The assistance of the secretary is not required if the report is drawn up by a notary.

18.3 It is up to the President of the Shareholders' Meeting to ascertain the regular constitution of the same, to ascertain the identity and legitimacy of those present, to regulate the conduct of the Shareholders' Meeting and to ascertain and proclaim the results of the votes.

18.4 The minutes of the meeting must be drawn up in accordance with the applicable legislation in force from time to time and must be signed by the President, the secretary or the notary.

Art. 19 – Shareholders' Meeting procedure: conduct of work.

19.1 The Shareholders' Meeting must be held in such a way that all those who have the right to participate in it can become aware of the events in real time, freely form their conviction and freely and promptly express their vote.

19.2 The manner in which the meeting is conducted cannot conflict with the need for proper and complete record keeping of the work.

Art. 20 - Special meetings

28.1 If there are more than one class of shares or financial instruments, each holder has the right to participate in the special meeting to which he belongs.

TITLE IV

ADMINISTRATIVE BODY

Art. 21 - Competence and powers of the administrative body

21.1 The management of the company is the sole responsibility of the administrative body which, with the widest powers for the ordinary and extraordinary administration of the company, can therefore perform all the acts it deems necessary or appropriate for the implementation and achievement of the corporate purposes, without prejudice to the need for specific authorization in the cases required by law.

21.2 The administrative body shall also have the following powers:

a the merger resolution in the cases referred to in articles 2505, 2505-*bis*, 2506-*ter* last paragraph of the Italian Civil Code;

b the establishment and abolition of secondary establishments;

c an indication of which directors represent the company;

d the reduction of the share capital in the event of withdrawal of the shareholder;

e the adaptation of these By-laws to regulatory provisions;

f the transfer of the registered office to another municipality in the national territory;

g the reduction of the capital if more than one third of the share capital is lost and the company has issued shares with no nominal value.

Art. 22 - Composition of the administrative body

The administration of the company is entrusted to a Board of Directors composed of an odd number of members between 5 (five) to 7 (seven).

All directors must be in possession of the requisites of honorability provided for by art. 147-*quinquies* of the TUF. In addition, at least two of the members of the Board of Directors must meet the independence requirements provided for in article 148, paragraph 3, of the TUF, the Italian Civil Code and the Corporate Governance Code for listed companies.

Art. 23 - Appointment and replacement of the administrative body

23.1 It is the responsibility of the ordinary Shareholders' Meeting to determine the members of the administrative body and to appoint them.

23.2 Directors remain in office for the period established at their appointment and in any case not more than 3 fiscal years and are eligible for re-election. Their office expires on the date of the Shareholders' Meeting resolve upon the approval of the annual financial statements for the last fiscal year of their term.

23.3 If one or more directors cease to hold office during the financial year, the others shall replace them by a resolution approved by the Board of Statutory Auditors, provided that the majority always consists of directors appointed by the Shareholders' Meeting (or in the certificate of incorporation). Directors so appointed remain in office until the next Shareholders' Meeting.

23.4 If the majority of directors cease to be in office, the entire board shall cease to be in office. In this case, the Shareholders’ Meeting for the appointment of the new board is convened as a matter of urgency by the directors remaining in office.

Art. 24 - Chairman of the Board of Directors - Deputy Chairman

24.1 The Board of Directors, at its first meeting following its appointment, elects a Chairman and a Vice-President from among its members, if the Shareholders' Meeting has not done so.

24.2 The Chairman of the Board of Directors shall convene the Board of Directors, establish its agenda, coordinate its work and ensure that adequate information on the items on the agenda is provided to all directors. In the absence or impediment of the President, the duties of the latter shall be attributed to the Vice-President.

24.3 The Board shall appoint a secretary also outside its members.

Art. 25 - Delegated bodies

25.1 The Board of Directors may delegate, within the limits set out in article 2381 of the Italian Civil Code, part of its powers to one or more of its members, determining their powers and remuneration.

25.2 The Board may also provide for the establishment of an Executive Committee to which the Chairman and all the directors with proxy are members of right, in addition to the directors appointed to be part of it.

25.3 For the convening, constitution and functioning of the Executive Board, the rules laid down for the Board of Directors shall apply; the resolutions are taken by a majority of the votes of those present and of the voters.

25.4 In any case, the Board has the power of control and to claim to itself the operations falling within the delegation, as well as the power to revoke the proxies.

25.5 The delegated bodies cannot be attributed powers referred to in article 2381, paragraph four, of the Italian Civil Code.

25.6 The administrative body may appoint Directors-General and determine their powers.

Art. 26 - The Manager with responsibility for financial reporting

26.1 The Board of Directors (i) appoints and revokes a manager responsible for the company’s financial reports, subject to the mandatory but non-binding opinion of the Board of Statutory Auditors; (ii) determines its term of office and (iii) grants powers and resources appropriate for the performance of its duties.

26.2 The Manager responsible for preparing the company's financial reports shall have significant professional experience in accounting, economics and finance, of at least five years, and shall also have any additional requirements established by the Board of Directors and/or the legal and regulatory provisions in force from time to time.

Art. 27 - Resolutions of the Board of Directors

27.1 The board shall meet at the place indicated in the notice of call, at its registered office or elsewhere, whenever deemed necessary by the Chairman, the Board of Statutory Auditors or even by a single member of the directors.

27.2 The convocation is made at least five days before the meeting by letter to be sent by registered letter with return receipt, fax, telegram or e-mail.

27.3 In cases of urgency, the convocation can be made by letter to be sent by fax, telegram or e-mail, with at least two days' notice.

27.4 The board is validly constituted with the presence of a majority of the directors in office and resolves with the favorable vote of the absolute majority of the directors present.

27.5 Directors who abstain or who have declared themselves in conflict of interest are not counted towards the calculation of the majority (deliberative quorum).

27.6 The Board may meet and validly deliberate also by telecommunication means, provided that the guarantees referred to in article 19.1 of these By-laws are met.

27.7 The Board of Directors is validly constituted if, even in the absence of a formal call, all the directors in office and all the statutory auditors are present.

27.8 Board meetings are chaired by the Chairman or by the oldest director in office or, in the alternative, by age.

27.9 The vote cannot be given by representation.

Art. 28- Social representation

28.1 The representation of the company is the responsibility of the Chairman of the Board of Directors or the Vice president severally.

28.2 Representation is also the responsibility of directors with the proxy of the Board of Directors.

28.3 In addition to the general manager (*direttore generale*), the administrative body responsible for representation, may appoint institors (*institori*) and attorneys-in fact (*procuratori*) for certain acts or categories of acts.

28.4 In any case, when the appointed representative is not a member of the board of directors, the granting of powers of representation of the company is governed by the terms and conditions of the applicable power of attorney.

28.5 The representation of the company in liquidation is the responsibility of the liquidator or the chairman of the board of liquidators and any other members of the liquidation board with the methods and limits established at the time of appointment.

Art. 29 - Remuneration of directors

29.1 The members of the Board of Directors are entitled to reimbursement of expenses incurred by reason of their office and a fee determined by the Shareholders’ Meeting at the time of appointment.

29.2 The remuneration of the directors held the office of chairman, director or managing director is established by the Board of Directors, after consulting the board of statutory auditors, in compliance with the maximum limits determined by the Shareholders' Meeting.

29.3 The Shareholders’ Meeting may determine a total amount for the remuneration of all directors, including those vested with particular offices.

TITLE V

BOARD OF STATUTORY AUDITORS

Art. 30 - Board of Statutory Auditors

30.1 The Board of Statutory Auditors supervises compliance with the law and the By-laws, compliance with the principles of proper administration and in particular the adequacy of the administrative and accounting organizational structure adopted by the company and its concrete functioning and also exercises the statutory audit of the accounts, where the legal conditions are met.

30.2 The Shareholders' Meeting elects the Board of Statutory Auditors, consisting of three standing auditors and two alternates, appoints its Chairman and determines the remuneration of those present for the entire duration of the term of office.

30.3 For the entire duration of their office, statutory auditors must meet the requirements set out in articles 2397, paragraph 2, and 2399 of the Italian Civil Code. The loss of these requirements determines the immediate forfeiture of the auditor and his replacement by the most senior alternate auditor.

30.4 The statutory auditors expire on the date of the Shareholders' Meeting called to approve the financial statements for the third year of office. The termination of the statutory auditors due to the expiry of the term shall take effect from the moment the board has been reconstituted.

30.5 The Board of Statutory Auditors meets at least every 90 (ninety) days on the initiative of any of the statutory auditors. It is validly constituted with the presence of the majority of the auditors and deliberates with the favorable vote of the absolute majority of the auditors.

30.6 The Board of Statutory Auditors may hold its meetings by electronic means, in the manner specified in the article 19.1 of these By-laws.

Art. 31 - The statutory auditor

31.1 The Shareholders' Meeting, when the requirements of the law are met or when it deems it appropriate, appoints the auditor and determines the consideration for the duration of the entire duration, which may not exceed three financial years.

31.2 Statutory auditors of the company or its subsidiaries, its controlling companies, or companies under common control, as well as those who are in the conditions provided for in Article 2399, first paragraph, of the Italian Civil Code, may not be appointed as statutory auditors, and if appointed, shall cease to hold office.

31.3 The auditing firm ceases to hold office with the approval of the financial statements for the third financial year and may be re-elected.

31.4 The auditor or the company in charge of the statutory audit of the accounts, including through exchanges of information with the Board of Statutory Auditors:

- verification during the financial year, at least quarterly, of the regular keeping of the social accounts and the correct recording in the accounting records of the management facts;
- verify whether the financial statements and, where drawn up, the consolidated financial statements correspond to the results of the accounting records and the assessments carried out and whether they comply with the rules governing them;
- expresses with a specific report an opinion on the financial statements and on the consolidated financial statements, if drawn up.

TITLE VI

FINANCIAL YEAR - BALANCE SHEET - PROFITS

Art. 32 - Balance sheet and profits

32.1 The financial year ends on 31 December of each year.

32.2 At the end of each financial year, the Board of Directors shall, in accordance with the applicable legal requirements, prepare the company balance sheet. The Shareholders' Meeting for the approval of the financial statements must be convened in compliance with the applicable laws and regulations in force from time to time.

32.3 The net profits resulting from the duly approved financial statements, less the amounts to be allocated to the legal reserve, until the latter has reached the legal limit, shall be distributed to the Shareholders by the Shareholders' Meeting, unless the Shareholders' Meeting itself resolves on special allocations to extraordinary reserves or for other purposes, or decides to allocate them in whole or in part to subsequent financial years.

32.4 The Board of Directors may resolve to distribute interim dividends to the shareholders during the financial year, subject to the requirements and conditions provided by law.

TITLE VII

DISSOLUTION AND LIQUIDATION OF THE COMPANY - POSTPONEMENT

Art. 33 - Dissolution and liquidation

33.1 The company is dissolved for the reasons provided for by law.

33.2 In all cases of dissolution, the administrative body must carry out the advertising obligations provided for by law within 30 (thirty) days of their occurrence.

33.3 The extraordinary Shareholders' Meeting, if necessary convened by the administrative body, will appoint one or more liquidators determining:

(a) the number of liquidators;

(b) in the case of several liquidators, the rules of operation of the college, including by reference to the functioning of the Board of Directors, as compatible;

(c) who is responsible for representing the company;

(d) the criteria on the basis of which the liquidation is to take place;

(e) any limits on the powers of the liquidation body.

Art. 34 - Referral rules

For anything not expressly provided for in these By-laws, reference is made to the current legal provisions.

16.6 Documents available for inspection

The Company’s corporate documents (Articles of Association, minutes of Shareholders’ Meetings and other applicable documents) may be consulted at the registered office of the Company and a copy may be obtained.

The Company’s Financial Statements are available on the Company’s website at www.tatatu.com and on the website of Euronext Paris.

16.7 Source of Market Data

To the extent not otherwise indicated, the information contained in this Information Document on the market environment, market developments, growth rates, market trends and competition in the markets in which the Group operates are based on the Company’s assessments.

The Market Research produced by Oliver Wyman and released on July 13, 2022, as subsequently updated, was used in the preparation of this Information Document.

It should be noted in particular that reference has been made in this Information Document to information concerning markets and market trends, which was obtained from the above-mentioned sources. The Company has accurately reproduced such information and, as far as it is aware and able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Nevertheless, prospective investors are advised to consider this data with caution. For example, market studies are often based on information or assumptions that may be inaccurate or inappropriate, and their methodology is inherently predictive and speculative.

Irrespective of the responsibility statement in relation to the content of this Information Document (see "*Responsibility statement*"), the Company has not independently verified the figures, market data or other information on which third parties have based their studies. Accordingly, the Company makes no representation or warranty as to the accuracy of any such information from third-party studies included in this Information Document. The Company's own estimates and statements of opinion and belief are not always based on studies of third parties.

SECTION II - LISTING

1 Conditions of the Listing of the Shares on Euronext Growth

1.1 The Listing of the Shares

The Shares, which constitute the Company's entire share capital as of the date of this Information Document, are subject to the Company's application for admission to trading on Euronext Growth.

Prior to the admission to trading on Euronext Growth, there was no public market for the Company's Shares.

1.2 Purpose of the Listing of the Shares

The admission to trading described in this Information Document will allow the Company to:

- increase its visibility on the market by listing on Euronext Growth Paris, Private Placement segment;
- allow the Company to achieve better access to the capital markets; and
- allow the Company to gain first capital markets experience.

1.3 Approval of the Listing

The request for admission to trading of the Shares on Euronext Growth was authorized by the Shareholders' Meeting of the Company held on September 6, 2022.

1.4 The private placement

The request for admission to trading of the Shares on Euronext Growth is requested after the implementation of a private placement conducted prior to the Listing in two tranches, at a price of Euro 2.00 per Share (i.e., a pre-money valuation of Euro 1,628,530,464 (the "**Private Placement**") of which (as further described in Section 6.1(e) (*History of the Group*) above),

(i) a first tranche with the shareholders Lumama Investments Ltd., Lighea 2018 S.r.l., Siempre Benedetta, LLC, Leo Darrin Jones, 6561373 Canada Incorporated, Bros Club Production Inc., in an aggregate amount of Euro 653,748.75 and the issuance of no. 326,874 new shares at a price of Euro 2.00 per Share

(ii) a second tranche with Crédit des Alpes LLP and AIS PCC Ltd., qualified investors, in an aggregate amount of Euro 4,000,000 and the issuance of no. 2,000,000 new shares at a price of Euro 2.00 per Share.

1.5 First trading price of the Shares

The share price of the Shares on the date of admission for trading on Euronext Growth is Euro 2.00, equals to the subscription price of the recent private placement. Thus, the market capitalization of the Company will be Euro 1,628,530,464 at the date of the Listing (the "**Listing Date**"). Such price was determined based on a variety of factors, including a valuation report prepared at the Company's request by a consulting firm of international reputation and result from contractual negotiation between the parties of the private placement; it is not an indication of the market price of the Shares following their admission to trading on Euronext Growth, which may vary substantially from such price.

1.6 Timetable for the listing of Shares

Milestone	Date
General Meeting approved the listing of the Shares on Euronext Growth ...	September 6, 2022

Publication of the Euronext notice	October 17, 2022
Publication of the Information Document	October 17, 2022
Listing Date	October 19, 2022

2 Ongoing listing obligations

In accordance with the Euronext Growth rules and subject to compliance with applicable laws and regulations, the Company is subject to the following ongoing obligations after the Listing:

- to make available on its own website and make it available to Euronext for posting on its website, at the same time as it is published in any other media, the following information in French or in English, and to keep the following information online for five (5) years following the date of publication:
    - at the latest on the day Euronext has made the scheduled first admission to trading of the Company's shares public by issuing a notice, the Information Document, prepared by the Company in relation to the first admission to trading public;
    - within four (4) months after the end of its financial year its annual report, which will comprise the annual consolidated financial statements, the group management discussion and analysis and the auditor's report in respect of the annual financial statements;
    - within four (4) months after the end of the second quarter of its financial year, a semi-annual report, which will comprise the half-year consolidated financial statements and an operations report in respect of the half-year financial statements;
    - within five (5) trading days of becoming aware, any situation where a person, acting alone or in concert, reaches, exceeds or falls below a major holding threshold of fifty percent (50%) or ninety percent (90%) of the capital or voting rights;
    - promptly make public notices for (general) meetings of shares holders and documents provided to shares holders;
- to comply with the European regulations on money laundering and EU sanctions restrictions as well as any related regulations or national legislation applicable to the Company; and
- to permanently have a listing sponsor.

The aforementioned obligations are subject to amendments of the applicable regulations (in particular, the Euronext Growth Rules).

3 Information on the Shares to be listed on Euronext Growth

Please see below certain information in relation to the Shares to be listed on Euronext Growth. For further details, please see "*General Information - Share Capital*" and "*General Information - Articles of Association*".

3.1 Type and class of the Shares to be listed on Euronext Growth

Number of Shares to be listed	814,265,232 Shares
Nature and form of the Shares	Registered shares
Currency	Euro
Shares denomination	Tatatu S.p.A.
ISIN code	IT0005507857

Mnemonic..	ALTTU
Quotation method	Continuous

3.2 Form and certification of the Shares

All Shares are registered shares and have no express par value.

3.3 Applicable law

The Shares of the Company are issued under the laws of the Republic of Italy.

3.4 Transferability of shares

The Shares of the Company are freely transferable.

As at the date of this Information Document, the following shareholders of the Company entered into certain lock-up agreements: IA Media, Andrea Rasca, Nicolas Allieta, Giorgio Paglioni, Patrizia Conte and Julio Bruno Castellanos, which will hold, respectively, 96.65%, 1.00%, 0.98%, 0.49%, 0.25% and 0.02% of the share capital of the Company following the Private Placement. In particular, subject to certain exceptions as further described below, IA Media agreed to lock-up its shareholding in the Company for a 2-year period from the Listing Date, while each of Andrea Rasca, Nicolas Allieta, Giorgio Paglioni, Patrizia Conte and Julio Bruno Castellanos agreed to lock-up their respective shareholding in the Company for a 3-year period from the Listing Date.

The lock-up undertaking of IA Media described above is subject to the following exemptions:

(i) the granting of security over any Shares owned by IA Media after the Listing, provided that in the event of enforcement of such security, the beneficiary of such security agrees to be bound by IA Media's lock-up undertaking for the residual period of the lock-up period;

(ii) the sale, transfer or offer of Shares by IA Media: (a) to its affiliates, (b) to any funds that are managed, whether directly or by management delegation, and/or advised by IA Media and/or its affiliates, or (c) to any affiliates of such funds, *provided* that such transferee agrees to be bound by restrictions identical to those set forth under IA Media's lock-up agreement for the residual period of the lock-up period;

(iii) the sale or transfer, in one or more tranches, of Shares by IA Media in connection with specific prior commitments of IA Media with certain selected investors, *provided* that (a) the aggregate value of all such Shares shall not exceed Euro 20 million and (b) each transferee, agrees to be bound by restrictions identical to those set forth under IA Media's lock-up agreement for the residual period of the lock-up period;

(iv) the transfer of the Shares of the Company tendered in a public tender offer or in the context of the execution of any commitment to tender Shares in a public tender offer.

The lock-up undertakings of Andrea Rasca, Nicolas Allieta, Giorgio Paglioni, Patrizia Conte and Julio Bruno Castellanos described above are subject to the following exemptions:

(i) the transfer of Shares by way of succession in case of death;

(ii) the transfer of Shares in case of retirement leave or compulsory retirement leave;

(iii) the granting of security over securities accounts on which the Shares are recorded, provided that in the event of enforcement of such security, the beneficiary of such security first agrees in writing to be bound by the lock-up undertaking for the residual period of the lock-up period;

(iv) the donation of Shares to the benefit of direct descendants or spouse (including transfers resulting from a marriage, a civil union or the dissolution of a marriage or a civil union), provided that each such donee first agrees in writing to be bound by restrictions identical to those set forth in the relevant lock-up agreement for the remainder of the lock-up period;

(v) the transfer of Shares by the relevant shareholder through contribution to a holding company or other entity that is organized for the sole benefit of such shareholder, his/her spouse (including transfers resulting from a marriage, a civil union or the dissolution of a marriage or a civil union) and/or his/her descendants, subject to such transferee agreeing to be bound by restrictions identical to those set forth in the relevant lock-up agreement for the remainder of the lock-up period; and

(vi) the tender of Shares in a public tender offer or the execution of any commitment to tender Shares in a public tender offer.

3.5 Dividend and liquidation rights

The Articles of Association state that dividends may be paid after approval and adoption of the annual accounts that show a distributable profit, unless the Shareholders' Meeting itself resolves on special allocations to extraordinary reserves or for other purposes, or decides to allocate them in whole or in part to subsequent financial years. In addition, the Shareholders' Meeting may resolve to declare interim dividends. Furthermore, the board of directors may resolve to distribute interim dividends to the shareholders during the financial year, subject to the requirements and conditions provided by law. .

The Company has never distributed any dividends as of its incorporation.

4 Technical information

4.1 Listing Sponsor

On the date of this Information Document, the Company and Portzamparc entered into a listing sponsor agreement pursuant to which Portzamparc has agreed to assist the Company (i) as its listing sponsor in connection with the listing of the Shares on Euronext Growth and (ii) with reporting and other post-listing obligations.

In accordance with Euronext Growth rules and based on the respective listing sponsor agreement, the ongoing obligations of the listing sponsor are – for a period of 12 months starting on the date of Listing – to provide assistance to the Company in connection with its regulatory obligations resulting from the Listing and in its relations with investors after the Listing, as described in paragraph 5 of appendix IV of the Euronext Growth Harmonised Rules.

4.2 Equity Advisor

BNP Paribas acted as Equity Advisor to the Company.

4.3 Liquidity provider

The Company and Exane SA have signed a liquidity contract (the "**Liquidity Contract**") in compliance with AMF (*Autorité des marches financiers*) decision no. 2021-01 dated June 22, 2021, on the renewal of liquidity contracts on equity securities as permitted market practice. The Liquidity Contract will become effective on the Listing Date. Pursuant to the Liquidity Contract, the Company instructs Exane SA to intervene on its behalf to provide liquidity on the market and to prevent discrepancies in the Company's share price that are not justified by market trend. To this effect, the Company has made available to Exane SA an amount of Euro 200,000.

4.4 Securities services provider and paying agent

On August 30, 2022, the Company and Monte Titoli S.p.A. entered into a central agency agreement pursuant to which Monte Titoli S.p.A. is appointed as central agent. Under this agreement, Monte Titoli S.p.A. will provide certain services for the Company, including the payment of cash dividends to the Company's shareholders.

4.5 Broadcaster of Company-related information

On September 13, 2022, the Company and EQS Group SAS entered into a contract regarding the broadcast of Company-related information, including corporate news and mandatory announcements. The contract does not cover the Company's investor or public relations.