ADMISSION DOCUMENT

concerning the admission to trading on Euronext Growth Milan, a multilateral trading system organised and managed by Borsa Italiana S.p.A., of the ordinary shares of

Issuer
Riba Mundo Tecnología S.A.

Euronext Growth Advisor, Global Coordinator & Specialist
Banca Profilo S.p.A.

Euronext Growth Milan is a multilateral trading system primarily dedicated to small and medium-sized companies and companies with high growth potential to which a higher level of risk is typically associated than to larger issuers or those with established businesses.

Investors should be aware of the risks involved in investing in this type of issuer and should only decide whether to invest after careful evaluation.

CONSOB AND BORSA ITALIANA HAVE NEITHER REVIEWED NOR APPROVED THE CONTENTS OF THIS DOCUMENT.

This document has been prepared in accordance with the issuers' regulations of Euronext Growth Milan for the purpose of the admission of the ordinary shares of Riba Mundo Tecnología S.A. to this multilateral trading system organised and managed by Borsa Italiana S.p.A..

Neither this document nor the transaction described herein constitutes an admission of financial instruments to a regulated market as defined by Legislative Decree no. 58 of 24 February 1998, as subsequently amended and supplemented (the "**Italian Consolidated Law on Finance**") and by the implementing regulation of the Consolidate Law on Finance, concerning the discipline of issuers, adopted by Consob with resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented (the "**Consob Issuers' Regulation**"). Accordingly, it is not necessary to prepare a prospectus in accordance with the layouts provided for in Delegated Regulation (EU) 2019/980.

The publication of this document is not required to be authorised by Consob pursuant to Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") or any other regulatory source governing the preparation and publication of prospectuses pursuant to articles 94 and 113 of the Italian Consolidated Law on Finance, including the Consob Issuers' Regulation.

The offer of the Issuer's shares falls within the cases of inapplicability of the provisions on public offerings of financial instruments provided for in the Prospectus Regulation.

This document is made available to the public at the registered office of Riba Mundo Tecnología S.A. with registered office in Loriguilla (Valencia, Spain), Calle en proyecto N7 sector 10-2, and on the Issuer's website (*www.ribamundotecnologia.es*).

DISCLAIMER

This Admission Document has been prepared in accordance with the Euronext Growth Milan Issuers' Regulations ("**EGM Issuers' Regulations**") for the purpose of the admission to Euronext Growth Milan of the ordinary shares of Riba Mundo Tecnología S.A. (respectively, the "**Shares**" and the "**Issuer**").

The Offer Shares will be offered to Qualified Investors close to admission to trading on Euronext Growth Milan, pursuant to and for the purposes of article 6 of Part II of the EGM Issuers' Regulations, as part of a placement falling within the cases of exemption from the obligation to publish a prospectus, provided for in the Prospectus Regulation.

This document does not constitute an offer to the public of financial instruments as defined by Legislative Decree no. 58 of 24 February 1998, as subsequently amended and supplemented (the "**Italian Consolidated Law on Finance**"), and therefore it is not necessary to prepare a prospectus in accordance with the formats provided for by Delegated Regulation (EU) 2019/980. The publication of this document is not required to be authorised by Consob pursuant to the Prospectus Regulation or any other regulatory source governing the preparation and publication of prospectuses pursuant to articles 94 and 113 of the Italian Consolidated Law on Finance, including the implementing regulation of the Italian Consolidated Law on Finance, concerning the discipline of issuers, adopted by Consob with resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented (the "**Consob Issuers' Regulations**").

This document does not constitute a placement of, nor does it constitute an offer to sell, securities in the United States of America, Canada, Japan, Australia, or any jurisdiction where such placement is not permitted, as provided in Regulation S under the United States Securities Act of 1933, as amended (the "**Securities Act**"). Neither this document nor any copy thereof may be received or transmitted in the United States of America, its territories or possessions, or disseminated, directly or indirectly, in the United States of America, its territories or possessions, or to any "US Person", as defined in the Securities Act. Any failure to comply with this provision may constitute a violation of the Securities Act.

The ordinary shares to be offered by the Issuer have not been, and will not be, registered under the Securities Act or with any competent securities authority of any state or jurisdiction of the United States of America and may not be offered or sold within the territory of the United States of America in the absence of the registration requirements of the Securities Act and applicable laws. The Issuer does not intend to proceed with an offering registration within the United States of America or to make a public offering of securities in the United States of America.

Tax treatment depends on the individual situation of each client and may be subject to change in the future; consequently, this document can in no event be construed as rendering an opinion, legal advice or advice in relation to tax treatment. Each potential investor is therefore urged to evaluate any investment on the basis of its own independent accounting, tax and legal advice and should also obtain from its financial advisors an analysis of the appropriateness of the transaction, the risks, hedges and cash flows associated with the transaction, to the extent that such analysis is appropriate to assess the benefits and risks of the transaction. Each potential investor must be held personally responsible for verifying that any investment in the transaction described herein does not contravene the laws and/or regulations of the investor's country of residence and must also be held responsible for obtaining any prior authorisations that may be required to make the investment.

The Issuer declares that it will use the English language for all documents made available to shareholders of the Issuer, as well as for any other information required by the EGM Issuers' Regulations.

It is noted that for purposes related to the admission of the Issuer's ordinary shares to trading on the EGM, Banca Profilo S.p.A. acted as Global Coordinator, Specialist and Euronext Growth Advisor of the Issuer in accordance with the EGM Issuers' Regulation and the Euronext Growth Advisor Regulation of Borsa Italiana S.p.A. ("**EGA Regulation**"). In accordance with the EGM Issuers' Regulation and the EGA Regulation, Banca Profilo S.p.A. is therefore solely responsible to Borsa Italiana S.p.A..

Banca Profilo S.p.A. assumes no responsibility with regard to any party that, on the basis of the present Admission Document, decides at any time to invest in the Issuer. It is recalled that responsible to investors with regard to the completeness and truthfulness of the data and information contained in the present Admission Document are exclusively the parties indicated in Section One, Chapter I and Section Two, Chapter I, below.

For the dissemination of regulated information, the Issuer will use the circuit 1INFO-SDIR (www.1info.it) operated by Computershare S.p.A., based in Milan, Via Lorenzo Mascheroni, no. 19, and authorized by Consob.

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DEFINITIONS

The following is a list of the main definitions and terms used in the Admission Document. These definitions, unless otherwise specified, have the meanings indicated below. Please note that for the definitions below, whenever the context so requires, the singular form includes the plural form and vice versa.

Admission	Means the admission of Shares on EGM.
Admission Document	Means this Admission Document relating to the Issuer.
Auditing Company	Means PricewaterhouseCoopers Auditores, S.L., with registered office in Madrid, Torre PwC, Paseo de la Castellana 259B, enrolled in the Companies' Register of Madrid, registration number 87.250-1, folio 75, tome 9.267, book 8.054, section 3ª, tax identity code B-79.031290, enrolled in the S0242 of the Registro Oficial de Auditores de Cuentas in Spain.
Banca Profilo *or* **Euronext Growth Advisor** *or* **EGA** *or* **Global Coordinator** *or* **Specialist**	Means Banca Profilo S.p.A., having its registered office at via Cerva 28, 20122 Milan (MI), tax code, VAT code and registration number with the Companies' Register of Milan, Monza-Brianza, Lodi 09108700155, enrolled in the Register of Banks and Banking Groups with no. 09108700155, belonging to the Banca Profilo Banking Group and subject to Arepo BP S.p.A.'s management and coordination activity.
Board of Directors	Means the board of directors of the Issuer.
Borsa Italiana	Means Borsa Italiana S.p.A., with registered office at Piazza degli Affari no. 6, 20123 Milan (MI), tax code, VAT code and registration number with the Companies' Register of Milan, Monza-Brianza, Lodi 12066470159.
Chief Executive Officer	Means the Issuer's chief executive officer in office from time to time.
Consob	Means the "Commissione Nazionale per le Società e la Borsa" (National Commission for Companies and the Stock Exchange) with headquarters in Via Giovanni Battista Martini 3, 00198 Rome (RM).
Date of Admission	Means the date of the decision to admit the Shares, ordered by specific notice published by Borsa Italiana.
Date of Admission Document	Means the date of publication of the Admission Document on the Issuer's website (*www.ribamundotecnologia.es*).
Delegated Regulation (EU) 2019/980	Means the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, supplementing the Prospectus Regulation of

	the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) 809/2004, as amended and supplemented, implementing Directive 2003/71/EC.
Dezi's Capital Increase	Means the share capital increase, resolved by the Shareholders' Meeting on 24 July 2023, by means of cash contributions for a total amount of EUR 5,279,600, by issuing no. 268,000 new ordinary Shares – of the same class and series as those outstanding – with a par value of EUR 1 each, with a unit stock premium of EUR 18.7 and for a total amount of EUR 19.7 (par value plus stock premium), reserved for the subscription of Marco Dezi, with Gioya, Bruno Dezi, Alessio Dezi and Pietro Peligra waiving their pre-emptive rights.
EGA Regulation	Means the Euronext Growth Advisor Rules, approved and published by Borsa Italiana, as subsequently amended and supplemented.
EGM Issuers' Regulation	Means the issuers' regulations of Euronext Growth Milan, approved and published by Borsa Italiana, as subsequently amended and supplemented.
Escrow Account	Means an escrow account opened in the name of Marco Dezi into which the net proceeds arising from the Offer, up to an amount of EUR 5,279,600, shall be paid within the context of the settlement of the Offer. Funds deposited on the Escrow Account shall only be released in favour of the Issuer, in whole or in part, and up to an amount of EUR 5,279,600 following receipt of: (a) joint instructions by Marco Dezi and the Issuer, or (b) written request sent by the Issuer stating the amount to be paid by Marco Dezi to the Issuer as a consequence of Marco Dezi's subscription of Dezi's Capital Increase.
ESMA	Means the "European Securities and Markets Authority", an independent authority established by Regulation (EU) 1095/2010 of the European Parliament and of the Council of 24 November 2010, which contributes to safeguarding the stability of the European financial system by ensuring the integrity, transparency, efficiency and orderly functioning of the financial markets, as well as to providing safeguards to protect investors.

Euronext Growth Milan *or* **EGM**	Means the multilateral trading system organised and managed by Borsa Italiana called Euronext Growth Milan.
First Trading Date	Means the first day on which the Shares will be traded on EGM.
Free Float	Means the portion of the Issuer's share capital actually outstanding on the stock market, excluding from the calculation controlling shareholdings, shareholdings bound by shareholders' agreements and those subject to restrictions on transferability (such as lock-up clauses), as well as shareholdings equal to or greater than 5% calculated according to the criteria indicated in the "Transparency Rules" referred to in the EGM Issuers' Regulation. On the other hand, Shares held by collective investment undertakings, pension funds and social security institutions are included in the calculation of the Free Float.
Gioya	Means Gioya 1218, S.L., with registered office at Loriguilla Valencia, Spain), Sector I-10 PARC M5-1, C/EN PROY. N1-7, registered in the Registro Mercantil de Valencia, tax identification number B16761710.
Greenshoe Option	Means the option granted to the Global Coordinator by Marco Dezi, as a Selling Shareholder, for the purchase of no. 11,200 Shares, amounting to approx. 4% of the maximum number of the Offer Shares, to be allocated to the recipients of the Placement in the context of a possible over-allotment and exercisable, at the offer price, until the thirtieth day subsequent to the First Trading Date.
IAASB	Means the "International Auditing and Assurance Standards Board", an independent body that establishes international standards for auditing, quality control, auditing, other assurance and related services to facilitate convergence of international and national standards.
IAS	Means all "International Accounting Standards".
IFRS *or* **International Financial Reporting Standards IFRS**	Means all "International Financial Reporting Standards", which include all IAS, all "International Financial Reporting Standards" (IFRS) and all interpretations of the "International Financial Reporting Interpretations Committee" (IFRIC), formerly the "Standing Interpretations Committee" (SIC), adopted by the European Union.
Internal Code of Conduct	Means the internal code of conduct in the securities markets approved by the Issuer, setting forth the internal procedures to

	be followed by the Issuer in order to ensure compliance with several applicable laws and regulations, including MAR Regulation and the EGM Issuers' Regulation.
Italian Civil Code	Means the Italian Royal Decree no. 262 of 16 March 1942, as subsequently supplemented and amended.
Italian Consolidated Law on Finance	Means the Italian Legislative Decree no. 58 of 24 February 1998, as subsequently amended and supplemented.
MAR Regulation	Means Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.
New Articles of Association	Means the Issuer's articles of association, incorporated by reference in the Admission Document and available on the Issuer's website (*www.ribamundotecnologia.es*).
Offer Shares	Means a total of no. 268,000 Shares that shall be sold by the Selling Shareholder to service the Offer.
Over Allotment Option	Means the option to borrow no. 11,200 Shares, equal to approx. 4% of the maximum number of Offer Shares, granted to the Global Coordinator by Marco Dezi, as a Selling Shareholder, for the purpose of a possible over-allotment in the context of the Placement.
Placement *or* **Offer**	Means the placement of a maximum of no. 268,000 Offer Shares, addressed to (i) Qualified Investors and (ii) other categories of investors, in any case in a manner such, by reason of the quantity of the placement and the quality of the recipients thereof, as to fall within the cases of inapplicability of the provisions on public offerings of financial instruments provided for by the above mentioned provisions and the equivalent legal and regulatory provisions applicable abroad, with the consequent exclusion from the publication of a prospectus.
Plan *or* **Business Plan**	Means the multi-year business plan for the period 2022–2024 prepared in the framework of the listing process of the Shares on the multilateral trading system Euronext Growth Milan, organised and managed by Borsa Italiana and approved by the Board of Directors on 19 July 2023.
Prospectus Regulation	Means the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the

	public or admitted to trading on a regulated market and repealing Directive 2003/71/EC.
Qualified Investors	Means any entity in the European Economic Area (EEA) that falls under the meaning of "qualified investors" pursuant to article 2(e) of the Prospectus Regulation.
Related Parties	Means "related parties" as defined by IAS 24, containing provisions on related party transactions.
Related Party Transactions	Means the Issuer's related party transactions.
Riba Mundo *or* **Issuer**	Means Riba Mundo Tecnología S.A., with registered office in Loriguilla (Valencia, Spain), Calle en proyecto N7 sector 10-2, tax code, registered in the Registro Mercantil de Valencia, tax identification number A-40526717.
Selling Shareholder	Means Marco Dezi, born in Rome, on 21 December 1978, fiscal code DZEMRC78T21H501U.
Shareholders' Meeting *or* **General Shareholders' Meeting**	Means the shareholders' meeting of the Issuer, in ordinary or extraordinary session, as the case may be.
Shares	Means the ordinary shares of the Issuer, registered, indivisible, with regular dividend entitlement and in dematerialised form, which will be admitted to trading on EGM as from the First Trading Date.
Spanish Capital Companies Act *or* **LSC**	Means the Spanish Royal Legislative Decree no. 1/2010, of 2 July 2010, as subsequently supplemented and amended.
Special Purpose Financial Statements 2022 and 2021	Means the special purpose financial statements of the Issuer for the years ended on 31 December 2022 and 2021, prepared in accordance with IFRS.
Start of Negotiations	Means the start of trading of the Shares on EGM.

GLOSSARY

The following is a list of the main technical terms used in the Admission Document. Such terms, unless otherwise specified, have the meanings indicated below. Please note that for the terms below, whenever the context so requires, the singular form includes the plural form and vice versa.

API	Means Application Programming Interface (API), a software intermediary that allows two applications to operate in an integrated manner. APIs are an accessible way to extract and share data within and across organizations.
B2B (business-to-business)	Means business-to-business transactions, as distinguished from those between businesses and consumers or individual customers (B2C).
B2C (business-to-customer)	Means commercial transactions carried out between businesses and final consumers, as distinguished from those directly between businesses (B2B).
buyer account	Means a member of a company's sales network entrusted to purchase stocks of goods at the best possible price to be sold to the market.
EAN	Means the European Article Number (EAN), a standard describing a barcode symbology and numbering system used in global trade to identify a specific retail product type, in a specific packaging configuration, from a specific manufacturer.
FTP	MeansFile Transfer Protocol, a network protocol for the transmitting files between computers over Transmission Control Protocol/Internet Protocol (TCP/IP) connections.
IMEI	MeansInternational Mobile Equipment Identity, a unique identification or serial number for all mobile phones and smartphones.
Intrastat	Means the data collection system for compiling statistics on international trade in goods between the European Union (EU) Member States.
Internet of Things (IoT)	Means the network of physical objects ("things") that are embedded with sensors, software, and other technologies for the purpose of connecting and exchanging data with other devices and systems over the internet.
pallets	Means a portable platform for handling, storing, or moving materials and packages (as in warehouses, factories, or vehicles).

SGAE	Means the Spanish Society of Authors and Publishers (Sociedad General de Autores y Editores, SGAE), the main collecting society for songwriters, composers and music publishers in Spain.
SKU	Means the Stock Keeping Unit (SKU), an alphanumeric code assigned to inventory that allows retailers to track their stock, measure sales by product and category, design store layouts and flow, and enhance shopping experiences.

PUBLICLY ACCESSIBLE DOCUMENTS

The following documents are available to the public at the Issuer's registered office in Loriguilla (Valencia, Spain), Calle en proyecto N7 sector 10-2, as well as on the Issuer's website (*www.ribamundotecnologia.es*):

- Admission Document;
- New Articles of Association;
- Special Purpose Financial Statements 2022 and 2021, together with the auditor's report issued on 26 April 2023.

PLANNED TIMETABLE OF THE TRANSACTION

Date of submission of pre-admission communication	12 July 2023
Date of filing of the application for Admission	21 July 2023
Date of update of pre-admission communication	25 July 2023
Date of publication of the Admission Document	26 July 2023
Date of Admission	26 July 2023
First Trading Date	28 July 2023

SECTION ONE

SECTION I, CHAPTER I - RESPONSIBLE PERSONS, INFORMATION FROM THIRD PARTIES, EXPERT REPORTS AND APPROVAL BY THE COMPETENT AUTHORITIES

1.1 Persons in charge of Admission Document

The persons listed in the table below assume responsibility, for the parts for which they are responsible and limited to them, for the truthfulness and completeness of the data, information and news contained in the Admission Document.

Responsible party	*Qualification*	*Registered office*	*Competence parts*
Riba Mundo Tecnología S.A.	Issuer	Loriguilla (Valencia, Spain), Calle en proyecto N7 sector 10-2	Entire Admission Document

1.2 Declaration of Responsibility

The Issuer declares that, to the best of its knowledge, the information contained in the Admission Document is in accordance with the facts and that the Admission Document does not contain any omission likely to affect its meaning.

1.3 Expert reports

For the purposes of the Admission Document, no statements or reports attributable to experts have been made.

1.4 Information from third parties

The Admission Document, and in particular Section One, Chapter VI, Paragraph 6.2, contains information of various kinds from third-party sources. This is highlighted from time to time by means of appropriate footnotes inserted at the bottom of the page or contained directly in the tables of reference.

In particular, the Admission Document contains, *inter alia*, the following information from third parties through which the Issuer's reference markets are described:

- Statista, "Consumer Electronics Worldwide", December 2022;
- Statista, "Beauty & Personal Care Worldwide", December 2022;
- Statista, "IoT Worldwide, December 2022";
- Straits Research, "White Goods Market" 2021;
- Statista, "Online Pharmacy Worldwide", April 2023.

The sources cited in the Admission Document are, as at the Date of Admission Document, publicly available and unpaid.

The Issuer confirms that all information attributable to third parties used in the Admission Document has been accurately reproduced and that, to the best of the Issuer's knowledge or ability to ascertain on the basis of information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading.

SECTION I, CHAPTER II - EXTERNAL FINANCIAL AUDITORS

2.1 Issuer's external financial auditors

As of the Date of Admission Document, the auditing company, entrusted with the financial audit of the Issuer's accounts, is PricewaterhouseCoopers Auditores, S.L., with its registered office at Madrid, Torre PwC, Paseo de la Castellana 259B, registered in the Companies' Register of Madrid, registration number 87.250-1, folio 75, volume 9.267, book 8.054, section 3ª, tax identity code B-79.031290, registered under no. S0242 of the Registro Oficial de Auditores de Cuentas in Spain (the "**Auditing Company**").

On 2 November 2022, the Shareholders' Meeting resolved to appoint the Auditing Company as statutory auditor of the Issuer, for the purpose of auditing the Issuer's financial statements for the years ending on 31 December 2022, 2023 and 2024.

2.2 Information on relations with the Auditing Company

As at the Date of Admission Document, there has been no withdrawal of the appointment of the Auditing Company by the Issuer, nor has the Auditing Company resigned its appointment, nor has it refused to issue an opinion or issued a qualified opinion on the Issuer's financial statements.

SECTION I, CHAPTER III - SELECTED FINANCIAL INFORMATION

3.1 Introduction

This Chapter sets forth selected financial information of the Issuer as of, and for each of, the years ended on 31 December 2022 and 2021. This information was retrieved from the Special Purpose Financial Statements 2022 and 2021 (the "**Audited Financial Statements**"), which were prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("**IFRS-EU**") and are incorporated by reference in this Admission Document. The audit report dated 26 April 2023 issued by PricewaterhouseCoopers Auditores, S.L. on the Audited Financial Statements is also incorporated by reference in this Admission Document. Such audit report does not contain qualifications.

The Audited Financial Statements were approved by the Sole Director on 18 April 2023. The shareholders of the Issuer approved the Audited Financial Statements in their meeting dated 31 May 2023.

The financial information set forth in this chapter should be read in conjunction with the Audited Financial Statements incorporated by reference in this Admission Document, which are available at the Issuer's main offices and on the corporate website (*www.ribamundotecnologia.es*), "Investor Relations" section.

3.2 Economic information of the Issuer for the years ended on 31 December 2022 and 2021

(A) Income Statement

Year ended on 31 December 2022 compared to the year ended on 31 December 2021

(In thousands of euros)	For the year ended on 31 December				
	2022	**% Revenue**	**2021**	**% Revenue**	**Percentage Change**
Revenue	329,093	100.0%	173,695	100.0%	89%
Procurements	(313,783)	(95.3%)	(166,562)	(95.9%)	88%
Gross profit/(loss)	**15,310**	**4.7%**	**7,133**	**4.1%**	**115%**
Operating expenses	(6,299)	(1.9%)	(2,510)	(1.4%)	151%
Payroll expenses	(1,872)	(0.6%)	(736)	(0.4%)	154%
Depreciation and amortization	(410)	(0.1%)	(97)	(0.1%)	323%
Net gains/(losses) on disposal of non-current assets	1,424	0.4%	(32)	(0.0%)	(4,550%)
Other income	312	0.1%	1	0.0%	31,100%
Other gains/(losses)	(306)	(0.1%)	(183)	(0.1%)	67%
Operating profit/(loss)	**8,159**	**2.5%**	**3,576**	**2.1%**	**128%**
Financial income	2	0.0%	-	0.0%	-
Financial expenses	(996)	(0.3%)	(140)	(0.1%)	611%
Exchange differences	117	0.0%	1	0.0%	11,600%
Financial profit/(loss)	**(877)**	**(0.3%)**	**(139)**	**(0.1%)**	**531%**
Share of income/(loss) of investments accounted for by the equity method	(429)	(0.1%)	-	0.0%	-
Profit/(loss) before tax	**6,853**	**2.1%**	**3,437**	**2.0%**	**99%**

(In thousands of euros)	For the year ended on 31 December				
	2022	**% Revenue**	**2021**	**% Revenue**	**Percentage Change**
Income tax	(1,857)	(0.6%)	(871)	(0.5%)	113%
Profit/(loss) for the period attributable to the parent company	4,996	1.5%	2,566	1.5%	95%
	4,996	**1.5%**	**2,566**	**1.5%**	**95%**
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company:					
Basic earnings per share	**2.45**		**1.26**		**94%**
Diluted earnings per share	**2.45**		**1.26**		**94%**

The following is a brief description of the variations of the line items of our income statement.

Revenue

Revenue increased by EUR 155,398 thousand, or 89%, from EUR 173,695 thousand in the year ended on 31 December 2021 to EUR 329,093 thousand in the year ended on 31 December 2022. This increase was primarily due to increasing volumes sold and geographical expansion.

We track our revenue by principal line of products, as well as through financial segmentation based on geography and distribution channel.

The following table presents, for each of the periods indicated, our top 3 selling products (based on sales for the year ended on 31 December 2022) by geographic area, together with the percentage of our revenue such products represented in each such period, based on our accounting records. These products represented 88% and 93% of our net sales for the years ended on 31 December 2022 and 2021, respectively.

(In thousands of euros)	For the year ended on 31 December			
	2022	**%**	**2021**	**%**
Mobile phones	**256,179**	**78%**	**136,992**	**79%**
Spain	41,206	13%	17,664	10%
Europe	168,517	51%	88,507	51%
Other	46,456	14%	30,821	18%
Tablets	**17,796**	**5%**	**9,903**	**6%**
Spain	2,863	1%	1,475	1%
Europe	11,706	4%	8,308	5%
Other	3,227	1%	120	0%
Headphones	**16,556**	**5%**	**15,439**	**9%**
Spain	2,663	1%	1,991	1%
Europe	10,891	3%	9,975	6%
Other	3,002	1%	3,473	2%
Other	**38,562**	**12%**	**11,361**	**7%**
Spain	6,204	2%	1,465	1%

(In thousands of euros)	For the year ended on 31 December			
	2022	**%**	**2021**	**%**
Europe	25,367	8%	7,340	4%
Other	6,993	2%	2,556	1%
Total	**329,093**	**100%**	**173,695**	**100%**

Procurements

Procurements increased by EUR 147,221 thousand or 88%, from EUR 166,562 thousand in the year ended on 31 December 2021 to EUR 313,783 thousand in the year ended on 31 December 2022, in line with the increase of sales.

Gross Profit

Gross profit increased by EUR 8,177 thousand or 115%, from EUR 7,133 thousand in the year ended on 31 December 2021 to EUR 15,310 thousand in the year ended on 31 December 2022.

Gross profit Margin (defined as "gross profit over revenue") for the year ended on 31 December 2022 was 4.7% and for the year ended on 31 December 2021 was 4.1%.

Operating expenses

Operating expenses increased by EUR 3,789 thousand or 151%, from EUR 2,510 thousand in the year ended on 31 December 2021 to EUR 6,299 thousand in the year ended on 31 December 2022. This increase was primarily due to higher expenses relating to services of independent professionals associated with the initial public offering (consulting, auditing, legal and tax services), the growth of transport expenses which are attributable to the increase in international sales and the increase in insurance premiums paid.

The following table presents, for each of the periods indicated, a detail of the composition of the operating expenses:

(In thousands of euros)	For the year ended on 31 December		
	2022	**2021**	**Percentage Change**
Leases	24	9	167%
Reparations and maintenance	6	3	100%
Services of independent professionals	1,722	369	367%
Transport	3,224	1,533	110%
Insurance premiums	684	257	166%
Bank services and similar	107	71	51%
Advertising, publicity and public relations	265	90	194%
Supplies	60	37	62%
Other services	104	112	(7%)
Taxes	29	26	12%
Other current management expenses	74	3	n.m.
Total	**6,299**	**2,510**	**151%**

Payroll expenses

Payroll expenses increased by EUR 1,136 thousand or 154%, from EUR 736 thousand in the year ended on 31 December 2021 to EUR 1.872 thousand in the year ended on 31 December 2022. This increase was primarily due to an increase in the number of employees from 24 to 66 over the period.

Depreciation and amortization

Depreciation and amortization increased by EUR 313 thousand or 323%, from EUR 97 thousand in the year ended on 31 December 2021 to EUR 410 thousand in the year ended on 31 December 2022. This increase was primarily due to additions to our intangible assets related to software.

During the year ended on 31 December 2022, the total amount of depreciation of property, plant and equipment and of the rights of use resulting from the Special Purpose Financial Statements 2022 and 2021 was equal to EUR 220 thousand, while the total amount of amortization resulting from the Special Purpose Financial Statements 2022 and 2021 was equal to EUR 190 thousand.

Net gains/(losses) on disposal of non-current assets

Net gains/(losses) on disposal of non-current assets increased by EUR 1,456 thousand or 4,550%, from a loss of EUR 32 thousand in the year ended on 31 December 2021 to a profit of EUR 1,424 thousand in the year ended on 31 December 2022. Until 2022, we owned the industrial warehouse where we conduct our operations, which was classified as Property, Plant and Equipment. During 2022, we carried out a sale and leaseback transaction whereby we sold the warehouse and we started to use it under a lease agreement. Such transaction generated a gain of EUR 1,457 thousand which explains the increase from 2021. The lease agreement of the warehouse is reflected as a right of use for an amount of EUR 1,104 thousand and lease liabilities of EUR 1,115 thousand in our balance sheet as of 31 December 2022.

Other income

Other income increased by EUR 311 thousand or 31,100%, from EUR 1 thousand in the year ended on 31 December 2021 to EUR 312 thousand in the year ended on 31 December 2022. This increase was attributable to marketing campaigns and other compensations received.

Other gains/(losses)

Other losses increased by EUR 123 thousand or 67%, from EUR 183 thousand in the year ended on 31 December 2021 to EUR 306 thousand in the year ended on 31 December 2022. This increase was primarily related to losses from theft and other damages of inventories, which have not fully covered by the insurance.

Operating profit/loss (EBIT)

Operating profit increased by EUR 4,583 thousand or 128%, from EUR 3,576 thousand in the year ended on 31 December 2021 to EUR 8,159 thousand in the year ended on 1 December 2022. The primary driver of this growth was an increase in revenue, while fixed costs also increased but to a lesser extent than revenue.

EBIT Margin (defined as EBIT over revenue) for the year ended on 31 December 2022 was 2.5% and for the year ended on 31 December 2021 was 2.1%.

EBITDA

EBITDA is defined as profit for the period attributable to the parent company before income tax, income/(loss) of investments accounted for by the equity method, financial profit/(loss), depreciation and amortization, net gains/(losses) on disposal of non-current assets, and other gain/(losses). Please, note that EBITDA is an Alternative Performance Measure. The criteria utilized for the calculation of EBITDA hereby represented by the Issuer may vary from those adopted by other companies and as such, they may not be comparable (see also Section C Alternative Performance Measures of this Chapter).

(In thousands of euros)	For the year ended on 31 December		
	2022	**2021**	**Percentage change**
Profit/(loss) for the period attributable to the Parent Company	**4,996**	**2,566**	**95%**
Income tax	1,857	871	113%
Share of income/(loss) of investments accounted for by the equity method	429	-	-
Financial profit/(loss)	877	139	531%
Depreciation and amortization	410	97	323%
Net gains/ (losses) on disposal of non-current assets	(1,424)	32	(4,550%)
Other gains/(losses)	306	183	67%
EBITDA	**7,451**	**3,888**	**92%**

EBITDA increased by EUR 3,563 thousand or 92%, from EUR 3,888 thousand in the year ended on 31 December 2021 to EUR 7,451 thousand in the year ended on 31 December 2022. This increase was attributable to year-over-year increase of our profit per year.

EBITDA Margin (defined as EBITDA over revenue) for the year ended on 31 December 2022 was 2.3% and for the year ended on 31 December 2021 was 2.2%.

Financial income

Financial income increased by EUR 2 thousand, from EUR nil in the year ended on 31 December 2021 to EUR 2 thousand in the year ended on 31 December 2022.

Financial expenses

Financial expenses increased by EUR 856 thousand or 611%, from EUR 140 thousand in the year ended on 31 December 2021 to EUR 996 thousand in the year ended on 31 December 2022. This increase was primarily due to the cost of financial debt resulting from an increase in indebtedness and rising interest rates.

Exchange differences

Exchange differences increased by EUR 116 thousand or 11,600%, from EUR 1 thousand in the year ended on 31 December 2021 to EUR 177 thousand in the year ended on 31 December 2022. This increase was primarily due to an increase in transactions denominated in a foreign currency attributable to international sales.

Financial loss

Financial loss increased by EUR 738 thousand or 531%, from EUR 139 thousand in the year ended on 31 December 2021 to EUR 877 thousand in the year ended on 31 December 2022. This increase was primarily due to the cost of financial debt resulting from an increase in indebtedness and rising interest rates, partially offset by exchange differences.

Share of income/(loss) of investments accounted for by the equity method

The share of income/(loss) of investments accounted for by the equity method in the year ended on 31 December 2022 was a loss of EUR 429 thousand, compared to EUR nil in the year ended on 31 December 2021 mainly due to the results of PB Online S.r.l. for the period.

Profit before tax

Profit before tax increased by EUR 3,416 thousand or 99%, from EUR 3,437 thousand in the year ended on 31 December 2021 to EUR 6,853 thousand in the year ended on 31 December 2022. This increase was primarily due to an increase in revenue, partially offset by financial loss and share of loss of investments accounted for by the equity method.

Profit before tax margin (defined as profit before tax over revenue) for the year ended on 31 December 2022 was 2.1% and for the year ended on 31 December 2021 was 2.0%.

Income tax

Income tax increased by EUR 986 thousand or 113%, from EUR 871 thousand in the year ended on 31 December 2021 to EUR 1,857 thousand in the year ended on 31 December 2022. This increase was primarily due to the result of a higher profit before taxes compared to the previous year.

Profit for the period attributable to the parent company

Profit for the period attributable to the parent company or net income increased by EUR 2,430 thousand or 95%, from EUR 2,566 thousand in the year ended on 31 December 2021 to EUR 4,996 thousand in the year ended on 31 December 2022. This increase was primarily due to the positive evolution of our revenue resulting from growth of our units sold and geographical expansion.

Net income margin (defined as net income over revenue) for the year ended on 31 December 2022 was 1.5% and for the year ended on 31 December 2021 was 1.5%.

(B) Balance Sheet

Year ended on 31 December 2022 compared to the year ended on 31 December 2021

(In thousands of euros)	As of 31 December		
	2022	**2021**	**Percentage Change**
ASSETS			
Non-current assets			
Property, plant and equipment	439	1,474	(70%)
Right-of-use assets	1,230	68	1,709%
Intangible assets	1,745	381	358%
Investments accounted for using the equity method	2,221	-	-
Financial assets at fair value through other comprehensive income	2,341	1,372	71%
Financial assets at amortised cost	595	12	4,858%
Total non-current assets	**8,571**	**3,307**	**159%**
Current assets			
Inventories	23,067	13,086	76%
Other current assets	630	279	126%

(In thousands of euros)	As of 31 December		
	2022	**2021**	**Percentage Change**
Trade receivables	23,764	13,043	82%
Other financial assets at amortised cost	1,194	181	560%
Cash and cash equivalents	16,429	1,785	820%
Total current assets	**65,084**	**28,374**	**129%**
TOTAL ASSETS	**73,655**	**31,681**	**132%**
LIABILITIES			
Non-current liabilities			
Borrowings	13,246	3,505	278%
Lease liabilities	1,035	31	3,239%
Deferred tax liabilities	25	-	-
Provisions	-	57	(100%)
Total non-current liabilities	**14,306**	**3,593**	**298%**
Current liabilities			
Trade and other payables	30,686	14,700	109%
Contract liabilities	1,126	77	1,362%
Current tax liabilities	571	330	73%
Borrowings	19,394	8,255	135%
Lease liabilities	207	41	405%
Total current liabilities	**51,984**	**23,403**	**122%**
Total liabilities	**66,290**	**26,996**	**146%**
EQUITY			
Share capital and share premium	2,032	2,032	0%
Other reserves	430	87	394%
Retained earnings	4,996	2,566	95%
Financial assets measured at fair value through other comprehensive income	(93)	-	-
Total equity	**7,365**	**4,685**	**57%**
TOTAL EQUITY AND LIABILITIES	**73,655**	**31,681**	**132%**

Non-current assets

Property, plant and equipment

The following table sets forth a breakdown of property, plant and equipment as of 31 December 2022 and 2021.

(In thousands of euros)	As of 31 December		
	2022	**2021**	**Percentage Change**
Land	-	454	(100%)
Buildings	-	657	(100%)
Technical installations and machinery	31	18	72%

(In thousands of euros)	As of 31 December		
	2022	**2021**	**Percentage Change**
Furniture, fittings and equipment	301	95	217%
IT Equipment	23	17	35%
Other PPE	2	2	0%
Fixed assets under construction and advances	82	231	(65%)
Total property, plant and equipment	**439**	**1,474**	**(70%)**

Property, plant and equipment decreased by EUR 1,035 thousand or 70%, from EUR 1,474 thousand as of year ended on 31 December 2021 to EUR 439 thousand as of year ended on 31 December 2022. This decrease was primarily due to the sale and leaseback transaction described above under Net gains/(losses) on disposal of non-current assets.

Right-of-use assets

Right-of-use assets represent rights of lessees to use an asset over the life of lease agreements. The value of right-of-use assets increased by EUR 1,162 thousand or 1,709%, from EUR 68 thousand as of year ended on 31 December 2021 to EUR 1,230 thousand as of year ended on 31 December 2022. This increase was mainly due to the sale and leaseback transaction described above under Net gains/(losses) on disposal of non-current assets.

Intangible Assets

Intangible assets are only composed of the license on software application, MarVin, and its further developments. The value of intangible assets increased by EUR 1,364 thousand or 358%, from EUR 381 thousand as of year ended on 31 December 2021 to EUR 1,745 thousand as of year ended on 31 December 2022. This increase primarily consisted of additions related to the development of our software.

Investments accounted for using the equity method

Investments accounted for using the equity method are composed of our share in the Italian company PB Online S.r.l.. On 10 October 2022 the Issuer acquired for an amount of EUR 2,650 thousand 50% of the share capital of PB Online S.r.l., a joint venture with Portobello S.p.A., which acquired the assets related to the Italian portal "ePrice". The Issuer and Portobello S.p.A. have joint control over PB Online S.r.l. and the investment qualifies as a joint venture, thus it is accounted for using the equity method. The net increase by EUR 2,221 thousand, from EUR nil as of year ended on 31 December 2021 to EUR 2,221 thousand as of year ended on 31 December 2022 is due to the initial investment of EUR 2,650 thousand less the recognition of the percentage of losses of EUR 429 thousand attributable to the Issuer in application of the equity method.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are mainly composed of our investments in equity instruments in investment funds. The value of financial assets at fair value through other comprehensive income increased by EUR 969 thousand or 71%, from EUR 1,372 thousand as of year ended on 31 December 2021 to EUR 2,341 thousand as of year ended on 31 December 2022. This increase was primarily attributable to financial assets that are partly pledged as collateral for various financing lines and loans granted to us by financial institutions.

Financial assets at amortized cost

Financial assets at amortized cost are mainly composed of deposits with financial institutions. The value of financial assets at amortized cost increased by EUR 583 thousand or 4,858%, from EUR 12 thousand as of year ended on 31 December 2021 to EUR 595 thousand as of year ended on 31 December 2022. This increase was primarily related to loan and credit facilities with financial institutions.

Current assets

Inventories

Inventories increased by EUR 9,981 thousand or 76%, from EUR 13,086 thousand as of year ended on 31 December 2021 to EUR 23,067 thousand as of year ended on 31 December 2022. This increase was in line with the growth of our operating activity.

Other current assets

Other current assets increased by EUR 351 thousand or 126%, from EUR 279 thousand as of year ended on 31 December 2021 to EUR 630 thousand as of year ended on 31 December 2022. This increase was related to the amounts paid to suppliers in advance for goods and services.

Trade receivables

Trade receivables increased by EUR 10,721 thousand or 82%, from EUR 13,043 thousand as of year ended on 31 December 2021 to EUR 23,764 thousand as of year ended on 31 December 2022. This increase was largely attributable to the evolution of sales.

Other financial assets at amortized cost

Other financial assets at amortized cost are mainly composed of short-term financial investments and prepaid expenses amounting to EUR 317 thousand and EUR 877 thousand, respectively, as of 31 December 2022. The value of other financial assets at amortized cost increased by EUR 1,013 thousand or 560%, from EUR 181 thousand as of 31 December 2021 to EUR 1,194 thousand as of 31 December 2022. This increase was primarily related to an increase in short-term investments and prepaid expenses associated with the initial public offering.

Cash and cash equivalents

Cash and cash equivalents value increased by EUR 14,644 thousand or 820%, from EUR 1,785 thousand as of year ended on 31 December 2021 to EUR 16,429 thousand as of year ended on 31 December 2022. This increase was primarily due to an increase in revenue and proceeds from financing facilities, partially offset by the dividend distribution and acquisition of PB Online S.r.l..

Liabilities

Non-current and current borrowings

The following table sets forth a breakdown of current and non-current borrowings as of 31 December 2022 and 2021.

(In thousands of Euros)	**As of 31 December**	
	2022	**2021**
Non-current		
Bank Borrowings	10,791	1,161
Shareholders' loan	2,455	2,055
Credit lines	-	289

(In thousands of Euros)	As of 31 December	
	2022	**2021**
Total	**13,246**	**3,505**
Current		
Bank Borrowings	2,877	204
Shareholders' loan	3,061	28
Credit lines	13,456	7,904
Suppliers of fixed assets	-	119
Total	**19,394**	**8,255**
Total borrowings	**32,640**	**11,760**

Non-current Borrowings are mainly composed of fixed-rate loans with credit institutions. The value of non-current borrowings increased by EUR 9,741 thousand or 278%, from EUR 3,505 thousand as of year ended on 31 December 2021 to EUR 13,246 thousand as of year ended on 31 December 2022. This increase was primarily related to an increase in indebtedness.

Current Borrowings are mainly composed of fixed-rate loans with credit institutions. Current Borrowings increased by EUR 11,139 thousand or 135%, from EUR 8,255 thousand as of year ended on 31 December 2021 to EUR 19,394 thousand as of year ended on 31 December 2022. This increase was primarily related to an increase in indebtedness.

Current Trade and other payables increased by EUR 15,986 thousand or 109%, from EUR 14,700 thousand as of year ended on 31 December 2021 to EUR 30,686 thousand as of year ended on 31 December 2022. This increase was primarily attributable to the increase in our operating activities.

The following table sets forth a breakdown of Trade and other payables as of 31 December 2022 and 2021.

(In thousands of Euros)	As of 31 December	
	2022	**2021**
Trade and other payables		
Short-term suppliers	29,202	14,141
Trade creditors	1,237	481
Payroll (remuneration pending payment)	169	47
Other creditors	78	31
Total Trade and other payables	**30,686**	**14,700**

<u>Non-current and current Lease liabilities</u>

The following table sets forth a breakdown of current and non-current lease liabilities as of 31 December 2022 and 2021.

(In thousands of euros)	As of 31 December	
	2022	**2021**
Non-current lease liabilities	1,035	31
Liabilities for current leases	207	41
Total	**1,242**	**72**

Lease liabilities represent the present value of the payment obligation as a lessee over the term of lease contracts. Its total value increased by EUR 1,170 thousand or 1,625%, from EUR 72 thousand as of year ended on 31 December 2021 to EUR 1,242 thousand as of year ended on 31 December 2022. This increase was primarily due to the sale and leaseback transaction described above under Net gains/(losses) on disposal of non-current assets.

Non-current Provisions

Non-current Provisions decreased by EUR 57 thousand or 100%, from EUR 57 thousand in the year ended on 31 December 2021 to EUR nil as of year ended on 31 December 2022. This decrease was attributed to the reversal of provisions recognized as of year ended on 31 December 2021 as it is no longer probable that an outflow of resources will be required to settle the obligation.

Current Contract liabilities

Contract liabilities are mainly composed of advance payments from customers. The value of contract liabilities increased by EUR 1,049 thousand or 1,362%, from EUR 77 thousand as of year ended on 31 December 2021 to EUR 1,126 thousand as of year ended on 31 December 2022. This increase was in line with the growth of our revenue.

Current tax liabilities

Tax liabilities increased by EUR 241 thousand or 73%, from EUR 330 thousand as of year ended on 31 December 2021 to EUR 571 thousand as of year ended on 31 December 2022. This increase was primarily attributable to higher income tax expense.

(C) Alternative Performance Measures (APMs) of the Issuer for the years ended on 31 December 2022 and 2021

In this Admission Document we use the following APMs: (i) **EBITDA** and (ii) **Net Financial Position**. The APMs included in this Admission Document have been calculated or presented following the same methodology for all periods.

We use these measures as internal measures to evaluate and compare our performance and financial position. For the same reasons, we believe these measures are also useful for communicating with our investors and other stakeholders. However, these measures, which are unaudited, are not defined under IFRS-EU, should not be considered in isolation, do not represent a substitute of our results of operations or cash flows for the years indicated in accordance with IFRS-EU and should not be construed as an alternative to operating profit or cash flows from operating, investing and financing activities in accordance with IFRS-EU as an indicator of operational performance or liquidity. Changes in these measures do not imply the same change in turnover or other line items in the income statement, balance sheet or cash flow statement.

APMs presented in this Admission Document include figures derived from the Audited Financial Statements. We present these APMs as supplemental information because we believe they provide a useful additional basis for comparing our performance and liquidity and facilitate comparisons of operating performance and liquidity from year to year and company to company.

The APMs included in this Admission Document might not be calculated or presented in the same way as similarly titled measures used by other companies, and consequently, such data may not be comparable with the data presented by such companies.

The following table shows the main APMs of the Issuer for the years ended on 31 December 2022 and 2021.

(In thousands of euros)	**As of and for the year ended on 31 December**	
	2022	**2021**
EBITDA (1)	7,451	3,888
Net Financial Position (2)	17,136	9,866

(1) EBITDA is defined as profit for the period attributable to the parent company before income tax, income/(loss) of investments accounted for by the equity method, financial profit/(loss), depreciation and amortization, net gains/(losses) on disposal of non-current assets, and other gain/(losses).

The table below sets forth the reconciliation of EBITDA for the years ended on 31 December 2022 and 2021.

(In thousands of euros)	**For the year ended on 31 December**		
	2022	**2021**	**Percentage change**
Profit/(loss) for the period attributable to the Parent Company	**4,996**	**2,566**	**95%**
Income tax	1,857	871	113%
Share of income/(loss) of investments accounted for by the equity method	429	-	-
Financial profit/(loss)	877	139	531%
Depreciation and amortization	410	97	323%
Net gains/ (losses) on disposal of non-current assets	(1,424)	32	(4,550%)
Other gains/(losses)	306	183	67%
EBITDA	**7,451**	**3,888**	**92%**

We believe that EBITDA is useful as a measure of the performance of our core business, as it excludes potential differences between periods derived by factors such as amortization and depreciation, financing structures, taxation regime and other gains or expenses which are not directly originated by our core operations.

(2) Net financial Position is defined as non-current financial debt *plus* current financial debt *minus* cash and cash equivalents, in accordance with the guidelines on disclosure requirements under the Prospectus Regulation published by ESMA on 4 March 2021 and Consob guideline no. DEM/6064293 of 28 July 2006, as subsequently amended, supplemented and interpreted by, inter alia, Consob warning notice (*richiamo di attenzione*) no. 5/21.

The table below sets forth the reconciliation of Net Financial Position as of years ended on 31 December 2022 and 2021:

(In thousands of euros)	As of 31 December	
	2022	**2021**
Non-current borrowings	13,246	3,505
of which:		
Shareholders' loan	*2,455*	*2,055*
Non-current lease liabilities	1,035	31
Current borrowings	19,394	8,255
of which:		
Shareholders' loan	*3,061*	*28*
Current lease liabilities	207	41
Cash and cash equivalents	(16,429)	(1,785)
Short-term financial investments	(317)	(181)
Net Financial Position	**17,136**	**9,866**

Net Financial Position is a financial position metric that provides us with a general understanding of our level of indebtedness. Net Financial Position is calculated as current and non-current borrowings and lease liabilities less cash and cash equivalents less current financial assets.

For a better understanding of our Net Financial Position, this should be read and analysed in conjunction with our balance sheet. In particular, we hold non-current financial assets for an amount of EUR 2,341 thousand as of 31 December 2022, which are pledged as collateral and directly related to the borrowings presented in the Net Financial Position. In addition, the shareholders' loans detailed above, for a total amount of EUR 5,516 thousand, are subordinated to the payment of the rest of the indebtedness outstanding and, in accordance with the mercantile legislation in Spain, can be considered akin to equity for the purpose of winding up of the Issuer or for the purpose of reduction of the share capital of the Issuer, in case accumulated losses would reduce the equity of the Issuer below certain thresholds calculated over the share capital.

The ratio of Net Financial Position/EBITDA as of 31 December 2022 was 2.3x and as of 31 December 2021 was 2.5x.

The ratio of Net Financial Position/Equity as of 31 December 2022 was 2.3x and as of 31 December 2021 was 2.1x.

(D) Information of the Issuer's cash flows for the financial years ended on 31 December 2022 and 2021

The following table shows the main information selected on the Issuer's cash flows for the years ended on 31 December 2022 and 2021.

(In thousands of euros)	For the year ended on 31 December	
	2022	**2021**
Cash flows from operating activities (A)	623	(5,399)
Cash flows from investing activities (B)	(4,538)	(2,429)
Cash flows from financing activities (C)	18,442	8,905
Net increase/ (decrease) in cash and cash equivalents (A)+(B)+(C)	**14,527**	**1,077**

(In thousands of euros)	**For the year ended on 31 December**	
	2022	**2021**
Cash and cash equivalents at the beginning of the financial year	1,785	707
Effects of exchange rate changes on cash and cash equivalents	117	1
Cash and cash equivalents at the end of the financial year	16,429	1,785

Cash flows used in operating activities

Net cash used in operating activities decreased by EUR 6,022 thousand or 112%, from EUR 5,399 thousand in the year ended on 31 December 2021 to an inflow of EUR 623 thousand in the year ended on 31 December 2022. This decrease in cash outflow was primarily due to an increase in our revenue resulting from growth of our units sold and geographical expansion.

Cash flows used in investing activities

Net cash used in investing activities increased by EUR 2,109 thousand or 87%, from EUR 2,429 thousand in the year ended on 31 December 2021 to EUR 4,538 thousand in the year ended on 31 December 2022. This increase was mainly a result of: (i) increased investments in intangible assets, (ii) acquisition of our share in PB Online S.r.l., (iii) investments in participations in investment funds, and (iv) sale of industrial warehouse.

Cash flows used in financing activities

Net cash from financing activities increased by EUR 9,537 thousand or 107%, from EUR 8,905 thousand in the year ended on 31 December 2021 to EUR 18,442 thousand in the year ended on 31 December 2022. This increase in cash inflow was primarily a result of (i) higher level of external financing, (ii) payments and amortizations related to bank borrowings, and (iii) dividends paid.

SECTION I, CHAPTER IV - RISK FACTORS

An investment in the Shares involves a high degree of risk. Accordingly, before deciding to make an investment in the Shares, potential investors are advised to carefully consider the risks described below, in conjunction with all the information contained in the Admission Document.

An investment in the Shares presents the risk elements typical of an investment in equity securities of companies admitted to trading on a non-regulated market.

In order to make a correct assessment of the investment in Shares, investors are invited to evaluate the specific risk factors relating to the Issuer and the business sector in which they operate and the financial instruments, together with all the information contained in the Admission Document. The occurrence of any of the circumstances described in any of the following risk factors could adversely affect the Issuer's results of operations, assets, and cash flows, its prospects and the price of the Shares, and shareholders could lose all or part of their investment. Such adverse effects on the Issuer and the Shares could also occur if events occur, as of the Date of Admission Document not known to the Issuer, which would expose the Issuer to additional risks or uncertainties, or if risk factors considered insignificant as of the Date of Admission Document become so as a result of intervening circumstances.

The Issuer considers the following risks to be relevant for potential investors.

References to Parts, Sections and Paragraphs refer to Sections, Chapters and Paragraphs of the Admission Document.

4.1 RISK FACTORS RELATING TO THE ISSUER

4.1.1 RISK FACTORS RELATING TO THE ISSUER'S BUSINESS

4.1.1.1 Risks related to the rapid growth of the business and to the Issuer's working capital requirements

The Issuer faces expenses as well as difficulties typical of companies with a recent operating history and rapid growth. There can be no assurance that future growth targets can be effectively achieved, also in light of the fact that the Issuer will have to face the risks and expenses typical of companies with a recent operating history and strong growth. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of medium-low probability of occurrence, could have a high adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of high significance.

In the financial years ended on 31 December 2021 and 2022, the Issuer reported particularly significant growth in turnover and volumes, but against the backdrop of negative cash flows and reduced capitalisation and margins, in line with other players in the sector in which it operates.

In the financial years ended on 31 December 2021, 2022, the Issuer reported operating profits of EUR 3.6 million and EUR 8.2 million, respectively, negative operating cash flows of EUR 5.4 million and positive operating cash flows of EUR 0.6 million against an increase in revenues of 89%.

It should also be noted that, in the year ended on 31 December 2022, the investment in PB Online S.r.l. reported negative operating profits for EUR -0.9 million, negative net result for the year equal to EUR -0.9 million, against the backdrop of total revenues equal to EUR 1.5 million and cash and cash equivalent equal to EUR 0.4 million. In 2022, the investment in PB Online S.r.l., as a joint venture accounted for using the equity method, reported a negative result from the application of the equity method of EUR 429 thousand.

It should also be noted that in 2022, given PB Online S.r.l.'s negative cash flows, the Issuer granted a loan to PB Online S.r.l., for the purpose of funding PB Online S.r.l.'s operations. As of 31 December 2022, the Issuer's receivables vis-à-vis PB Online S.r.l. arising from such loan amounted to EUR 495 thousand (no amount was due in previous years), with annual maturity. As of 30 June 2023, the Issuer's loan granted to PB Online S.r.l. increased to EUR 1,175 thousand.

As of 31 December 2022 and 31 December 2021, the Issuer respectively had a net financial debt of EUR 17.1 million and EUR 9.9 million.

Therefore, in light of the above, the reduced margins, the Issuer's level of capitalisation in relation to its business volume and the need to meet its obligations, could lead the Issuer to devote a substantial part or all of its cash flows to the payment of its debts, thus (potentially) decisively reducing the availability of financial resources for the performance of operating activities and the financing of investment activities. The aforementioned circumstances could also limit the Issuer's flexibility and ability to react to changes in the sector in which the Issuer operates. In addition, it cannot be excluded that the Issuer may in the future draw on part or all of the net proceeds of the Offer to make any payment of its debts and meet its net financing requirements.

Consequently, considering all the above, there is no guarantee that the future growth targets can be effectively achieved, also in light of the fact that the Issuer will have to face the risks and expenses typical of companies with a recent operating history and strong growth.

For further information, please refer to Section One, Chapter III, Paragraph 3.2, of the Admission Document.

4.1.1.2 Risks related to seasonal revenue

The Issuer is subject to seasonality in the sales of products. It exists therefore the risk that the semi annual economic and financial results provide a partial representation of the business performance, economic performance, cash flow generation and, as a result, of the financial position of the Issuer.

The occurrence of the events subject to this risk, considered by the Issuer to be of medium-low probability of occurrence, could have a high adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of high significance.

In the first half of the year ended 30 June 2021, the Issuer has achieved around 41% of its turnover (against around 59% achieved in the second half of 2021). In the first half of the year ended 30 June 2022, the Issuer has achieved around 37% of its turnover (against around 63% achieved in the second half of 2022).

From a financial point of view, the first half of the year shows cash generation below that of the second half due to the seasonality of sales mentioned above. The Issuer constantly monitors its cash availability (both outflows and inflows) in order to be able to meet financial deadlines.

The incorrect definition of the cash requirements during the periods of the years could negatively affect the ability of the Issuer to meet financial deadlines reflecting negative effects on the economic performance, assets and on the financial position of the Issuer.

The incorrect definition of the product assortment in terms of variety and availability during the periods of the year characterized by high sales or the non-timeliness of the strategy change depending on updated sales data and information, could negatively affect the responsiveness of the product offer to customer demand, reflecting negative effects on the economic performance, assets and financial position of the Issuer.

4.1.1.3 Risks related to attacks and the operation of computer systems

The activity carried out by the Issuer is closely related to the operation of technological infrastructures and information systems, both proprietary, including the MarVin software, and of third parties, and by nature exposed to multiple operating risks arising from equipment failures, work or connectivity interruptions, programming errors, cyber-attacks and/or events of an exceptional nature that, should they occur, could jeopardise the proper functioning of the systems and have the effect of forcing the Issuer to suspend (if not interrupt) its activities, with potential detrimental effects on its results of operations, assets, and cash flows, as well as exposure to potential reputational damage and compensation claims.

The occurrence of the events subject to this risk, considered by the Issuer to be of medium-low probability of occurrence, could have a high adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium-high significance.

The Issuer is exposed to operational risks related to the use of the internet, and, in particular, to the use of the platforms used in the e-commerce business, as any interruptions, inefficiencies, suspensions or failures of Internet lines may compromise the operation of the Issuer's information systems. Furthermore, in the e-commerce sector, it is necessary to respect and maintain high security standards with particular reference to commercial transactions carried out by consumers for the purchase of products. For the period to which the included financial information relates and up to the Date of Admission Document, occasional technical server slowdowns occurred, promptly resolved, which, to the Issuer's knowledge, did not adversely affect the handling of orders and deliveries of consumer electronic products resold by the Issuer through its e-commerce platform.

It should be noted that in recent years the computer systems of an increasing number of companies and other organisations have been subject to attacks by cyber criminals. The Issuer's systems may be vulnerable to external or internal security breaches, acts of vandalism, computer viruses and other forms of attacks. Such attacks could lead to the disabling of the computer systems used by Riba Mundo for the conduct of its business, as well as result in the loss of large amounts of data (including personal data) or other sensitive information, potentially subjecting the Issuer to criminal and/or civil penalties and/or other forms of liability. Certain confidential information could also be improperly acquired, stolen or used, intentionally or unintentionally, including by current or former employees, consultants or suppliers or by other persons who have had access to it. Any misappropriation, unlawful use of such information, loss of data or communication of confidential and/or proprietary information, or tampering with such information could result in, among other things, a violation of data protection regulations, which could be attributable to the Issuer, which could therefore incur legal liability and possible claims for damages.

Any such event could have an adverse effect, even a significant one, on the Issuer's business, prospects and on its results of operations, assets, and cash flows. Moreover, as cyber-attack attempts are constantly evolving in scope and sophistication, the Issuer is required to incur significant costs to upgrade and improve its information security systems and processes. However, there can be no assurance that the security systems or processes in place, as at the Date of Admission Document, or that the Issuer may implement in the future will be able to prevent or mitigate the damage resulting from such cyber-attacks. For the financial year ended on 31 December 2022 and up to the Date of Admission Document, there have been no instances of attacks on the Issuer's computer systems.

The Issuer's information and communication systems may also be damaged or interrupted by natural disasters, energy damage, interruption of telecommunication lines, acts of terrorism, acts of God, computer viruses, physical or electronic intrusions and similar events or interruptions.

For further information, please refer to Section One, Chapter VI, Paragraph 6.1.5, of the Admission Document.

4.1.1.4 Risks related to rapid growth management

In light of, inter alia, the relatively recent incorporation of the Issuer (2018), the Issuer is exposed to risks associated with rapid growth management. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of medium-low probability of occurrence, could have a medium-high adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium significance.

The Issuer intends to pursue a growth strategy that envisages, inter alia, substantial investments in technology and warehousing to be realised, inter alia, through the use of the proceeds from the Offer.

The prospect of high growth, together with the investment strategies that the Issuer intends to adopt, will entail an increase in investments in technology and human capital compared to the current organisational structure. Should the actual growth in the coming years turn out to be lower than budgeted, the Issuer's ability to repay the investments in the organisational structure could be impaired, with consequent negative effects on its growth prospects as well as on its results of operations, assets, and cash flows.

In addition, the substantial investments related to growth will lead to an increase in the Issuer's working capital requirements. In this regard, the Issuer will have to structure its organisational model and internal procedures and adapt its working capital management policies to the increased needs and meet the related financial requirements by finding adequate financial resources, in order to respond promptly and effectively to the needs and demands generated by the possible high growth rates associated with its strategy. Should the Issuer's ability to respond effectively and efficiently to the new working capital requirements be impaired, this could have significant negative effects on its growth prospects as well as on its results of operations, assets, and cash flows.

In general, should the Issuer not be able to efficiently and adequately manage the growth path, the process of adapting the organisational model to the increased management complexity or the inclusion of additional management figures or high technical skills in its workforce, the Issuer may not be able to realise its growth plans and there may be negative effects on the Issuer's development activities, prospects and on its results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter VI, Paragraph 6.4, of the Admission Document.

4.1.1.5 Risks related to technological change and maintaining high standards of innovation

The sector in which the Issuer operates, also through the MarVin software, is subject to rapid technological progress and requires the use and development of complex and innovative solutions. The Issuer is exposed to the risks connected to the possible difficulty or impossibility of adapting to the technological evolution of the sector, as well as to the lack or inefficiency of the research and development activity carried out by the same for the realisation of innovative products and services. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a medium-high adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium significance.

The sector in which the Issuer operates, also through the MarVin software, is characterised by rapid and significant technological changes, the continuous introduction of new products and services, evolving industry standards, changing customer needs and preferences and the entry of new operators. In this competitive context, the Issuer's success depends, among other things, on its ability to promptly adapt and innovate its offer of products and services in accordance with foreseeable technological developments. In order to make the services provided more and more efficient and, consequently, to make them competitive, the Issuer must continuously update its technologies and its offer in advance of its competitors, also through continuous and constant investment in research and development activities. Therefore, should the Issuer not be able to implement the aforesaid activities in a timely manner, this could have a significant impact on the Issuer's growth and ability to generate revenues, with a consequent, even significant, impact on its equity, economic and financial situation.

For further information, please refer to Section One, Chapter VI, Paragraph 6.1.3, of the Admission Document.

4.1.1.6 Risks related to existing debt and possible covenant breaches

As at 31 December 2022, the Issuer's gross financial debt was EUR 32,640 thousand. The Issuer is party to a number of loan agreements with third parties, the provisions of which impose limitations on the Issuer's operations (in particular, limitations on the possibility of carrying out certain transactions or incurring further indebtedness) and financial covenants, the breach of which could, in certain cases, result in the forfeiture of the benefit of the term, with the consequent need to repay the main loan agreements with third parties. In addition, Riba Mundo is exposed to the risk of significant changes in interest rates with a consequent increase in the financial charges related to variable rate debt, for which the Issuer has not adopted any type of risk hedging. The occurrence of such risks would cause detrimental effects on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of medium-low probability of occurrence, could have a medium-high adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium significance.

As at 31 December 2022 the Issuer's gross financial debt of EUR 32,640 thousand was composed of (i) loans with credit institutions for an amount of EUR 13,668 thousand, (ii) credit lines for an amount of EUR 13,456 thousand and (iii) shareholders' loans for an amount of EUR 5,516 thousand.

Loans with credit institutions have long term maturity for a 79% of their amount and bear interest at Euribor plus a market spread.

Credit lines have all maturity in the short term and are mainly composed by several operating financing facilities and import financing facilities for a drawn down amount of EUR 7,414 thousand and by credit facilities for a drawn down amount of EUR 5,991 thousand.

Shareholders' loans are composed of EUR 3,061 thousand of short-term balance and EUR 2,455 thousand of long term balance.

For further information on the Issuer's indebtedness, please refer to Note 16 to the Special Purpose Financial Statements 2022 and 2021.

Although as at 31 December 2022 and 2021 and as at the Date of Admission Document, the Issuer has complied with the limits and constraints imposed, the Issuer may fail to comply with, or may be sued for failing to comply with, the covenants, including the financial parameters, resulting in the obligation to immediately repay the remaining portions of the loans, and the occurrence of such events could have an adverse effect on the Issuer's financial position.

For further information, please refer to Section One, Chapter XVI, Paragraph 16.3, of the Admission Document.

4.1.1.7 Risks related to inventory

The Issuer is exposed to the risk of rapid changes in product inventories due to possible purchase decisions by customers as well as to the risk of products' obsolescence with consequent detrimental effects on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a high adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium significance.

As of 31 December 2022 and 31 December 2021, the value of closing inventories, net of the related allowance for inventory write-downs, amounted to EUR 23.1 million and EUR 13.1 million, respectively, corresponding to 7.0% in 2022 and 7.5% in 2021 of total sales.

It should be noted that the Issuer's warehouse usually experiences a peak in supply during the months of June and October.

In consideration of the importance that warehouse management plays within its business organisation, the Issuer may be exposed to a warehouse sizing risk, connected to the correct forecast of the quantity and assortment of products for subsequent marketing. Moreover, the Issuer's reference market is influenced by changing trends and its success depends on its ability to interpret the preferences of its customers, to offer new products and to continuously renew its collections.

In the event that the Issuer does not have an adequate quantity of products at its disposal, it may incur the risk of not satisfying the relative demand of its customers adequately and in a timely manner; if, on the other hand, the quantity of such products proves to be excessive with respect to orders, the Issuer may face the relative risks of unsold and obsolete products.

As of the Date of Admission Document, the Issuer can't rely on allowances for the risk of products' obsolescence.

Should the Issuer fail to foresee and/or cope with the aspects that could give rise to the aforementioned risks, there could be adverse effects on the Issuer's results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter VI, Paragraph 6.1.7, of the Admission Document.

4.1.1.8 Risks related to the Issuer's dependence on key figures

As of the Date of Admission Document, the Issuer's results and success depend to a significant extent on the contribution and experience of Marco Dezi (Chief Executive Officer), Vincenzo Poeta (Key Account Manager) and Mirco Sorbo (Sales Manager), as well as the Issuer's management who, thanks to their consolidated experience in the sector or within the scope of their specific responsibilities and competencies, contribute significantly to the development of the Issuer's activities. The Issuer is exposed to the risk of an eventual interruption of the professional relationship with Marco Dezi, Vincenzo Poeta and Mirco Sorbo, as well as with other top management figures, as well as to the risk of not being able to attract and keep highly qualified personnel, with possible detrimental effects on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a medium adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium-low significance.

It should be noted that, as of the Date of Admission Document, the key figures of the Issuer - Marco Dezi (Chief Executive Officer), Vincenzo Poeta (Key Account Manager) and Mirco Sorbo (Sales Manager) - have contributed and continue to contribute significantly and decisively to the development and success of Riba Mundo's strategies. As at the Date of Admission Document, there are no employment contracts entered into by members of the Board of Directors with the Issuer that provide for higher severance payments than the ones established by the current Spanish labour regulation, if applicable.

As of the Date of Admission Document, Marco Dezi and Vincenzo Poeta respectively hold a 50.25% shareholding in the share capital of Riba Mundo and a 50% shareholding in the share capital of Gioya, which in turn holds a 22.25% shareholding in the share capital of Riba Mundo.

In light of the foregoing, although from an operational and managerial standpoint the Issuer believes that it has a management and structure capable of reasonably ensuring continuity in the management of the business, the link between the management and the Issuer remains a critical success factor for the same.

Therefore, notwithstanding the existing shareholding relationships in the Issuer's capital with the aforesaid persons, it cannot be ruled out that should such key figures cease to perform the role they had played up to the Date of Admission Document, or should the Issuer prove incapable of attracting, training and retaining qualified managers, such circumstances could have a negative effect on the Issuer's competitive capacity and growth and affect its expected objectives, with possible detrimental effects on the Issuer's business and growth prospects as well as on the Issuer's results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter VI, Paragraph 6.1.6, of the Admission Document.

4.1.1.9 Risks related to the incidence of Xiaomi-branded products in the Issuer's product portfolio

As of the Date of Admission Document, Xiaomi-branded products have a large impact on the portfolio of products marketed by the Issuer. The Issuer is exposed to the risk that it may not be able to adequately or timely replace Xiaomi-branded products in the event of a sudden suspension or interruption of supply in the Issuer's core markets. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of medium-low probability of occurrence, could have a medium adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium-low significance.

Although the Issuer has a broad and diversified product portfolio, which as of the Date of Admission Document includes over 5,000 references and over 130 brands in 14 different product categories, both electronic and consumer, Xiaomi-branded products have a significant impact on the composition of the product portfolio. As of the Date of Admission Document, Xiaomi-branded products represented about 28% of the references in the smartphone category, about 16% of the references in the computing category, about 3% of the references in the smartwatch category, about 2% of the references in the speakers category, about 7% of the references in the headphones category, about 1% of the references in the consumables and office category, approximately 15% of the references in the ecosystem and home category, approximately 4% of the references in the small electrical household appliances category, approximately 10% of the references in the personal technology category, approximately 3% of the references in the photo and video category, approximately 3% of the references in the tablet category, approximately 2% in the home category, approximately 4% hardware category and approximately 2% of the references in the television set category.

In the event that national and/or international authorities introduce protectionist measures to restrict the marketability in the Issuer's target markets of Xiaomi-branded products or hardware and software components necessary for the production of such products, suppliers of Xiaomi-branded products may find it difficult or impossible to deliver them to the Issuer on time. Any delays in the delivery of supplies could jeopardise the Issuer's ability to meet the needs of one or more customers or to operate at current production levels, which could adversely affect the Issuer's results of operations, assets, and cash flows.

In addition, should Xiaomi-branded products become obsolete, incompatible with the changing needs of customers, uncompetitive, outdated compared to those on the market, or be affected by serious and systematic manufacturing defects, and should the Issuer not be able to adapt its product portfolio in a timely manner, such circumstances could result in the Issuer's loss of market share in the short term, with consequent detrimental effects on the Issuer's results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter VI, Paragraph 6.1.4, of the Admission Document.

4.1.1.10 Risks related to the Issuer's receivables

The Issuer is exposed to the risk that its customers may delay or fail to fulfil their payment obligations on the agreed terms and in the agreed manner, and that the internal procedures adopted in relation to the assessment of the creditworthiness and solvency of customers may not be sufficient to guarantee the successful completion of collections. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a medium adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium-low significance.

The Issuer is exposed to the risk that its customers fail to fulfil their payment obligations in a timely manner, or at all. Such non-payments, late payments or other defaults may be due to the insolvency or bankruptcy of the customer, cyclical events or customer-specific situations. Late payments may have the effect of delaying incoming cash flows.

As of 31 December 2022 and 31 December 2021, the Issuer's receivables amounted to EUR 23.8 million and EUR 13.0 million, respectively.

The gross book value of only past due receivables beyond 90 days as of 31 December 2021 amounted to EUR 313 thousand. The allowance for doubtful accounts as of 31 December 2022 amounted to EUR 0 (EUR 0 as of 31 December 2021). As of 31 December 2022, the gross carrying amount of past due receivables beyond 90 days was EUR 145 thousand; as at the same date, the allowance for doubtful accounts was EUR 0. During 2022, the Issuer recognized a loss of EUR 74 thousand for unrecoverable trade receivables (in 2021 the Issuer recognized a loss of EUR 3 thousand). As of 31 March 2023, the gross carrying amount of past due receivables beyond 90 days was EUR 1.0 million.

It should also be noted that in 2022, given PB Online S.r.l.'s negative cash flows, the Issuer granted a loan to PB Online S.r.l., for the purpose of funding PB Online S.r.l.'s operations. As of 31 December 2022, the Issuer's receivables vis-à-vis PB Online S.r.l. arising from such loan amounted to EUR 495,000 (no amount was due in previous years), with annual maturity. As of 30 June 2023, the Issuer's loan granted to PB Online S.r.l. increased to EUR 1,175 thousand. Although the Issuer believes that the PB Online's loan was granted at normal market terms and conditions, there can be no assurance that, had such transaction been entered into with third parties, such parties would have negotiated and entered into the financing at the same terms and conditions.

Credit management is carried out on the basis of formalised procedures for the evaluation and entrusting of commercial counterparties and the monitoring of credit exposures, including credit recovery activities and any management of litigation. In addition, the Issuer has taken out insurance coverage on non-payment or delayed payment of receivables, which, as of the Date of Admission Document, covers approximately 69% of the Issuer's turnover for the financial year ending 31 December 2022.

It cannot be ruled out that a greater proportion of the Issuer's customers may delay or fail to honour payments on the agreed terms and in the agreed manner, or that insurance coverage may not prove to be appropriate with respect to overdue receivables, with a consequent negative impact on the Issuer's results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter III, Paragraph 3.2, of the Admission Document.

For further information concerning the ePrice Financing Agreement, please refer to Section One, Chapter XIV, Paragraph 14.1.2, of the Admission Document.

4.1.1.11 Risks related to recruiting and retaining qualified personnel

The Issuer may not be able to attract and find qualified personnel to the extent that it can meet the trend in demand for its services or may not be able to retain those currently employed. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a medium adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium-low significance.

The market in which the Issuer operates is constantly developing, and the continuous updating of the technological solutions that make up its business model (including the MarVin software), which is partly the subject of the Issuer's strategy, represents an essential element for the achievement of estimated results and for maintaining a high degree of competitiveness. In this context, an essential role is played by the highly specialised resources employed by the Issuer, necessary to design, develop, integrate and maintain the IT solutions underlying the services offered. The Issuer's success therefore also depends on its ability to attract and train staff with an adequate degree of specialisation and technical and professional skills in line with industry standards, as well as to retain the qualified personnel currently employed.

As at 30 June 2023, the Issuer employs 72 employees and has a low staff turnover.

As a result of the above, the Issuer is therefore exposed to the risk - also in light of the high degree of competitiveness in the sector in which it operates - of not finding highly specialised technical personnel in the sector in which the Issuer operates within the timeframe imposed by technological evolution and dictated by operational requirements.

For further information, please refer to Section One, Chapter XII, Paragraph 12.1, of the Admission Document.

4.1.1.12 Risks related to relationships with suppliers

In order to carry out its activities, the Issuer makes use of third-party suppliers. In particular, the Issuer has entered into long-term agreements with major national and international couriers for the delivery of products. Any increases in the costs relating to the aforementioned services, as well as failures by some of the suppliers to fulfil their obligations that compromise the correct and punctual performance of the Issuer's activities, including the failure to respect product delivery times, could have detrimental effects on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

The Issuer's business is linked to the ability of its suppliers to make deliveries on time, as well as the ability of the Issuer's own structures to carry out adequate scouting for new suppliers and to maintain profitable relations with existing suppliers.

In order to carry out its activities, the Issuer uses third-party suppliers. In particular, the Issuer has long-term agreements in place with major national and international couriers for the delivery of products.

The use of third-party suppliers exposes the Issuer to the risks associated with reduced control over delivery times, as well as other critical issues arising from, for example, non-fulfilment of contractual obligations and delays in transport and delivery.

In the event that suppliers cease or delay supply, the Issuer may encounter difficulties in finding alternative suppliers, which could adversely affect the Issuer's results of operations, assets, and cash flows.

Furthermore, the application of economic conditions that are worse than the current ones could lead to an increase in costs and therefore affect the Issuer's margins and its results of operations, assets, and cash flows.

The Issuer believes that it is possible to find alternative suppliers to replace the existing ones and not to depend on them, but such replacement could entail the need to revise the economic terms and conditions of supplies and/or activities, even in a way that would be detrimental to the Issuer.

Furthermore, the Issuer's ability to retain its customers and to establish a relationship of mutual trust with them depends significantly on the Issuer's ability to respect the delivery times of products to customers. Therefore, any inefficiencies or delays on the part of its suppliers could lead to delays on the part of the Issuer in the delivery of products to its customers, resulting in a loss of trust on the part of the latter and increased costs for the Issuer. Such a situation could have a negative effect on the Issuer's results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter VI, Paragraph 6.5, of the Admission Document.

4.1.1.13 Risks related to extraordinary transactions carried out by the Issuer

The completion of the extraordinary transactions exposes the Issuer to risks connected to the failure to realise synergies, as also set forth in the business plan, between the activities carried out by the Issuer, also due to the failure to integrate the acquired companies, such as the risk of the failure to achieve effective coordination between the management of the various corporate structures, as well as the risk of the failure to achieve synergies and economies of scale. The non-integration could result in a failure to achieve the expected results (both in terms of costs and revenues), as also represented in the business plan, or in a possible increase in the costs necessary to allow the integration of the acquired companies and corporate structures, with detrimental effects on the Issuer's results of operations, assets, and cash flows. In addition, there is no certainty that the Issuer would be able to identify and obtain protection with respect to all current or contingent liabilities of a given business. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

On 10 October 2022, the Issuer completed an extraordinary transaction to establish a joint venture with Portobello S.p.A., subscribing half of the shares of the Italian company PB Online S.r.l. (with Portobello S.p.A. subscribing the remaining half of the shares). The transaction was carried out in order for the jointly controlled company to acquire certain assets from ePrice Operations S.r.l. associated with the "ePrice" sales platform and brand, an Italian online shop specialising in the sale of high-tech products. For further information, please refer to Section One, Chapter XVI, Paragraph 16.1.1, of the Admission Document.

These transactions are part of the Issuer's strategy of expansion by external lines, in order to strengthen its competitive position. The completion of extraordinary transactions exposes the Issuer to the risks highlighted below.

The achievement of the growth objectives pursued with extraordinary transactions also depends on the Issuer's ability to achieve potential synergies and economies of scale. The achievement of these objectives will depend, inter alia, on the Issuer's ability to efficiently integrate the various entities and businesses acquired, to retain its current commercial network, customer portfolio or portfolio of projects under development, key personnel and employees, to increase productivity and to rationalise its structures and costs at the same time.

If, also as a result of events beyond the Issuer's control (such as, for example, an increase in the costs expected for the integration of the companies and activities acquired, the occurrence of unforeseen problems, a deviation in terms of costs incurred or revenues achieved compared to those expected, the occurrence of unexpected costs and liabilities, even if only potential the reduction of revenues also arising from any negative synergies), the integration process and the synergies should not be realised to the extent and within the timeframe expected, as also represented in the business plan, there could be negative effects on the Issuer's business, results and prospects, as well as on its operations and integrated management.

In addition, it should be noted that each acquisition transaction is executed on the basis of a series of qualifications, evaluations, classifications, estimates and assumptions made by management concerning the assets, profitability, the evolution of the regulatory and legal environment, the quality of the assets to be acquired and other elements - which in turn are based on a limited set of information, generally obtained through the usual due diligence activities. Such situations and, in particular, the possibility that the data acquired in the due diligence phase may subsequently prove to be not entirely correct or complete, could expose the Issuer to possible further disbursements with consequent negative effects on its results of operations, assets, and cash flows.

In addition, the extraordinary transaction could possibly expose the Issuer to liabilities and/or disputes, including those of a fiscal, labour, environmental nature, which may arise from the individual companies or branches of business existing prior to the relative transaction, with consequent negative effects on the Issuer's results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter XVI, Paragraph 16.1, of the Admission Document.

4.1.1.14 Risks related to the non-implementation of strategies or delays in the implementation of development strategies and future programmes

Should the Issuer not be able to realise its strategy in whole or in part, or should it not be able to realise it on time and/or in the manner envisaged, or should the basic assumptions on which the Issuer's strategy is based *prove incorrect, this could have a detrimental effect on the Issuer's and the Issuer's business and prospects, as well as their results of operations, assets, and cash flows.*

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

The Issuer's ability to increase its revenues and profitability levels and pursue its growth and development objectives also depends on the successful implementation of its strategy and development plans (for further information, please refer to Section One, Chapter VI, Paragraph 6.4 of the Admission Document).

In particular, the Issuer intends to pursue a growth strategy by both internal and external lines, through: (i) the diversification of customer types; (ii) the diversification of purchasing sources; (iii) the expansion of product offerings to other product categories, (iv) the geographical expansion; (v) M&A.

The Issuer's strategy also provides for growth in the consumer sector, as well as the expansion of its product offering to other product categories. With reference to these sectors, the Issuer has less experience and, therefore, performs constant evaluations on the results achieved, with the risk of selling certain products purchased at a lower price than the purchase price, with consequent negative effects on the Issuer's business and economic, equity and/or financial situation.

The Issuer's development is based on its investment strategies, which may involve significant risks and uncertainties and may be based on hypothetical assumptions, including those inherent in the development of the market in which the Issuer operates and the macroeconomic scenario, which have subjectivity and risk profiles of particular importance. Therefore, there can be no guarantee that the investment strategies adopted will be successful and that no circumstances will arise that will have an adverse effect on the Issuer's results of operations, assets, and cash flows.

Should the Issuer not be able to achieve the objectives of its strategy on time, both in relation to business aspects and in relation to aspects of strengthening its capital and financial structure, it may have to change or reduce its objectives, which would have a negative impact on the Issuer's business and its economic, asset and/or financial situation.

Furthermore, should the Issuer not be able to effectively implement its strategy or implement it on schedule, or should the basic assumptions on which such strategy is based prove incorrect, the Issuer's ability to increase its revenues and profitability could be impaired, which would have a negative effect on the Issuer's business and growth prospects, as well as on its results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter VI, Paragraph 6.4, of the Admission Document.

4.1.1.15 Risks related to theft of products in stock

The Issuer is exposed to the risk that its warehouses may be subject to attempts by unauthorised persons to gain access and that stocks of products in transit in the warehouses may be subject to theft. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

It should be noted that during the period to which the financial information included in the Admission Document relates and up to the Date of Admission Document, and in particular on 1 April 2022 and on 22 March 2023, the Issuer's warehouse located in Valencia was subject to unauthorised access, with break-ins and break-ins of the access doors to the premises, resulting in the theft of products for a value of approximately EUR 244,382 and EUR 406,053 respectively.

In the Issuer's opinion, such events are quantitatively and qualitatively in line with what normally occurs for warehouses of companies operating in the Issuer's sector. It should also be noted that, as of the Date of Admission Document, the Issuer has insurance coverage in place to cover damages arising from such events up to a maximum of EUR 30 million. Notwithstanding the foregoing, after the occurrence of the aforesaid events, the Issuer has further strengthened the security systems set up to protect its warehouses.

Should the security measures taken by the Issuer not be sufficient to prevent such events, the Issuer could incur delays in the delivery of goods, which would have a negative effect on the Issuer's results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter VI, Paragraph 6.1.7, of the Admission Document.

4.1.1.16 Risks related to customer loyalty

Although the Issuer recorded a so-called "repeat purchase" rate of 66.7% in 2022, which contributed significantly to the generation of turnover for the period, it is not possible to guarantee that the same rate can be maintained in the future. It should also be noted that the Issuer's turnover as of the Date of Admission Document is in the growth and consolidation phase; consequently, any sudden (or even progressive) loss of customers and/or the inability to attract new ones could reduce the Issuer's competitive ability and affect the expected growth targets and the level of margins, with possible detrimental consequences on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a medium adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium-low significance.

The Issuer - operating in a highly competitive and rapidly expanding sector - has a customer portfolio that it intends to consolidate and develop by offering its own products and services (including new ones) in order to increase future revenues. However, the rate at which new and existing customers purchase and/or renew products and services offered by the Issuer depends on numerous factors, many of which are beyond the Issuer's control.

In particular, in the sector in which the Issuer operates, customers are significantly sensitive to prices and costs. Therefore, should the Issuer fail to offer products at competitive prices, or should transport costs be higher than those of its competitors, it may not be able to maintain its current customer portfolio and/or attract new ones, with possible negative consequences on the Issuer's results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter VI, Paragraph 6.5, of the Admission Document.

4.1.1.17 Risks related to the protection of intellectual and industrial property rights

The Issuer is exposed to the risk of losing its current market position due to its inability to adequately protect its intellectual and industrial property rights, thereby losing its competitive advantage. The Issuer is also exposed to the risk of infringing (even unintentionally) the intellectual and/or industrial property rights of third parties. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a medium adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium-low significance.

In connection with the performance of its activities and the provision of services to customers, as of the Date of Admission Document, the Issuer uses numerous and various intellectual and industrial property rights, including software (including, in particular, the "MarVin" software), know-how, trademarks and domain names owned by the Issuer itself. The protection of the Issuer's intellectual property rights is fundamental to its success and positioning in the reference market.

The possibility cannot be ruled out that the Issuer will fail to adequately protect its intellectual and/or industrial property rights, or that it will be subject to complaints and/or actions by third parties for alleged infringements of their intellectual and/or industrial property rights in connection with the products sold and/or services provided.

Although the Issuer has implemented appropriate protective measures for its intellectual and industrial property rights, there can be no certainty that the actions taken are sufficient to adequately protect the intellectual and/or industrial property inherent in the conduct of its business. Such intellectual and/or industrial property rights could also be subject to infringement by employees and/or consultants of the Issuer as a result of accidental or unlawful activities. If not detected and prevented in a timely manner, such violations could have an adverse effect on the Issuer's results of operations, assets, and cash flows.

The Issuer could also be forced to take legal action against persons whose activities have been carried out in violation of the intellectual and/or industrial property rights of which the Issuer is the owner or licensee, or who have engaged in unfair competition against the Issuer, with the consequence of having to face the costs associated with the initiation and conduct of the relative proceedings and possible compensation for damages, the amount and outcome of which could have an impact, even significant, on the Issuer's results of operations, assets, and cash flows.

With regard to possible infringements (even unintentional) of third parties' intellectual and/or industrial property rights, although the Issuer has adopted internal measures aimed at preventing unlawful conduct and constantly monitors its own activities to avoid infringing third parties' intellectual and/or industrial property rights, it cannot be ruled out that the Issuer may be subject to disputes by third parties for alleged infringements of the relevant intellectual and/or industrial property rights in relation to the products and/or services provided by the Issuer and/or for engaging in unfair competition. Such claims may give rise to the need to enter into settlements, enter into new licence agreements or initiate or participate in litigation and/or proceedings which may result in unforeseen costs for the Issuer (including legal fees and damages) and/or injunctions.

In addition, it cannot be excluded that employees of the Issuer or third parties who have developed or contributed to the development of software or databases for the benefit of the Issuer may claim ownership of such software and/or databases or portions thereof and may therefore initiate disputes or legal proceedings against the Issuer in this respect. Such disputes could give rise to the need to enter into settlements or to initiate or take part in litigation and/or proceedings which could result in unforeseen costs for the Issuer (including legal costs and damages) and/or injunctions.

Lastly, there is the risk that third parties who have developed know-how may claim ownership thereof and that employees engaged in research and development activities on behalf of the Issuer may claim the right to receive a 'fair premium' for the inventive activity they have carried out which has led to the creation of patentable inventions. Such disputes may result in the need to enter into settlements or pay the aforesaid equitable bonus, or to initiate or take part in litigation and/or proceedings which may result in unforeseen costs for the Issuer (including legal costs and damages) and/or injunctions.

For further information, please refer to Section One, Chapter VI, Paragraph 6.5, of the Admission Document.

4.1.1.18 Risks related to the properties in which the Issuer operates

The Issuer is exposed to risks arising from the management of the real estate in which it operates, mainly related to the possible difficulty of renewing the lease agreements of such real estate and the possible damage to the same as a result of force majeure events. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

The Issuer carries out its activities at its leased operational and logistical headquarters in Valencia (Spain), used as a warehouse and offices.

The risks connected to the management of the aforesaid real estate property are mainly connected to possible difficulties connected to the renewal of the relevant lease agreement. Should the Issuer not be able to renew the aforesaid lease agreement, or should it be able to renew it at economic conditions that are not in line with or worse than those in force as of the Date of Admission Document, or should the Issuer decide to terminate the lease agreement early and therefore be subject to the contractual notice period, this could have a negative effect on the Issuer's business and growth prospects, as well as on its results of operations, assets, and cash flows.

In addition, the property in which the Issuer conducts its business is exposed to typical operational risks, including, by way of example, natural disasters, fire or other force majeure events beyond the Issuer's control, which could damage not only the property used by the Issuer, but also the products stored in that property.

The occurrence of the aforementioned or other events could have an adverse effect on the Issuer's results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter VI, Paragraph 6.1.7, of the Admission Document.

4.1.1.19 Risks related to customer concentration

As at the Date of Admission Document, the Issuer mainly operates in the market of electronic consumer goods trade between companies, which is characterised, by its very nature, by a high number of competitors and the possibility for customers to replace the operator. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

As of 31 December 2022 and 31 December 2021, the Issuer had no. 1,074 and no. 610 customers, respectively.

In this regard, as of 31 December 2022, the incidence of the first customer and of the first three customers on the Issuer's revenues was 4.6% and 13%, respectively, while as at 31 December 2021 such incidences were 8.9% and 21.9%, respectively.

The possible discontinuation of a considerable number of business relationships that the Issuer would not be able to replace with others equally profitable or, more generally, the possible difficulty of the Issuer in acquiring new customers could have an adverse effect on the Issuer's business and prospects, as well as on its results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter VI, Paragraph 6.1.4, of the Admission Document.

4.1.1.20 Risks related to fluctuating commodity prices

The Issuer's costs (especially transport costs) are influenced by the price trend of the main raw materials, which could undergo significant fluctuations due to various factors that are only partially controllable by the Issuer. It cannot be ruled out that an abnormal or particularly protracted increase in the costs of the main raw materials could have a negative impact on the Issuer's economic and financial situation if they were not adopted or if the reference sector did not allow the adoption of appropriate policies to transfer the higher costs directly to the prices of products to customers.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a medium-low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

Like other operators in the sector, the Issuer's costs (especially transport costs) are influenced by the price trends of the main raw materials, which may undergo significant fluctuations due to various factors only partially controllable by the Issuer.

Although fluctuations in the price of certain raw materials could cause arbitrage activities and consequent higher margins in the activities of selling products to customers, the exposure to the risk connected to fluctuations in the price of raw materials (and, in particular, the costs connected to the transportation of products), which is intrinsic to the business activity, is not subject to systematic hedging activities. It cannot be ruled out that an abnormal or particularly protracted increase in the costs of the main raw materials could have a negative impact on the Issuer's economic and financial situation if they were not adopted or if the reference sector did not allow appropriate policies to be adopted to transfer the higher costs directly to the prices of products to customers.

For further information, please refer to Section One, Chapter VI, Paragraph 6.2, of the Admission Document.

4.1.1.21 Risks related to the Issuer's international presence

The Issuer is exposed to risks connected to the geo-political and macroeconomic conditions of the countries in which it operates, as well as possible changes in the local regulatory framework, and the occurrence of unforeseeable extraordinary events. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

As at the Date of the Registration Document, the Issuer is active in more than 45 countries, including most of the countries in the European Union and the United Kingdom, the United States of America and the United Arab Emirates (non-European countries of primary importance in terms of turnover and margins in the sector).

Due to the relevance of its activities at an international level, the Issuer is exposed to risks arising from relations between States, the differentiation of reference regulations applicable to the Issuer's products, credit and tax regulations and, in general, the macroeconomic, political and social situation of each of the countries in which the Issuer carries out its activities. Such events could adversely affect the Issuer's business and its results of operations, assets, and cash flows. With particular regard to the area of customs tariffs, uncertainties concerning the economic and trade policies of various countries, such as, by way of example, policies relating to the introduction of customs tariffs in the countries in which the Issuer operates, and more generally, the introduction of protectionist regulations or regulations limiting the ability of non-residents to make investments or otherwise restricting trade, could have an adverse effect on the Issuer's business and operating results, as well as an adverse effect on its results of operations, assets, and cash flows. In addition, the economies of emerging markets may not grow in accordance with the expectations that the Issuer had at the time it decided to access such markets as well as being characterised, inter alia, by recessionary phenomena, high levels of inflation and depreciation of the local currency in such countries, with an adverse effect on demand and the products offered by the Issuer, as well as on its results of operations, assets, and cash flows and the Issuer's expectations.

The Issuer's presence and operations in various international markets, as well as its strategy of development in new foreign markets, could expose it to increasing managerial complexity and risks of various kinds, deriving, by way of example, from the geo-political and macro-economic conditions of the countries in which it is present and the relative variations, changes in the local regulatory framework, extraordinary events that are currently unforeseeable, as well as the complexity of conducting business in geographically distant areas. The probability of such events occurring varies from country to country and is difficult to predict; however, one or more of these events could have a negative impact on the Issuer's results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter VI, Paragraph 6.2, of the Admission Document.

4.1.1.22 Risks related to Alternative Performance Measures

*The Admission Document contains Alternative Performance Measures ("**APMs**"), which are used by the Issuer to effectively monitor information on the profitability trend of the business in which it operates, as well as on the Issuer's equity and financial situation. Since these indicators are not measures whose determination is regulated by the reference accounting standards for the preparation of financial statements and are not subject to audit, the criteria applied by the Issuer for their determination may not be homogeneous with those adopted by other groups and therefore such data may not be comparable with those possibly presented by such operators.*

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

In order to facilitate a better assessment of the Issuer's economic, historical and prospective management performance, as well as its equity and financial position, the Issuer's directors have identified a number of KPIs. These indicators are also tools that facilitate the directors in identifying operational trends and making decisions on investments, allocation of resources and other operational and management decisions.

With reference to the interpretation of such HICs, attention is drawn to the following: (i) these indicators are construed exclusively from the Issuer's historical data and are not indicative of the Issuer's future performance; (ii) the APMs are not provided for by IAS/IFRS and, although derived from the Issuer's financial statements, are not audited (iii) the APMs must not be considered as substitutes for the indicators provided for by the reference accounting standards (IAS/IFRS); (iv) the APMs must be read in conjunction with the Issuer's financial information presented in Section One, Chapter III, of the Admission Document (v) the definitions of the indicators used by the Issuer, insofar as they do not derive from the reference accounting standards, may not be homogeneous with those adopted by other operators and, therefore, comparable with them; and (vi) the APMs used by the Issuer are drawn up with continuity and homogeneity of definition and representation for all periods for which financial information is included in the Admission Document.

The aforementioned considerations have to be weighed more carefully, also in view of the Issuer's recent incorporation and limited operating history.

For further information, please refer to Section One, Chapter III, Paragraph 3.2, of the Admission Document.

4.1.1.23 Risks related to the Issuer's insurance coverage

The Issuer is exposed to the risk that the insurance policies taken out by the Issuer do not provide coverage - i.e., full coverage - for all types of losses and liability cases in which the Issuer may incur. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

As of the Date of Admission Document, the Issuer has taken out several insurance policies to cover, among others, risks arising from customer receivables, warehousing and product transportation services.

It is not possible to guarantee that the insurance policies underwritten by the Issuer will always be sufficient or adequate, also due to the application of deductibles and ceilings, to cover all risks to which the same may be exposed as a result of the business carried out. Therefore, if the Issuer were to incur substantial losses or receive significant claims and/or compensation, its ability to obtain insurance coverage in the future at commercially comparable rates with respect to the current rates could be jeopardised, with a consequent negative effect on the Issuer's results of operations, assets, and cash flows.

In addition to the foregoing, the Issuer may find itself in the situation of not being able to guarantee the renewal of its existing insurance policies on favourable terms and conditions or, in any event, of not being able to renew them without interruption, with possible negative effects on the Issuer's results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter III, Paragraph 3.2, of the Admission Document.

4.1.2 RISK FACTORS RELATING TO THE SECTOR IN WHICH THE ISSUER OPERATES

4.1.2.1 Risks related to the high degree of competitiveness in the sector in which the Issuer operates

The retail sector of electronic products is a dynamic and rapidly expanding sector. The Issuer therefore finds itself competing with larger companies and industrial groups, including multinationals, and specialised operators that may be endowed with resources superior to those of Riba Mundo, or with particularly developed sector-specific skills that allow for a better positioning in the reference market. There is a risk that the Issuer may not be able to appropriately address the strategies and commercial offers of competitors and/or the entry of new operators, whether national or international, and may therefore be unable to maintain its competitive position and lose market share due to the transfer of customers to competitors as well as the failure to acquire new customers. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of medium probability of occurrence, could have a high adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium-high significance.

Although the reference market in which the Issuer currently operates is characterised by significant demand, it is also characterised by a high degree of competition, which exposes the Issuer to the risk of the entry of new competitors or the improvement of the competitive position of current operators. The reference market, especially at an international level, is also characterised by the presence of operators, even large ones, which in some cases offer products and services similar to those of the Issuer or, in other cases, are specialised only in certain activities overseen by the Issuer itself. Some of these competitors benefit from: (i) greater financial resources and economies of scale than those of the Issuer; (ii) a greater degree of recognition on the market; (iii) a more developed network and (iv) a significantly higher marketing spending capacity. Such competitors could develop and produce the products and services offered by the Issuer before the Issuer, with a higher level of technology and higher quality standards, or in any case with less time and/or costs.

In addition, the Issuer's target market is characterised by low margins on product sales and, therefore, the need for large volumes and maximum efficiency in conducting its business. Demand is characterised by low loyalty, resulting from significant purchase price sensitivity and constant demand for new products.

Consequently, the Issuer needs to continue to invest in research, development and innovation, ensuring ever higher quality levels and, at the same time, competitive prices. It cannot be ruled out that, in order to maintain its market share and always be competitive, the Issuer may be faced with the initiatives of other market operators, with the need to incur unplanned costs, with negative effects on the Issuer's business and prospects as well as its results of operations, assets, and cash flows.

Any inability of the Issuer to maintain its competitive strength on the market resulting from a decrease in volumes or efficiency in the performance of services or from uncompetitive prices or the lack of new products, both with respect to direct competitors and indirect competitors, could lead to a decrease in the Issuer's sales volumes and turnover and, consequently, in its margins and profitability, with negative effects on the Issuer's business and growth prospects, as well as on its results of operations, assets, and cash flows.

The Issuer may no longer be able to perform adequately compared to its competitors in terms of technology, performance, product quality and reliability, reputation, price, and after-sales customer service, with adverse effects on the Issuer's results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter VI, Paragraph 6.2, of the Admission Document.

4.1.3 RISK FACTORS RELATING TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS

4.1.3.1 Risks related to labour relations and increased labour costs

The Issuer is exposed to risks deriving from changes in the applicable conventional and legal Spanish regulatory framework with regards to labour matters, and to changes by the competent labour authorities or labour courts in the guidelines on the interpretation and enforcement of labour and employment law and in the regulations concerning the labour conditions and rights of the employees.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a medium-high adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium significance.

In view of the constant changes in labour and employment laws and regulations, as well as in their interpretation, it is not possible to exclude that competent labour authorities or labour courts may in the future construe or interpret applicable laws and regulation in a way that conflicts with the one adopted by the Issuer in carrying out its relationship with its employees, with possible negative consequences on its results of operations, assets, and cash flow.

As at the Date of Admission Document, the Issuer has not hired temporary employees directly or through a temporary employment agency.

The Issuer may be subject to risks related to possible non-compliances with the applicable legal requirements related to part-time employment, extra payments, overtime, remuneration in kind, allowances (per-diems), equality measures, that could result in the possible imposition of penalties by the competent labour authorities in accordance with the Spanish Labour Regulation, as well as in potential claims brought by the employees before the competent labour courts and labour authorities.

At the Date of Admission Document, to the Issuer's knowledge, no dispute on labour matters is pending before the labour courts and/or the labour authorities.

4.1.3.2 Risks related to the uncertainty of earnings and dividend distribution

As of the Date of Admission Document, the Issuer has not adopted a dividend policy. The Issuer may not realise distributable profits in the form of dividends in the future, or, even if it does, it may not make dividend distributions to shareholders.

The occurrence of the events subject to this risk, considered by the Issuer to be of medium probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium-low significance.

As at the Date of Admission Document, the Issuer has not adopted a dividend policy.

The amount of dividends that the Issuer will be able to distribute in the future will depend, among other things, on the Issuer's actual earnings as well as, in general, on its results of operations, financial position, cash flows, net working capital requirements, capital expenditures and other factors. In addition, the Issuer may decide not to make distributions or adopt different distribution policies, even in the case of profits for the year.

There can be no assurance that the Issuer will distribute dividends in the future, even if it has the right to do so, thus favouring investments for the benefit of growth and expansion of its business, unless the shareholders' meeting resolves otherwise. The distribution of dividends by the Issuer will be conditioned, inter alia, for future financial years by the results achieved, the creation and maintenance of reserves required by law, the general operating performance and future resolutions of the Shareholders' Meeting approving (in whole or in part) the distribution of distributable profits. This circumstance could entail negative, even significant, effects on the return profile of the investment made in the Shares by investors.

In the absence of dividend payments, shareholders can only obtain a return on their investment in the Shares if they sell them at a market price higher than the purchase price.

For further information, please refer to Section Two, Chapter IV, Paragraph 4.5, of the Admission Document.

4.1.3.3 Risks related to the continuing health emergency and impacts on European and global economic trends

As at the Date of Admission Document, the Issuer's activities have not been significantly limited by the restrictive measures adopted following the spread of the Covid-19 pandemic by governments around the world. However, the Issuer is exposed to the negative impact of the health emergency on the overall performance of the Italian and global economy. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a medium adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium-low significance.

The Issuer promptly resorted to all measures to contain the spread of the virus contagion, allowing the majority of employees to work in smart-working, and sanitised workplaces and provided workers with all personal protective equipment.

Nevertheless, the Covid-19 pandemic has profoundly altered the outlook for the years to come, and the spread of the virus has radically changed the overall picture, and the speed of recovery will depend on the duration of the health emergency and the response capacity of Governments worldwide. In fact, further resurgences of the Covid-19 pandemic with consequent further emergency measures by Governments worldwide cannot be excluded as of the Date of Admission Document. Within a context of such uncertainty, which makes it difficult to estimate the further effects that the continuation of the pandemic will determine on the financial markets and on economic activities at a European and global level, the Issuer remains exposed to the risk deriving from the impact of the health emergency on the overall trend of the local, European and global economy, as well as on the Issuer's ability to implement its business strategies.

For further information, please refer to Section One, Chapter VI, Paragraph 6.2, of the Admission Document.

4.1.3.4 Risks related to related party transactions

The Issuer has had, and has as at the Date of Admission Document, relationships of a commercial and financial nature with related parties and, in particular, with DZ Capital Ltd.. Such relations have permitted and permit, as the case may be, the acquisition of advantages deriving from the use of common services and skills, the exercise of group synergies and the application of unitary policies in the financial field and, in the Issuer's opinion, provide for conditions in line with those of the market. Nevertheless, there is no certainty that, if the aforesaid transactions had been entered into with third parties, the same would have negotiated and entered into the related contracts, or performed the same transactions, on the same terms and conditions. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a medium-low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

During the financial years 2022 and 2021, the Company had sales to related parties for an amount of EUR 3.3 million and EUR 3.0 million respectively, and in 2022 the Company purchased fixed assets from related parties for an amount of EUR 1.4 million. In addition, as of 31 December 2022, the Company had a shareholders' loan of EUR 5.5 million.

These relationships allow for the acquisition of advantages arising from the use of common services and skills, the exercise of group synergies and the application of unitary policies in the financial field and, in the Issuer's opinion, provide for conditions in line with those of the market. However, there is no certainty that if these transactions had been concluded with third parties, they would have negotiated and entered into the relevant contracts, or performed the transactions themselves, at the same terms and conditions.

In addition, the Issuer adopted the Internal Code of Conduct to ensure the transparency and substantive and procedural fairness of transactions with Related Parties, effective as of (and subject to) the First Trading Date, which governs the procedure for the identification, instruction, approval and execution of transactions with Related Parties carried out by the Issuer directly or through its subsidiaries, as well as the information flows relating to such transactions, as well as providing for certain specific rules applicable to transactions with other parties, defined as "persons of interest", considered significant insofar as, although not qualifying as Related Parties, they are in any case in a close relationship with the directors of the Issuer and/or their close family members.

For further information, please refer to Section One, Chapter XIV of the Admission Document.

4.1.3.5 Risks related to possible conflicts of interest of directors of the Issuer

The Issuer is exposed to the risk that certain members of the Board of Directors may have private interests that potentially conflict with their obligations arising from the office or position held within the Issuer. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

As of the Date of Admission Document, some members of the Board of Directors may have private interests potentially conflicting with their obligations arising from their office or position held within the Issuer.

In particular, it should be noted that, as of the Date of Admission Document, Marco Dezi and Vincenzo Poeta hold, respectively, the former a 50.25% shareholding in the share capital of Riba Mundo and the latter a 50% shareholding in the share capital of Gioya, which in turn holds a 22.25% shareholding in the share capital of Riba Mundo.

Finally, Marco Dezi and Andrea Dezi, who are both members of the Board of Directors as of the Date of Admission Document, are siblings.

All potential conflicts of interest could affect the Issuer's business and its results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter X, Paragraph 10.2, of the Admission Document.

4.1.3.6 Risks related to macroeconomic developments and uncertainties in the economic and political environment in Europe and globally

The Issuer is exposed to risks connected to the current and future global and European political and economic situation, aggravated also by the recent political and military tensions in Ukraine, whose evolution and political and economic impacts are still uncertain and difficult to assess. Therefore, it cannot be ruled out that the occurrence and/or continuation of any economic recession and/or political instability phenomena, as well as any future negative repercussions, even significant, on the global, European and/or national economy, may weaken demand for the Issuer's services, with possible detrimental effects on the Issuer's business and prospects as well as its results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

The Issuer is exposed to the risk of the possible worsening of global economic conditions, also due to the inflationary scenario and the conflict between Russia and Ukraine, in place as at the Date of Admission Document, with a consequent possible contraction of the services and products offered by the Issuer.

The economic and financial crisis of the last few years, aggravated by the impact of the Covid-19 pandemic and geopolitical tensions between Russia and Ukraine, which escalated into a conflict as of the Date of Admission Document, led to a worsening of the macro-economic framework that resulted in a general contraction of consumption.

In the general macro-economic scenario, uncertainties relating to (i) the inflationary scenario, (ii) macroeconomic trends with regard to the prospects of recovery following the Covid-19 pandemic and (iii) the impacts of the sanctions imposed worldwide as part of the conflict between Russia and Ukraine, in place as of the Date of Admission Document, are of significance.

Following the invasion of Ukraine, countries such as the United States of America, the European Union, the United Kingdom, Switzerland, Canada, Japan, and Australia announced and implemented sanctions of various kinds against Russia, such as, inter alia, the designation of several natural and legal persons, including major Russian banks, the prohibition to provide certain types of financing to specifically identified companies or banks under public control or ownership the prohibition of transactions with certain Russian counterparties included in special lists, and the imposition of restrictions on the export to Russia of certain goods and technologies (such as goods and technologies with dual use or which could contribute to Russia's military, technological and industrial upgrading, goods and technologies suitable for oil refining, natural gas liquefaction and goods and technologies suitable for use in aviation or aerospace). Imposing or maintaining sanctions could lead to adverse reactions from Russia.

Situations of uncertainty regarding European and global economic conditions, even taking into account the Issuer's presence in international markets, constitute an element of risk, as consumers and businesses could postpone spending in the face of continuing uncertainties related to the ongoing conflict and rising raw material costs.

As of the Date of Admission Document, it is therefore not possible to predict with any certainty whether the measures introduced to relaunch the economy will have a positive effect, nor how long the uncertainties in the current macro-economic context will persist. As a result of the continuation of this phase of economic recession and uncertainty, the services and products offered by the Issuer could suffer a contraction, with consequent negative effects on its results of operations, assets, and cash flows.

For further information, please refer to Section One, Chapter VI, Paragraph 6.2, of the Admission Document.

4.1.4 RISK FACTORS RELATING TO THE LEGAL AND REGULATORY FRAMEWORK

4.1.4.1 Risks related to the processing of personal data

The Issuer is exposed to the risk that the implemented procedures and the measures taken in order to protect the personal data of the persons whose data are collected and processed within the scope of the Issuer's activities prove to be inadequate and that the personal data processed are damaged, lost, stolen, disclosed or processed *for purposes other than those permitted. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.*

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a medium adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium-low significance.

In the course of its business, the Issuer comes into possession of, collects, stores and processes personal data of the customers of the services offered by the Issuer, with the obligation to comply with the applicable statutory and regulatory provisions.

The personal data of customers of the services offered by the Issuer are stored in document management and archiving systems, equipped with the features necessary to prevent unauthorised access from outside or the (total or partial) loss of data and to guarantee continuity of service. The Issuer also adopts internal procedures and measures to regulate access to data by its personnel and their processing in order to prevent unauthorised access and processing.

Notwithstanding the procedures implemented by the Issuer, it cannot be ruled out that these may prove to be inadequate and/or that the necessary privacy safeguards may not be properly implemented, and therefore that data may be damaged or lost, or stolen, disclosed or processed for purposes other than those disclosed to or authorised by the respective data subjects. Furthermore, it cannot be ruled out that any disclosure of personal data may occur due to malfunctioning of IT systems, with consequent damage to the Issuer's image and possible repercussions on its corporate reputation.

Any disclosure of personal data that is not controlled by the Issuer could also give rise to repercussions on the Issuer's economic-financial situation due to the sanctions imposed by both national (Spanish Organic Law 3/2018 of 5 December on the protection of personal data and guarantee of digital rights) and supranational (the EU Regulation 679/2016, so-called "**GDPR**") data processing regulations, as well as any applicable prescriptive measures issued by the competent authorities on the matter, such as the Italian Data Protection Authority. In addition, any change in the applicable regulations, including at EU level, could have an economically significant impact on the Issuer's activities, as it could generate the need to incur costs to comply with the new regulations.

The GDPR in line with its Article 83 provides for, in the event of non-compliance with the obligations and fulfilments set out therein: (i) the application of administrative fines (for breaches considered less serious) of up to EUR 10,000,000 maximum or an amount equal to 2% maximum of the total annual worldwide turnover of the previous financial year, whichever is higher and; (ii) the application of administrative fines of up to EUR 20,000,000 or up to 4% of the total annual worldwide turnover of the previous year, whichever is higher; (iii) the risk of possible orders on the processing methods that could impact the ordinary management of the business (e.g., blocking of data); and (iv) the risk of possible criminal sanctions issued under the privacy legislation.

For further information, please refer to Section One, Chapter VIII, Paragraph 8.1, of the Admission Document.

4.1.4.2 Risks related to compliance with occupational health and safety legislation

The Issuer is exposed to the risk of incurring violations of regulations on the protection of the health and safety of workers and workplaces. The occurrence of such risks would have a detrimental effect on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a medium-low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium-low significance.

With regard to occupational health and safety, the Issuer is required to comply with laws and regulations under Spanish law aimed at preventing accidents and mapping and managing risks. To this end, the Issuer has adopted policies and procedures to comply with regulatory provisions; the presence of occupational health, safety and hygiene requirements is kept under control through continuous updating and the performance of legally required checks.

Nevertheless, it cannot be ruled out that any violations of the aforementioned regulations may in the future lead to the imposition of administrative sanctions, of a monetary or injunctive nature, against the Issuer or criminal sanctions against corporate officers and senior figures.

Furthermore, it cannot be excluded that in the future the Issuer may have to incur costs in order to ensure the compliance of its facilities with health and safety requirements and/or that it may be the recipient of claims for damages and/or, in any event, payment in connection with and as a consequence of possible violations of health and safety provisions in the workplace.

For further information, please refer to Section One, Chapter VIII, of the Admission Document.

4.1.4.3 Risks related to the legislation and regulations of the business sectors in which the Issuer operates

The Issuer is subject to the regulations applicable to the services it provides and is exposed to the risk of changes in the regulatory framework that could result in restrictions on its activities and damage its assets and reputation, as well as the need to incur additional costs to adapt its structures or the characteristics of its products and services to the new provisions. The occurrence of such risks would cause detrimental effects on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

The Issuer's activities are subject to applicable regulatory requirements. Violations of or changes to the legal provisions and technical regulations applicable to its business and services - with particular reference to regulations concerning taxation, protection of industrial and intellectual property rights and competition, workers' health and safety, and the processing of personal data - could lead to limitations in the Issuer's operations, or to a loss of earnings and/or an increase in costs. Such changes in laws and regulations may not be foreseeable and may, in some cases, provide for retroactive application of the new regulatory provisions.

In particular, the costs for the Issuer may increase if applicable regulations become more stringent in the future or if additional regulations are introduced that require the adoption of new qualitative and/or quantitative requirements for the provision of certain specific services that the Issuer would not be able to implement in a cost-efficient manner.

For further information, please refer to Section One, Chapter VIII, Paragraph 8.2, of the Admission Document.

4.1.4.4 Risks related to tax regulations and transfer pricing

The Issuer is exposed to risks deriving from changes in the applicable tax laws and regulations. Unfavourable changes in applicable Spanish laws and regulations, as well as changes by any tax authority or tax court in guidelines on the interpretation and enforcement of tax regulations applicable to extraordinary transactions (and, more generally, on determining the allocation of tax burdens for the purposes of Value Added Tax ("VAT") and Corporate Income Tax ("CIT"), may have negative effects on the Issuer's results of operations, assets, and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

In carrying out its business, the Issuer is exposed to the risk that competent tax authorities or tax courts could in the future construe or interpret tax and fiscal legislation in a way that conflicts with the one adopted by the Issuer in carrying out its own business. Tax and fiscal legislation, as well as its interpretation, are particularly complex, also because of the continuous evolution of the legislation itself and its interpretation by competent authorities.

In view of the complexity and constant changes in tax and fiscal regulations, as well as in their interpretation, it is therefore not possible to exclude that the tax authorities or tax courts may in the future construe or interpret tax legislation and regulation (including regulations relating to transfer pricing) in a way that conflicts with the one adopted by the Issuer in carrying out its own business, with possible negative consequences on the Issuer's results of operations, assets, and cash flows.

With specific reference to tax laws and regulation on transfer pricing, those rules set forth that, for the purpose of correctly allocating applicable tax burdens, transactions between related parties are to be carried out at terms and conditions that would have been agreed upon between independent parties, operating under conditions of free competition. The enforcement of such laws and regulations involves the use of valuation rules and estimative parameters, which lack certainty, and which may result in valuations by the competent financial authorities different from those operated by the Issuer.

It is therefore not possible to exclude that competent tax authorities in the countries in which the Issuer operates could raise objections on the fairness of the transfer prices, and issue administrative sanctions, including fines, to the Issuer, causing adverse effects on the Issuer's results of operations, assets, and cash flows. In addition, it is not possible to exclude that tax authorities of different countries take contradictory positions with respect to the same intra-group transactions, that could result in double taxation, with adverse effects on the Issuer's results of operations, assets, and cash flows.

The Issuer believes that the terms of the agreements entered into with Related Parties and the terms and conditions actually practiced are in line with current arm's-length conditions. However, there is no guarantee that, had these transactions been carried out between, or with, third parties, such parties would have negotiated and signed these same agreements or carried out the transactions in the same way and under the same conditions.

At the Date of Admission Document, to the Issuer's knowledge, there are no disputes pending before the competent tax authorities.

At the Date of Admission Document, the Issuer has not reflected tax losses to be carried forward or tax credits in the last CIT return submitted. In this regard, non-recurring tax exemptions or reductions related to the CIT have not been enjoyed in the 2022 fiscal year.

By purchasing and holding the Shares, investors should take their own tax advice as to the consequences of owning such Shares as well as receiving returns from them. Investors should be aware that ownership of the Shares could be treated in different ways in different jurisdiction.

For further information, please refer to Section Two, Chapter IV, Paragraph 4.11, of the Admission Document.

4.1.5 RISK FACTORS RELATING TO INTERNAL CONTROL

4.1.5.1 Risks related to the management control system

The Issuer has adopted a management control system characterised by incompletely automated data collection and processes that will require development interventions consistent with the Issuer's growth. It is therefore not possible to exclude that, due to the incomplete automation of the reporting system, inaccuracies may occur in data entry and/or data processing, resulting in a lower quality of information for the Issuer's management, with possible negative effects on the Issuer's business, prospects and on its results of operations, assets and cash flows.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

It should be noted that, both in relation to management control activities and to the preparation of the documentation necessary for management and directors to carry out their activities and make operational and strategic decisions, some information provided by the management control system in use is re-processed and aggregated through the use of operational models and tools that require manual intervention by the operator, increasing the risk of error and/or delay in the provision of information.

The Issuer - in consideration of the recent adoption of the management control system as well as the growing size of the Issuer and the expected growth and development prospects, which require a constant and continuous improvement of all control tools (also in order to reduce the risk of errors and increase the timeliness of the flow of information directed to the management) - as of the Date of Admission Document has planned a further implementation of the aforesaid system, functional, in particular, to allow a more automated and a more timely production of so-called key financial performance measures.

As at the Date of Admission Document, the Issuer's opinion is that the probability of occurrence of the events subject to this risk is adequate with respect to the Issuer's size and activity.

For further information, please refer to Section One, Chapter VI, of the Admission Document.

4.2 RISK FACTORS RELATING TO THE SHARES

4.2.1 RISKS RELATING TO THE NATURE OF THE SHARES

4.2.1.1 Risks related to market liquidity and possible price volatility of the Shares

As at the Date of Admission Document, the Shares are not listed or traded on any regulated market or multilateral trading facility and, following admission to Euronext Growth Milan, will not be listed on a regulated market. Although the Shares will be traded on Euronext Growth Milan, there can be no guarantee that an active and liquid market for the Shares will be formed or maintained - also in view of the high volatility of the equity markets resulting from uncertainties in the macroeconomic environment such as, in particular, the inflationary scenario and the ongoing conflict between Russia and Ukraine. The Shares, therefore, could be subject to liquidity problems, even independently of the Issuer's performance, as requests to sell may not find adequate and timely counterparts, and may be subject to price fluctuations, even significant, with detrimental effects on the market price of the Shares.

The occurrence of the events subject to this risk, considered by the Issuer to be of medium probability of occurrence, could have a medium adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium significance.

The price of the Shares is subject to possible negative fluctuations, even significant ones, caused by factors such as changes in the economic, financial, asset and income situation of the Issuer or its competitors, or changes in the general conditions of the sector in which the Issuer operates, or changes in the legal and regulatory framework, or the dissemination by the press of news concerning the Issuer.

In particular, the equity markets have shown in recent years a rather unstable trend in prices and volumes traded and, particularly from the first quarter of 2022, following the inflationary scenario and the invasion of Ukraine by Russia, there has been a significant increase in the volatility of the price of securities traded on the markets. As of the First Trading Date, such fluctuations could adversely affect the market price of the Shares, regardless of the actual asset, economic and financial values that the Issuer will be able to realise. Furthermore, in light of the fact that a significant percentage of the market capitalisation and trading volumes of the Euronext Growth Milan market is represented by a limited number of companies, it cannot be excluded that possible fluctuations in the market values of such companies could have a significant effect on the price of the financial instruments admitted to trading on the market itself.

The Shares present the risk elements typical of an investment in listed shares of the same nature. Following Admission, the market price of the Shares could fluctuate significantly in relation to a number of factors (including the possible sale of a substantial number of Shares by shareholders who have given a temporary undertaking not to dispose of the Shares on the expiry of the effective date of those undertakings), some of which are beyond the Issuer's control, and may, therefore, not reflect the Issuer's operating results or may be lower than the subscription price in the Placement or requests for the sale of such financial instruments may not find adequate and timely counterparts for sale.

4.2.1.2 Risks related to the limited Free Float of the Shares

The Free Float portion of the Issuer's share capital, calculated in accordance with the provisions set forth in the EGM Issuers' Regulation and assuming the placement of all the Offer Shares within the Placement, will be approximately 13.74% of the Issuer's share capital.

The occurrence of the events subject to this risk, considered by the Issuer to be of high probability of occurrence, could have a medium adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium significance.

Assuming that all the Offer Shares will be sold the Placement, the Free Float portion of the Issuer's share capital, calculated in application of the provisions of the EGM Issuers' Regulation, will be approximately 13.74% of the Issuer's share capital. This circumstance entails, with respect to securities of other issuers with higher Free Float or higher capitalisation, a greater risk of volatility in the price of the Shares and greater difficulties for the shareholders to disinvest at the prices expressed by the market at the time of the placement of a possible sale order.

Furthermore, although as of the Date of Admission Document it is not possible to establish with certainty the level of Free Float resulting from the Offer, it cannot be excluded that, even in the event of full allotment of the Offer Shares in the context of the Offer, the portion of Free Float will continue to be lower than that of other issuers with higher free float, entailing a greater risk of volatility in the price of the Shares and greater difficulties for shareholders to disinvest at the prices expressed to the market at the time of the placement of any sale order.

For further information, please refer to Section Two, Chapter V, Paragraph 5.2, of the Admission Document.

4.2.1.3 Risks related to the stabilization activity

Banca Profilo may perform activities to stabilize the price of the Shares on Euronext Milan during the 30 days subsequent to the First Trading Date. The stabilization activity could result in a market price that is higher than the price that would otherwise prevail or, once completed, could result in a decrease of the market price of the Shares.

The occurrence of the events subject to this risk, considered by the Issuer to be of medium probability of occurrence, could have a medium adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium significance.

In the context of the Placement, it is provided that Banca Profilo can perform activities aimed at stabilizing the price of the Shares on Euronext Growth Milan during the 30 days subsequent to the First Trading Date of the Shares in compliance with applicable law. Said activity could result in a market price that is higher than the price that would otherwise prevail.

There can be no assurance that stabilisation activity will actually be undertaken or that, even if undertaken, it cannot be discontinued at any time. It is also possible that, upon completion of the stabilisation activity, the market price of the Shares will decrease, even significantly.

For further information, please refer to Section Two, Chapter V, of the Admission Document.

4.2.1.4 Risks related to trading on Euronext Growth Milan

The Shares will be admitted to trading on Euronext Growth Milan, the multilateral trading facility primarily dedicated to small and medium-sized companies and companies with high growth potential to which a higher level of risk is typically attached than to larger issuers and/or those with established businesses.

The occurrence of the events subject to this risk, considered by the Issuer to be of high probability of occurrence, could have a medium adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium significance.

Admission to trading on Euronext Growth Milan poses certain risks, among which: (i) an investment in financial instruments traded on Euronext Growth Milan may entail a higher risk than an investment in financial instruments listed on a regulated market and there is no guarantee for the future about the success and liquidity in the market of the Shares; and (ii) Consob and Borsa Italiana have not reviewed or approved the Admission Document.

It should also be borne in mind that Euronext Growth Milan is not a regulated market and that the rules provided for companies listed on a regulated market (including, in particular, the rules on corporate governance set forth in the Italian Consolidated Law on Finance) do not fully apply to companies admitted to Euronext Growth Milan, subject to certain limited exceptions, such as, for example, the rules introduced by the MAR Regulation, and certain rules on mandatory tender offers and exchange offers provided for by the Italian Consolidated Law on Finance, where the legal requirements are met, and the implementing regulations issued by Consob, which are referred to in the New Articles of Association, pursuant to the EGM Issuers' Regulations.

4.2.1.5 Risks related to the possibility of delisting of Shares

Pursuant to the EGM Issuers' Regulation, Borsa Italiana may order the delisting of the Shares.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a high adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of medium significance.

Pursuant to the EGM Issuers' Regulation, Borsa Italiana may order the removal from trading of the Issuer's financial instruments in cases where:

- within six months from the date of suspension from trading, due to the absence of the Euronext Growth Advisor, the Issuer does not replace the latter;
- the financial instruments have been suspended from trading for at least six months;
- the revocation is approved by as many shareholders as represent at least 90% of the votes of the shareholders gathered at the meeting.

In the event that the withdrawal from trading of the Shares is ordered, the investor would be the holder of Shares that are not traded and therefore difficult to liquidate.

4.2.1.6 Risks related to temporary commitments of inalienability of Shares

The Issuer, Marco Dezi, Gioya, Alessio Dezi, Bruno Dezi and Pietro Peligra have entered into temporary inalienability commitments for the Shares, upon the expiration of which the Shares may be sold or newly issued shares offered for subscription. The occurrence of such circumstance could have a detrimental effect on the market price of the Shares.

The occurrence of the events subject to this risk, considered by the Issuer to be of medium probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

As at the Date of Admission Document, in their capacity as shareholders of the Issuer, Marco Dezi, Gioya, Alessio Dezi, Bruno Dezi and Pietro Peligra, together with the Issuer, have entered into specific lock-up commitments towards the Global Coordinator of 18 months from the First Trading Date.

Upon the expiration of the aforesaid lock-up undertakings, there can be no guarantee that Issuer, Marco Dezi, Gioya, Alessio Dezi, Bruno Dezi and Pietro Peligra will not proceed with the sale of the respective Shares, with possible negative effects on the trend of the price of the Shares. In addition, any significant sales of Shares, or the mere perception that such sales might occur, could have a material adverse effect on the price performance of the Shares.

For further information, please refer to Section Two, Chapter IV, Paragraph 4.8, of the Admission Document.

4.2.1.7 Risks related to the Global Coordinator's conflict of interest

The Issuer is exposed to the risk of potential conflicts of interest in the context of the Placement between Banca Profilo, which acts as Euronext Growth Advisor and Global Coordinator in the context of the Placement, and the Issuer itself and/or the investors.

The occurrence of the events subject to this risk, considered by the Issuer to be of low probability of occurrence, could have a low adverse effect on the Issuer's results of operations, assets, and cash flows. In light of the foregoing, the Issuer estimates that such risk is of low significance.

As of the Date of Admission Document, Banca Profilo is in a situation of conflict of interest in that it will receive commissions in relation to the roles assumed in the context of the Placement, as well as in relation to the preparation of the equity research in the context of the Admission process. Further, Banca Profilo may, in the future, provide advisory services on an ongoing basis and equity research services in favour of the Issuer.

For further information, please refer to Section Two, Chapter VI, of the Admission Document.

SECTION I, CHAPTER V - INFORMATION ON THE ISSUER

5.1 Legal and commercial name of the Issuer

The Issuer is called Riba Mundo Tecnología S.A. and is incorporated as a joint stock company (*sociedad anónima*) under Spanish law.

As at the Date of Admission Document, the Issuer has not adopted a specific trade name.

5.2 Place and registration number of the Issuer and its Legal Entity Identification Number (LEI)

The Issuer is registered in the Registro Mercantil de Valencia, tax identification number A-40526717.

The Issuer's LEI number is 959800KYL898NZ3RWE45.

5.3 Date of incorporation and duration of the Issuer

The Issuer is a "joint stock company" under Spanish law (*sociedad anónima*) and was incorporated by public deed on 20 September 2018, drafted by Mr. Manuel Francisco Cerdá García del Moral, Notary Public in Riba-roja de Túria, with number 1,029 of his records, as a "limited company" under Spanish law, with the corporate name of "Riba Mundo Tecnología S.L.".

By resolution of the Shareholders' Meeting dated 3 May 2022, the Shareholders' Meeting held in extraordinary session resolved, *inter alia*, to transform the Issuer into a joint stock company under Spanish law (*sociedad anónima*), with the corporate name of "Riba Mundo Tecnología S.A.". The resolution was certified by the sole director and notarized by him in a public deed dated 9 May 2023, before Mr. Alejandro Cervera Taulet, Notary Public of Valencia, under number 2,590 of his protocol, and was registered in the Registro Mercantil de Valencia on 1 June 2023.

Pursuant to article 3 of the New Articles of Association, the Issuer is incorporated for an unlimited period of time.

5.4 Residence and legal form, legislation under which it operates, country of registration, address and telephone number and, if applicable, website of the Issuer

As at the Date of Admission Document, the Issuer is incorporated in Spain in the form of a joint stock company (*sociedad anónima*) and operates under Spanish law.

The Issuer has its registered office in Loriguilla (Valencia, Spain), Calle en proyecto N7 sector 10-2.

The Issuer's website is: *www.ribamundotecnologia.es*.

The information published on the website does not form part of the Admission Document, with the sole exception of the following documents, which are incorporated by reference into the Admission Document pursuant to article 19 of the Prospectus Regulation:

(i) New Articles of Association;

(ii) Special Purpose Financial Statements 2022 and 2021, together with the corresponding audit report.

SECTION I, CHAPTER VI - OVERVIEW OF ACTIVITIES

6.1 Main activities of the Issuer

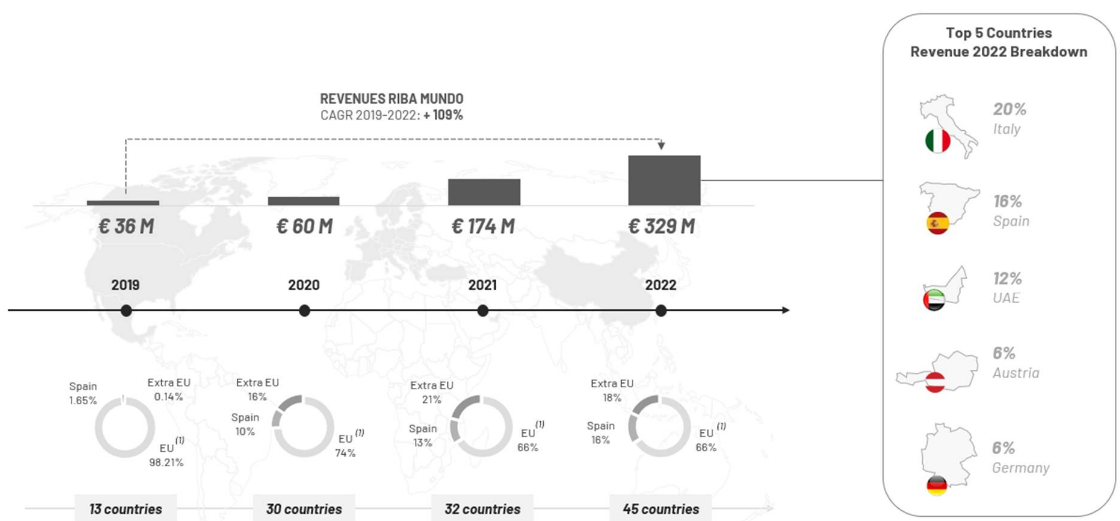
6.1.1 Introduction

Riba Mundo is a technology company incorporated in 2018, which as at the Date of Admission Document operates in the electronics sector and, in particular, in the purchase and resale on an international scale mainly of consumer electronic products, according to a B2B sales model.

For the purpose of conducting its business, the Issuer has internally developed a management software (called "MarVin"), developed to meet the requirements of its business model. The software, equipped with specific comparison and data processing algorithms developed also thanks to decades of consolidated experience, is capable of scanning all the Issuer's internal activities and processes. In particular, the Issuer, through the MarVin software, analyses several times a day the price list and quantity of products offered by its competitors, comparing them with its own. The software allows the Issuer to provide its customers with a product identified on the basis of their needs, at more competitive prices than those generally available on the market, as well as an express logistics service free of charge or at highly competitive prices, and an extensive catalogue.

During the period to which the financial information included in the Admission Document refers, the Issuer has experienced rapid growth and, as of the Date of Admission Document, is accredited as one of Europe's leading operators in the B2B resale sector also through the online channel of consumer electronics products.

The Issuer has its registered, operational and logistical headquarters in Valencia (Spain) and, as illustrated in the diagram below, is active in more than 40 countries, which include all European Union countries, the United Kingdom, the United States of America and the United Arab Emirates (non-European countries of primary importance in terms of turnover and margins in the sector).



Note: (1) Please note that for FY 2019 and FY 2020, EU includes all countries within geographical Europe, whilst for FY 2021 and FY 2022, EU includes only countries in European Union

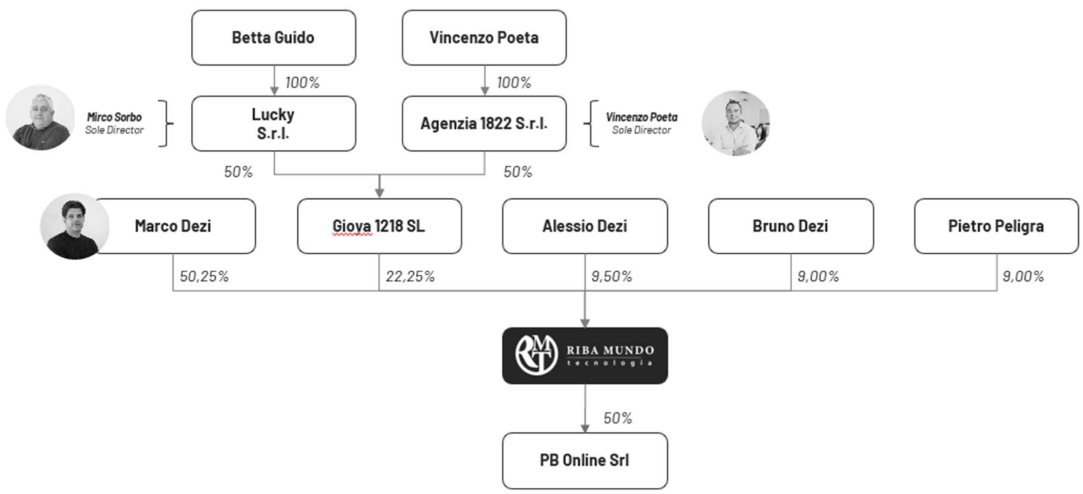
Source: Riba Mundo's Management, Annual Report 2019 Spanish GAAP, Annual Report 2019/2020 not audited; Annual Report 2021/2022 fully audited, Annual Report 2020/2021 & 2022 IAS/IFRS

The geographic location of the Issuer's headquarters is considered strategic, allowing it to optimise its logistical capacities and offer an international delivery service for its products in a time frame of less than 48 hours.

The Issuer has a strong vocation and international outlook, and its competitive positioning is not tied to any specific country.

6.1.2 Issuer's shareholdings and equity investments

The following chart illustrates the Issuer's shareholding structure and holdings as at the Date of Admission Document.



Source: Riba Mundo's Management

It should be noted that PB Online S.r.l. is a joint venture incorporated in June 2022 between the Issuer (50%) and Portobello S.p.A. (50%), following the awarding, within the framework of ePrice Operations S.r.l.'s bankruptcy proceeding, pending before the Court of Milan, of the so-called "*marketplace*" business unit formerly owned by ePrice Operations S.r.l..

For further information on the transaction, please refer to Section One, Chapter XVI, Paragraph 16.1.1, of the Admission Document.

6.1.3 Key success factors

Over the years, the Issuer has adopted an entrepreneurial formula centred on the following strategic drivers, which – according to the Issuer's management - also represent the key success factors of the Issuer.

1) Proprietary technology

The Issuer is able to provide its services using its proprietary software MarVin, developed in-house and registered with the Public Register for Software maintained by SIAE. This software is able to simplify business activities, optimising management time through the automation of numerous business processes: from warehouse management, to the management and optimisation of purchases and sales on a global level with the possibility of drawing up forecasts on future sales trends of the main products, to the management of customer returns. MarVin integrates and connects with all the Issuer's, customers' and suppliers' main tools and applications, and enables the centralisation of all company data in a single database and their synthesis into reports and statistics that provide immediate evidence of the values of the main indicators. Over the years, the Issuer has carried out constant research and development to make changes and improvements to MarVin, to preserve its computing power and to adapt its algorithms within the data ecosystem. From 2018 as of 30 May 2023, the Issuer invested roughly EUR 3.1 million in research and development activities, making on average 80 – 120 monthly software updates.

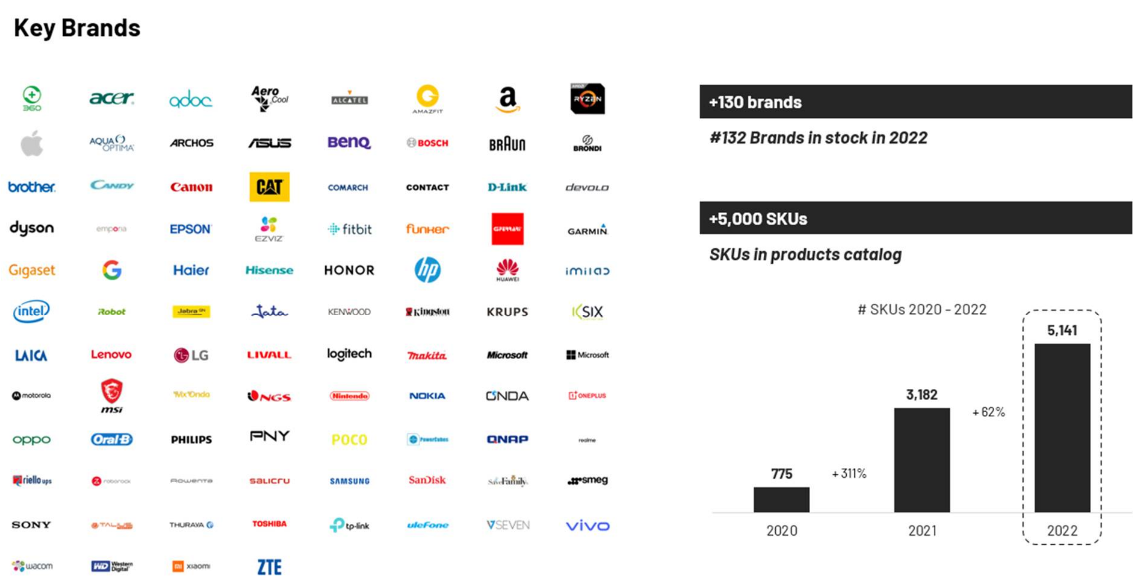
2) ***Competitive commercial offer***

By using MarVin, the Issuer is able to efficiently manage its stock and make its commercial offer competitive, identifying in real time opportunities to purchase and sell its products, even on an international scale, enabling it to enhance the operating margins achievable on products in stock. Through the historical and statistical analysis of data on sales trends and market variations in its own, competitors' and suppliers' prices and quantities, the Issuer is able to formulate a competitive commercial offer, planning supplies and target purchase prices.

The correct definition of stock purchases, to precisely cover customer requirements over the chosen time frame, and of the purchase price makes it possible to: (i) optimise stock rotation and, consequently, the return on working capital; (ii) optimise margins, with a competitive price to the customer; (iii) limit the risks arising from significant variations in product prices.

3) ***Extensive product portfolio***

The product portfolio offered by the Issuer as at the Date of Admission Document includes more than no. 5,000 references (stock keeping units, "**SKUs"**) and over no. 130 brands in no. 14 different categories of both electronic and consumer products. The Issuer's objective is to progressively expand the product categories, based on the SKUs most in demand on the market.



Source: Riba Mundo's Management

The product portfolio is offered through different channels and modalities: purchases are made autonomously via the B2B platform on the Issuer's website (www.ribamundotecnologia.es), based on price lists that are updated in real time and sent daily by the MarVin software via email in different formats (.xls, .csv, .html, .pdf) to all encoded customers, *i.e.* they can be downloaded automatically by customers either via FTP technology or via API by communicating directly with MarVin.

4) ***Order and delivery management***

Through the ultra-fast delivery service, the Issuer is able to guarantee delivery of its products within 24 hours to all European countries and within 48 hours to islands and disadvantaged areas. The Issuer has also implemented ad hoc procedures, integrated in the MarVin software, to speed up customs clearance of non-EU sales and thus guarantee fast deliveries also to non-European customers. The Issuer's ability to guarantee such delivery times is also due to the strategic location of the Issuer's headquarters, located 12 km away from Valencia airport, where all national and international couriers offer their services.

The Issuer's offer is also characterised by fast return and refund procedures that can be activated within 24 hours of customer requests. For orders over EUR 2,000 with ultra-fast service, there are no additional charges for customers.

5) ***Established relationships with major couriers***

One of the elements with the most significant impact on the Issuer's margin is the cost of transport. In order to contain these costs, the Issuer has stipulated long-term agreements with all the main national and international couriers who, through the MarVin software, compete daily with reference to individual orders, to select the best solution in line with the customer's needs.

6.1.4 Issuer's product lines

The Issuer has a broad and diversified product portfolio, including in particular the following product categories:

- smartphones from brands such as Xiaomi, Samsung, Apple, Oppo, RealMe, Motorola, Poco, Oneplus, Honor, Nokia, Zte, Tcl, Onda, Ulefone, Archos, Brondi, Cat, Adoc, Alcatel, Emporie, Funker, Gigaset;
- computing brands such as: Acer, Adoc, Amazon, Apple, Canon, D-link, Ezviz, Google, HP, Huawei, Jabra, Ksix, Microsoft, Ngs, Qnap, Samsung, Sandisk, Talius, Western Digital, Toshiba, Wacom, Xiaomi;
- gaming brands such as: Nintendo, Sony, Microsoft Xbox and video games;
- smartwatches from brands such as: Amazfit, Apple, Celly, Garmin, Samsung, Savefamily, Xiaomi;
- speakers from brands such as: Apple, Bang & Olufsen, Nilox, Xiaomi;
- headphones from brands such as: Apple, Bang & Olufsen, HP, Xiaomi, Oppo, Samsung, Jabra, Ngs, Realme;
- consumables and office supplies from brands such as: Philips, Riello, Xiaomi, Canon.
- ecosystem and home of brands such as Xiaomi, Laica, Ezviz, Jata, Makita, Ngs, Powercube, Smeg, Brita;
- high-end small household appliances from brands such as: Smeg, Rowenta, Roborock, Xiaomi, Dyson, Irobot, De Longhi, Philips, 360 Vacuum, Aqua Optima, Black & Decker, Bosch, G3 ferrari, Illy, Laica, Mxonda;

- personal technology from brands such as Xiaomi, Braun, Oral-B, Rowenta, Laica, Yesoul;
- photos and videos from brands such as: Imilab, Celly, Nilox, Xiaomi;
- high-end tablets from brands such as: Apple, Samsung, Xiaomi, Lenovo, Microsoft, Nokia, Realme, Lenovo, Alcatel, Adoc, Huawei, Savefamily, Talius, Archos;
- toys from brands such as Feber, Vileda, Xiaomi;
- TV sets of brands such as Xiaomi, Samsung, Lg.

6.1.5 Issuer's business model

A) Purchase of products

In order to efficiently pursue its resale goals, Riba Mundo, using the different functions of the MarVin software, and in particular thanks to the proprietary Want to Buy platform, is able to automatically identify both the type and the optimal quantity of electronic products to be purchased.

In particular, thanks to Want to Buy, MarVin is able to compare the list prices of all of the Issuer's suppliers in real time, with updates every 15 minutes, not only through the identification of the arithmetic average of the sales prices charged, but also through the calculation of the "potential" average, re-measured according to an algorithm developed by the Issuer in consultation with consultants and software developers.

Thanks to its ability to import, standardise and reprocess the necessary information, MarVin is able to return a complete information set to the Issuer, enabling the managers to optimise the processes of identifying both the type and quantity of products to be purchased, and above all the target purchase price that can guarantee a margin and no surplus stock.

In addition, MarVin is able to draw up detailed reports taking into account the Issuer's current and future stock requirements, and to suggest to the Issuer a range of possible solutions to efficiently pursue the Issuer's predetermined purchasing, storage and subsequent resale objectives (such as, for example, the automatic creation of orders to suppliers according to predetermined deadlines, in order to avoid the out-of-stock of a certain product, or the reporting of products on which price reductions are necessary).

Finally, it should be noted that the Issuer's business model is informed by the principles of flexibility: as of the Date of Admission Document, in fact, there are no agreements in place with possible strategic partners and suppliers, which could have an impact on the Issuer's management. This strategic choice is aimed at allowing the Issuer to ensure that MarVin, unlike the business model of traditional distributors of consumer electronics products, has greater freedom to operate on the domestic and international market, fully exploiting all its functions and without contractual or operational limitations with suppliers.

In addition to the use of MarVin, the Issuer relies on the support of its network of 4 experienced buyer accounts (including, as of the Date of Admission Document, Vincenzo Poeta, Mirco Sorbo and Andrea Dezi) for the negotiation of orders of a significant size.

Finally, it should be noted that, in order to maximise its operations and strengthen its market position, as of the Date of Admission Document, the Issuer is a member of specialised B2B online platforms, such as ICB, Igt, Z-empire, Handelot and Gsm, and regularly participates in events and trade fairs focused on consumer electronics to expand its supplier network on a global scale.

B) Identification of the optimal quali-quantitative composition of the warehouse

Through MarVin, Riba Mundo is able to efficiently manage its inventory and to enhance the operating margins achievable on products in stock, limiting the possible adverse effects of relative price fluctuations.

In particular, MarVin guides Riba Mundo in the correct sizing of stock, using a statistical-mathematical approach, and adjusting substantially in real time to changes in market prices and providing the Issuer with the coverage value of stock at 3, 7, 15, 30 days, to avoid the out-of-stock of the best products.

For the purpose of identifying the correct quali-quantitative composition of the stockpile, MarVin is able to take into consideration various variables, such as the time horizon of the Issuer's procurement needs, the market price fluctuations associated with a given type of product and their historical margins. MarVin is also able to guide the optimal qualitative-quantitative composition of the stockpile by means of a reprocessing of the statistics relating to B2B sales of a certain type of product, as well as the price lists charged by the Issuer's competitors and suppliers.

Finally, in order to pursue maximum efficiency in warehouse management, MarVin is able to identify products with slower resale cycles and propose solutions to deal with them, such as lowering their prices and identifying the optimal time frame for maintaining a particular pricing policy.

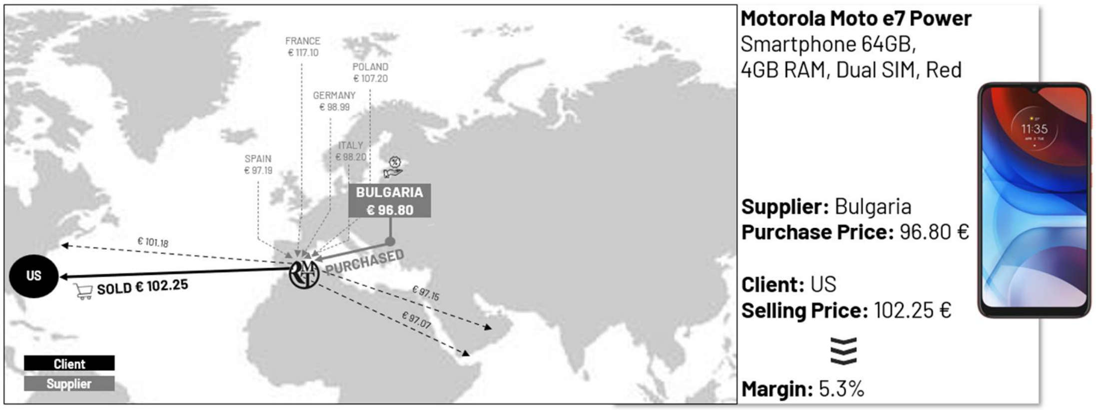
As of the Date of Admission Document, using the calculation power of MarVin, the stock turnover indicator is no. 25 days.

C) Resale of products

MarVin supports the Issuer's commercial management in the optimal pricing of its products, through an algorithm that takes into account various factors, such as: (i) the prices and price variations charged on the market by competing players, as well as their stock availability; (ii) the quantity of products available in the Issuer's warehouse, as well as incoming products; and (iii) the turnover index of the individual type of products available in the Issuer's warehouse.

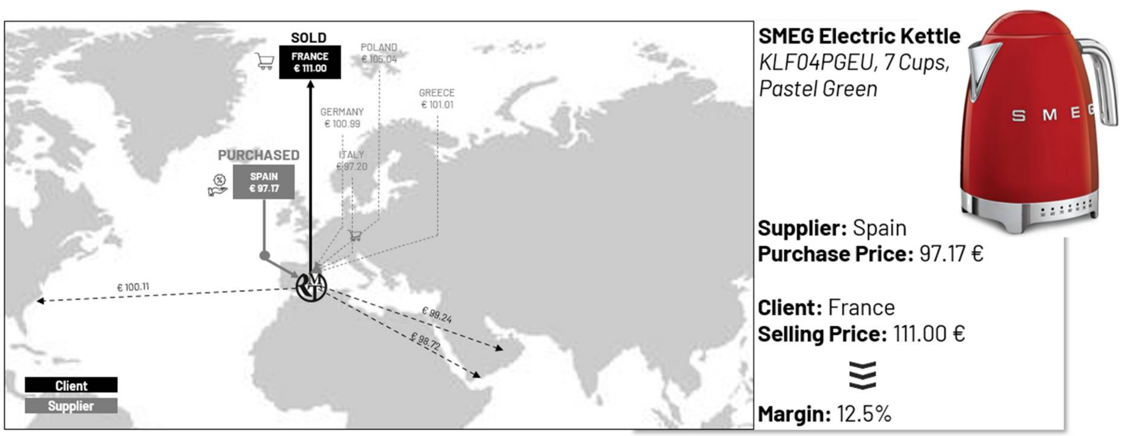
Two case studies, representative of the Issuer's operations, are reported below:

- Motorola case study: valorisation of the Motorola brand which is little marketed in Bulgaria and on the contrary very popular in Florida (USA). The Issuer purchased a stock of Motorola Moto e7 Power phones in Bulgaria at a price of EUR 96.80 and resold it in Florida at a price of EUR 102.25, realising a margin of 5.3%.



Source: Riba Mundo's Management

- *SMEG case study*: maximising the value of the SMEG brand's Kettle electric kettle, with low availability in France and significant supply in Spain. The Issuer purchased a stock of SMEG Kettle kettles in Spain at a price of EUR 97.17 and resold it in France at a price of EUR 111.00, realising a margin of 12.5%.



Source: Riba Mundo's Management

As of the Date of Admission Document, the products marketed by the Issuer are resold on the market both through Riba Mundo's e-commerce platform, which is available in 7 languages and had more than 1,400 registered users as of March 2023, and through the various "connection" channels with the various customers such as the FTP and API services that support the sales offices, all connected and integrated with MarVin. The various information flows for the benefit of customers are all updated in real time with stock changes of the Issuer's products in stock, prices and new orders received. By virtue of the connection between the e-commerce platform and MarVin, moreover, the Issuer is put in a position to identify its inactive customers, as well as to receive suggestions as to commercial actions to be taken. As at the Date of Admission Document, an application owned by the Issuer, running on Android and iOS systems and intended for the Issuer's customers, is under development, with which it will be possible to access the Issuer's e-commerce platform.

As at the Date of Admission Document, the Issuer's products are predominantly resold to distributors of electronic products on a B2B basis (about 304 customers or 73% of the turnover as at 31 December 2022). However, the Issuer's customers also include B2B customers of the retailer/e-tailer type (approximately 772 customers or 27% of turnover as at 31 December 2022). The Issuer's customers are located in more than 40 countries, which include all European Union countries, the United Kingdom, the United States of America and the United Arab Emirates (non-European countries of primary importance in terms of turnover and margins in the sector). Through MarVin, the Issuer is in fact able to seize real-time opportunities to purchase and sell its products, also on an international scale. The Issuer's customer base is highly diversified and, as of 31 December 2022, numbered 1,074 customers, broken down as follows:

- the first customer represents approximately 4.6% of the Issuer's turnover as at 31 December 2022;
- the first three customers (representing approximately 0.3% of the customer base) account for approximately 13% of the Issuer's turnover as at 31 December 2022;
- the first 10 customers (representing approximately 1% of the customer base) account for approximately 29% of the Issuer's turnover as at 31 December 2022;
- the first 25 customers (representing approximately 2.3% of the customer base) account for approximately 50% of the Issuer's turnover as at 31 December 2022;
- the first 200 customers (representing approximately 19% of the customer base) account for approximately 90% of the Issuer's turnover as at 31 December 2022.

In order to broaden its customer base and strengthen its market positioning, the Issuer subscribes to online platforms such as ICB, Igt and Handelot, regularly participates in trade fairs and events focused on consumer electronics, and uses marketing channels both online such as SEO, online advertising and digital marketing, and offline such as flyers and billboards in major cities.

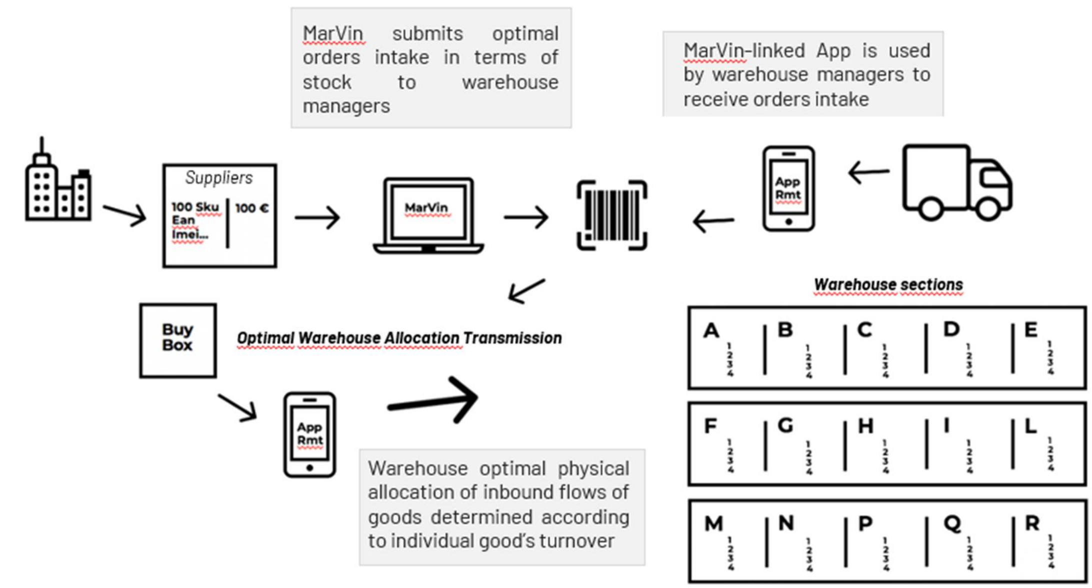
For the negotiation of the most important orders, the Issuer employs a team of no. 11 accounts with consolidated experience, led by Mirco Sorbo.

D) Order and delivery management

MarVin has enabled the Issuer to increase speed and efficiency in the handling of every stage of sales orders, starting with the handling of incoming goods. During 2022, approximately 18.55% of the products purchased by the Issuer were delivered to its customers on the same day.

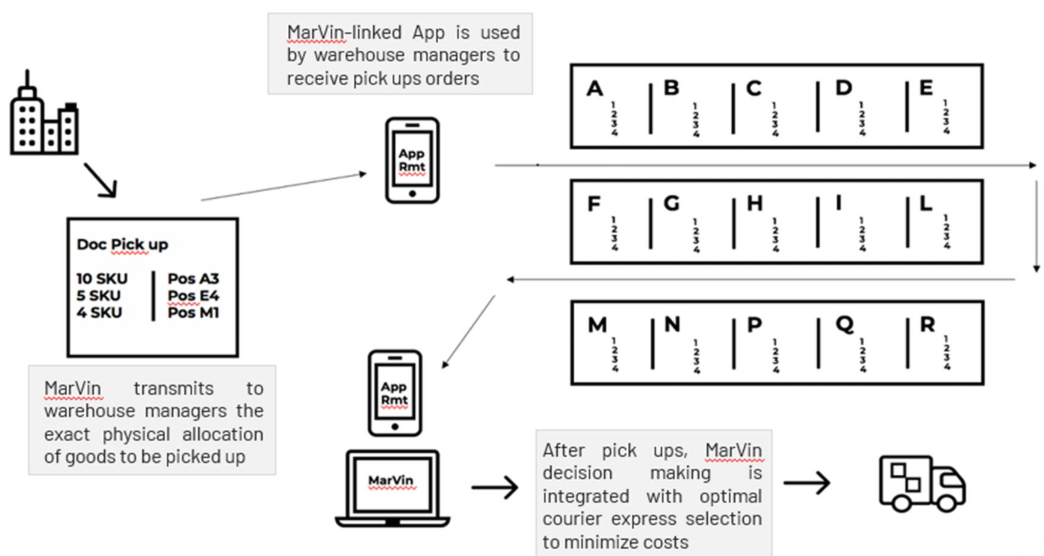
In order to facilitate the management of incoming and outgoing goods movements, optimise the storage of goods in the warehouse and speed up the delivery of products, the Issuer has developed a special application, linked and fully integrated with MarVin and running on Android and iOS systems, which is used by warehouse staff to manage the handling of goods. The application also indicates to the operator the placement of products according to the calculated rotation, optimising the route within the warehouses. Thanks to the use of this application, the available stock of products is always mapped and updated.

The following diagram illustrates the Issuer's goods entry procedure.



Source: Riba Mundo's Management

The following diagram illustrates the Issuer's exit procedure.



Source: Riba Mundo's Management

Thanks to agreements reached with all major national and international couriers, the Issuer is also able to guarantee delivery of its products within 24 hours to all European countries. Through MarVin, the Issuer can optimise transport costs through data analysis that allows it to select the best courier for each type of shipment. To this end, MarVin bases its determinations on elements such as the actual weight and volumetric weight of the product to be shipped, as well as the courier rates in the various destination countries.

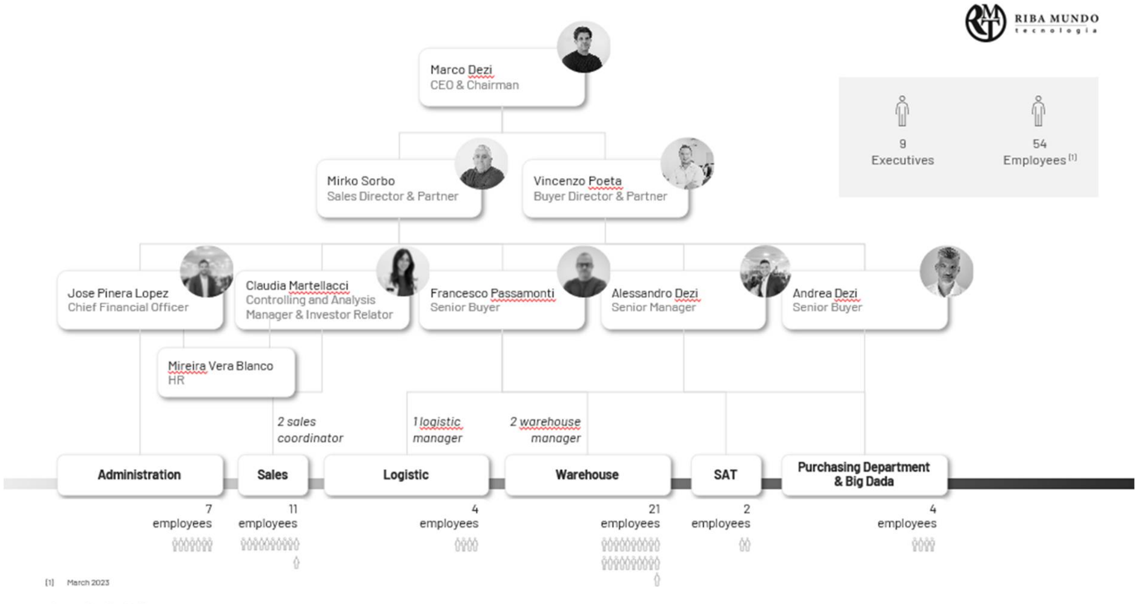
As an alternative to the handling of orders in the manner just described, as of the Date of Admission Document, the Issuer is gradually beginning to use the dropshipping service. With this service, goods are shipped directly from suppliers to end users, without passing through the retailers/e-tailers warehouse. In this way, Riba Mundo is becoming a strategic player in consumer goods ecosystem by allowing clients to redefine their commercial strategies. In 2022, dropshipping accounted for approximately 1.4% of total sales.

To better understand dropshipping activity, two examples are provided below:

- **Example 1:** from one side, e-Tailers may check real time updates of Riba Mundo stock and prices in order to find products cheaper than those sold by other competitors, selling them to the end consumers. From the other side, Riba Mundo dropshipping to end consumers service allows these eTailers to create virtual shops without logistics and with reduced personnel.
- **Example 2:** from one side, brick and mortar chains may use Riba Mundo intelligence to plan for flyer offers, last minute discounts and strategic positioning in order to attract customers in their shops. From the other side, Riba Mundo becomes more reliable and strategic than classic distributors for these customers since creates commercial opportunities to drive people in stores.

6.1.6 Organisational structure of the Issuer

The following diagram illustrates the organisational structure of the Issuer as at the Date of Admission Document, with a description of the responsibilities of each of the Issuer's functions.



As at 31 March 2023, the Issuer's workforce consisted of 9 executives (members of the Executive Board) and 54 employees.

Executive Board

The Executive Board has the following responsibilities:

- definition of corporate strategies both in the short and long term, with coordination tasks for each area to which the members of the Executive Board report;
- control and analysis of the Issuer's performance in line with the set targets and with the possibility of intervention, with the support of the MarVin software, in the event of deviations;
- analysis of company procedures and definition of strategies to improve the efficiency and operability of each individual area;
- management and leadership of the different areas for which each member of the Executive Board is responsible;
- approval of business and financial partners to work with in the different areas.

Commercial Department

The Commercial Department, in turn divided into Sales and Purchase & Big Data, has the following responsibilities overall:

- definition of commercial sales strategies and approval of price changes suggested by MarVin, with the coordination of these strategies with the B2B platform and internal sales staff;
- definition of the parameters to be entered into the MarVin software for the coverage of warehouse supplies;
- Co-ordination of marketing policies with the marketing department, which also manages the communications of the B2B platform in relation to historical sales data;
- definition of the purchasing strategy, through the analysis of reports and the continuous support of the MarVin software;
- approval of the WTB (Want to Buy) file automatically generated by MarVin at periodic intervals with the list of products, *target price* and procurement quantities;
- monitoring and analysing customers with ad hoc commercial offers;
- approval of the initiation of the handling of each individual sales order received;
- support in the coordination of customer requests on different IT services;
- collection of the necessary documentation for each order.

Administration Department

The Administration Department has the following responsibilities:

- control of cash flows and planning of due dates;
- management of active billing and due dates (with initiation of the alert procedure in the case of overdue and overdrawn accounts);
- relations with financial institutions;
- management of VAT settlement and recording of active and passive invoices;
- liquidation management SGAE;
- management of Intrastat declarations and customs files;

- relationship with the Issuer's consultants for the management of certified procedures supported by the MarVin software;
- support for the definition of the warehouse inventory.

Warehouse Department

The Warehouse Department, which as at the Date of Admission Document has 28 warehousemen, has the following responsibilities:

- management of goods "entries", control EAN and IMEI and their entry into the MarVin software; control of conformity of goods with purchase orders previously issued by the Commercial Department and present in the MarVin database;
- compilation of data on individual deliveries upon arrival of goods and reporting of any anomalies or deviations from the purchase order;
- management of goods picking, with the support of the application linked to MarVin, for orders to be shipped, according to customer needs and types;
- management of goods exits with the preparation of individual shipments of different orders.

Logistic Department

The Logistic Department has the following responsibilities:

- management of the procedure for issuing shipping labels and subsequent tracking of goods;
- relations with different national and international couriers;
- supervision of automatic tracking entries in the MarVin software;
- supervision of shipments and management of shipment issues;
- management of withdrawals from suppliers by couriers;
- supervision and support of customs procedures for imports and exports.

SAT Department

The SAT Department has the following responsibilities:

- management of customer return request procedures;
- management of supplier return request procedures;
- relationship with the certified service centres of the different brands;
- departmental cost analysis.

6.1.7 Issuer's warehouse

As of the Date of Admission Document, the building in which the Issuer operates consists of a warehouse of approximately 4,500 square metres and offices of approximately 600 square metres. Inside the warehouse are:

- no. 3 separate areas: storage area, entrance area and exit area;

- no. 4 workstations for goods entry;
- no. 6 picking and check stations;
- no. 6 stations for final packaging;
- no. 4 electric forklifts for picking, including no. 2 electric pallet trucks for goods positioning and picking and no. 2 forklift trucks for loading and unloading;
- no. 64 pallet racks with a total capacity of approximately no. 1,200 pallets. There is also space for another no. 800 pallets outside the racks.

The entire warehouse is organised using MarVin algorithms, with the logic of placing the highest-rotation products in the easiest parts of the warehouse and leading the pickers to spend as little time as possible on picking, also through the application installed on the smartphones provided to the warehouse workers.

The history of filled orders shows significant growth from April 2021 to December 2022, with a compound annual growth rate of around 9%.

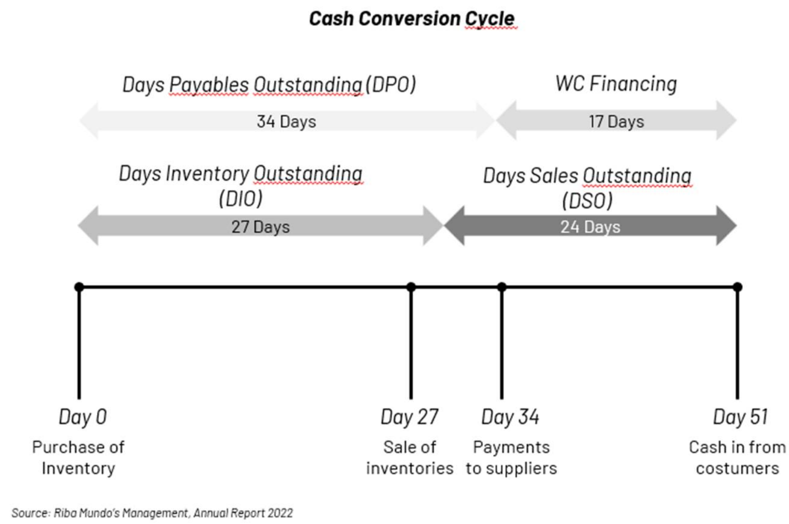
Specifically, during 2022, the Issuer processed 30,205 orders for a total of 2,141,739 products sold and a total of EUR 329 million. 72% of these sales were realised through traditional channels, while 28% were realised through the e-commerce platform (proprietary platform established in September 2021). In the year ended on 31 December 2022, sales from e-commerce amounted to EUR 93 million, an increase of 288% compared to the period from September 2021 to December 2021, in which sales from e-commerce amounted to EUR 24 million.

With regard to inventories, the cash conversion cycle in FY 2022, as illustrated by the diagram below, has a duration of 51 days.

The Days of Inventory Outstanding, or DIO, were 27 days in 2022 compared to 29 days in 2021. The increase in the rotation of the inventory is mainly due to the increase of the Issuer's activity.

The days of payable outstanding ("DPO") in 2022 amounted to 34, in line with the 30 days in 2021.

The Days of Sales Outstanding, or DSO, in 2022 were 24 days in line with the 26 days in 2021.



MarVin, through its algorithms, calculates the target duration for which each SKU should remain in stock: if the turnover index for a SKU is higher than the target calculated by MarVin, the price of the SKU is gradually increased until the stock is completely sold; conversely, if the turnover index is lower than the target, the price is gradually reduced until the stock is completely sold.

6.1.8 Certifications and authorisations issued by sector authorities

Not applicable.

6.2 Main markets and competitive positioning

This section illustrates the trend and dynamics of the Issuer's reference market, as well as its competitive positioning, with statistics, data and other information relating to the markets in which the Issuer operates, market size, market shares and market positioning and other sector data relating to the Issuer's activities.

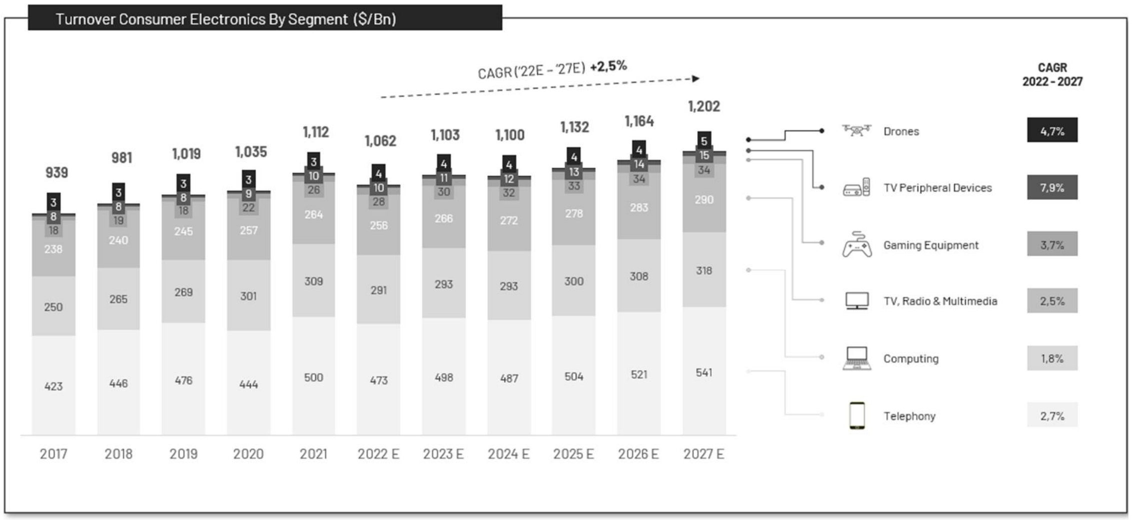
Unless otherwise indicated, this information is based on analyses conducted by the Issuer on market data published on the website *www.statista.com*, updated as of December 2022.

The information has been faithfully reproduced by the Issuer and, to the best of the Issuer's knowledge, no facts have been omitted that would render the information provided inaccurate or misleading.

6.2.1 Consumer electronics market

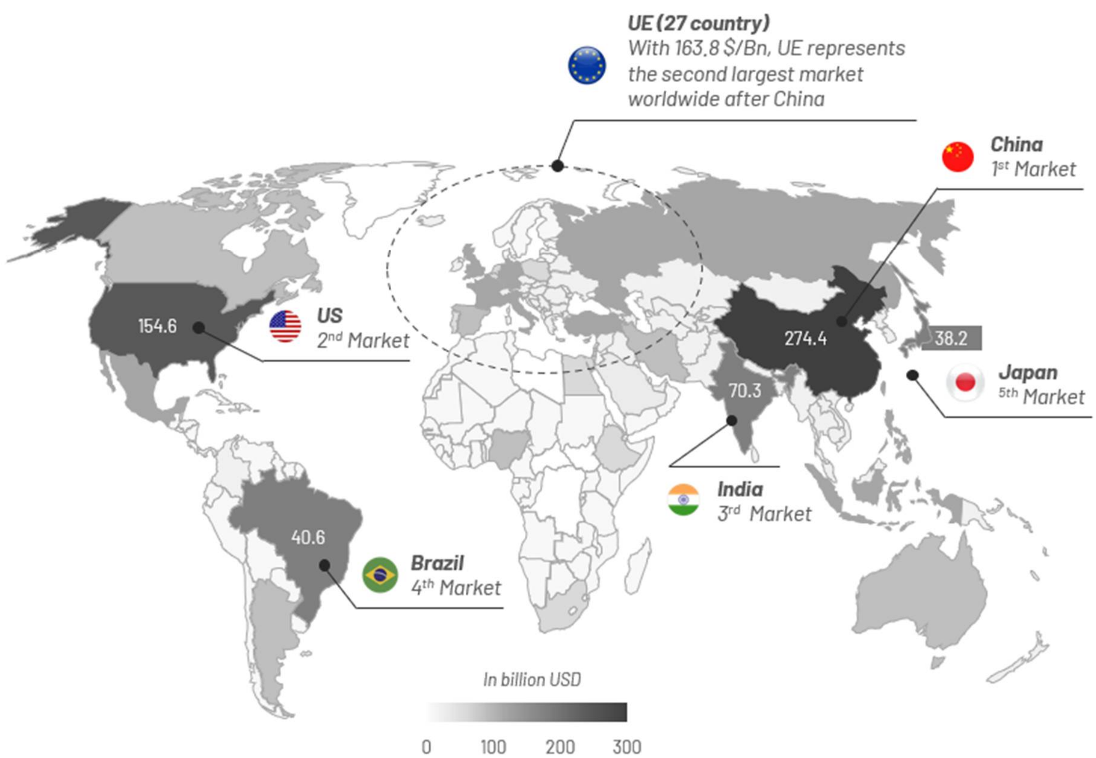
The consumer electronics sector is the Issuer's main target market. In 2021, this market generated a value of USD 1,112 billion globally, and is expected to reach a value of USD 1,202 billion by the end of 2027. The market's growth prospects are positive, with an estimated 2022 - 2027 compound annual growth rate (CAGR) of approximately 2.5%.

During 2021, smartphones were the most significant segment with around USD 500 billion in sales, followed by computing with around USD 309 billion.



Source: Statista - Consumer Electronics - Worldwide, December 2022

Geographically, in 2021, China was the top country in terms of consumer electronics sales with USD 274.4 billion, followed by the European Union (27 states) with USD 163.8 billion and the United States with USD 154.6 billion.

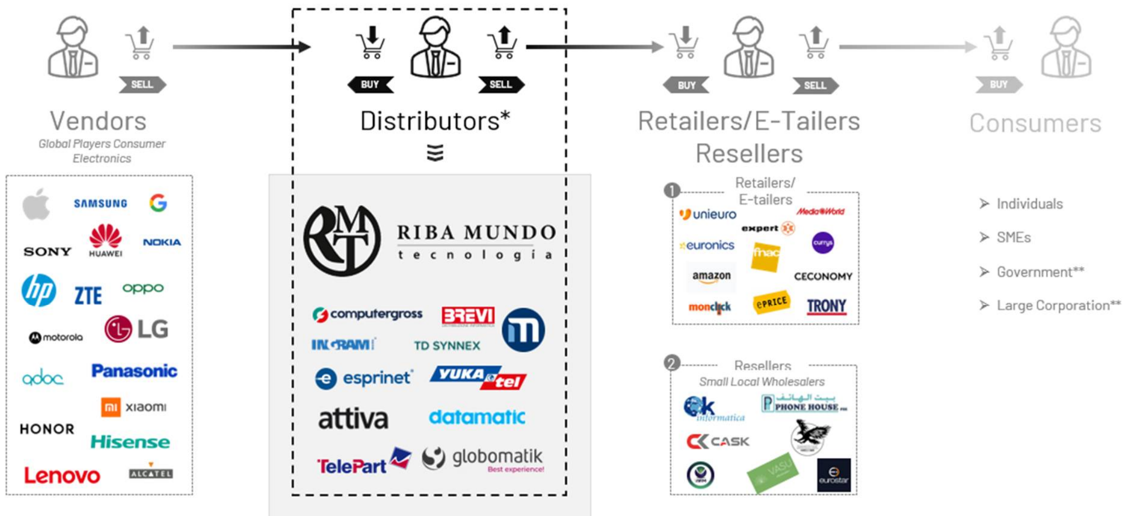


Source: Statista - Consumer Electronics - Worldwide, December 2022

Among the main drivers for the development of this market is the increasingly significant growth of the Internet of Things (IoT). According to data updated in December 2022 published by the website *www.statista.com*, there will in fact be more than 30 billion IoT-connected devices by 2030.

The consumer electronics market, which can be depicted as in the diagram below, mainly involves 4 types of players:

- *vendors*: global players active in the production of consumer electronics;
- *distributors*: companies, with direct agreements with vendors, active in B2B distribution of consumer electronics products, acting as wholesalers for resellers;
- *resellers*: retailers and/or e-tailers who sell products purchased by distributors to end consumers;
- *end-users*: users who are end-users of products, which can be divided into individuals, small and medium-sized companies, government bodies and large enterprises.

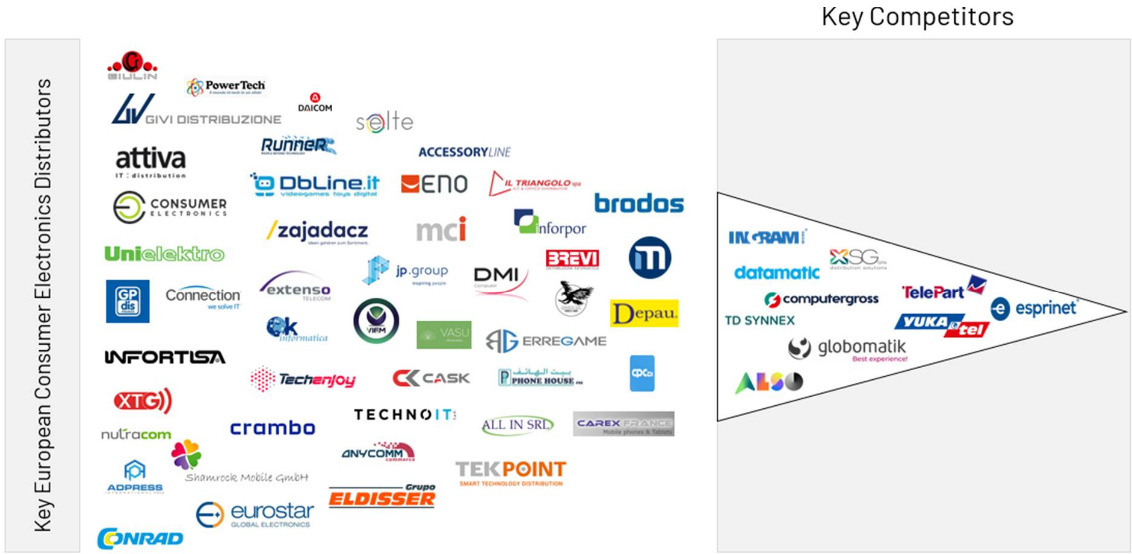


*Some Distributors of Consumer Electronics may be also specialized in the distribution of Value Added IT products or electrics and electronics equipment
**Large Corporations and Governments typically rely on direct channels to Vendors for the purchases

Source: Riba Mundo on Consumer Electronics market structure

6.2.2 Competitive positioning

The following is a graphic representation of the European-wide market in which the Issuer operates:



Source: Riba Mundo's Management

Below is a description of the Issuer's main competitors in the reference market:

- Esprinet S.p.A., listed on Euronext STAR Milan since 2001, is an Italian company active in the B2B distribution of Information Technology and consumer electronics and is today the largest distributor in Southern Europe and the fourth largest operator in Europe. The main markets in which the company operates are Italy and the Iberian Peninsula. The company mainly operates in the distribution of IT products (hardware, software and services) and consumer electronics (mobile phones and accessories) to retail and business customers. The company has over 31,000 customers and a warehouse of 174,000 square metres. In 2021, Esprinet S.p.A. generated revenues of EUR 4,691 million.

- Yukatel GmbH is an internationally operating German mobile phone distributor providing hardware and software solutions in the field of GPS & M2M/IoT telematics for over 20 years, based in Offenbach am Main (Germany). From its warehouse and logistics centre, Yukatel ships worldwide every day. Orders up to 6pm are shipped the same day. Yukatel's warehouse has a permanent stock of about no. 100,000 products. The company has more than 10,000 customers and a 5,000 m2 warehouse. In 2021, Yukatel GmbH generated revenue of EUR 840 million.

- TelePart Distribution GmbH is a German company that has been active in the international wholesale of mobile phones for more than 30 years. The company's product range consists mainly of mobile phones, tablets and various accessories such as smartwatches, covers and headsets. TelePart Distribution GmbH supplies a wide range of customers, from retail to business retailers, retail chains, online retailers, wholesalers and network operators. The company has over 2,000 customers and a 2,100 m2 warehouse. In 2021, TelePart Distribution GmbH generated revenue of EUR 192 million.

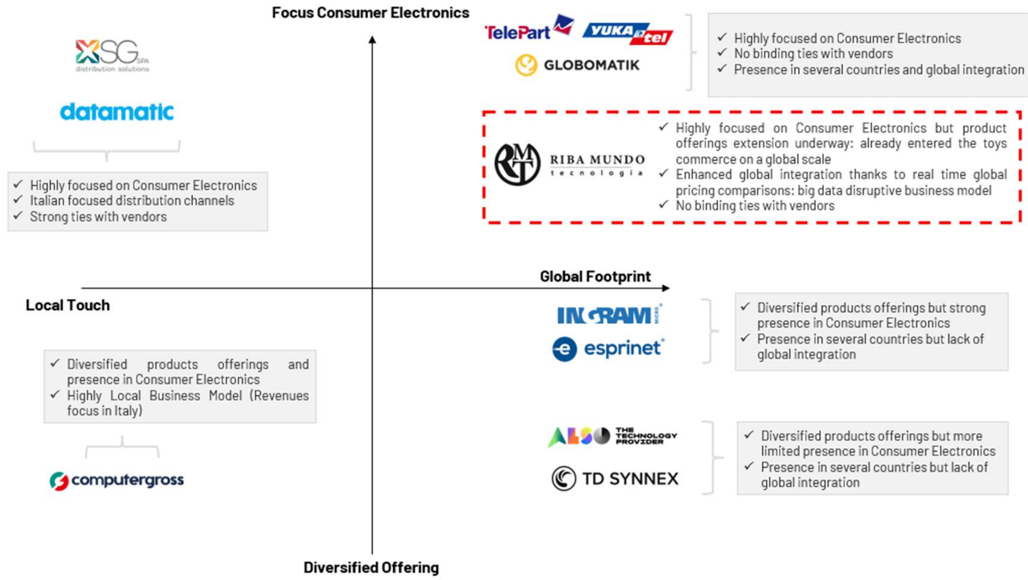
- Computer Gross S.p.A. (a wholly owned subsidiary of Sesa S.p.A., an Italian ICT & System Integrator distributor listed on Euronext STAR Milan) is an Italian ICT distributor offering technology solutions from leading Vendors to resellers, system integrators and service providers. Computer Gross S.p.A. focuses on value-added business lines (data centre, software, networking, devices, cloud, security) and its territorial presence is guaranteed by more than no. 20 area managers and no. 15 B2B stores in the main Italian cities. The company boasts relationships with over 230 vendors and has over 20,000 customers. In 2021, Computer Gross S.p.A generated revenues of EUR 1,636 million.

- SG S.p.A. is an important Italian distribution player in the consumer goods sector. The company operates in B2B distribution, with about 1,600 customers and more than 1,500 products in its portfolio, distributed worldwide for more than 10 years and traceable to about 80 vendors. SG S.p.A. serves a wide range of customers, from the largest retail and GDS chains, to small and large retailers, system integrators, resellers and independent shops. SG S.p.A. has four company headquarters in Milan, Rome, Melfi and Bari, as well as logistics facilities, covering an area of over 40,000 square metres. In 2021, SG S.p.A. generated revenues of EUR 596 million.
- Globomatik Informatica S.L.U. is a Spanish wholesaler of computer products founded in 2002 and based in Almeria. The company is the second largest wholesaler in Spain and offers a wide range of products to end consumers, from computers and related components, to smartphones, networks, games, audio and video solutions, and home appliances. The company has relationships with more than 250 vendors and has over 5,000 customers and more than 16,000 square metres of warehouse space. In 2021, Globomatik Informatica S.L.U. generated revenues of EUR 165 million.
- Datamatic S.p.A. is a B2B distributor of IT products present on the Italian market since 1973. The company is organised into 3 business units (commercial, retail and franchising) and distributes 100 brands and more than 50,000 products to about 20,000 customers and resellers through various self-service (e-commerce platform, app and Cash&Carry) and assisted (agents and field system operators) sales channels. Datamatic S.p.A. has 22 Cash&Carry locations throughout Italy and generated revenues of EUR 541 million in 2021.
- Ingram Micro Inc. is the world's largest distributor of technology products. The US-based company is a global leader in IT supply chain, mobile services and logistics solutions. Ingram Micro Inc. distributes a wide variety of products from more than 1,700 vendors to more than 200,000 customers. The company caters exclusively to IT resellers, offering pre-sales consulting and support, e-commerce and marketing solutions, and advanced logistics services. With a warehouse of more than 18,000 sqm (figure referring only to the Italian division), Ingram Micro generated revenues of USD 43,089 million in 2021.
- TD SYNNEX, listed on the New York Stock Exchange, is a leading global distributor and aggregator of IT ecosystem solutions. The group is an innovative partner helping more than 150,000 customers in more than 100 countries. The group has more than 23,500 employees dedicated to bringing together products, services and solutions from over 1,500 vendors. The company's edge-to-cloud portfolio is anchored in some of the fastest growing technology segments, including cloud, cyber security, big data/analytics, IoT and mobility. In 2021, TD SYNNEX generated revenues of USD 31,614m.
- ALSO Holding AG, listed on the SIX Swiss Exchange and headquartered in Switzerland, is a leading technology provider for the ICT sector, currently active in 28 countries in Europe and 143 countries worldwide. The ALSO ecosystem offers hardware, software and IT services from more than 700 suppliers in over 1,450 product categories. The Supply division covers the range of hardware and software. The Solutions division supports customers in developing customised IT solutions. Subscription-based cloud offerings and platforms for IT security and artificial intelligence are offered by the

Services division. With more than 120,000 customers, ALSO Holding AG generated revenue of EUR 12,394 million in 2021.

Below is a graphic representation of the Issuer and its competitors considering the main features of their respective offers:

- *Consumer Electronics vs. Diversified Offer*: offer focused on consumer electronics products vs. a cross-sector offer also embracing the world of services or other product categories;
- *Global Footprint vs. Local Touch*: propensity to manage a global offer without binding agreements with suppliers as opposed to an offer on a single country or geographical area.



Source: Riba Mundo's Management

6.2.3 Competitors of the future

As of the Date of Admission Document, in addition to its strong focus on product categories related to consumer electronics, the Issuer has also entered the world of toys.

In fact, the Issuer's mission is to extend its data-driven approach also to other sectors such as the white goods segment of consumer electronics, the pharmaceutical and parapharmaceutical and the beauty & healthcare industry.

According to figures updated to December 2022 published on the website www.straitsresearch.com, the market value of the household appliance industry will grow from about USD 658 billion in 2021A to about USD 1,235 billion in 2030E at a CAGR of +7%.

According to figures updated to April 2023 published at www.statista.com, the market value of the online pharmacy industry will grow from approximately USD 28 billion in 2022A to approximately USD 52 billion in 2027E at a CAGR of +14%.

According to figures updated to 2022 published at www.statista.com, the market value of the beauty & personal care industry will grow from approximately USD 536 billion in 2022E to approximately USD 672 billion in 2027E at a CAGR of +5%.

The Issuer's main competitors in the pharmaceutical and parapharmaceutical market are therefore listed below:

- So.Farma.Morra S.p.A., a wholly Italian private capital company, is a player in the intermediate distribution of pharmaceutical and parapharmaceutical products, supplying more than 8,000 customers every day in Italy, Europe, the Middle East and North Africa. So.Farma.Morra S.p.A.'s distribution system is structured through no. 15 distribution centres located throughout Italy, no. 15 logistics warehouses and European partners in the field of pharmaceutical distribution. The company distributes over no. 90,000 products, making more than no. 14,000 deliveries per day. In 2021, So.Farma.Morra S.p.A. generated revenues of EUR 797 million.
- Farmaè S.p.A., listed on Euronext Growth Milano since 2009, is an Italian online retailer founded in Viareggio in 2014. Today Farmaè S.p.A. operates mainly in e-commerce through Farmaè and Beautyè with over no. 45,000 products sold in no. 14 different product categories. The company is also present in Italy with no. 9 Farmaè Stores (no. 2 in Viareggio, no. 1 in Livorno, no. 1 in Sarzana and no. 5 in the main hospitals in Tuscany) and no. 1 Beautyè Store in Viareggio. In the first 9 months of 2022, the company had a catalogue of more than no. 100,000 SKUs, had sold about no. 8.50 million products and fulfilled about no. 1.69 million online orders. In 2021, Farmaè S.p.A. generated revenues of EUR 83 million.
- Farmacosmo S.p.A., listed on Euronext Growth Milano since 2022 and headquartered in Italy, is a digital native ecosystem, offering more than 65,000 products from over 4,000 brands specialising in health and wellness. Through an e-commerce platform built and managed directly in-house, Farmacosmo S.p.A. deals with the online sale of medicines and health care items, supplements, baby products, body and beauty care products, perfumes, make-up, toys, veterinary and home care products. In 2021, Farmacosmo S.p.A. generated revenues of EUR 58 million.

6.3 Important events in the development of the Issuer's business

The Issuer was incorporated on 20 September 2018, as a "limited company" under Spanish law, under the corporate name of "Riba Mundo Tecnología S.L."

In 2020, Marco Dezi, the Issuer's current Chief Executive Officer and controlling shareholder, entered the Issuer's capital.

In order to meet the automation and efficiency requirements of its business processes, resulting from its rapid pace of organic growth, in 2020 the Issuer developed the MarVin management software in-house, capable of processing large volumes of data in real time and in a centralised manner.

In the course of 2021, in consideration of the good results achieved and consistent with the Issuer's retention strategy, which aims to enhance and retain qualified managers, Vincenzo Poeta indirectly entered into the Issuer's capital.

During 2021, the Issuer also continued its organic development path through the launch of the B2B e-commerce platform that is part of the MarVin software. The Issuer also further enhanced its logistics capacity through the purchase of new premises totalling 5,000 square metres, and shipment management, as well as the diversification of its product portfolio.

In June 2022, the Issuer was awarded, within the framework of ePrice Operations S.r.l.'s bankruptcy proceeding pending before the Court of Milan, the so-called "*marketplace*" business unit formerly owned by ePrice Operations S.r.l., concerning the online portal "*eprice.it*".

For further information on the transaction, please refer to Section One, Chapter XVI, Paragraph 16.1.1, of the Admission Document.

6.4 Strategy and objectives

The Issuer's growth objectives will be pursued through the implementation of the following strategic lines.

(a) ***Diversification of customer types***

The Issuer intends to strengthen its market positioning through a process of diversification of its customer base. In particular, while Riba Mundo intends to maintain a strong competitive positioning with an already loyal B2B clientele, mainly composed of distributors of electronic products, the Issuer intends to address new types of customers, and in particular:

(i) ***B2B retail customers***: the Issuer shall further express its organic growth potential with B2B retail customers. To this end, it is the Issuer's intention to strengthen its web positioning by reaching cooperation agreements with special agencies to expand its services. It is also the Issuer's intention to carry out extensive advertising campaigns, as well as to initiate a recruitment process for new resources in France and Germany, to be employed in the function of internal or external commercial sales. Finally, it is the Issuer's intention to direct its efforts towards strengthening and extending its product portfolio;

(ii) ***B2B large distributor customers***: the Issuer intends to reach a new type of B2B customer, consisting of large distributors. To this end, the Issuer intends to provide IT services dedicated to these types of customers to dialogue with their software and then profile the commercial offer according to their needs;

(iii) ***B2C customers***: in order to establish itself as a credible operator also with B2C customers, it is the Issuer's intention to initiate an expansion by external lines, through the acquisition of specialised companies, with experience and positioning in the resale to B2C customers, operating both with direct sales and as an e-commerce platform.

(b) ***Diversification of marketed product categories***

Riba Mundo's goal is to extend data analytics approach to global commerce in other industries (toys, the "White goods" segment of consumer electronics, pharma and parapharmaceuticals, and beauty & healthcare are the next target in the near term), to further consolidate its global footprint and building up an omnichannel global commerce network in the long run.

(c) ***Launch of a new proprietary brand***

Riba Mundo's goal is to launch its own proprietary brand for small domestic appliances in the global commerce of consumer electronics, to leverage on its omnichannel global network and to boost sales and profitability.

(d) ***Geographical Expansion***

Riba Mundo's goal is to keep on expanding into new geographical areas to strengthen its presence in extra-EU countries, breaking into new markets and boosting growth in ever more diversified regions of the world.

(e) ***Enhancing storage capacity***

Riba Mundo's goal is to increase warehouse capacity to make potential growth sustainable and be able to dramatically accelerate volumes and transactions.

Strengths of the Issuer

As main strengths, the Issuer boasts:

- an innovative business model based on the use of data processed through IT tools;
- the use of proprietary technology and in-house developed know-how;
- competitive market positioning;
- established relationships with major national and international couriers;
- business model strongly oriented towards customising the service to the end customer.

Weaknesses of the Issuer

As main weaknesses, the Issuer presents:

- business model with single digit margins;
- important incidence of the smartphone product category on the Issuer's product portfolio.

Opportunities

With reference to the markets in which the Issuer operates, the main opportunities are as follows:

- highly scalable business model;
- breadth of potential customers;
- market undermanned by competitors of comparable size;
- completion of strategic acquisitions;
- international expansion into the US market.

Threats

With reference to the markets in which the Issuer operates, the main threats are as follows:

- possible management difficulties arising from the rapid pace of growth;
- need for continuous updating and training on new technologies.

6.5 Dependence on patents, licences, concessions, industrial, commercial and financial contracts or new manufacturing processes

Except as specifically set forth in Paragraphs 6.5.1 (*Patents and licences*), 6.5.2 (*Commercial agreements*), and 6.5.3 (*Financial agreements*), the Issuer's activities and profitability are not significantly dependent on patents, licences, concessions, or industrial, commercial and financial agreements, or manufacturing processes.

6.5.1 Patents and licences

The Issuer does not have any trademark, design, patent, model or domain registered under its ownership, nor does it use any trademark, design or distinctive sign that has not been duly registered, other than intellectual property rights on the software called "MarVin", which is based on the SQLserver database, is coded in the VB NET programming language, and is for the Windows operating system. As of the Date of Admission Document, the Issuer maintains full ownership of the software registered in Italy.

6.5.2 Commercial agreements

Save for three customers, the Issuer has not entered into any written agreement with its customers. The Issuer's commercial relationships with its customers are subject to the Issuer's general terms and conditions, which are published on its website (*www.ribamundotecnologia.es*).

Since the duration of commercial relationships with the Issuer's customers is not regulated by any written agreement, commercial relationships with the Issuer can be terminated at any time. Furthermore, since there is no written agreement providing for a minimum duration of agreements with customers, in the event that customers early terminate the contractual relationship with the Issuer, the Issuer shall neither be entitled to demand performance *vis-à-vis* the customer (and thus to actually sell the products), nor to demand financial compensation for breach.

Save for three suppliers, the Issuer has not entered into any written agreement with its suppliers. The Issuer's commercial relationships with its suppliers are subject to the general terms and conditions of each supplier.

Since the duration of commercial relationships with the Issuer's suppliers is not regulated by any written agreement, commercial relationships with the Issuer can be terminated at any time. In the event that any supplier terminates its commercial relationship with the Issuer, the Issuer shall neither be entitled to demand performance vis-à-vis the supplier (and thus to actually receive the products), nor to demand financial compensation for breach.

6.5.3 Financial agreements

The Issuer receives financing (including credit facilities, loans and payment services) from seven Spanish financial institutions. Additionally, the Issuer receives non-bank financing from two Spanish companies and has entered into loan agreements with these entities.

As of the Date of Admission Document, 18 financial agreements include change of control events (*i.e.*, substantial changes in the management bodies or shareholders) among the causes for early termination. In the event that the relevant change of control clauses are triggered, the Issuer shall be obligated to repay the financed amounts in full.

It is expected that, as of the First Trading Date, in the event that all the Offer Shares are sold within the Offer and the Greenshoe Option be fully exercised, Marco Dezi will continue to hold an overall shareholding equal to approx. 36.51% of the Issuer's share capital and Gioya will continue to hold an overall shareholding equal to approx. 22.25% of the Issuer's share capital.

Save for the abovementioned financial agreements, the remaining financial agreements do not include change of control events among the causes for early termination, but only provide for the obligation of the Issuer to notify such changes in its shareholding and/or management body to the relevant counterparty.

6.6 Competitive position of the Issuer and prerequisites for the declaration

The information and statements of the Issuer, through which the Issuer's competitive position is described, are taken from, or compiled from, third-party sources, as indicated from time to time by footnotes or directly in the reference tables or charts.

6.7 Investments

6.7.1 Investments made in the financial years ended on 31 December 2022 and 2021

The table below shows the investments in intangible assets and property, plant and equipment made by the Issuer during the years ended on 31 December 2022 and 2021.

(In thousands of euros)	For the year ended on 31 December	
	2022	**2021**
Intangible assets		
IT software	1,554	383
Property, plant and equipment		
Land	-	454
Buildings	-	632
Machinery	17	9
Furniture and fittings	236	38
IT equipment	16	12
Assets under construction	82	231
Total	**1,905**	**1,759**

The most significant investments have been made in intangible assets, which mainly refer to customizations and additions to the MarVin software.

The main additions for the year 2022 related to "Property, plant and equipment" correspond to furniture for the offices of the Issuer. For the year 2021, the additions were related to the acquisition of the facilities located in Loriguilla, where the offices and warehouse of the Issuer are located. The offices and warehouse were sold and leased back in the year 2022.

6.7.2 Investments in progress and subject to final commitment

As of the date of this Admission Document there are no commitments by the Issuer for future investments. Investments in progress are detailed in the preceding paragraph and amount to EUR 82 thousand.

6.7.3 Joint ventures and associates

On 10 October 2022 the Issuer acquired 50% of the share capital of PB Online S.r.l., a joint venture with Portobello, S.p.A., which holds the remaining 50% of the share capital. PB Online S.r.l. is jointly controlled by the Issuer together with Portobello, S.p.A. and the investment qualifies as a joint venture.

The transaction was carried out with the purpose of acquiring certain assets from ePrice Operations S.r.l. through the joint venture. The assets acquired are associated with the e-commerce sales platform "ePrice", an Italian digital store specialized in the sale of high-tech products.

The Issuer invested EUR 2,650 thousand in the acquisition of a total of 2,650,000 shares with a par value of EUR 1 per share.

The shares of the acquired company are not listed on any stock exchange.

For further information, please refer to Section One, Chapter XVI, Paragraph 16.1.1, of the Admission Document.

6.7.4 Environmental issues and impact on tangible assets

As of the Date of Admission Document, the Issuer is not aware of any environmental issues that would significantly affect the use of tangible fixed assets.

SECTION I, CHAPTER VII - ORGANISATIONAL STRUCTURE

7.1 Description of the group to which the Issuer belongs

As at the Date of Admission Document, the Issuer does not belong to any group.

7.2 Description of the companies of the group

As at the Date of Admission Document, the Issuer does not exercise control over any company.

7.3 Description of the companies in which the Issuer holds a shareholding

The following table sets out certain information on the Issuer's joint ventures, as at the Date of Admission Document.

Country	*Company*	*Registered office*	*Share capital as of 31 December 2022 (in currency)*	*Shareholders as of 31 December 2022 and directly held shareholding*
Italy	PB Online S.r.l.	Corso Venezia 45, 20121 Milan (Italy)	EUR 5,300,000	- Portobello S.p.A. (50%) - Riba Mundo Tecnología S.A. (50%)

SECTION I, CHAPTER VIII - REGULATORY CONTEXT

8.1 European legal and regulatory framework

8.1.1 Privacy regulations

Personal data protection legislation is regulated by and Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC ("**GDPR**").

The GDPR, which became applicable as of 25 May 2018, dictates a uniform discipline throughout the European Union with reference to the subject of personal data protection. The GDPR, which introduces a number of significant innovations (among others, the obligation for certain entities to appoint a data protection officer - the so-called "DPO" -, the obligations to establish a register of processing activities, etc.) replaces, at least partially, the regulations dictated by the applicable national legislations.

The GDPR provides, in particular:

- maximum applicable penalties, up to the higher of (i) EUR 20 million or (ii) 4% of the annual global turnover for each violation;
- onerous requirements for consent, since the latter will always have to be expressed, as well as stringent formal and substantive requirements for the information provided to the data subjects;
- enhanced data subjects' rights, including the "right to be forgotten", which provides, in certain circumstances, for the permanent deletion of a user's personal data, as well as the right to request from the data controller access to or rectification or restriction of the processing of personal data concerning him or her, or to object to the processing of such data, in addition to the right to data portability.

8.2 Legal framework and national regulatory framework

8.2.1 Corporate law regulations

The main corporate law regulations in Spain are the following:

- Royal Decree of 24 July 1889 publishing the Civil Code;
- Royal Decree of 22 August 1885 publishing the Spanish Commercial Code;
- Royal Legislative Decree 1/2010, of 2 July 2010, approving the revised text of the Spanish Capital Companies Act;
- Royal Decree 1784/1996, of 19 July 1996, approving the regulations of the commercial registry;
- Law 3/2009, of 3 April 2009, on structural modifications of commercial companies;
- Law 12/1992 of 27 May 1992 on agency agreements.

These regulations outline and discipline the incorporation, functioning, structural modification and dissolution of both partnership and limited companies, thus, of Riba Mundo as a *"sociedad anónima"* (joint stock company).

8.2.2 Capital markets regulations

The main capital markets regulations applicable to companies listed or interested in being listed on a multilateral trading facility are the following:

- Law 6/2023, of 17 March 2023, of the securities markets and investment services;
- Royal Decree 878/2015, of 2 October 2015, on clearing, settlement and registration of negotiable securities represented by book entries, on the legal regime of central securities depositories and central counterparties and on transparency requirements for issuers of securities admitted to trading on an official secondary market.

As regards the new Law 6/2023, entered into force on 7 April 2023, its article 109 has extended the application of the rules on takeover bids to companies whose shares are admitted to trading in a multilateral trading system.

These provisions shall be implemented by a specific regulation that, as of the Date of Admission Document, has not been drafted or approved yet.

8.2.3 Data Protection regulation

The main laws regulating data protection in Spain are the following:

- Organic Law 3/2018, of December 5, on Personal Data Protection and guarantee of digital rights;
- Organic Law 7/2021, of 26 May, on the protection of personal data processed for the purposes of the prevention, detection, investigation and prosecution of criminal offences and the execution of criminal sanctions.

8.2.4 Labour regulations

The main labour regulations in Spain are the following:

- Royal Legislative Decree 2/2015, of 23 October 2015, which approves the consolidated text of the Law on the Workers' Statute;
- Royal Decree-Law 17/1977, of 4 March 1977, on labour relations;
- Law 15/2022, of 12 July 2022, on equal treatment and non-discrimination;
- Law 3/2023 of 28 February 2023 on Employment;
- Royal Legislative Decree 3/2015, of 23 October 2015, approving the consolidated text of the employment law;
- Organic Law 11/1985, of 2 August 1985, on Trade Union Freedom;
- Royal Decree 1844/1994, of 9 September 1994, approving the Regulations for elections to employees' legal representatives in the company;

- Royal Decree-Law 3/2004, of 25 June 2004, for the rationalisation of the regulation of the minimum interprofessional wage and for the increase of its amount;
- Royal Decree 99/2023, of 14 February 2023, fixing the minimum interprofessional wage for 2023;
- Order of 27 December 1994 approving the model of the individual wage receipt;
- Royal Decree 902/2020 of 13 October 2020 on equal pay for women and men;
- Order PCM/1047/2022, of 1 November 2022, approving and publishing the procedure of evaluation of jobs provided in Royal Decree 902/2020, of 13 October, on equal pay for women and men;
- Royal Decree 1561/1995 of 21 September 1995 on special working days;
- Royal Decree 2001/1983 of 28 July 1983 on the regulation of the working day, special working days and rest periods;
- Law 10/2021, of 9 July 2021, on remote work;
- Royal Decree 1659/1998, of 24 July 1998, which implements Article 8, section 5, of the Workers' Statute Law with regard to informing the worker of the essential elements of the employment contract;
- Royal Decree 1424/2002, of 27 December 2002, regulating the communication of the content of employment contracts and the basic copies to the Public Employment Services, and the use of telematic means in relation to it;
- Order TAS/770/2003, of 14 March 2003, by which Royal Decree 1424/2002, of 27 December, regulating the communication of the content of employment contracts and their basic copies to the Public Employment Services, and the use of telematic means in relation thereto, is developed;
- Royal Decree 2720/1998, of 18 December 1998, which implements Article 15 of the Workers' Statute in relation to temporary employment contracts;
- Royal Decree 2317/1993 of 29 December 1993 on the development of traineeship and apprenticeship contracts and part-time contracts;
- Royal Decree 488/1998 of 27 March 1998 implementing Article 11 of the Workers' Statute on training contracts;
- Royal Decree 1529/2012, of 8 November 2012, which implements the training and apprenticeship contract and establishes the and apprenticeship and establishing the bases for dual vocational training;
- Order ESS/2518/2013, of 26 December 2013, which regulates the training aspects of the contract for training and apprenticeship contract, in development of the Royal Decree 1529/2012, of 8 November;
- Royal Decree 1483/2012, of 29 October 2012, approving the Regulations on the procedures for collective dismissal and suspension of contracts and reduction of working hours procedures;

- Royal Decree 1484/2012, of 29 October 2012, on the financial contributions to be made by companies with profits that carry out collective redundancies affecting workers aged fifty or over;
- Royal Decree 1382/1985, of 1 August 1985, regulating the special employment relationship of senior management personnel;
- Royal Legislative Decree 8/2015, of 30 October 2015, approving the Consolidated text of the General Social Security Law;
- Royal Decree 84/1996, of 26 January 1996, approving the General Regulations on the registration of companies and affiliation, registration, deregistration and variations of workers' data in the social security system;
- Order TAS/2865/2003, of 13 October, regulating the special agreement in the Social Security System;
- Order of 17 January 1994 on the presentation of applications for affiliation and registration of workers in the Social Security and for the affiliation, registration and deregistration of certain part-time workers;
- Order ESS/484/2013, of 26 March 2013, which regulates the System for the electronic submission of data in the field of Social;
- Royal Decree 1415/2004, of 11 June 2004, approving the General Regulations for the Social Security Collection;
- Law 31/1995, of 8 November 1995, on the prevention of occupational hazards;
- Royal Decree 39/1997, of 17 January 1997, approving the Regulations of the Prevention Services;
- Royal Legislative Decree 5/2000, of 4 August 2000, approving the Consolidated text of the Law on Offences and Penalties in the Social Order;
- Royal Decree 928/1998, of 14 May 1998, approving the general regulations on procedures for the imposition of penalties for social order infringements and for the settlement of social security contributions.

8.2.5 Tax laws and regulations

The main general tax regulations in Spain are set below:

- General Tax Law 58/2003, of 17 December 2003 ("**GTL**");
- Royal Decree 1065/2007, of 27 July 2007, approving the Tax Actions and Audit Procedures Regulations;
- Royal Decree 939/2005, of 29 July 2005, approving the Collection Regulations;
- Royal Decree 2063/2004, of 15 October 2004, approving the Administrative Procedures for Tax Penalties Regulations;
- Royal Decree 520/2005, of 13 May 2005, approving the Tax Appeals Regulations.

The GTL establishes the general legal principles and rules of the tax system. As it is a general Law, its content is applicable to all tax Administrations (Central State, Autonomous Communities and Local Entities) with the scope derived from the constitutional text, without prejudice to the provisions of the special regimes applicable in the Canary Islands, the Basque Country and Navarra.

Corporate income tax

The regulation of Corporate Income Tax ("**CIT**"), for fiscal years starting on or after 1 January 2015, is basically contained in Corporate Income Tax Law 27/2014, of 27 November 2014, and in Royal Decree 634/2015, of 10 July 2015, approving the Corporate Income Tax Regulations.

The key factor in determining the application of CIT is "residence". A company is deemed to be resident in Spain for tax purposes if it meets any of the following conditions:

- it is incorporated under Spanish law;
- its legal seat is located in Spain; or
- its place of effective management is in Spain.

Personal income tax

This tax is currently governed by Law 35/2006, of 28 November 2006, on Personal Income Tax, and by Royal Decree 439/2007, of 30 March 2007, approving the Personal Income Tax Regulations.

Payments of income from movable capital, gains on shares or units in collective investment undertakings, salary income, etc. may be subject to withholding at source (or prepayment, in the case of compensation in kind) which is treated as a prepayment on account of the final tax.

Non-resident income tax

Non-resident income tax is at present governed by the Revised Non-resident Income Tax Law, approved by Legislative Royal Decree 5/2004, of March 5, and the Non-resident Income Tax Regulations approved by Royal Decree 1776/2004, all of which establish the tax regime applicable to non-resident individuals or entities that obtain Spanish-source income.

The key factor in determining the tax regime for non-residents is whether or not they have a permanent establishment in Spain.

Transfer and stamp tax law

Transfer and Stamp Tax Law is at present ruled by Legislative Royal Decree 1/1993, of 24 September 1993, approving the Revised Transfer and Stamp Tax Law, as well as the Royal Decree 828/1995, of 29 May 1995, approving the Transfer and Stamp Tax Regulations.

Transfer and Stamp Tax is levied on a limited number of transactions, including most notably:

- corporate transactions;
- transfers of real estate;
- transfers of movable assets and administrative concessions;
- certain rights in rem (mainly guarantees, pensions, security or loans);
- certain public deeds.

The Autonomous Communities are entitled to opt to apply a different rate in certain cases.

It should be noted, lastly, that unlike VAT, transfer tax entails a cost for the acquirer/beneficiary.

Value added tax

The European Union VAT Directives have been implemented in Spanish law (Law 37/1992, in force since January 1, 1993), and the main provisions of these Directives are harmonized in the different Member States of the EU.

VAT is an indirect tax, the main feature of which is that it does not normally entail any cost for traders or professionals, only for the end consumer, because traders or professionals are generally entitled to offset their input VAT against their output VAT.

Within Spain, VAT is not applicable in the Canary Islands, Ceuta and Melilla.

In the Canary Islands, the Canary General Indirect Tax (IGIC), in force since January 1, 1993, is very similar to VAT and is an indirect tax levied on the supply of goods and services in the Canary Islands by traders and professionals and on imports of goods. The general IGIC rate is 7%.

Ceuta and Melilla charge a different indirect tax of their own (tax on production, services and imports).

Local taxes

The Revised Local Finances Law approved by Legislative Royal Decree 2/2004, of March 5, establishes a scheme aimed at rationalizing the local taxation system and facilitating the activity of local entities. Under this legislation, local authorities are empowered to modify some aspects of this type of taxes.

This Law establishes two different types of municipal taxes, which can be classified as follows:

- periodic taxes, among them:
  - tax on real estate ("*Impuesto sobre Bienes Inmuebles*");
  - tax on business activity ("*Impuesto sobre Actividades Económicas*").
- other taxes:
  - tax on erection and installation projects and construction works ("*Impuesto sobre Construcciones, Instalaciones y Obras*");
  - tax on increase in urban land value ("*Impuesto sobre el incremento del valor de los terrenos de naturaleza urbana*").

SECTION I, CHAPTER IX - INFORMATION ON EXPECTED TRENDS

9.1 Trends and Changes

9.1.1 Most significant recent trends in the performance of production, sales and inventories and in the development of costs and sales prices since the end of the last financial year up to the Date of Admission Document

In the Issuer's opinion, from the closing date of the financial year 2022 to the Date of Admission Document, despite the crisis related to the conflict between Russia and Ukraine, no elements capable of adversely affecting the Issuer's business have arisen.

9.1.2 Any significant changes in the Issuer's financial results since the end of the last financial year up to the Date of Admission Document

As at the Date of Admission Document on the basis of available information, the Issuer is not aware of any known trends, uncertainties, demands, commitments or facts that could reasonably be expected to have a material effect on the Issuer's prospects for at least the current financial year.

9.2 Information on known trends, uncertainties, demands, commitments or facts that could reasonably be expected to have a significant effect on the Issuer's prospects at least for the current financial year

The Issuer - based on information available as at the Date of Admission Document - is not aware of any known trends, uncertainties, demands, commitments or events that could reasonably be expected to have a material impact on the Issuer's prospects, at least in respect of the current financial year.

SECTION I, CHAPTER X - ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

10.1 Information on corporate bodies

10.1.1 Board of Directors

By resolution of the Shareholders' Meeting dated 3 May 2023, the General Shareholders' Meeting held in extraordinary session resolved, *inter alia*, to transform the Issuer into a joint stock company under Spanish law (*sociedad anónima*). The resolution was registered in the Registro Mercantil de Valencia on 1 June 2023.

In order to bring the articles of association in line with the legal and regulatory provisions for companies with shares listed on Euronext Growth Milan, on 16 June 2023, the General Shareholders' Meeting held in extraordinary session resolved to adopt the New Articles of Association.

Pursuant to article 23 of the New Articles of Association, the Issuer shall be administered by a Board of Directors appointed by the Shareholders' Meeting, consisting of no less than no. 3 members and no more than no. 9 (as per article 24 of the New Articles of Association), as resolved by the General Shareholders' Meeting in extraordinary session. The members of the Board of Directors may not be appointed for a period of more than three financial years, which shall expire when, after the expiration of the term, a general shareholders' meeting is held or the term for holding the meeting to decide on the approval of the previous year's financial statements has elapsed.

On 16 June 2023, the General Shareholders' Meeting, after the cessation of Mr. Marco Dezi as Sole Director of Riba Mundo resolved to appoint a Board of Directors, setting the number of its members at no. 5.

The following table shows the composition of the Board of Directors in office as of the Date of Admission Document, with evidence of the respective office held and the main personal data.

First and last name	*Office*	*Place and date of birth*
Marco Dezi (1)	President and Chief Executive Officer	Rome (Italy), 21 December 1978
Jose Piñera López (2)	Secretary	Cieza (Spain), 10 December 1980
Andrea Dezi (2)	Director	Rome (Italy), 28 September 1981
Vincenzo Poeta (2)	Director	Battipaglia (Italy), 18 April 1984
Maurizio Bernardo (3)	Director	Salerno (Italy), 25 September 1958

(1) Executive Director

(2) Non-Executive Director

(3) Independent director within the meaning of article 24 of the New Articles of Association.

The members of the Board of Directors in office as at the Date of Admission Document are all domiciled, for any purpose related to their office, at the registered office of the Issuer.

In accordance with article 6-bis of the EGM Issuers' Regulation, the Shareholders' Meeting appointed an independent director in the person of Mr. Maurizio Bernardo, who has accepted and will remain in office until the expiration of the current Board of Directors, *i.e.* when – after the expiration of the term of his office – a general shareholders' meeting is held or the term for holding the meeting to decide on the approval of the previous year's financial statements has elapsed.

To the best of the Issuer's knowledge the members of the Board of Directors, as indicated in the additional information set forth in this Section, meet the requirements of honourability required by Article 213 of the Spanish Capital Companies Act and Law 3/2015 of 30 March 2015 (and, with regards to the independent director, Mr. Maurizio Bernardo, also the requirements of Article 24 of the New Articles of Association), in the absence of which they would be disqualified from office. Furthermore, the members of the Board of Directors have no causes of ineligibility or incompatibility envisaged by law.

Fulfilment of these requirements and the absence of causes of inability, ineligibility or incompatibility was declared by each member of the Board of Directors at the time of their appointment by the General Shareholders' Meeting on 16 June 2023.

During the last three financial years and up to the Date of Admission Document, Mr. Maurizio Bernardo has not had any relationship of a financial or professional nature, directly or indirectly (including through third party companies or professional firms), with the Issuer or with entities controlling the Issuer, which compromise his independence.

The following is a brief curriculum vitae of each of the Issuer's directors in office as at the First Trading Date.

Marco Dezi – born in Rome (Italy) on 21 December 1978, Italian citizen. After having graduated in economics and commerce in 1998, he obtained an MBA and a master's degree in marketing. He started his professional experience as an independent management consultant and subsequently fostered his experience by working as a commercial director. He eventually acquired extensive expertise as CEO and partner of several companies, including an import/export company in the food and beverages industry, a company in the financial and real estate intermediation services. In 2020, he entered Riba Mundo as a shareholder and sole director. He is the custodian of the corporate vision, and he has direct supervision of all R&D activities leading to changes and updates of the MarVin software.

Jose Piñera López – born in Cieza (Murcia, Spain) on 10 December 1980, Spanish citizen. He graduated in business administration in 2004 and subsequently obtained a MBA in 2007 and a MBA executive on 2021. He has extensive professional expertise as an executive, having served both as CFO and CEO in different companies. He joined Riba Mundo as a senior manager in 2021 and currently serves as its CFO since 2022.

Andrea Dezi – born in Rome (Italy) on 28 September 1981, Italian citizen. After completing his studies, he gained extensive professional experience as senior manager and general manager in several overseas companies. He joined Riba Mundo in 2022 as a senior buyer and big data expert.

Vincenzo Poeta – born in Battipaglia (Italy), on 18 April 1984, Italian citizen. He has vast professional experience as an international sale and purchase manager. After having worked as an international sales manager, both as an employee and as a freelance, he joined Riba Mundo in 2021, becoming a key figure as responsible of the purchase division.

Maurizio Bernardo – born in Salerno (Italy) on 25 September 1958, Italian citizen. After obtaining a degree in economics and commerce, he began his professional experience as an internal auditor with the Finmeccanica group. In 1981, after having obtained a professional qualification, he started his independent professional activity as a chartered accountant and auditor, mainly oriented towards business and tax consultancy. In 2015, he founded the firm Studio BFS & Associati, of which he is a name partner. In 2022, he founded the firm Studio e-IUS Tax & Legal. He joined Riba Mundo in 2023 as an independent director.

The following table shows all the joint stock companies or partnerships in which the members of the Board of Directors in office as at the Date of Admission Document have been members of the administrative, management or supervisory bodies, or partners, in the last five years, with an indication of the status of the office and/or shareholding held as at the Date of Admission Document.

First and last name	*Company*	*Office held in the company or shareholding held*	*Status of office/shareholding*
Marco Dezi	DZ Capital Ltd.	Sole director	Current
	Qahwa Ltd.	Sole director	Current
	Sesas Ltd.	Sole director	Current
	Riba Mundo Tecnología S.A.	Shareholder	Current
	Sesas Ltd.	Shareholder	Current
	Riba Mundo Tecnología S.A.	Sole Director	Ceased
Jose Piñera López	Cifish, S.L.	Managing Director	Ceased
	UMECO, S.L.	Chief Executive Officer	Ceased
	Revestimentos de Fibras Naturales, S.L.	Shareholder	Current
Andrea Dezi	4Safe Ltd.	Director	Current
	Sed Ltd.	Director	Current
	Sed Ltd.	Shareholder	Current
Vincenzo Poeta	Gioya 1218, S.L.	Shareholder	Current
Maurizio Bernardo	Alicante Immobiliare S.r.l.	Sole statutory auditor	Current
	Be Water S.r.l.	Statutory auditor	Current
	Johnson Controls Products Italia S.r.l.	Statutory auditor	Current
	Centro Rottami S.r.l.	Sole statutory auditor	Current
	Compagnia Ferroviaria Italiana S.r.l.	Statutory auditor	Current
	Double 3 Media S.r.l.	Statutory auditor	Current
	FCA S.p.A.	Chairman of the board of statutory auditors	Current
	Finsole S.r.l.	Sole statutory auditor	Current
	Foglio Edizioni S.r.l.	Sole statutory auditor	Current
	Frame by Frame S.r.l.	Chairman of the board of statutory auditors	Current
	Gala S.p.A.	Chairman of the board of statutory auditors	Current
	Gala Holding S.r.l.	Sole statutory auditor	Current
	HMS IT S.p.A.	Statutory auditor	Current

First and last name	*Company*	*Office held in the company or shareholding held*	*Status of office/shareholding*
	Il Foglio Quotidiano	Statutory auditor	Current
	IMCA S.r.l.	Sole statutory auditor	Current
	Inposte.it S.p.A.	Statutory auditor	Current
	Leone Films Group S.p.A.	Chairman of the board of statutory auditors	Current
	Lince Italia S.r.l.	Sole statutory auditor	Current
	Lotus Productions S.r.l.	Chairman of the board of statutory auditors	Current
	Mondo TV S.p.A.	Chairman of the board of statutory auditors	Current
	Raya S.r.l.	Sole statutory auditor	Current
	Rufa S.r.l.	Statutory auditor	Current
	Studio Emme S.p.A.	Statutory auditor	Current
	Villa Chiara S.r.l.	Statutory auditor	Current
	Bentel Security S.r.l.	Statutory auditor	Ceased
	Revisioni Commerciali & Partners S.p.A.	Shareholder	Current
	SIM S.p.A.	Chairman of the board of statutory auditors	Ceased
	Voreas S.r.l.	Sole statutory auditor	Ceased
	Quorum SGRPA	Chairman of the board of statutory auditors	Ceased
	Vendita Ingrosso Medicinali di G. Ottaviani S.p.A.	Chairman of the board of statutory auditors	Ceased

None of the Issuer's directors is related to the other members of the Board of Directors, with the exception of Marco Dezi and Andrea Dezi, who are siblings.

To the best of the Issuer's knowledge, as at the Date of Admission Document, no member of the Board of Directors:

- has been convicted of fraudulent offences in the five years preceding the publication of the Admission Document;
- has been associated with bankruptcies, receiverships, liquidations or companies put into compulsory liquidation in the performance of their duties during the five years preceding the publication of the Admission Document;
- has been subject to official incriminations and/or sanctions by public or regulatory authorities (including designated professional associations) or disqualified by a court from serving as a member of the Issuer's administrative, management or supervisory bodies or from acting as a director or manager of any issuer during the five years preceding the publication of the Admission Document.

Powers of the Board of Directors

Pursuant to article 209 of the Spanish Capital Companies Act (*Ley de Sociedades de Capital* or LSC), the board of directors is responsible for the management and representation of a company. Hence, the Board of Directors has, *inter alia,* two main powers: 1) the management of the Issuer and 2) the representation of the Issuer.

The management of a company implies a series of powers and obligations aimed at achieving the corporate purpose. Their actions must be subject to the provisions of the law, the bylaws and the corporate resolutions, and they must act with diligence and loyalty, acting in good faith and in the best interests of the company (article 227 LSC).

The general competence in matters of management of the company includes both ordinary and extraordinary administration, the latter being understood as all those acts which, due to their importance, purpose or exceptionality, cannot be considered normal events in the activity of the company in question.

The acts/powers excluded from this general competence are, among other, those listed in article 160 LSC, for which is exclusively in charge the general shareholders' meeting:

- the approval of the financial statements, the application of the results and the approval of the corporate management;
- the appointment and removal of the directors, the liquidators and, if applicable, the auditors, as well as the exercise of the corporate action of liability against any of them;
- the amendment of the company's articles of association;
- the increase and reduction of the capital stock;
- the suppression or limitation of pre-emption right;
- the acquisition, disposal or contribution to another company of essential assets. The essential nature of the asset is presumed when the amount of the transaction exceeds twenty-five percent of the value of the assets appearing in the last approved balance sheet;
- the transformation, merger, spin-off or global transfer of assets and liabilities and the transfer of domicile abroad;
- the dissolution of the company;
- approval of the final liquidation balance sheet;
- any other matters determined by law or the bylaw.

The other main power of a board of directors, as an administrative body of a company, is to represent the latter. This representation is commonly referred to as "organic representation", in order to differentiate it from the representation that the company may voluntarily confer in favour of third parties.

Both these powers (management and representation of a company), when the administrative body of a company - as in this case - is represented by a board of directors, are exercised collegially by the whole corporate body, not individually and separately by each member of the board.

Powers of the Chief Executive Officer

The Chief Executive Officer (hereinafter, the "CEO") has all those powers that the Board of Directors, by resolution adopted by a qualifying majority of 2/3, decides to delegate to him.

In this very case, to Mr. Marco Dezi were delegated – by resolution of the Board of Directors dated 16 June, 2023 – all the Board of Directors' powers, except the following (*ex* Article 249 bis of the Spanish Capital Companies Act):

- the supervision of the effective functioning of the committees that the Board of Directors may set up and the performance of the delegated bodies and the executives it may appoint;
- the determination of the Company's general policies and strategies;
- the authorization or waiver of the obligations arising from the duty of loyalty pursuant to the provisions of article 230 of the Spanish Capital Companies Act;
- the organization and operation of the Board of Directors itself;
- the preparation of the annual financial statements and their submission to the General Shareholders' Meeting;
- the formulation of any kind of report required by law from the Board of Directors, provided that the operation to which the report refers cannot be delegated;
- the appointment and removal of the chief executive officers of the Company, as well as the establishment of the terms of their contracts;
- the appointment and removal of executives who report directly to the Board or any of its members, as well as the establishment of the basic conditions of their contracts, including their remuneration;
- decisions relating to the remuneration of directors, within the framework of the bylaws and, if applicable, the remuneration policy approved by the General Shareholders' Meeting;
- the call of the general meeting of shareholders and the preparation of the agenda and the proposal of resolutions;
- the policy relating to the treasury shares;
- the powers delegated to the Board of Directors by the General Shareholders' Meeting, unless it has expressly authorized the board to sub-delegate them.

Appointment of the members of the Board of Directors in Spain

As a general rule, in Spain, the general shareholders' meeting is the corporate body in charge of appointing the directors of a board and, in order to do that, it is not necessary any special "*quorum*" or qualifying majority.

Nevertheless, in public limited companies such as Riba Mundo, there are two exceptions to this general rule:

- the proportional representation system: pursuant to article 243 LSC, the shares that voluntarily group together to constitute a figure of the capital stock equal to or greater than that resulting from dividing the latter by the number of members of the board, shall have the right to designate those who, exceeding whole fractions, are deducted from the corresponding proportion.

In other words, this system consists in granting the shares with voting rights that are voluntarily grouped together, a right to exclusively designate a certain number of directors proportional to the part of the capital they hold in the company.

Nonetheless, when this system is used, the shares thus grouped will not intervene in the voting of the remaining members of the board.

- the co-optation mechanism: pursuant to article 244 LSC, if during the term for which the directors were appointed, vacancies occur and there are no substitutes, the board may appoint from among the shareholders the persons to fill such vacancies until the first general shareholders' meeting is held.

It is mandatory that the appointment of the directors be included in the agenda of the call to the general shareholders' meeting. This requirement is waived when the appointment is a consequence of the following events:

- the removal of the directors because the general shareholders' meeting exercises its power of removal (vid. Resolution of 16 February 1995, 26 July 1996 and 10 May 2011, of the General Directorate of Registries and Notaries; Judgments of the Supreme Court of 30 April 1971, 30 September 1985 and 4 November 1992);
- the removal of the directors because the general shareholders' meeting agrees to exercise the action of liability against certain directors (vid. Resolution of 16 February 1995, 26 July 1996 and 10 May 2011, of the General Directorate of Registries and Notaries; Judgments of the Supreme Court of 30 April 1971, 30 September 1985 and 4 November 1992).

As regards the proposal for the appointment of the members of the board of directors by the general shareholders' meeting of a company, this is normally made by the board of directors itself at the time of the call of the general shareholders' meeting. Nonetheless, pursuant to article 172 LSC, shareholders representing at least five percent of the share capital may request the publication of a supplement to the notice of a general shareholders' meeting, including one or more items on the agenda. Thus, those shareholders representing at least five percent of the share capital, by virtue of the faculty granted by article 172 LSC, may propose the candidates for the office of director of the board.

10.1.2 Senior managers

As of the Date of Admission Document, the Issuer has no senior managers.

10.2 Conflicts of interest of Board Members

Potential conflicts of interest of members of the Board of Directors

As of the Date of Admission Document, the Chief Executive Officer holds a 50.25% shareholding in the share capital of the Issuer.

As of the Date of Admission Document, Vincenzo Poeta holds a 50% shareholding in the share capital of Gioya, which in turn holds a 22.25% shareholding in the share capital of the Issuer.

Finally, Marco Dezi and Andrea Dezi, who are both members of the Board of Directors as of the Date of Admission Document, are siblings.

10.2.1 Any agreements or arrangements with major shareholders, customers, suppliers of the Issuer or other arrangements on the basis of which the members of the Board of Directors were chosen

The Issuer is not aware of any agreements or arrangements with shareholders, customers, suppliers or others, on the basis of which members of the Board of Directors of the Issuer were chosen.

10.2.2 Restrictions agreed upon by the members of the Board of Directors regarding the disposal within a certain period of time of the Issuer's securities held by them

As of the Date of Admission Document, the members of the Board of Directors are not bound by any restrictions on the transfer of shares of the Issuer.

SECTION I, CHAPTER XI - BOARD PRACTICES

11.1 Term of office of the members of the Board of Directors

The following table shows, for each director in office as of the Date of Admission Document, the role he holds in the Board of Directors.

Name and Surname	*Office*	*Date of first appointment*
Marco Dezi [(1)]	President and Chief Executive Officer	16 June 2023
Jose Piñera López [(2)]	Secretary	16 June 2023
Andrea Dezi [(2)]	Director	16 June 2023
Vincenzo Poeta [(2)]	Director	16 June 2023
Maurizio Bernardo [(3)]	Director	16 June 2023

(1) Executive Director

(2) Non-Executive Director

(3) Independent director within the meaning of article 24 of the New Articles of Association.

The independence of Mr. Bernardo pursuant to article 24 of the New Articles of Association was declared by him at the time of his appointment by the General Shareholders' Meeting on 16 June 2023.

11.2 Employment contracts entered into by the members of the Board of Directors with the Issuer providing for severance pay

As at the Date of Admission Document, there are no employment contracts entered into by members of the Board of Directors with the Issuer that provide for higher severance payments than the ones established by the current Spanish labour regulation, if applicable.

11.3 Declaration of transposition of corporate governance rules

Although the Issuer is not obliged to comply with corporate governance provisions applicable to companies listed on regulated markets, it has introduced certain provisions into its corporate governance system aimed at favouring transparency and the protection of minority shareholders.

Specifically, on 16 June 2023, the Shareholders' Meeting resolved to adopt the New Articles of Association, which:

(i) set forth that it is mandatory, for at least one appointed member of the Board of Directors, to meet independence requirements;

(ii) set forth that, as of the moment in which the Shares issued by the Issuer are admitted to trading on Euronext Growth Milan, the provisions on mandatory tender offers and exchange offers become applicable;

(iii) set forth that Riba Mundo shall approve an internal code of conduct in the securities markets, which shall regulate any necessary matters, including, but not limited to, matters relating to market abuse, transparency and communications to the market.

For further information on the contents of the New Articles of Association, please refer to Section One, Chapter XV, Paragraph 15.2 of the Admission Document.

It should also be noted that, the Board of Directors:

- approved, effective as of (and subject to) First Trading Date, the Internal Code of Conduct;
- appointed Ms. Claudia Martellacci as investor relator of the Issuer.

The Internal Code of Conduct regulates, among others, the following procedures:

(i) a procedure regarding the duty to avoid conflicts of interest, available on Chapter VII, including a procedure concerning the Related Party Transactions, available on article 21 *bis* and Annex 6;

(ii) a procedure for the handling and disclosure of insider and material information and market abuse, available on Chapter III;

(iii) a procedure for compiling and maintaining a register of persons with access to inside information (Register of Insider) and a procedure for compiling and maintaining a register of persons with permanent access to inside information (Register of Subject Persons), available on article 4, article 6 and Annex 3 and 4 of the Internal Code of Conduct;

(iv) a procedure regarding the rules on transactions with inside information, available on Chapter IV;

(v) a procedure concerning mandatory disclosures to Euronext Growth Advisor, available on article 13 and Annex 5.

<u>Procedure regarding the duty to avoid conflicts of interest</u>

Board members must refrain from participating in deliberating and voting on resolutions or decisions in which they or a Closely Associated Person has a direct or indirect conflict of interest.

Resolutions or decisions that affect them as directors, such as their appointment to or removal from positions on the Board or others of similar significance, are excluded from the above obligation.

In particular, the duty to avoid conflicts of interest requires directors to refrain from:

a) Conducting transactions with the Company, except for ordinary transactions made in standard conditions for clients with slight relevance, with such transactions defined as those that do not need to be reported to faithfully reflect the company's assets, financial situation and results.

b) Using the Company's name or invoking their status as a director to unduly influence how private transactions are conducted.

c) Making use of the Company's assets, including its confidential information, for private purposes.

d) Taking advantage of the Company's business opportunities.

e) Obtaining advantages or remuneration from third parties outside the Company associated with their position, except in the case of hospitality that is a mere courtesy.

f) Conducting activities on their own behalf or on behalf of others that would entail effectively competing with the Company at the present time or in the future, or which in any way might place them in permanent conflict with the Company's interests.

The above provisions will also apply if the beneficiary of the prohibited acts or activities is a Closely Associated Person of the director.

In any case, directors must inform the other directors of any direct or indirect conflict of interest that they or their Closely Associated Persons may have with the Company's interests.

In addition, the Company undertakes to apply a policy regulating Related Party Transactions, the contents of which are set forth in Annex 6 of the Internal Code of Conduct, providing disclosure duties and approval rules of the Related Party Transactions.

Procedure for the management and disclosure of insider and material information and market abuse

The Internal Code of Conduct sets forth a procedure to regulate management and disclosure of insider and material information and market abuse available on Chapter III of the aforementioned Code.

In this regard, article 7 regulates the general principles of actions. Specifically, the aforementioned article sets forth that persons in possession of inside information have an obligation to, *inter alia*: (a) safeguard the confidentiality of the inside information to which they have access; (b) confine disclosure strictly to persons, whether inside or outside the Company, who need to know about it, taking special care to ensure that the treasury stock portfolio manager has access to it; and (c) take appropriate measures to prevent inside information from being subject to abusive or unfair use.

Additionally, persons with inside information: (a) must refrain from acquiring, transferring or assigning, directly or indirectly, on their behalf or on behalf of others, the marketable securities to which the inside information refers; (b) refrain from disclosing that inside information to third parties unless required to do so for the responsible exercise of their job, profession, position or duties; and (c) they must not recommend any third party, based on that inside information, to acquire, sell or dispose of the marketable securities, or cause any other person to acquire, sell or dispose of them based on inside information, or to cancel or modify an order relating to those marketable securities.

Regarding the obligation to disclose the inside information, the Company will inform the public as soon as possible of inside information which directly concerns it in a manner which enables fast access and complete, correct and timely assessment of the information by the public. The contents of the communication must be true, clear and complete, so as not to be misleading or deceptive.

The Company will post and maintain on its website all inside information it is required to disclose publicly for a period of at least five years.

Disclosures of inside information will be accessible through the Company's corporate website as soon as they have been reported to the relevant regulator.

The above notwithstanding, the Company may delay, under its own responsibility, the public disclosure of inside information provided that this is done in the circumstances and in accordance with the requirements set forth in the applicable legislation.

If public disclosure of the inside information has been postponed, its confidentiality is no longer guaranteed, and the Company will make this information public as soon as possible.

Material/inside information, as applicable, will be disclosed to investors in accordance with the Securities Market Act, and the corresponding regulations of Euronext Growth Milan, in accordance with Annex 5 of the Internal Code of Conduct.

11.4 Any significant impacts on corporate governance and future changes in the composition of the Board of Directors and committees

As of the Date of Admission Document, no resolution that will (or may) have significant impacts on corporate governance has already been resolved upon by the Board of Directors or Shareholders' Meeting.

SECTION I, CHAPTER XII - EMPLOYEES

12.1 Number of employees

As of 30 June 2023, the Issuer globally employed no. 72 employees.

The following table shows the total number of employees employed by the Issuer as of 31 December 2022 and 31 December 2021, broken down by professional classification.

Employees	*Date of Admission Document*	*31 December 2022*	*31 December 2021*
Managers	9	8	3
White-collar workers	42	32	23
Blue-collar workers	21	23	8
Total	**72**	**63**	**34**

The number of employees shown in the table includes both permanent and part-time employees. As of the Date of the Admission Document, no. 3 employees have part-time employment contracts in place with the Issuer.

As at the Date of Admission Document, no seconded personnel is used by the Issuer.

As at the Date of Admission Document, the Issuer has no traineeship contracts in place with any person.

As at the Date of Admission Document, the Issuer has no contracts in place with self-employed workers.

As at the Date of Admission Document, the Issuer has not hired temporary employees directly or through a temporary employment agency.

As of the Date of the Admission Document, the Issuer applies the collective bargaining agreement for the metal trade applicable to the province of Valencia, which shall be extended from year to year unless one of the parties thereto denounces it at least no. 3 months prior to its termination or expiration.

On the financial years 2022 and 2021, the number of strike hours that affected the Issuer as a whole did not exceed 0% of the total hours worked.

12.2 Shareholdings and stock options

12.2.1 Shareholdings

The following table shows the stakes in the Issuer's share capital held directly or indirectly, as of the Date of Admission Document, by the members of the Board of Directors.

First and last name	*Office*	*% of share capital*
Marco Dezi	Chief Executive Officer	50.25%
Vincenzo Poeta	Director	11.13% (on a fully diluted basis)

For further information on the shareholdings held, directly or indirectly, by members of the Board of Directors of the Issuer, please refer to Chapter XII, Paragraph 10.2 of the Admission Document.

12.2.2 Stock options

As at the Date of Admission Document, the Issuer has not approved any stock option plans.

12.3 Description of any employee participation agreements in the capital of the Issuer

As at the Date of Admission Document, there are no employee participation agreements in the share capital of the Issuer.

SECTION I, CHAPTER XIII - MAIN SHAREHOLDERS

13.1 Main shareholders

As at the Date of Admission Document, the Issuer's share capital – equal to EUR 2,032,110, and represented by no. 2,032,110 Shares with par value of EUR 1 per share – is held as shown in the table below.

Shareholder	*no. Shares*	*% with voting rights*	*% with share capital*
Marco Dezi	1,021,145	50.25%	50.25%
Gioya	452,135	22.25%	22.25%
Alessio Dezi	193,050	9.50%	9.50%
Bruno Dezi	182,890	9%	9%
Pietro Peligra	182,890	9%	9%
Total	**2,032,110**	**100%**	**100%**

13.2 Different voting rights for major shareholders

As at the Date of Admission Document, the Issuer has only issued the Shares and no shares carrying voting or other rights other than the Shares have been issued.

13.3 Person exercising control over the Issuer

As at the Date of Admission Document, the Issuer is controlled by Marco Dezi, who directly holds 50.25% of the Issuer's share capital.

13.4 Agreements that may lead to a change in the Issuer's control structure

As at the Date of Admission Document, there are no agreements in place that could lead to a change in the control structure of the Issuer.

SECTION I, CHAPTER XIV - TRANSACTIONS WITH RELATED PARTIES

Foreword

The Issuer's Related Party Transactions, identified on the basis of the criteria defined by IAS 24 - Related Party Disclosures (hereinafter the "**Related Parties**"), are mainly of a commercial and financial nature and, according to the Issuer's assessments, are carried out at normal market conditions.

Although the Issuer considers that Related Party Transactions are carried out at normal market conditions, there is no guarantee that, if the same had been concluded between or with third parties, the latter would have negotiated and entered into the relevant contracts, or performed the same transactions, on the same terms and conditions.

In addition, the Board of Directors resolved to adopt, effective as of (and subject to) the First Trading Date, the Internal Code of Conduct, aimed at defining, *inter alia*, the rules for the identification, instruction, approval and execution of Related Party Transactions.

14.1 Related Party Transactions

14.1.1 Related Party Transactions

Details of Related Party Transactions during the financial years 2022 and 2021, are as follows:

	2022	2021
Income		
Sales of goods	3,342	2,983
Expenses		
Other operating expenses	-	-
Procurements	-	612
Purchases of fixed assets (Note 7)	1,361	353
Financial expenses (Note 16)	32	40

The sale of goods are sales of product from Issuer's portfolio to the customer 4Safe LTD (100% owned by Andrea Dezi).

The purchase of fixed assets relates to software development by DZ CAPITAL LTD (100% owned by Marco Dezi).

The procurements relate to product purchases to Lucky S.r.l. (50% shareholder of Gioya).

The financial expenses relates to accrued interest from shareholders' loan.

14.1.2 Balances with Related Parties

Details of balances held with Related Parties during the financial years 2022 and 2021 are as follows:

	2022	2021
Trade receivables	1,281	842
Trade creditors	140	167
Other creditors	-	-
Shareholders' loans (Note 16)	5,516	2,083

The current balances reflected under "Trade receivables" and "Trade creditors" arise from commercial transactions with related companies of the Issuer's shareholders.

The balance of "Borrowings" under non-current liabilities in the balance sheet at 31 December 2022 includes the financing granted to the Issuer in 2022 and 2021 by its shareholders in the amount of EUR 5,482 thousand (EUR 2,055 thousand in financial year 2021), formalised with four loan contracts maturing in 10 years and bearing an annual market interest rate that has resulted in an accrued expense of EUR 230 thousand in the 2022 financial year recognised under "Financial expenses" in the income statement account (EUR 40 thousand in financial year 2021). None of these, which are recorded under "Borrowings" in the accompanying balance sheet (EUR 28 thousand as of 31 December 2021), has been paid in full as of 31 December 2021.

It should be noted that in 2022, the Issuer entered into a financing agreement with the affiliate ePrice Operations S.r.l., a Related Party, for a total maximum of EUR 2,650 thousand, aimed, inter alia, at supporting the achievement of the objectives of the business plan of ePrice Operations S.r.l., as well as the refinancing of its existing indebtedness (the "**ePrice Financing Agreement**"). The Issuer believes that the ePrice Financing Agreement was entered into on normal market terms and conditions, there can be no assurance that if such transaction had been entered into with third parties, such parties would have negotiated and entered into the ePrice Financing Agreement on the same terms and conditions. It should be noted that, as of 30 June 2023, the outstanding principal amount of the ePrice Financing Agreement was EUR 1,175,373.05.

SECTION I, CHAPTER XV - ADDITIONAL INFORMATION

15.1 Share capital

15.1.1 Subscribed and paid-in share capital

As at the Date of Admission Document, the Issuer's share capital, fully subscribed and paid-in, amounts to EUR 2,032,110, divided into no. 2,032,110 Shares.

15.1.2 Shares and non-equity financial instruments

As at the Date of Admission Document, the share capital is only composed by the Shares. The Issuer has not issued any equity financial instrument or non-equity financial instrument other than the Shares.

15.1.3 Treasury Shares

As at the Date of Admission Document, the Issuer does not hold any treasury Shares.

15.1.4 Convertible securities, exchangeable securities or securities with warrants, with indication of the method of conversion, exchange or subscription

As at the Date of Admission Document, the Issuer had not and has not issued any convertible, exchangeable or warranted bonds.

15.1.5 Rights and/or obligations to purchase authorised but unissued capital or commitment to increase capital

As at the Date of Admission Document, there were and are no rights or obligations to purchase authorised but unissued capital, nor commitments to increase capital.

15.1.6 Rights offers for the capital of any members of the group

Not applicable.

15.1.7 Changes in share capital over the last three financial years

The evolution of the Issuer's share capital over the last three financial years is illustrated below.

On 16 July 2020, the Shareholders' Meeting resolved to delegate the Board of Directors to increase the share capital of the Issuer pursuant to article 297.1.a) of the Spanish Capital Companies Act, with exclusion of pre-emptive rights, through the issue of no. 1,189,110 new Shares (having the same ranking and the same characteristics as the outstanding Shares) reserved for the subscription of Marco Dezi and Francesco Passamonti for an amount of EUR 1,189,110, of which EUR 1,189,110 as share capital and EUR 0 as share premium.

On 3 June 2021, the Shareholders' Meeting resolved to delegate the Board of Directors to increase the share capital of the Issuer pursuant to article 297.1.a) of the Spanish Capital Companies Act, with exclusion of pre-emptive rights, through the issue of no. 833,000 new Shares (having the same ranking and the same characteristics as the outstanding Shares) reserved for the subscription of Marco Dezi and Francesco Passamonti for an amount of EUR 833,000, of which EUR 833,000 as share capital and EUR 0 as share premium.

On 8 June 2023, Marco Dezi transferred no. 86.365 to Bruno Dezi for a price of EUR 255,000 and no. 193.050 to Alessio Dezi for a price of EUR 570,000, and Gioya transferred no. 96,525 to Bruno Dezi for a price of EUR 285,000 and no. 182.890 to Pietro Peligra for a price of EUR 540,000.

On 24 July 2023, the Shareholders' Meeting resolved an increase of Riba Mundo's share capital by means of cash contributions for a total amount of EUR 5,279,600, by issuing no. 268,000 new ordinary Shares – of the same class and series as those outstanding – with a par value of EUR 1 each, with a unit stock premium of EUR 18.7 and for a total amount of EUR 19.7 (par value plus stock premium), reserved for the subscription of Marco Dezi, with Gioya, Bruno Dezi, Alessio Dezi and Pietro Peligra waiving their pre-emptive rights. Furthermore, the Shareholders' Meeting resolved to delegate the Board of Directors, with powers of sub-delegation and in accordance with Article 297.1.a) of the Spanish Capital Companies Act, for a period of one year, to set the date on which the capital increase shall be carried out and the other conditions of the capital increase in all matters not provided for by the General Meeting, to carry out the necessary actions for its execution, to adapt the wording of Article 6 of the New Articles of Association to the new share capital figure and to request the admission to trading of the new Shares issued in Euronext Growth Milan.

15.2 New Articles of Association

The Issuer was incorporated on 20 September 2018 under the corporate name of "Riba Mundo Tecnología S.L.", by deed drafted by Mr. Manuel Francisco Cerdá García del Moral, Notary Public in Riba-roja de Túria, under number 1,029 of his protocol.

The Issuer is registered at the Registro Mercantil de Valencia, with tax identification number A-40526717.

By resolution adopted on 16 June 2023, the General Shareholders' Meeting held in extraordinary session approved the New Articles of Association. The New Articles of Association are incorporated by reference in the Admission Document and available on the Issuer's website (*www.ribamundotecnologia.es*).

15.2.1 Entry in the commercial register and corporate purpose

The Issuer is registered in the Registro Mercantil de Valencia, with tax identification number A-40526717.

Pursuant to article 2 of the New Articles of Association, the corporate purpose of the Issuer is to perform the following activities:

(a) wholesale and retail trade of computers, peripheral equipment and computer software;

(b) wholesale and retail trade of electronic and telecommunications equipment and components thereof;

(c) wholesale and retail trade of electrical household appliances;

(d) purchase and sale of real estate for own account and leasing (non-financial) of real estate for own account.

All activities whose performance is restricted by law or regulation are excluded from the corporate purpose, and if the law requires a professional qualification for the exercise of the activities included in the corporate purpose, they must be carried out by a person holding the required qualification.

All the activities included in the corporate purpose may also be carried on by the Issuer indirectly, through the ownership of shares or holdings in companies with an identical or similar corporate purpose.

15.2.2 Descriptions of rights, privileges and restrictions attached to shares

Pursuant to article 7 of the New Articles of Association, the Shares are subject to the dematerialisation regime.

Shares are registered and indivisible and freely transferable; each Share entitles the holder to one vote, as well as other economic and corporate rights.

15.2.3 Provisions of the articles of association that could have the effect of delaying, postponing or preventing a change in the Issuer's control structure

The New Articles of Association do not contain any provisions specifically aimed at delaying, postponing, or preventing a change of control over the Issuer. The purchase and transfer of Shares are not subject to any particular restrictions set forth by the New Articles of Association.

SECTION I, CHAPTER XVI - MAIN AGREEMENTS

Below is a description of main agreements entered into by the Issuer in the two years preceding the Date of Admission Document, outside the ordinary course of business, as well as certain other agreements that, although concluded in the ordinary course of business, must nevertheless be considered material.

16.1 Extraordinary transactions

16.1.1 Corporate joint venture with Portobello S.p.A. in the "*marketplace*" business unit, purchased from ePrice Operations S.r.l.

On 5 July 2022, within the context of ePrice Operations S.r.l.'s bankruptcy proceeding pursuant to Royal Decree no. 267 of 16 March 1942 ([1]) (and, specifically, within a competitive procedure pursuant to article 107 of Royal Decree no. 267 of 16 March 1942), PB Online S.r.l., an Italian limited liability company ("**PB Online**"), entered into a transfer agreement with reservation of title (*vendita con riserva di proprietà*, pursuant to article 1523 of the Italian Civil Code) with ePrice Operations S.r.l., an Italian limited liability company subject to bankruptcy proceeding, authenticated by Ms. Diletta Grandi, Notary in Milan, rep. 1266, racc. 972 (the "**Agreement**").

The subject matter of the Agreement was the business unit called "Market Place", formerly owned by ePrice Operations S.r.l., and represented by a complex of tangible and intangible assets and goodwill, functional to the activity of online sales to third parties, and also included no. 24 employees. The Agreement set forth that, in accordance with article 105, paragraph 4 of Royal Decree no. 267 of 16 March 1942, any liability for debts relating to the business unit arising prior to the transfer was excluded, except for debts assumed by the transferee.

The purchase price was agreed to be EUR 5,115,830.22, to be paid in two instalments, and as of the Date of Admission Document was fully paid. Pursuant to the Agreement, it was also agreed that PB Online would take over the debts owed by ePrice Operations S.r.l. to the 24 employees included in the business unit, for a further total of EUR 797,662.98.

On 27 September 2022, the shareholders' meeting of PB Online resolved on a capital increase from EUR 10,000 up to EUR 5,300,000, *i.e.* for a total nominal amount of EUR 5,290,000, without share premium, to be offered for EUR 2,640,000 to the existing shareholder Portobello S.p.A. and for EUR 2,650,000 to the Issuer, and to be paid-in by means of cash contributions.

On 27 September 2022, the shareholders' meeting of PB Online also resolved to amend PB Online's articles of association in order to introduce special rights of appointment with respect to PB Online's board of directors and an anti-stalemate clause. In particular, with respect to the special rights of appointment, it was resolved that, alternatively, (i) in the event that PB Online was managed by a board of directors, Portobello S.p.A. would be entitled to appoint one director and the Issuer would be entitled to appoint one director; any further directors would be appointed by the shareholders' meeting and the chairman of the board of directors would be appointed jointly

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([1]) ePrice Operations S.r.l. was declared bankrupt by ruling of the Court of Milan on 30 June 2022, R.G. no. 317/2022, following the declaration of non-prosecutability (*improcedibilità*) of the request for pre-emptive composition with creditors (*concordato preventivo*) pursuant to article 161, paragraph 6 of Royal Decree no. 267 of 16 March 1942, filed by ePrice Operations S.r.l. on 30 December 2021.

by the shareholders when appointing the board of directors; (ii) in the event that PB Online was managed by several directors, Portobello S.p.A. would be entitled to appoint one director and the Issuer would be entitled to appoint one director; any further directors would be appointed by decision of the shareholders' meeting; and (iii) in the event that PB Online was managed by a sole director, that sole director would be appointed by a joint decision of Portobello S.p.A. and the Issuer. In addition, an anti-stalemate clause was introduced whereby, in the event that the corporate capital of PB Online belonged to two shareholders holding the same percentage and it was impossible for the board of directors to reach a decision necessary for the continuation of ordinary activities, each of the shareholders would have the right to call in a trustee arbitrator, to be appointed in a timely manner by the President of the Court, who would have the task of getting the directors to reach a resolution of the stalemate and, failing that, would consider possible mechanisms for the exit of a shareholder, ensuring equal treatment of the shareholders.

16.2 Commercial agreements

Save for three customers, the Issuer has not entered into any written agreement with its customers. The Issuer's commercial relationships with its customers are subject to the Issuer's general terms and conditions, which are published on its website (*www.ribamundotecnologia.es*).

Since the duration of commercial relationships with the Issuer's customers is not regulated by any written agreement, commercial relationships with the Issuer can be terminated at any time. Furthermore, since there is no written agreement providing for a minimum duration of agreements with customers, in the event that customers early terminate the contractual relationship with the Issuer, the Issuer shall neither be entitled to demand performance vis-à-vis the customer (and thus to actually sell the products), nor to demand financial compensation for breach.

Save for three suppliers, the Issuer has not entered into any written agreement with its suppliers. The Issuer's commercial relationships with its suppliers are subject to the general terms and conditions of each supplier.

Since the duration of commercial relationships with the Issuer's suppliers is not regulated by any written agreement, commercial relationships with the Issuer can be terminated at any time. In the event that any supplier terminates its commercial relationship with the Issuer, the Issuer shall neither be entitled to demand performance vis-à-vis the supplier (and thus to actually receive the products), nor to demand financial compensation for breach.

16.2.1 Agreement for door-to-door transport services with DHL Express Spain, S.L.U.

On 28 October 2019, the Issuer entered into an agreement for transport services with DHL Express Spain, S.L.U., whose subject matter is the performance by DHL Express Spain, S.L.U. of door-to-door transport services, both on a national and on an international level, of goods, documents and packages (the "**Transport Agreement**").

As a consideration for the performance of the transport services, DHL Express Spain, S.L.U. shall receive a consideration by the Issuer in accordance with the rates agreed upon by the parties for each year. The total fees received by DHL Express Spain, S.L.U. from the Issuer during financial year 2022 amount to EUR 1,824,527.41.

The duration of the Transport Agreement is one year, renewable for subsequent periods of one year, unless earlier terminated.

The Transport Agreement is governed by Spanish law and is subject to the jurisdiction of the Courts of Madrid.

16.3 Financing agreements

16.3.1 Commercial credit policy with Triana SME Lending, S.à r.l.

On 30 June 2022, Triana SME Lending, S.à r.l. issued a credit policy, for an amount of EUR 7,000,000, in favour of the Issuer (for the purposes of this paragraph, the "**Credit Policy**"). The Credit Policy was issued before Mr. Manuel Francisco Cerdá García del Moral, notary public in Riba-roja de Túria, with number 255 of his records.

The Credit Policy was issued to the Issuer in order to allow the Issuer to cover its operating expenses (opex) and working capital.

The Credit Policy is set last for no. 72 months from 11 July 2022 until 11 July 2028. The disbursement of the credit amount, after fulfilment of the conditions precedent, was to not to exceed the deadline set on 31 July 2022.

The Credit Policy includes a financial covenant (leverage ratio ≤ 3), under which Triana SME Lending, S.à r.l. may request full or partial repayment of the loan if such covenant is breached and such default persists for more than 20 days starting from the earlier of the following dates: (i) the date on which the notification has been received or (ii) the date on which the Issuer becomes aware of it.

The Credit Policy includes restrictions to the distribution of dividends by the Issuer, in any form, for as long as the Credit Policy will be in place. Dividend distribution may only be made if the following conditions are met: (i) no unremedied breaches of the Credit Policy by the Issuer have occurred; (ii) the credit rating of the Issuer is no lower than B-; (iii) the leverage ratio of the Issuer is no lower than the leverage ratio agreed in the Credit Policy; (iv) the level of own resources of the Issuer remains higher than a certain amount determined in the Credit Policy; and (v) a distribution request is submitted by the Issuer to the lender, at least 5 business days prior than the expected distribution date.

The Credit Policy provides for an "upside commission", which becomes due and payable in the event of change of control of the Issuer and, either: (i) early repayment by the Issuer occurs; (ii) authorization to the change of control is given in writing by the lender; (iii) occurrence of the change of control within 12 months from the date on which the loan has been fully repaid.

As of the Date of Admission Document, the outstanding amount to be repaid by the Issuer pursuant to the Credit Policy is EUR 7,000,000.

The Credit Policy is governed by Spanish law and is subject to the jurisdiction of the Courts of the city of Madrid.

16.3.2 Loan policy with Triana SME Lending, S.à r.l.

On 16 November 2022, Triana SME Lending, S.à r.l. issued a loan policy, for an amount of EUR 3,000,000, in favour of the Issuer (for the purposes of this paragraph, the "**Loan Policy**"). The Loan Policy was issued before Mr. Manuel Francisco Cerdá García del Moral, notary public in Riba-roja de Túria, with number 392 of his records.

The Loan Policy was issued to the Issuer in order to allow the Issuer to cover its operating expenses (opex) and working capital.

The Loan Policy is set last for 72 months from 11 July 2022, *i.e.* until 10 July 2028. The disbursement of the credit amount, after fulfilment of the conditions precedent, was to not to exceed the deadline set on 17 December 2022.

The Loan Policy includes a financial covenant (leverage ratio ≤ 3), under which Triana SME Lending, S.à r.l. may request full or partial repayment of the loan if such covenant is breached and such default persists for more than 20 days starting from the earlier of the following dates: (i) the date on which the notification has been received or (ii) the date on which the Issuer becomes aware of it.

The Loan Policy includes restrictions to the distribution of dividends by the Issuer, in any form, for as long as the Loan Policy will be in place. Dividend distribution may only be made if the following conditions are met: (i) no unremedied breaches of the Loan Policy by the Issuer have occurred; (ii) the credit rating of the Issuer is no lower than B-; (iii) the leverage ratio of the Issuer is no lower than the leverage ratio agreed in the Loan Policy; (iv) the level of own resources of the Issuer remains higher than a certain amount determined in the Loan Policy; and (v) a distribution request is submitted by the Issuer to the lender, at least 5 business days prior than the expected distribution date.

The Loan Policy provides for an "upside commission", which becomes due and payable in the event of change of control of the Issuer and, either: (i) early repayment by the Issuer occurs; (ii) authorization to the change of control is given in writing by the lender; (iii) occurrence of the change of control within 12 months from the date on which the loan has been fully repaid.

As of the Date of Admission Document, the outstanding amount to be repaid by the Issuer pursuant to the Loan Policy is EUR 3,000,000.

The Loan Policy is governed by Spanish law and is subject to the jurisdiction of the Courts of the city of Madrid.

16.3.3 Loan agreement with FFS Predirec ABL-3 and FFS Predirec ABL-3 Co-Investment Fund

On 22 March 2023, RMT Magazzino, S.L.U. ("**RMT Magazzino**") entered into a loan agreement with FFS Predirec ABL-3 and FFS Predirec ABL-3 Co-Investment Fund, (as lenders), and Sienna AM France (as agent) for a maximum amount of EUR 21,300,000 (for the purposes of this paragraph, the "**Loan Agreement**").

The loan is composed of two tranches: (i) a first tranche, for an amount of EUR 15,000,000, for the purpose of financing the ordinary activity (the "**Inventory Tranche**"), and (ii) a second tranche, for an amount of EUR 6,300,000, for the purpose of financing the VAT (the "**VAT Tranche**").

Interests to be paid on the Inventory Tranche shall amount to 6.25% + Eur 3M and shall decrease annually if certain business objectives are met, in accordance with the provisions of the Loan Agreement. Interests to be paid on the VAT Tranche shall amount to 6.25% + Eur 3M. In addition, default interests will be due by RMT Magazzino, at a rate equal to the applicable Inventories Tranche Interest Rate *plus* 3%, in the event that RMT Magazzino fails to pay any amount due under the Loan Agreement.

The Loan Agreement sets forth certain financial covenants that RMT Magazzino undertakes to comply at all time, among which:

(i) on 31 December of each year, and until the final maturity date of the Inventories Tranche, the payment term average by the Issuer to its suppliers must not be lower than twenty (20) days;

(ii) the working capital of the Issuer, as calculated on 31 December of each year, based on the audited financial statements of the Issuer, shall not exceed certain thresholds (calculated on the basis of the average number of sales days, decreasing over the course of the Loan Agreement and spanning from 34 to 22);

(iii) the leverage ratio of the Issuer, as calculated on 31 December of each year, based on the audited financial statements of the Issuer, shall not exceed certain thresholds (calculated on the basis of the leverage ratio, decreasing over the course of the Loan Agreement and spanning from 3.2x to 2.8x);

In accordance with the terms of Loan Agreement, RMT Magazzino shall be subject to an early repayment obligation in the event that, among others, the following cases occur:

(i) Mr. Marco Dezi and Gioya cease to hold, directly or indirectly, 51% of the Issuer;

(ii) the loan coverage ratio or the VAT tranche coverage ratio becomes less than 100%;

(iii) breach of the obligations of the Issuer or of RMT Magazzino;

(iv) cross-defaults, *i.e.*: (a) when any financial indebtedness (also pursuant to agreements different than the Loan Agreement) of RMT Magazzino, exceeding an amount of EUR 300,000, is unpaid on its due date and (b) when any financial indebtedness (also pursuant to agreements different than the Loan Agreement) of RMT Magazzino, exceeding an amount of EUR 300,000, is declared due or becomes due prior to its term.

Additionally, as part of the aforementioned financing, the Issuer has transferred all of RMT Magazzino's shareholdings in favor of a trust managed by FHB Fiducie through the formalization and execution of the corresponding trust agreement.

As of the Date of Admission Document, the outstanding amount to be repaid by RMT Magazzino pursuant to the Loan Agreement is EUR 9,856,000, with respect to the Inventory Tranche, and EUR 492,861.70, with respect to the VAT Tranche.

The Loan Agreement is governed by Spanish law and is subject to the exclusive jurisdiction of the Courts of the city of Madrid.

SECTION TWO

SECTION II, CHAPTER I - RESPONSIBLE PERSONS

1.1 Persons in charge of the Admission Document

For information on responsible persons, please refer to Section One, Chapter I, Paragraph 1.1 of the Admission Document.

1.2 Declaration of responsibility

For information on liability declarations, please refer to Section One, Chapter I, Paragraph 1.2 of the Admission Document.

1.3 Expert reports and opinions

For information on expert reports and opinions, please refer to Section One, Chapter I, Paragraph 1.3 of the Admission Document.

1.4 Information from third parties

For information on information from third parties, please refer to Section One, Chapter I, Paragraph 1.4 of the Admission Document.

1.5 Competent authority

The contents of the Admission Document have not been reviewed or approved by Borsa Italiana or Consob.

Investors should be aware of the risks involved in investing in this type of issuer and should only decide whether to invest after careful evaluation.

SECTION II, CHAPTER II - RISK FACTORS

For a description of the risk factors relating to the Issuer and the Shares, please refer to Section One, Chapter IV of the Admission Document.

SECTION II, CHAPTER III - ESSENTIAL INFORMATION

3.1 Working capital statement

The Board of Directors, after having carried out all the necessary and thorough investigations, on the basis of the definition of working capital - as "the means by which the issuer obtains the liquid resources necessary to meet its obligations as they fall due" - contained in Recommendations ESMA/2013/319, applicable, mutatis mutandis, also to the documents drafted pursuant to the Prospectus Regulation, as clarified by ESMA on 27 March 2019, considers that the working capital available to the Issuer is sufficient for its current needs, meaning those relating to at least 12 months from the Date of Admission.

3.2 Reasons for the Offer and use of proceeds

The purpose of the transaction is the Admission of the Shares on Euronext Growth Milan, with the aim of obtaining greater visibility on the national and international market as well as acquiring new financial resources that will be dedicated to:

- support the Issuer's expansion in new product categories;
- launch of the Issuer's proprietary brand for small domestic appliances;
- expand the warehouse capacity.

Since the Offer Shares are exclusively offered for sale by the Selling Shareholder, no proceeds will arise from the Offer in favour of the Issuer.

Within the context of the settlement of the Offer, the Global Coordinator shall transfer the net proceeds arising from the Offer, up to an amount of EUR 5,279,600, to the Escrow Account.

For the sake of completeness, as of the Date of Admission Document, Marco Dezi has pledged to underwrite the Dezi's Capital Increase, to be resolved upon within 28 August 2023 by the competent bodies of the Issuer, up to an amount of EUR 5,279,600.

For further information on the Issuer's growth and development objectives, please refer to Section One, Chapter VI, Paragraph 6.4 of the Admission Document.

SECTION II, CHAPTER IV - INFORMATION CONCERNING THE FINANCIAL INSTRUMENTS TO BE OFFERED AND ADMITTED TO TRADING

4.1 Description of the financial instruments to be admitted to trading

The Shares are the financial instruments for which Admission has been requested.

The Shares have par value of EUR 1 per share and are assigned the ISIN (International Security Identification Number) ES0105724001.

A maximum amount of no. 268,000 Offer Shares, equal to approx. 13.2% of the Issuer's share capital, shall be sold within the Offer by the Selling Shareholder. In addition, Marco Dezi is expected to grant the Global Coordinators with the Greenshoe Option.

4.2 Legislation under which the Shares were issued

The Shares were issued under Spanish law.

4.3 Characteristics of the Shares

The Shares are registered, freely transferable and have regular dividend rights.

The Shares are subject to the dematerialisation regime and are subject to the centralised management system at Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear).

4.4 Currency of issue of the Shares

The Shares are denominated in Euro.

4.5 Description of the rights, including any limitations thereof, attached to the Shares

As at the Date of Admission Document, the Issuer's share capital of EUR 2,032,110 is divided into no. 2,032,110 Shares.

All Shares have the same characteristics and confer the same rights on their holders. The Shares have regular dividend rights.

Each Share confers the right to one vote at general meetings of the Issuer, both held in ordinary and extraordinary session, as well as other economic and corporate rights, in accordance with the applicable provisions of law and the New Articles of Association.

The profits resulting from the financial statements approved by the shareholders' meeting, after deduction of the portion allocated to the legal reserve, may be distributed to shareholders or allocated to the reserve, according to the resolution of the shareholders' meeting. The directors, if the legal conditions are met, may resolve to distribute interim dividends.

There are no statutory provisions restricting dividends. Dividends or the balance of dividends shall be paid to shareholders in accordance with the provisions of law and regulations and as resolved from time to time by the shareholders' meeting approving the financial statements in this regard. The amount of, and the date on which entitlement to, dividends and all other matters relating thereto, as well as the manner and terms of payment thereof, shall be set forth in the shareholders' resolution ordering the distribution of profits. No dividends may be paid except for profits actually earned and resulting from the duly approved financial statements. There are no special procedures for non-resident holders of dividend rights. Dividends not collected within five years from the date on which they became payable shall be forfeited in favour of the Issuer.

The Shares do not confer the right to repayment of capital, subject to the provisions in the event of liquidation of the Issuer. In the event of the dissolution of the Issuer, the shareholders' meeting shall determine the manner of liquidation and appoint one or more liquidators, fixing their powers and remuneration.

4.6 Resolutions, authorisations and approvals by virtue of which the Offer Shares have been or will be created and/or issued

The Selling Shareholder shall offer no. 268,000 Offer Shares.

The Offer does not entail the issue of any new ordinary shares by the Issuer.

4.7 Planned date of issue and availability of the Offer Shares

Upon payment of the relevant price, the Offer Shares allotted in the Placement will be made available to those entitled thereto, in dematerialised form, by means of book-entry on deposit accounts held with Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear).

4.8 Restrictions on the free transferability of Shares

The New Articles of Association do not provide for any restrictions on free transferability in relation to the Shares.

For further information on the contractual lock-up commitments entered into by the shareholders of the Issuer, please refer to Section Two, Chapter V, Paragraph 5.4 of the Admission Document.

4.9 Applicability of tender offer and/or residual tender offer rules

Pursuant to article 11 of the New Articles of Association, as of the moment the Shares are admitted to trading on Euronext Growth Milan, the Issuer will be subject to the relevant legal provisions on tender offers and exchange offers of securities.

4.10 Previous public offers for the Shares

The Shares have never been the subject of any public purchase or exchange offer, nor has the Issuer ever assumed the capacity of offeror in the context of such transactions.

4.11 Tax regime

Applicable tax legislation of the investor's country and that of the Issuer's country of registration may have an impact on the income generated from investments in Shares.

Therefore, investors are in any case required to consult their own advisors in order to assess the tax regime applicable to the purchase, holding and disposal of the Shares. Tax legislation applicable to the investor's country should also be taken into due account.

As at the Date of Admission Document, the Shares are not subject to a specific tax regime.

4.12 Potential impact on investment in the event of a resolution pursuant to Directive 2014/59/EU of the European Parliament and of the Council

Not applicable.

4.13 Identity and contact details of the person other than the Issuer requesting admission to trading of the Shares

Not applicable.

SECTION II, CHAPTER V - HOLDERS OF SECURITIES PROCEEDING TO SALE

5.1 Selling Shareholder

The Selling Shareholder is Marco Dezi, born in Rome, on 21 December 1978, fiscal code DZEMRC78T21H501U, selling no. 268,000 Offer Shares.

5.2 Number and class of shares offered by the Selling Shareholder

The Offer Shares are offered for sale by the Selling Shareholder as indicated in Paragraph 5.1 above.

Marco Dezi is also expected to grant the Greenshoe Option to the Global Coordinator, for a maximum amount of no. 11,200 Shares, corresponding to approx. 4% of the maximum number of the Offer Shares.

For further information, please refer to Section One, Chapter VI, Paragraph 6.6 of the Admission Document.

5.3 Extent of the Selling Shareholder's shareholding

As of the Date of Admission Document, Marco Dezi holds a shareholding equal to 50.25% of the Issuer's share capital and intends to sell a maximum amount of 268,000 Offer Shares, equal to approx. 13.2% of the Issuer's share capital, plus the additional maximum amount of no. 11,200 Shares included in the Greenshoe Option, equal to approx. 4% of the maximum number of the Offer Shares.

Consequently, should the Offer Shares be entirely sold within the Offer and the Greenshoe Option be fully exercised, Marco Dezi will hold 36.51% of the Issuer's share capital.

The following table illustrates the Issuer's shareholding structure and its evolution and indicates the number of Shares and the percentages of the share capital held by each shareholder of the Issuer, in the event of (i) sale of all the no. 268,000 Offer Shares within the Offer and (ii) full exercise of the Greenshoe Option for no. 11,200 Shares.

Shareholder	*No. Shares as of the Date of Admission Document*		*Offer Shares*	*No. Shares post Offer*		*Greenshoe Option*	*No. Shares post Offer if Greenshoe Option fully exercised*	
Marco Dezi	1,021,145	50.25%	268,000	753.145	37.06%	11,200	741.945	36.51%
Gioya	452,135	22.25%	-	452,135	22.25%	-	452,135	22.25%
Alessio Dezi	193,050	9.50%	-	193,050	9.50%	-	193,050	9.50%
Bruno Dezi	182,890	9%	-	182,890	9.00%	-	182,890	9.00%
Pietro Peligra	182,890	9%	-	182,890	9.00%	-	182,890	9.00%
Market	-	-	-	268,000	13.19%	-	279,200	13.74%
Totale	2,032,110	**100%**	**268,000**	**2,032,110**	**100%**	**11,200**	**2,032,110**	**100%**

5.4 Lock-up agreements

The Offer Shares to be sold within the Offer will be freely available and transferable. Subject to the limitations set forth below, there are no limitations on the free transferability of the Shares.

As at the Date of Admission Document, in their capacity as shareholders of the Issuer, Marco Dezi, Gioya, Alessio Dezi, Bruno Dezi and Pietro Peligra, together with the Issuer, have entered into specific lock-up commitments towards the Global Coordinator of 18 months from the First Trading Date.

SECTION II, CHAPTER VI - ADMISSION AND OFFER-RELATED EXPENSES

6.1 Total net proceeds and estimated total expenses related to Admission

Since the Offer Shares are exclusively offered for sale by the Selling Shareholder, no proceeds will arise from the Offer in favour of the Issuer.

The estimated net proceeds arising from the Offer in favour of the Selling Shareholder, as a consequence of the sale of the Offer Shares, net of the commissions paid to the Global Coordinator and to the Euronext Growth Advisor, range between a minimum of EUR 4,872,018 and a maximum of EUR 5,042,018 (or between a minimum of EUR 5,082,729 and a maximum of EUR 5,252,729, in the event that the Greenshoe Option is fully exercised).

Within the context of the settlement of the Offer, the Global Coordinator shall transfer the net proceeds arising from the Offer, up to an amount of EUR 5,252,729, to the Escrow Account.

For the sake of completeness, as of the Date of Admission Document, Marco Dezi has pledged to underwrite the Dezi's Capital Increase, to be resolved upon within 28 August 2023 by the competent bodies of the Issuer, up to an amount of EUR 5,279,600.

The total expenses relating to the Admission process, which are estimated to amount to approximately EUR 1,100,000, will be borne directly by the Issuer.

SECTION II, CHAPTER VII - DILUTION

7.1 Comparison of shareholding and voting rights of existing shareholders before and after the Offer

As of the Date of Admission Document, the Issuer's share capital, equal to EUR 2,032,110 and represented by no. 2,032,110 Shares, is held by the persons listed in the following table, which also indicates the voting rights.

Shareholder	*no. of Shares*	*% share capital*	*% voting rights*
Marco Dezi	1,021,145	50.25%	50.25%
Gioya	452,135	22.25%	22.25%
Alessio Dezi	193,050	9.50%	9.50%
Bruno Dezi	182,890	9%	9%
Pietro Peligra	182,890	9%	9%
Total	**2,032,110**	**100%**	**100%**

The Offer does not entail the issue of new Shares and, therefore, does not determine any dilution effect.

For the sake of completeness, it should be noted that:

- upon completion of the Offer, in the event that all the Offer Shares are allotted within the Placement, Marco Dezi will continue to hold a shareholding in the share capital of the Issuer equal to 37.06% of the Issuer's share capital;

- in the event that all the Offer Shares are allotted within the Placement and the Greenshoe Option is fully exercised, Marco Dezi will continue to hold a shareholding in the share capital of the Issuer equal to 36.51% of the Issuer's share capital.

7.2 Information in the case of a subscription offer to existing shareholders

Not applicable.

SECTION II, CHAPTER VIII - ADDITIONAL INFORMATION

8.1 Participants to the transaction

The parties involved in the transaction are listed below:

Subject	***Role***
Riba Mundo Tecnología S.A.	Issuer
Banca Profilo S.p.A.	Euronext Growth Advisor and Global Coordinator
PricewaterhouseCoopers Auditores, S.L.	Auditing Company

8.2 Indication of other information in Section Two that has been audited or reviewed by the Auditing Company

Section Two of the Admission Document does not contain any additional information, other than that set out in Section One of this Admission Document, which has been subject to a full or limited audit.

8.3 Places where the Admission Document can be found

This Admission Document will be made publicly available from the Admission Date, at the registered office of the Issuer in Loriguilla (Valencia, Spain), Calle en proyecto N7 sector 10-2, as well as in the Investor Relations section of the Issuer's website (*www.ribamundotecnologia.es*).

APPENDIX

The following documents are incorporated by reference into the Admission Document:

– Special Purpose Financial Statements 2022 and 2021, together with the auditor's report issued on 26 April 2023.

Riba Mundo Tecnología, S.L.

Special purpose financial statements as at
31 December 2022 and 2021

Riba Mundo Tecnología, S.L.

"This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation."

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Riba Mundo Tecnología, S.L.

BALANCE AS OF 31 DECEMBER 2022 and 2021
(Expressed in thousands of euros)

	Notes	31/12/2022	31/12/2021	31/12/2020*	01/01/2020*
ASSETS					
Non-current assets					
Property plant and equipment	7	439	1,474	166	15
Right-of-use assets	8	1,230	68	89	39
Intangible assets	6	1,745	381	3	5
Investments accounted for using the equity method	10	2,221	-	-	-
Financial assets at fair value through other comprehensive income	9	2,341	1,372	540	-
Financial assets at amortized cost	9	595	12	8	4
Total non-current assets		**8,571**	**3,307**	**806**	**63**
Current assets					
Inventories	11	23,067	13,086	4,997	883
Other current assets	12	630	279	65	-
Trade and other receivables	9	23,764	13,043	5,034	640
Other financial assets at amortized cost	9	1,194	181	200	143
Cash and cash equivalents	13	16,429	1,785	707	237
Total current assets		**65,084**	**28,374**	**11,003**	**1,903**
Total assets		**73,655**	**31,681**	**11,809**	**1,966**

** Unaudited financial years*

Riba Mundo Tecnología, S.L.

BALANCE AS OF 31 DECEMBER 2022 and 2021
(Expressed in thousands of euros)

	Notes	31/12/2022	31/12/2021	31/12/2020*	01/01/2020*
LIABILITIES					
Non-current liabilities					
Financial debt	15 and 16	13,246	3,505	663	12
Lease liabilities	8	1,035	31	48	14
Deferred tax liabilities	7	25	-	-	-
Provisions		-	57	-	-
Total non-current liabilities		**14,306**	**3,593**	**711**	**26**
Current liabilities					
Trade and other payables	15	30,686	14,700	6,752	1,430
Contract liabilities	5	1,126	77	-	-
Current tax liabilities	17	571	330	193	41
Financial debt	15 and 16	19,394	8,255	1,987	122
Lease liabilities	8	207	41	44	26
Provisions		-	-	3	-
Total current liabilities		**51,984**	**23,403**	**8,979**	**1,619**
Total liabilities		**66,290**	**26,996**	**9,690**	**1,645**
EQUITY					
Equity capital	14	2,032	2,032	1,199	10
Share premium	14	-	-	-	12
Reserves	14	430	87	299	47
Profit/loss of the year	14	4,996	2,566	621	252
Financial assets measured at fair value through other comprehensive income	9	(93)	-	-	-
Total equity		**7,365**	**4,685**	**2,119**	**321**
TOTAL EQUITY AND LIABILITIES		**73,655**	**31,681**	**11,809**	**1,966**

Unaudited financial years

Riba Mundo Tecnología, S.L.

STATEMENT OF INCOME FOR THE YEARS ENDED 31 DECEMBER 2022 AND 2021
(Expressed in thousands of euros)

	Notes	31/12/2022	31/12/2021	31/12/2020*
Continuing activities				
Revenue from contracts with customers	19	329,093	173,695	59,876
Supplies	18	(313,783)	(166,562)	(57,443)
Gross profit		**15,310**	**7,133**	**2,433**
Operating costs	18	(6,299)	(2,510)	(1,317)
Staff costs	18	(1,872)	(736)	(281)
Depreciation of fixed assets	6, 7 and 8	(410)	(97)	(51)
Impairment and results from disposals of fixed assets	7 and 8	1,424	(32)	-
Other income		312	1	1
Other gains/(losses) - net		(306)	(183)	59
Operating profit		**8,159**	**3,576**	**844**
Financial income		2	-	-
Financial expenses	15	(996)	(140)	(22)
Exchange rate differences		117	1	(2)
Financial result		**(877)**	**(139)**	**(24)**
Share of net income of associates and joint ventures accounted for using the equity method	10	(429)	-	-
Profit before tax		**6,853**	**3,437**	**820**
Income tax expense	17	(1,857)	(871)	(199)
Profit for the year	**14**	**4,996**	**2,566**	**621**
Profit attributable to:				
Owners of the Company		4,996	2,566	621
		4,996	**2,566**	**621**
Earnings per share of profit from continuing operations attributable to ordinary net equity holders of the company:				
Basic earnings per share		2.45	1.26	0.52
Diluted earnings per share		2.45	1.26	0.52

Unaudited financial year

Riba Mundo Tecnología, S.L.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2022 AND 2021
(Expressed in thousands of euros)

	Notes	31/12/2022	31/12/2021	31/12/2020*
Profit for the year		**4,996**	**2,566**	**621**
Other overall result	**9**	**(93)**	**-**	**-**
Changes in the fair value of equity investments at fair value through other comprehensive income		(93)	-	-
Total comprehensive income for the year	**14**	**4,903**	**2,566**	**621**
Total comprehensive income for the year attributable to:				
Owners of the Company		4,903	2,566	621
Total comprehensive income for the year attributable to owners of the Company arises from:				
Continuing activities		4,903	2,566	621
		4,903	**2,566**	**621**

Unaudited financial year

Riba Mundo Tecnología, S.L.

STATEMENT OF CHANGES EQUITY FOR THE YEARS ENDED 31 DECEMBER 2022 AND 2021
(Expressed in thousands of euros)

	Equity capital (Note 14)	Share premium (Note 14)	Reserves (Note 14)	Result for the year (Note 14)	Financial assets at fair value with changes in net equity (Note 9)	Total equity (Note 14)
Balance as at January 1, 2020*	**10**	**12**	**47**	**252**	**-**	**321**
Result for the year*	-	-	-	621	-	621
Overall result for the year	**-**	**-**	**-**	**621**	**-**	**621**
Transactions with partners	**1,189**	**(12)**	**-**	**-**	**-**	**1,177**
Capital increases	1,189	(12)	-	-	-	1,177
Other changes in equity	**-**	**-**	**252**	**(252)**	**-**	**-**
Balance as at December 31, 2020*	**1,199**	**-**	**299**	**621**	**-**	**2,119**
Overall result for the year	**-**	**-**	**-**	**2,566**	**-**	**2,566**
Transactions with partners	**833**	**-**	**(833)**	**-**	**-**	**-**
Capital increases	833	-	(833)	-	-	-
Other changes in equity	**-**	**-**	**621**	**(621)**	**-**	**-**
Balance as at December 31, 2021	**2,032**	**-**	**87**	**2,566**	**-**	**4,685**
Overall result for the year	**-**	**-**	**-**	**4,996**	**(93)**	**4,903**
Transactions with partners	**-**	**-**	**(2,223)**	**-**	**-**	**(2,223)**
Dividend distribution	-	-	(2,223)	-	-	(2,223)
Other changes in equity	**-**	**-**	**2,566**	**(2,566)**	**-**	**-**
Balance as at December 31, 2022	**2,032**	**-**	**430**	**4,996**	**(93)**	**7,365**

**Unaudited financial year*

Riba Mundo Tecnología, S.L.

STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2022 AND 2021
(Expressed in thousands of euros)

	Notes	31/12/2022	31/12/2021	31/12/2020*
1. Results for the year before tax.		**6,853**	**3,437**	**820**
2. Adjustments to the result.		**402**	**322**	**78**
a) Depreciation of fixed assets (+).	6 and 7	410	97	51
b) Impairment allowances (+/-).		74	32	-
c) Change in provisions (+/-).		(57)	54	3
e) Results on disposal and sale of fixed assets (+/-).	7	(1,424)	-	-
f) Change in fair value of financial instruments (+/-).	9 and 10	522	-	-
(g) Financial income (-).		(2)	-	-
h) Financial expenses (+).		996	140	22
i) Exchange rate differences (+/-).		(117)	(1)	2
3. Changes in current capital.		**(4,185)**	**(8,315)**	**(3,251)**
a) Inventories (+/-).	11	(9,981)	(8,086)	(4,117)
b) Trade and other receivables (+/-).	9	(10,795)	(8,009)	(4,394)
c) Other current assets (+/-).	9	(351)	(217)	(62)
d) Creditors and other accounts payable (+/-).	15	15,893	7,997	5,322
e) Other current liabilities (+/-).	15	1,049	-	-
4. Other cash flows from operating activities		**(2,447)**	**(843)**	**(62)**
a) Interest payments (-).		(833)	(109)	(15)
(c) Interest receipts (+).		2	-	-
d) Income tax collections (payments) (-/+).		(1,616)	(734)	(47)
(I) CASH FLOWS FROM OPERATING ACTIVITIES		**623**	**(5,399)**	**(2,415)**
6. Payments for investments (-).		**(7,289)**	**(2,738)**	**(763)**
a) Group and Associate Companies	10	(2,650)	-	-
b) Intangible assets.	6	(1,554)	(355)	-
c) Tangible fixed assets	7	(427)	(1,257)	(162)
(e) Other financial assets.	9	(2,658)	(1,126)	(601)
7. Divestment proceeds (+).		**2,751**	**309**	**-**
c) Tangible fixed assets	7	2,751	-	-
(e) Other financial assets.	9	-	309	-
(II) CASH FLOWS FROM INVESTING ACTIVITIES		**(4,538)**	**(2,429)**	**(763)**
9. Proceeds and payments for equity instruments.		-	-	**1,177**
b) Amortisation of equity instruments.		-	-	1,189
c) Acquisition of own equity instruments.		-	-	(12)
10. Receivables and payments for financial liability instruments.		**20,665**	**8,905**	**2,473**
a) Premium		30,146	9,236	2,512
2. Debts to credit institutions (+)	15 and 16	26,876	7,681	2,015
4. Others (-).	15 and 21	3,270	1,555	497
b) Repayment and amortization of		(9,481)	(331)	(39)
2. Amounts owed to credit institutions (-).	15 and 16	(9,210)	(327)	(39)
4. Others (-).	15 and 21	(271)	(4)	-
11. Dividend and remuneration payments on other equity instruments.	**4**	**(2,223)**	**-**	**-**
(III) CASH FLOWS FROM FINANCING ACTIVITIES		**18,442**	**8,905**	**3,650**
(IV) EFFECT OF EXCHANGE RATE CHANGES		**117**	**1**	**(2)**
(V) NET INCREASE/DECREASE IN CASH OR CASH EQUIVALENTS (+/-I+/-II+/-III+/-/-III+/- IV)		**14,644**	**1,078**	**470**
Cash or cash equivalents at the beginning of the financial year	**13**	1,785	707	237
Cash or cash equivalents at the end of the year.	**13**	16,429	1,785	707

***Unaudited financial years**

Riba Mundo Tecnología, S.L.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022 AND 2021
(Expressed in thousands of euros)

1. General information

Riba Mundo Tecnología, S.L. (hereinafter, the Company) was incorporated for an indefinite term on 20 September 2018, and is registered in the Commercial Register of Valencia. Its registered office is in Loriguilla (Valencia), where it carries out its activities.

The Company's corporate purpose, in accordance with its articles of association, which coincides with its principal activity during the financial years 2022 and 2021, consists mainly of the wholesale and retail trade of computers, peripheral equipment, computer software, electronic and telecommunications equipment and their components and household appliances.

The Company's activities do not have a significant environmental impact, given their nature.

2. Bases for presentation

The special purpose financial statements (hereinafter the financial statements) of the Company have been prepared in accordance with International Financial Reporting Standards as adopted for use in the European Union (EU-IFRS) as endorsed by European Commission Regulations and in force at 31 December 2022, interpretations issued by the IFRS Interpretations Committee (IFRIC), and company law applicable to companies reporting under EU-IFRS. The financial statements comply with EU-IFRS as issued by the International Accounting Standards Board (IASB). These financial statements have been prepared in accordance with IAS 28 as financial statements of economic interest, in which the Company and its investment in the equity accounted investee constitute a single economic unit. As a result, the investment held in the investee (Note 10) has been accounted for under the equity method.

These financial statements are the first financial statements prepared in accordance with EU-IFRS, the date of transition to EU-IFRS having been set as 1 January 2020. The effects of the first-time application of EU-IFRS on the Company's financial statements are detailed in Note 5.

In preparing these financial statements as at 31 December 2022 and 2021, the Company has applied IFRS 1 “First-time Adoption of International Financial Reporting Standards”. The Company has prepared its opening balance sheet as well as the 2022, 2021 and 2020 financial statements in accordance with IFRS in force at 31 December 2022, as required by IFRS 1, applying all mandatory exceptions and optional exemptions as detailed in Note 5.

The financial statements have been approved by the Sole Administrator of the Company as at 31 March 2023 for use in connection with the process of admission of the Company's shares to trading on the Euronext Growth Milan market. These financial statements, which have been prepared by the Sole Director of the Company, will be submitted for approval by the General Meeting of Shareholders and are expected to be approved without modification.

For statutory purposes, and in order to comply with legal corporate reporting obligations, the company has presented its annual accounts at 31 December 2022 in accordance with current trading legislation, as set out in the amended Commercial Code in accordance with Law 16/2007, of 4 July, on the reform and adaptation of commercial legislation in accounting matters for its international harmonisation based on European Union regulations, Royal Decree 1514/2007, of 20 November (hereinafter "PGC"), which approves the General Accounting Plan, amended by Royal Decree 1159/2010, of 17 September, and Royal Decree 602/2016, of 2 December, and by Royal Decree 1/2021.

<u>Historical cost convention</u>

The financial statements have been prepared on an historical cost basis, except for certain financial assets and liabilities which are measured at fair value.

The Company has opted to maintain its property, plant and equipment at historical cost, without having valued them at fair value or revalued them. The Company does not hold any other types of assets or liabilities that might be subject to these valuation standards and, therefore, the remaining assets and liabilities are maintained at historical cost.

Comparison of information

The information in these financial statements as at 31 December and 1 January 2020 is presented solely and exclusively for the purpose of comparison with the information relating to the years ended 31 December 2022 and 2021. This information has not been audited as there is no requirement to do so.

Special purpose of financial statements

The special purpose financial statements have been prepared in connection with the listing of the Company's shares on the Euronext Growth Milan market in order to comply with the historical financial reporting requirements of the Euronext Growth Milan market. These financial statements have been prepared from the Company's accounting records, which have been prepared in accordance with International Financial Reporting Standards (EU-IFRS) as mentioned in this note, in order to present fairly the Company's equity and financial position as at 31 December 2022 and 2021, and its financial performance, cash flows and changes in net equity for the years then ended.

Significant estimates and judgements

In preparing these financial statements, estimates have been made by the Sole Administrator of the Company in order to value some of the assets, liabilities, income, expenses and commitments reported herein. Basically these estimates relate to:

- Assessment of possible impairment losses on certain non-financial assets (Notes 3 and 4).

Although these estimates have been made on the basis of the best information available at the date of preparation of these financial statements, it is possible that future events may cause these estimates to change (upwards or downwards) in future periods. This would be done prospectively, if necessary, by recognising the effects of the change in estimate in the related future income statements.

New EU-IFRS Standards

Standards, amendments and interpretations mandatory for all financial years beginning on or after 1 January 2022:

As a consequence of the adoption, publication and entry into force on 1 January 2022, the following standards have been applied at the date of preparation of these financial statements:

- Property, plant and equipment: amounts received before intended use - Amendments to IAS 16;
- Contracts for pecuniary interest: costs of contract performance - Amendments to IAS 37;
- Annual Improvements to IFRS - 2018-2020 Cycle, and
- Reference to the Conceptual Framework - Amendments to IFRS 3.

Standards, amendments and interpretations that have not yet entered into force but can be adopted in advance:

The Company also chose to adopt the following amendments early:

- IAS 1 (Amendment) “Disclosure of Accounting Policies”;
- IAS 8 (Amendment) “Definition of Accounting Estimates” and
- Deferred tax related to assets and liabilities arising from a single transaction - Amendments

- to IAS 12.

The above amendments have not had a material impact on the amounts recognised in the financial statements and are not expected to have a material effect on future periods.

Other standards, amendments and interpretations that have been published by the IASB and the IFRS interpretation committee at the date of these financial statements but are not applicable to the Company are as follows:

- IFRS 17 Insurance Contracts; and
- Amendments to IFRS 17 "Initial Application of IFRS 17" and IFRS 9 - comparative information.

Standards, amendments and interpretations applied to existing standards that cannot be early adopted or have not been yet adopted by the European Union:

At the date of preparation of these financial statements, the following standards, amendments and interpretations had been published by the IASB and the IFRS Interpretations Committee and are pending adoption by the European Union.

- IFRS 10 (Amendment) and IAS 28 (Amendment) "Sale or contribution of assets between an investor and its associates or joint ventures".
- IFRS 10 (Amendment) and IAS 28 (Amendment) "Sale or contribution of assets between an investor and its associates or joint ventures".
- IAS 1 (Amendment) "Classification of liabilities as current or non-current".
- IAS 1 (Amendment) "Non-current liabilities with conditions ("covenants")".

3. Summary of significant accounting policies

This note provides an account of the significant accounting policies adopted in the preparation of these financial statements to the extent not disclosed in other notes. These policies have been applied consistently for all years presented, unless otherwise stated.

3.1 Joint agreements

The Company applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as joint operations or joint ventures. At year-end 2022 the Company holds a 50% interest in one entity (Note 10). Management has carried out an analysis of this investment, concluding that there is joint control by the two partners of the entity, derived from the rights and obligations held by both parties and detailed in the agreements and bylaws of the associated entity, and it is therefore classified as a joint venture.

Interests in joint ventures are accounted for using the equity method, after initial recognition at cost in the balance sheet.

Under the equity method, investments are initially recognised at cost and adjusted thereafter to recognise in profit or loss the Company's share of the investee's post-acquisition results and in other comprehensive income the Company's share of movements in the investee's other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Company's share of losses on an equity accounted investee equals or exceeds its interest in that entity, including any other unsecured long-term receivables, the Company does not recognise additional losses unless it has incurred obligations or made payments on behalf of the other entity.

Gains arising from transactions between the Company and its associates are eliminated on the basis of the Company's interest in those entities. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the transferred asset. The accounting policies of equity accounted investees are changed when necessary to ensure consistency with the policies adopted by the Company.

Investments accounted for using the equity method are tested for impairment in accordance with the policy described in Note 3.7.

3.2 Segment reporting

Operating segments are presented according to the internal reporting provided to the chief operating decision maker.

The Sole Director of the Company has appointed a strategic management committee which evaluates the Company's performance and financial position, and strategic decision making. The strategic steering committee, which has been identified as the highest operational decision-making authority, consists of commercial, operational and financial managers.

Detailed segment information is provided in Note 20 to these financial statements.

3.3 Foreign currency conversion

1. *Functional and presentation currency*

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in euros, which is Company's functional and presentation currency.

2. *Transactions and balances*

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of these transactions and from the conversion of monetary assets and liabilities denominated in foreign currencies at closing rates are recognised in the income statement. They are deferred in other comprehensive income if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Exchange rate gains and losses related to financial debts are presented in the income statement within financial expenses. Other exchange gains and losses are presented in the income statement under "Exchange differences".

Non-monetary items that are measured at fair value in a foreign currency are converted using the exchange rates at the dates when the fair value was determined. Translation differences on assets and liabilities carried at fair value are presented as part of the fair value gain or loss. For example, conversion differences on non-monetary assets and liabilities such as equity interests held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and conversion differences on non-monetary assets such as equity interests classified as at fair value through other comprehensive income are recognised in other comprehensive income.

3.4 Intangible assets

As a general rule, intangible assets are initially measured at acquisition or production cost. They are subsequently measured at cost less the related accumulated depreciation and, where applicable, any impairment losses.

Computer applications

The Company records in this account the costs incurred in the acquisition and development of computer software, including the costs of developing the Company's business system.

Computer software maintenance costs are recognised as an expense when incurred. Costs directly related to the development of unique and identifiable software controlled by the Company that are probable to generate economic benefits in excess of costs for more than one year are recognised as intangible assets. Costs related to the acquisition and development of software applications include the costs of IT consultants to the Company for the development mainly of the Company's operating system.

Computer software is amortised on a straight-line basis over a period of five years. Management determines the estimated useful lives and related amortisation charges for its computer software based on the expected life and technological obsolescence. This could change as a result of technical and technological innovations. Management shall increase the depreciation charge when useful lives are shorter than previously estimated lives or write off or write down technically obsolete or non-strategic assets that have been abandoned.

3.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and accumulated impairment losses, except in the case of land, which is not depreciated and is presented net of impairment losses.

The historical cost includes expenses directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when it is replaced. All other repair and maintenance expenses are charged to the income statement in the financial year in which they are incurred.

The Company depreciates property, plant and equipment using the straight-line method, applying annual depreciation rates calculated on the basis of the years of estimated useful life and residual value of the respective assets, as follows:

	Years of estimated useful life
Constructions	4 - 10
Technical installations and machinery	10
Other fixtures, fittings and furnishings	10
Information processing equipment	4 - 10
Other fixed assets	4 - 10

The Company carries on its business in leased premises. Expenditure incurred in the refurbishment of properties leased by the Company, basically relating to refurbishment work and investments in fixed installations which are definitively incorporated into these properties, is depreciated on a straight-line basis over the shorter of the years of estimated useful life or the term of the related lease contract from the time the activity commences in each of these properties, and is presented, classified according to its nature, under “Property, plant and equipment” in the balance sheet.

The residual values and useful lives of assets are reviewed, and adjusted if necessary, at each balance sheet date.

The carrying amount of an asset is written down immediately to its recoverable amount if the asset's carrying amount exceeds its estimated recoverable amount (Note 3.7).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss. When revalued assets are sold, it is the Company's policy to transfer the amounts included in reserves in respect of those assets to retained earnings.

3.6 Leases

The Company acts as a lessee of its offices, technical facilities, vehicles and other equipment. At the contract inception date, the Company assesses whether a contract is or contains a lease. For qualifying leases, the Company recognises a right-of-use asset and a corresponding financial liability equal to the present value of the fixed payments to be made over the lease term at the date the leased asset is available for use by the Company.

Right-of-use assets are presented separately from other assets in the line “Right-of-use assets” in the balance sheet. Furthermore, lease liabilities are presented in two separate lines of the balance sheet, “Lease liabilities” in Non-Current Liabilities for the liability that will be settled in a period longer than 12 months and “Lease liabilities” in Current Liabilities for the portion that will be settled in the next 12 months. Interest expense on financial liabilities is presented as a component of interest expense in the statement of profit or loss.

Right-of-use assets are initially measured at cost (which includes the amount of the initial measurement of the liability, the initial direct costs incurred, which are generally immaterial, and any lease payments made before or at the inception of the lease less incentives received), less accumulated amortisation and impairment losses, and are adjusted for any remeasurement of the lease liabilities. Amortisation of the rights of use is linear in line with the lease term.

The Company applies IAS 36 "Impairment of non-financial assets" to determine whether a right-of-use asset is impaired and recognises any impairment loss as described in Note 3.7.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including fixed payments in substance), less any lease incentives receivable,
- variable lease payments that depend on an index or a rate, initially valued at the index or rate on the commencement date,
- amounts expected to be paid by the Company as residual value guarantees,
- the exercise price of a call option if the Company is reasonably certain that it will exercise that option,
- lease termination penalty payments, if the lease term reflects the Company's exercise of that option, and
- Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Variable lease payments, which are not index or rate dependent, are not included in the measurement of the lease liability and the right to use the asset, are recorded as an operating expense as they accrue.

Lease payments are allocated between principal and finance cost. The finance cost is expensed over the lease term so as to produce a constant periodic interest rate on the remaining balance of the liability for each period.

The Company remeasures the lease liability (and makes a corresponding adjustment to the right of use) when:

- There is a change in the lease term or, if applicable, a significant change in facts and circumstances that results in a change in the assessment of the exercise of a purchase option, in which case the lease liability is measured by discounting the revised payments at the revised discount rate.
- There is a change in future lease payments arising from a change in an index or rate,
- A lease contract is amended and the amendment is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments at a revised discount rate.

The application of IFRS 16 requires significant judgements on certain key estimates, such as the determination of the lease term and the incremental interest rate.

The term of the leases is determined as the non-cancellable period. In the event that the Company has a unilateral extension or termination option and there is reasonable certainty that such option will be exercised, the corresponding extension or early termination period shall also be considered.

In determining the lease term, an assessment is made of whether the lessee has reasonable certainty that it will exercise the option to extend a lease, or that it will not exercise the option to terminate a lease. The Company determines the lease term as the non-cancellable period of the lease plus those extension or cancellation options for which there is reasonable certainty of execution, for which the following aspects are considered:

- Costs related to the termination of the contract
- The importance of the leased asset to the operations of the Company
- The conditions that must be met for options to be exercised or not to be exercised

The present value of the lease liability is determined using the interest rate implicit in the lease, and if this cannot be readily determined, the lessee uses its incremental borrowing rate. Because of the difficulty of determining the implicit interest rate for each lease, the Company uses its incremental interest rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company uses recent third-party financing received by the lessee as a starting point, adjusted for changes in financing conditions since the third-party financing was received.

If a readily observable (through recent financing or market data) amortising loan rate is available to the individual lessee that has a similar repayment profile to the lease, then the Company uses that rate as the starting point for determining the incremental borrowing rate.

Payments associated with short-term leases and all leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without an option to purchase. Low value assets include computer equipment, small items of office furniture and tools of the Company.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is remeasured and adjusted against the right-of-use asset.

Payments associated with short-term leases and low value leases are recognised as an operating expense in profit or loss on a straight-line basis over the life of the lease. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are considered to be those with a value of less than approximately 5 thousand euros and correspond mainly to items of machinery and transport equipment.

Extension and termination options are included in a number of leases. These terms are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. Most of the extension and termination options held are exercisable only by the Company and not by the respective lessor.

3.7 Impairment losses on non-financial assets

Non-financial assets with a finite useful life are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment losses, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows of other assets or groups of assets (cash-generating units). Impairment losses on non-financial assets are reviewed for possible reversal at the end of each reporting period.

The Company has no intangible assets with indefinite useful lives on its balance sheet.

3.8 Inventories

The Company's inventories consist entirely of merchandise and are stated at the lower of cost or net realisable value. Trade discounts, rebates obtained, other similar items and interest incorporated in the nominal amount of the debits are deducted in the determination of the acquisition price. Discounts for prompt payment, whether or not they appear on the invoice, are also included as a lower purchase price.

Net realisable value represents the estimated selling price less all estimated costs to market, sell and distribute.

The Company uses the first-in, first-out (hereinafter FIFO) method to assign value to its inventories, although the accounting impact of applying the weighted average cost method would not be material.

The Company makes the appropriate valuation adjustments and recognises them as an expense in the income statement when the net realisable value of inventories is lower than their acquisition price.

3.9 Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. On the balance sheet, bank overdrafts are classified as financial debt under current liabilities.

3.10 Investments and other financial assets

i. Ranking

The Company classifies its financial assets in the following valuation categories:

- those subsequently measured at fair value (either through profit or loss or other comprehensive income); and
- those measured at amortised cost.

In accordance with IFRS 9, the classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses shall be recognised in profit or loss or in other comprehensive income. For investments in equity instruments that are not held for trading, this depends on whether the Company made an irrevocable election at initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies investments in financial assets when and only when it changes its business model for managing those assets. During the financial years 2022, 2021 and 2020 there have been no reclassifications of financial assets.

ii. Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets expire or are transferred and the Company has transferred substantially all the risks and rewards of ownership.

iii. Valuation

On initial recognition, the Company measures a financial asset at fair value plus, in the case of a financial asset other than at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are recognised as an expense in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Debt instruments

The subsequent valuation of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. IFRS 9 maintains three valuation categories into which debt instruments are classified, as detailed below, although the Company does not hold debt instruments at fair value through profit or loss:

- Amortised cost: Assets held for the collection of contractual cash flows when those cash flows represent only payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income according to the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the income statement.

- Fair value through other comprehensive income: Assets held for the collection of contractual cash flows and for the sale of financial assets, when the cash flows from the assets represent only payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken to other comprehensive income, except for the recognition of impairment gains or losses, ordinary interest income and foreign exchange gains or losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income according to the effective interest rate method. Exchange rate gains and losses are presented in other gains and losses and the impairment expense is presented as a separate line item in the income statement.

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are recognised at fair value through profit or loss. A gain or loss on a debt investment that is subsequently recognised at fair value through profit or loss is recognised in profit or loss and presented net in the income statement within other gains/(losses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the company's right to receive the payments is established.

At year-end all equity instruments held by the Company are measured at fair value through profit or loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gains/(losses) in the income statement when applicable. Impairment losses (and reversals of impairment losses) on equity investments measured at fair value through other comprehensive income are not presented separately from other changes in fair value.

Classification as trade receivables

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. They are generally settled in 36 days and are therefore all classified as current. Trade receivables are initially recognised at the amount of the consideration that is unconditional unless they contain significant financial components, when they are recognised at fair value. Trade receivables are held by the Company with the objective of collecting the contractual cash flows and are therefore subsequently measured at amortised cost using the effective interest method.

iv. Impairment

The Company assesses on a prospective basis the expected credit losses associated with its assets at amortised cost and at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables at amortised cost, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised upon initial recognition of the receivables.

Under the simplified model, expected credit losses are recognised at inception over the life of the contract considering all reasonable and supportable information that is available to it without disproportionate cost or effort and that is indicative of significant increases in credit risk since initial recognition (such as customers' payment behaviour, current conditions and market information that may impact the credit risk of the Company's debtors).

For all other financial assets other than trade accounts the general expected loss model is applied. Under the general approach, expected credit losses over the next twelve months are considered unless the credit risk of the financial instrument has increased significantly since initial recognition, in which case expected credit losses over the life of the asset are considered.

3.11 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company before the end of the financial year for which payment is outstanding. The amounts are not guaranteed and are normally paid 16 days after recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months of the balance sheet date. They are initially recognised at fair value adjusted for directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Notwithstanding the above, trade and other payables maturing in less than one year and which do not have a contractual interest rate are measured, both initially and subsequently, at nominal value when the effect of not discounting cash flows is not material.

3.12 Financial debt

Financial debt is initially recognised at fair value, net of directly attributable transaction costs incurred. Subsequently, financial liabilities are measured at amortised cost using the effective interest rate method. Amortised cost is calculated taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the effective interest rate method. Interest accrued in accordance with this effective interest rate is included under "Finance costs" in the income statement.

Fees paid to obtain credit facilities are recognised as debt transaction costs to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fees are deferred until the disposal takes place. To the extent that there is no evidence that it is probable that all or part of the credit line will be drawn down, the fee is capitalised as a prepayment for liquidity facilities and amortised over the period to which the credit facility relates.

Financial debt is removed from the balance sheet when the obligation specified in the contract has been paid, cancelled or expired. The difference between the carrying amount of a financial liability that has been settled or transferred to another party and the consideration paid, including any asset transferred other than cash or liability assumed, is recognised in profit or loss as other finance income or expense.

3.13 Revenue recognition

The Company is a wholesaler and retailer of technology products. Sales are recognised when control of the products has been transferred, i.e. when the products are delivered to the customer who has full discretion over the channel and price to sell the products and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products are under the control of the customer, the risks of obsolescence and loss have been transferred and the customer has accepted the products in accordance with the contract or sales agreement or the Company has objective evidence that all acceptance criteria have been met.

Revenue from the sale of goods is measured at the monetary amount received or, where appropriate, the fair value of the consideration received or expected to be received, which, unless there is evidence to the contrary, is the agreed price less any discounts, taxes and interest incorporated in the face value of receivables. The best estimate of the variable consideration shall be included in the valuation of income when its reversal is not considered highly probable.

Revenue from commitments that are performed at a specific point in time is recognised at that date, with the costs incurred up to that point in the production of the goods or services being recorded as inventories.

The Company has no commitments for warranties granted to customers from the sale of goods as these are assumed by the manufacturers, who are obliged to compensate customers in the event that the goods do not meet the agreed specifications.

3.14 Government grants

Government grants are recognised at fair value when there is reasonable assurance that the grant will be received and that the Company will comply with all related conditions.

Government grants related to expenses are deferred and recognised in profit or loss over the periods necessary to match them with the costs they are intended to compensate.

Government grants related to the acquisition of property, plant and equipment are recognised by deducting the grant from the carrying amount of the asset and are recognised in profit or loss on a systematic basis over the expected life of the related assets (Note 7).

3.15 Income tax

The income tax expense or tax credit for the year is the tax payable on the taxable profit for the current year based on the applicable tax rate for each jurisdiction adjusted for changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

The current tax expense is calculated on the basis of the laws enacted or substantively enacted at the balance sheet date in the countries where the entity and its subsidiaries operate and generate taxable income. Management regularly assesses the positions taken in tax returns with respect to situations where the applicable tax law is subject to interpretation and considers whether it is likely that a tax authority would accept an uncertain tax treatment. The Company measures its tax balances on a most likely or expected basis, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not recognised if it arises from the initial recognition of an asset or liability in a transaction, other than a business combination, that, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not result in equal taxable and deductible temporary differences. Deferred tax is determined by applying tax laws and rates enacted or substantively enacted at the balance sheet date and expected to apply when the related deferred tax asset is recognised, or the deferred tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable profit will be available to utilise those losses and temporary differences.

Deferred tax assets and liabilities are offset when there is a legally recognised right to offset current tax assets and liabilities and when the deferred tax balances relate to the same tax authority. Current tax assets and liabilities are offset when the entity has a legally enforceable right of set-off and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. The Company has no deferred taxes at year-end.

3.16 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised over the period necessary to complete and prepare the asset for its intended use or sale. Eligible assets are those that necessarily require a substantial period of time before they are ready for their intended use or sale. The Company has not capitalised any borrowing costs.

The income earned on the temporary investment of the specific loans pending their use in the eligible assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are recognised as an expense in the year in which they are incurred.

3.17 Provisions and contingent liabilities

Provisions for legal claims, service guarantees and performance obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. No provisions are recognised for future operating losses.

Where there are a number of similar obligations, the probability that an outflow will be required to settle the obligation is determined by considering the class of obligations as a whole. A provision is recognised even though the probability of an outflow in respect of any item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine present value is a pre-tax rate that reflects current market assessments of the time value of money and the specific risks of the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

These financial statements include all provisions for which it is estimated that it is more likely than not that the obligation will have to be settled. Contingent liabilities are not recognised in the financial statements, but are disclosed in the notes to the financial statements to the extent that they are not considered to be remote (Note 23).

3.18 Employee benefits

i. Short-term liabilities

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accrued sick leave that are expected to be settled within 12 months after the end of the period in which the employees render the related services are recognised in respect of employee service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities are shown in the balance sheet as employee benefit obligations.

ii. Severance pay

Severance pay is paid to employees as a result of the Company's decision to terminate their employment contract before the normal retirement age or when the employee agrees to resign voluntarily in exchange for the severance pay. The Company recognises these benefits on whichever of the following dates occurs first: (a) when the Company can no longer withdraw the offer of such benefits; or (b) when the entity recognises the costs of a restructuring that is within the scope of IAS 37 and involves severance pay.. When an offer is made to encourage voluntary resignation of employees, severance packages are valued according to the number of employees expected to accept the offer. The benefits that will not be paid within twelve months of the balance sheet date are deducted at their present value.

3.19 Equity

The share capital is represented by shares. The costs of issuing new shares or options are shown directly against equity as a reduction in reserves.

In the case of acquisitions of the Company's own shares, the consideration paid, including any directly attributable incremental costs, is deducted from equity until cancellation, reissue or disposal. When these shares are subsequently sold or reissued, any amount received, net of any directly attributable incremental transaction costs, is included in equity.

3.20 Dividends

A provision is made for the amount of any dividend declared, when properly authorised and not at the discretion of the entity, on or before the end of the reporting period but not yet distributed.

3.21 Earnings per share

a) Basic earnings per share

Basic earnings per share are calculated by dividing:

- profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares.

- the weighted average number of ordinary shares outstanding during the year, adjusted for any incentive elements of ordinary shares issued during the year and excluding treasury shares.

b) Diluted earnings per share

In the case of diluted earnings per share, the figures used to determine basic earnings per share are adjusted to take into account:

- the after-tax effect on interest income and other finance costs associated with dilutive potential ordinary shares; and

- the weighted average number of additional ordinary shares that would have been outstanding assuming that all the dilutive potential ordinary shares were converted.

3.22 Related parties

The Company considers its partners, investments in joint ventures, as well as its directors and key management and associated individuals to be related parties.

The Company conducts all its related party transactions at market values. The Company's Sole Director is of the opinion that there are no significant risks in this respect that could give rise to material liabilities in the future.

3.23 Cash flow statement

In the cash flow statement, which is prepared in accordance with the indirect method, the following expressions are used for the following purposes:

- Cash flows: inflows and outflows of cash and cash equivalents, defined as changes in the value of short-term, highly liquid investments.

- Cash flows from operating activities: The Company's principal revenue-producing activities, as well as investments not included in cash and cash equivalents.

- Cash flows from investing activities: the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.

- Cash flows from financing activities: activities that result in changes in equity size and composition and liabilities that are not part of operating activities.

4. Risk management

4.1 Financial risk factors

The Company's activities are exposed to various financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's financial risk management is centralised in the general and financial management, which has the necessary mechanisms in place to control exposure to changes in interest and exchange rates, as well as credit and liquidity risks. The main financial risks affecting the Company are set out below:

a) Market risk (including foreign exchange risk, price risk and interest rate risk)

i) Foreign exchange risk

The Company operates internationally and is therefore exposed to foreign exchange risk on currency transactions, especially the US dollar. Foreign exchange risk arises mainly from commercial transactions. As at December 31, 2022, 2021 and 2020* there are no hedging contracts.

At year-end 2022, the Company only held cash balances in foreign currencies amounting to EUR 5 thousand (no amount for 2021 and 2020). The volume of transactions in relation to the Company's total transactions was not significant, so that a change in the US dollar would not have had a material impact.

ii) Price risk

The Company is mainly exposed to the price risk of the goods and services it purchases and trades. The Company's management is actively involved in the purchase of its commercial products, as well as in the pricing for their subsequent sale in order to minimise possible price variations that may occur during the year. Management does not consider this to be a significant risk for the Company's operations and normal functioning.

iii) Cash flow interest rate risk and fair value risk

The Company's interest rate risk arises from borrowings from credit institutions and related parties. The Company's policy is to obtain financing from owners as well as from reputable credit institutions.

The Company analyses its exposure to interest rate risk by trading interest rates. The Company's financial debt is mainly due to credit facilities with banks as at 31 December 2022, 2021 and 2020* and therefore the interest risk is estimated to be limited in line with its debt exposure and not significant.

Based on the different scenarios, the Company manages the cash flow interest rate risk by arranging the most appropriate financing at any given time.

b) Credit risk

In general, the Company maintains its cash and cash equivalents in financial institutions of recognised prestige. The Company has contracted credit insurance on part of its receivables, considering its historical experience and the nature of its services and clients.

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as from clients, including outstanding receivables and committed transactions. In relation to banks and financial institutions, only institutions that have been independently rated as having high credit standards are accepted.

If clients have been independently rated, then these ratings are used. Otherwise, if there is no independent rating, the credit control assesses the creditworthiness of the client, taking into account the client's financial position, past experience and other factors. In addition, the Company has contracted credit insurance on part of its receivables, taking into account its historical experience and the nature of its services and clients.

(Expressed in thousands of euros)

Credit risk exposure

The maximum credit risk exposure for loans and receivables at the reporting date is as follows:

	Thousands of euros			
	2022	**2021**	**2020***	**1 January 2020***
Investments accounted for using the equity method	2,221	-	-	-
Equity investments	2,341	1,372	540	-
Long-term guarantees	595	12	8	4
Fixed-term deposits	319	181	200	143
Sales and service clients	22,626	12,573	4,523	632
Sundry accounts receivable	801	149	262	-
Staff	1	9	-	-
Other creditors	1,211	312	249	8
Total financial assets	**30,115**	**14,608**	**5,782**	**787**

** Unaudited financial years*

Impairment losses on financial assets

The Company classifies its clients, its main financial assets, which are subject to the expected credit loss model, in the following breakdowns:

- Trade receivables covered by credit facilities.
- Trade accounts receivable not covered by credit policies

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, impairment would not be significant as the Company only accepts reputable financial institutions.

Trade accounts receivable

The Company has performed the analysis between applying the simplified approach of IFRS 9 (see Note 3.10) to measure expected credit losses using a lifetime expected loss allowance for trade receivables based on historical information and the approach applied up to the date of adoption of IFRS in these financial statements.

In this respect, in accordance with the nature and age of the Company's outstanding trade receivables, as well as on the basis of historical data on trade receivables losses, which are less than 0.01%, the Company's sole director has considered it reasonable not to provision for trade receivables.

c) Liquidity risk

The Company manages liquidity risk prudently, based on the maintenance of sufficient cash, the availability of funding through a sufficient amount of committed credit facilities and sufficient capacity to liquidate market positions.

Given the dynamic nature of the underlying businesses, the Company's treasury department aims to maintain flexibility in financing through the availability of credit lines with banks if necessary.

(Expressed in thousands of euros)

Management monitors the forecasts of the Company's liquidity reserve (comprising cash and cash equivalents) on the basis of expected cash flows.

Payment obligations arise mainly from bank loans and credit facilities held to finance the working capital of the Company's operations with credit institutions, as well as trade payables. The contractual payments of financial liabilities arising from the operations of are presented below:

31/12/2022			**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
	Book value	**Contractual cash flows**	**Less than 1 year**	**More than 1 year but not more than 2 years**	**More than 2 years but not more than 3 years**	**More than 3 years but not more than 4 years**	**More than 4 years but not more than 5 years**	**More than 5 years**
Bank loans	13,668	15,591	2,878	1,097	2,740	2,578	2,500	1,875
Lease liabilities	1,242	1,373	207	249	210	207	198	171
Credit policies	13,456	13,456	13,456	-	-	-	-	-
Debts to partners	5,516	5,516	3,061	-	-	-	-	2,455
Trade and other payables	30,686	29,124	29,124	-	-	-	-	-
Contract liabilities	1,126	1,126	1,126	-	-	-	-	-
	65,694	**67,748**	**51,456**	**1,304**	**2,950**	**2,785**	**2,698**	**4,501**

31/12/2021			**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
	Book value	**Contractual cash flows**	**Less than 1 year**	**More than 1 year but not more than 2 years**	**More than 2 years but not more than 3 years**	**More than 3 years but not more than 4 years**	**More than 4 years but not more than 5 years**	**More than 5 years**
Bank loans	1,355	1,645	204	207	209	178	137	420
Lease liabilities	72	78	41	31	-	-	-	-
Credit policies	8,203	8,203	7,914	289	-	-	-	-
Debts to partners	2,083	2,083	28	-	-	-	-	2,055
Trade and other payables	14,700	14,700	14,700	-	-	-	-	-
Fixed asset suppliers	119	119	119	-	-	-	-	-
Contract liabilities	77	77	77	-	-	-	-	-
	26,609	**26,905**	**23,083**	**527**	**209**	**178**	**137**	**2,475**

(Expressed in thousands of euros)

31/12/2020			2021	2022	2023	2024	2025	2026
	Book value	**Contractual cash flows**	**Less than 1 year**	**More than 1 year but not more than 2 years**	**More than 2 years but not more than 3 years**	**More than 3 years but not more than 4 years**	**More than 4 years but not more than 5 years**	**More than 5 years**
Bank loans	200	210	33	50	50	50	17	-
Lease liabilities	92	105	44	48	-	-	-	-
Credit policies	1,945	1,945	1,945	-	-	-	-	-
Debts to partners	504	504	4	-	-	-	-	500
Trade and other payables	6,752	6,752	6,752	-	-	-	-	-
Fixed asset suppliers	1	1	1	-	-	-	-	-
	9,494	**9,517**	**8,779**	**98**	**50**	**50**	**17**	**500**

01/01/2020			2020	2021	2022	2023	2024	2025
	Book value	**Contractual cash flows**	**Less than 1 year**	**More than 1 year but not more than 2 years**	**More than 2 years but not more than 3 years**	**More than 3 years but not more than 4 years**	**More than 4 years but not more than 5 years**	**More than 5 years**
Lease liabilities	40	40	26	14	-	-	-	-
Credit policies	130	130	118	12	-	-	-	-
Debts to partners	4	4	-	-	-	-	-	4
Trade and other payables	1,430	1,430	1,430	-	-	-	-	-
	1,604	**1,604**	**1,574**	**26**	**-**	**-**	**-**	**4**

4.2 Capital management

a) Risk management

The Company's objectives in managing the capital are:

- to safeguard its ability to continue as a going concern, so that it can continue to provide returns to members and benefits to other stakeholders; and
- to maintain an optimal capital structure to reduce the cost of capital.

To maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to members, return capital to members or issue new shares.

b) Dividends

On July 31, 2022, the Company distributed dividends charged to reserves in the amount of 2,223 million euros. The Company has not distributed any further dividends since its incorporation.

4.3 Fair value estimate

A number of the Company's accounting and disclosure policies require the determination of fair values for both financial and non-financial assets and liabilities.

The Company has established a control framework with respect to the determination of fair values. In determining the fair value of an asset or liability, the Company uses observable market data to the extent possible. Fair values are classified into different levels of the fair value hierarchy depending on the inputs used in the valuation techniques.

For these purposes, in accordance with IFRS 13, fair value is the price that would be received for selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As a general rule, the Company applies the following systematic hierarchy to determine the fair value of financial assets and liabilities:

- Level 1: assets and liabilities quoted in liquid markets.
- Level 2: assets and liabilities whose fair value has been determined by valuation techniques using observable market assumptions.
- Level 3: assets and liabilities whose fair value has been determined using valuation techniques that do not use observable market assumptions.

If the inputs used to measure the fair value of an asset or a liability can be categorised into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety into the same level of the fair value hierarchy as the level of the input that is significant to the entire measurement and has the lowest level.

The Company records transfers between levels of the fair value hierarchy at the end of the period in which the change occurs.

The book value of financial assets or financial liabilities should be stated as a reasonable approximation of fair value only if this can be demonstrated. That is, entities must have made a formal assessment of the book value of their financial assets and financial liabilities compared with their fair values and documented that assessment. If fair values are not a reasonable approximation of the book value, fair values shall be disclosed.

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or prices established by financial intermediaries for similar instruments
- for all other financial instruments - discounted cash flow analysis.

5. First-time adoption of IFRS

The financial statements as at December 31, 2022 and 2021 are the first IFRS-EU financial statements and therefore the Company has applied IFRS 1 "First-time Adoption of International Financial Reporting Standards" in the preparation of these financial statements.

Riba Mundo Tecnología, S.L. transition date to IFRS-EU is January 1, 2020. The Company has prepared the opening balance sheet as at that date as well as the 2022, 2021 and 2020 closing balance sheets in accordance with EU-IFRS effective as at December 31, 2022, as required by IFRS 1, and has applied all mandatory exceptions and some of the optional exemptions to the retrospective application of EU-IFRS, as detailed below.

(Expressed in thousands of euros)

5.1 Application of IFRS 1

a) Exemptions to retroactive application chosen by the company

The Company has chosen to apply the following exemptions to the retrospective application of EU-IFRS as set out in IFRS 1:

- The Company has opted to maintain the same values as under the previous Generally Accepted Accounting Plan for its tangible fixed assets, opting for the cost model.

The remaining optional exemptions have not been applied as they have no specific relevance for the Company.

b) Exceptions to retroactive application adopted by the Company

The estimates made by the Company's management under EU-IFRS at the transition date are consistent with the estimates made on the same date in accordance with the Spanish Generally Accepted Accounting Principles (hereinafter "GAAP"). Moreover, financial assets and liabilities derecognised before January 1, 2020 have not been re-recognised under EU-IFRS.

At the transition date, the IFRS 9 criteria for impairment of financial instruments have been applied taking into account credit risk information available at the date on which the financial instruments were initially recognised. Furthermore, the classification of financial instruments in accordance with IFRS 9 takes into account the facts and circumstances at the transition date to EU-IFRS.

The other exceptions to IFRS 1 have not been applied by the Company as they are not relevant to the Company and relate to non-controlling interests, classification and measurement of financial assets and public loans.

5.2 Reconciliation between EU-IFRS and the GAAP

The following reconciliations provide a quantification of the impact of the transition to EU-IFRS. The following reconciliations include details of the effect of the transition with regards to:

– Equity at January 1, 2020 and December 31, 2022 (Note 5.2.1)
– Balance sheet at December 31, 2022, 2021 and 2020 (Note 5.2.2)
– Income statement for the year ended December 31, 2022, 2021 and 2020 (Note 5.2.3)

5.2.1 Reconciliation of equity as at January 1, 2020 and December 31, 2022

	January 1 2020*	December 31 2022
Equity according to local regulations (GAAP)	**322**	**7,881**
Impact on equity		
Impact of adopting IFRS 16	(1)	(12)
Impact of adopting IAS 20	-	(75)
Impact of adopting of IFRS 11	-	(429)
Total equity according to IFRS	**321**	**7,365**

**Unaudited financial year*

Below is an explanation of the impacts incorporated in equity and the income statement, as well as the balance sheet reclassifications.

Impacts on equity and income statement

(a) Accounting for leases in accordance with IFRS 16

Under previous accounting principles, leases were differentiated between operating and finance leases, and only the latter were recorded on the consolidated balance sheet. With the implementation of IFRS 16, the main change is that the lessee is required to recognise a right-of-use asset, which represents its right to use the underlying leased asset, and a lease liability, representing its obligation in present value terms to meet lease payments. While the asset will be amortised over the life of the contract, the liability will generate a financial expense.

At the transition date the Company elected to apply the approach permitted by IFRS 1 of measuring lease liabilities at the present value of the remaining lease payments as at the transition date to IFRS by applying the incremental borrowing rate at that date, and the right-of-use asset as if IFRS 16 had been applied from the commencement date of the lease. At the transition date, January 1, 2020 the impact on equity of EUR 1 thousand reflects the difference, at that date, between the value of the right of use of the asset and the value of the lease liability.

At December 31, 2022 there are recognised rights of use for buildings and other leases amounting to EUR 1,230 thousand and rights of use for other leases amounting to EUR 68 thousand and 89 thousand at December 31, 2021 and 2020, respectively, and lease liabilities at December 31, 2022, 2021 and 2020 amounting to EUR 1,242 thousand, EUR 72 thousand and EUR 92 thousand, respectively.

(b) Accounting for investments using the equity method in accordance with IFRS 11

The Company holds an investment which under GAAP is carried at cost, whereas under IFRS, as mentioned in Note 3.1, this investment must be accounted for using the equity method.

(c) Accounting for subsidised assets in accordance with IAS 20

In accordance with IAS 20, in calculating the book value of subsidised assets, grants are deducted from the related asset. The grant is recognised on the income statement over the life of an asset that is amortised as a reduction of depreciation expense. Thus, the amount recognised in GAAP under "Grants, donations and legacies received" is deducted from the book value of the subsidised assets under "Property, plant and equipment".

Reclassifications to the balance sheet

An explanation of the reclassifications incorporated in the balance sheet is provided below:

(d) Reclassification of balances held in respect of advances from clients, which under GAAP were presented under the heading "Trade and other payables" to the heading "Contract liabilities". At December 31, 2020, the Company had no balances under this heading.

(e) Reclassification of income tax liabilities, which under GAAP were presented under "Trade and other payables" to "Current tax liabilities" as a separate item in accordance with IAS 1.

(Expressed in thousands of euros)

5.2.2 Reconciliation of the balance sheet as at December 31, 2022, 2021 and 2020

The adjustments and reclassification made to the balance sheet reconciliation as at December 31, 2022, 2021 and 2020 are referenced and explained in Note 5.1.2.

		31/12/2022			
	Notes	GAAP	IFRS reclassifications	IFRS adjustme nts	IFRS
ASSETS					
NON-CURRENT ASSETS					
Property plant and equipment	(c)	514	(75)	-	439
Right-of-use assets	(a)	-	-	1,230	1,230
Intangible assets		1,745	-	-	1,745
Investments accounted for using the equity method	(b)	2,650	-	(429)	2,221
Financial assets at fair value through other comprehensive income		2,341	-	-	2,341
Financial assets at amortized cost		595	-	-	595
Total non-current assets		**7,845**	**(75)**	**801**	**8,571**
CURRENT ASSETS					
Inventories	(d)	23,697	(630)	-	23,067
Other current assets	(d)	-	630	-	630
Trade accounts receivable		23,764	-	-	23,764
Other financial assets at amortized cost		1,194	-	-	1,194
Cash and cash equivalents		16,429	-	-	16,429
Total current assets		**65,084**	**-**	**-**	**65,084**
TOTAL ASSETS		**72,929**	**(75)**	**801**	**73,655**
NON-CURRENT LIABILITIES					
Financial debt		13,246	-	-	13,246
Lease liabilities	(a)	-	-	1,035	1,035
Deferred tax liabilities		25	-	-	25
Total non-current liabilities		**13,271**	**-**	**1,035**	**14,306**
CURRENT LIABILITIES					
Trade and other payables	(d and e)	32,383	(1,697)		30,686
Contract liabilities	(d)	-	1,126		1,126
Current tax liabilities	(e)	-	571		571
Financial debt		19,394	-		19,394
Lease liabilities	(a)	-	-	207	207
Total current liabilities		**51,777**	**-**	**207**	**51,984**
EQUITY					
Equity capital		2,032	-	-	2,032
Reserves	(a) and (c)	432	-	(2)	430
Profit/loss of the year	(a)	5,435	-	(439)	4,996
Financial assets at fair value through equity		(93)	-	-	(93)
Grants, donations and legacies received		75	(75)	-	0
Total equity		**7,881**	**(75)**	**(441)**	**7,365**
Total liabilities		**65,048**	**-**	**1,242**	**66,290**
TOTAL EQUITY AND LIABILITIES		**72,929**	**-**	**801**	**73,655**

Riba Mundo Tecnología, S.L.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022 AND 2021
(Expressed in thousands of euros)

	Notes	31/12/2021			
		GAAP	IFRS reclassifications	IFRS adjustments	IFRS
ASSETS					
NON-CURRENT ASSETS					
Property plant and equipment		1,474	-	-	1,474
Right-of-use assets	(a)	-	-	68	68
Intangible assets		381	-	-	381
Financial assets at fair value through profit or loss through other comprehensive income		1,372	-	-	1,372
Financial assets at depreciated cost		12	-	-	12
Total non-current assets		**3,239**	**-**	**68**	**3,307**
CURRENT ASSETS					
Inventories		13,086	-	-	13,086
Other current assets		279	-	-	279
Trade accounts receivable		13,043	-	-	13,043
Other financial assets at amortized cost		181	-	-	181
Cash and cash equivalents		1,785	-	-	1,785
Total current assets		**28,374**	**-**	**-**	**28,374**
TOTAL ASSETS		**31,613**	**-**	**69**	**31,681**
NON-CURRENT LIABILITIES					
Financial debt		3,505	-	-	3,505
Lease liabilities	(a)	-	-	31	31
Provisions		57	-	-	57
Total non-current liabilities		**3,562**	**-**	**31**	**3,593**
CURRENT LIABILITIES					
Trade and other payables	(d and e)	15,107	(407)	-	14,700
Contract liabilities	(d)	-	77	-	77
Current tax liabilities	(d)	-	330	-	330
Financial debt		8,255	-	-	8,255
Lease liabilities	(a)	-	-	41	41
Provisions		-	-	-	-
Total current liabilities		**23,362**	**-**	**41**	**23,403**
EQUITY					
Equity capital		2,032	-	-	2,032
Reserves	(a)	90	-	(3)	87
Profit/loss of the year	(a)	2,567		(1)	2,566
Total equity		**4,689**	**-**	**(4)**	**4,685**
Total liabilities		**26,924**	**-**	**72**	**26,996**
TOTAL EQUITY AND LIABILITIES		**31,613**	**-**	**68**	**31,681**

Riba Mundo Tecnología, S.L.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022 AND 2021
(Expressed in thousands of euros)

	Notes	31/12/2020			
		GAAP	**IFRS reclassifications**	**IFRS adjustments**	**IFRS**
ASSETS					
NON-CURRENT ASSETS					
Property plant and equipment		166	-	-	166
Right-of-use assets	(a)	-	-	89	89
Intangible assets		3	-	-	3
Financial assets at fair value through profit or loss through other comprehensive income		540	-	-	540
Financial assets at amortized cost		8	-	-	8
Total non-current assets		**717**	**-**	**89**	**806**
CURRENT ASSETS					
Inventories		4,997	-	-	4,997
Other current assets		65	-	-	65
Trade accounts receivable		5,034	-	-	5,034
Other financial assets at amortized cost		200	-	-	200
Cash and cash equivalents		707	-	-	707
Total current assets		**11,003**	**-**	**-**	**11,003**
TOTAL ASSETS		**11,720**	**-**	**89**	**11,809**
NON-CURRENT LIABILITIES					
Financial debt		663	-	-	663
Lease liabilities	(a)	-	-	48	48
Provisions		-	-	-	-
Total non-current liabilities		**663**	**-**	**48**	**711**
CURRENT LIABILITIES					
Trade and other payables	(d)	6,945	(193)	-	6,752
Current tax liabilities	(d)	-	193	-	193
Financial debt		1,987	-	-	1,987
Lease liabilities	(a)	-	-	44	44
Provisions		3	-	-	3
Total current liabilities		**8,935**	**-**	**44**	**8,979**
EQUITY					
Capital		1,199	-	-	1,199
Reserves	(a)	300	-	(1)	299
Profit/loss of the year	(a)	623	-	(2)	621
Total equity		**2,122**	**-**	**(3)**	**2,119**
Total liabilities		**9,598**	**-**	**92**	**9,690**
TOTAL EQUITY AND LIABILITIES		**11,720**	**-**	**89**	**11,809**

(Expressed in thousands of euros)

5.2.3 Reconciliation of the income statement for the year ending 31 December 2022, 2021 and 2020

Details of the reconciliation of the income statement for the years ending 31 December 2022, 2021 and 2020 are shown below.

The adjustments made to the reconciliation of the income statement for the years ending 31 December 2022, 2021 and 2020 are referenced and explained in Note 5.2.1.

Continuing activities	Notes	GAAP	IFRS adjustments	IFRS
Revenue from contracts with customers		329,093	-	329,093
Supplies		(313,783)	-	(313,783)
Gross profit		**15,310**	**-**	**15,310**
Operating costs	(a)	(6,480)	181	(6,299)
Staff costs		(1,872)	-	(1,872)
Depreciation of fixed assets	(a)	(248)	(162)	(410)
Impairment and results from disposals of fixed assets		1,424	-	1,424
Other income		312	-	312
Other gains/(losses) - net		(306)	-	(306)
Operating profit		**8,140**	**19**	**8,159**
Financial income		2	**-**	**2**
Financial expenses	(a)	(967)	(29)	(996)
Exchange rate differences		117	-	117
Financial result		**(848)**	**(29)**	**(877)**
Share of net income of associates and joint ventures accounted for using the equity method	**(b)**	**-**	**(429)**	**(429)**
Profit before tax		**7,292**	**(439)**	**6,853**
Income tax expense		(1,857)	-	(1,857)
Profit for the year		**5,435**	**(439)**	**4,996**

Continuing activities	Notes	GAAP	IFRS adjustments	IFRS
Revenue from contracts with customers		173,695	-	173,695
Supplies		(166,562)	-	(166,562)
Gross profit		**7,133**	**-**	**7,133**
Operating costs	(a)	(2,568)	58	(2,510)
Staff costs		(736)	-	(736)
Supplies	(a)	(41)	(56)	(97)
Impairment and results from disposals of fixed assets		(32)	-	(32)
Other income		1	-	1
Other gains/(losses) - net		(183)	-	(183)
Operating profit		**3,574**	**2**	**3,576**
Financial expenses	(a)	(137)	(3)	(140)
Exchange rate differences		1	-	1
Financial result		**(136)**	**(3)**	**(139)**
Profit before tax		**3,438**	**-**	**3,437**
Income tax expense		(871)	-	(871)
Profit for the year		**2,567**	**(1)**	**2,566**

(Expressed in thousands of euros)

	Notes	31/12/2020		
Continuing activities		**GAAP**	**IFRS adjustments**	**IFRS**
Revenue from contracts with customers		59,876	-	59,876
Supplies		(57,443)	-	(57,443)
Gross profit		**2,433**	**-**	**2,433**
Operating costs	(a)	(1,356)	39	(1,317)
Staff costs		(281)	-	(281)
Depreciation of fixed assets		(13)	(38)	(51)
Other income	(a)	1	-	1
Other gains/(losses) - net		59	-	59
Operating profit		**843**	**1**	**844**
Financial expenses	(a)	(19)	(3)	(22)
Exchange rate differences		(2)	-	(2)
Financial result		**(21)**	**(3)**	**(24)**
Profit before tax		**822**	**(2)**	**820**
Income tax expense		(199)	-	(199)
Profit for the year		**623**	**(2)**	**621**

6. Intangible assets

The changes in "Intangible assets" during the financial years 2022, 2021 and 2020* and at 1 January 2020* were as follows:

Financial year 2022

	Thousands of euros			
	Opening balance	**Additions**	**Withdrawals**	**Closing balance**
Cost:				
Computer applications	384	1,554	-	1,938
Total Cost:	**384**	**1,554**	**-**	**1,938**
Amortisations:				
Computer applications	(3)	(190)	-	(193)
Total amortisation:	**(3)**	**(190)**	**-**	**(193)**
Net book value	**381**			**1,745**

Financial year 2021

	Thousands of euros			
	Opening balance	**Additions**	**Withdrawals**	**Closing balance**
Cost:				
Computer applications	8	383	(8)	383
Total Cost:	**8**	**383**	**(8)**	**383**
Amortisations:				
Computer applications	(5)	(2)	5	(2)
Total amortisation:	**(5)**	(2)	5	**(2)**
Net book value	**3**			**381**

(Expressed in thousands of euros)

Financial year 2020*

	Thousands of euros			
	Opening balance	Additions	Withdrawals	Closing balance
Cost:				
Computer applications	8	-	-	8
Total Cost:	**8**	**-**	**-**	**8**
Amortisations:				
Computer applications	(3)	(2)	-	(5)
Total amortisation:	**(3)**	(2)	-	**(5)**
Net book value	**5**			**3**

**Unaudited financial year*

The main additions in 2022, 2021 and 2020* relate to enhancements and additions to the main IT applications used by the Company for normal business operations. No impairment losses on intangible assets were recognised during these years.

Other information

At 31 December 2022, 2021 and 2020* there are no assets not assigned to operations.

In addition, at 31 December 2022, 2021 and 2020 there are no fully amortised intangible assets in use.

7. Property, plant and equipment

The changes in the heading "Property, plant and equipment" during the financial years 2022, 2021 and 2020 were as follows:

Financial year 2022

	Thousands of euros			
	Opening balance	Additions	Withdrawals	Closing balance
Cost:				
Land	454	-	(454)	-
Constructions	672	-	(672)	-
Technical installations and machinery	20	17	(1)	36
Other fixtures, fittings and furnishings	110	236	-	346
Information processing equipment	27	16	-	43
Other fixed assets	3	-	-	3
Fixed assets under construction and advances	231	82	(231)	82
Total Cost:	**1,517**	**351**	**(1,358)**	**510**
Amortisations:				
Constructions	(15)	(15)	30	-
Technical installations and machinery	(2)	(3)	-	(5)
Other fixtures, fittings and furnishings	(15)	(30)	-	(45)
Information processing equipment	(10)	(11)	-	(20)
Other fixed assets	(1)	(1)	1	(1)
Total amortisation:	**(42)**	**(60)**	**31**	**(71)**
Net book value	**1,475**			**439**

(Expressed in thousands of euros)

Financial year 2021

	Thousands of euros			
	Opening balance	Additions	Withdrawals	Closing balance
Cost:				
Land	-	454	-	454
Constructions	77	632	(37)	672
Technical installations and machinery	11	9	-	20
Other fixtures, fittings and furnishings	72	38	-	110
Information processing equipment	15	12	-	27
Other fixed assets	3	-	-	3
Fixed assets under construction and advances	-	231	-	231
Total Cost:	**178**	**1,376**	**-**	**1,517**
Amortisations:				
Constructions	(4)	(16)	5	(15)
Technical installations and machinery	(1)	(1)	-	(2)
Other fixtures, fittings and furnishings	(4)	(11)	-	(15)
Information processing equipment	(3)	(7)	-	(10)
Other fixed assets	-	(1)	-	(1)
Total amortisation:	**(12)**	**(36)**	**5**	**(43)**
Net book value	**166**			**1,474**

Financial year 2020*

	Thousands of euros			
	Opening balance	Additions	Withdrawals	Closing balance
Cost:				
Constructions	1	76	-	77
Technical installations and machinery	3	8	-	11
Other fixtures, fittings and furnishings	6	66	-	72
Information processing equipment	5	10	-	15
Other fixed assets	1	2	-	3
Total Cost:	**16**	**162**	**-**	**178**
Amortisations:				
Constructions	-	(4)	-	(4)
Technical installations and machinery	-	(1)	-	(1)
Other fixtures, fittings and furnishings	-	(4)	-	(4)
Information processing equipment	(1)	(2)	-	(3)
Other fixed assets	-	-	-	-
Total amortisation:	**(1)**	**(11)**	**-**	**(12)**
Net book value	**15**			**166**

**Unaudited financial year*

During the year 2022, the Company had entered into a sale and operational lease transaction on the aforementioned facilities. Management has assessed that this is not a sale and financial lease based on the analysis performed, including the contract term, the purchase and lease extension options, the lease payments to be made and the fair value of the related leased asset. From the analysis performed, management has assessed that the lease agreement qualifies as an operating lease (Note 8).

Thus, the Company has proceeded to register a write-off for the amount of 1.126 million euros, generating a positive result to the amount of 1.457 million euros, recorded under the heading "Impairment and results from disposal of fixed assets" included in the income statement.

The main additions in 2021 relate to the acquisition of new facilities located in Loriguilla, where the Company relocated during 2022.

As a result of the foregoing, the Sole Director calculated the net book value of the fixed assets that could not be incorporated into the new facilities, derecognising these assets to the amount of 32,000 euros at year-end 2021, recognised under "Impairment and results from disposal of fixed assets" in the accompanying income statement.

During the financial year 2022, no additional provisions have been deemed necessary.

Other information

At 31 December 2022, 2021 and 2020* there are no assets not assigned to operations.

All fixed assets are for own use and at 31 December 2022, 2021 and 2020*, there are no items leased to third parties.

At 31 December 2022 the Company has no outstanding amounts payable for additions to Property, plant and equipment (119,000 euros and 0,000 euros at 31 December 2021 and 2020* respectively) recognised under "Short-term Borrowing" in the accompanying balance sheet.

At year-end 2022, the Company had firm commitments to purchase buildings amounting to 0,000 euros (191,000 euros and 0,000 euros at year-end 2021 and 2020 respectively).

In addition, at 31 December 2022, 2021 and 2020* there are no fully amortised Property, plant and equipment items in use.

The Company's policy is to take out insurance policies to cover the possible risks to which its Property, plant and equipment assets are subject. At 31 December 2022, 2021 and 2020* these policies partially covered their net book value.

During the financial year 2022, the Company has been granted a loan for the purpose of financing and subsidising the capital expenditure. The total amount of financing obtained is 500,000 euros, with a non-repayable tranche of 100,000 euros. This amount is recorded as a reduction of the book value of the assets acquired with the financing. The repayable amount is recorded under the heading "Long-term and short-term financial debt".

This imputation will be taken to income when the subsidised asset is put into operation, deducting the corresponding amortisation expense, which is expected to be incurred in 2023.

(Expressed in thousands of euros)

Details of the essential characteristics of the financing and grants received are as follows:

	2022 Thousands of euros		
Grantor **First Name**	**Amount granted**	**Repayable amount**	**Purpose**
Valencia Institute of Finance	500	400	Fit-out of facilities and other costs associated with the guarantor entity, derived from obtaining financing.
TOTAL	**500**	**400**	

The non-repayable amount of 100,000 euros has been recorded by deducting the value of the acquired assets of 75,000 euros and the corresponding tax effect of 25,000 euros has been recorded as a deferred tax liability.

At the close of the 2022 financial year, the Sole Director considers that the Company had met all the necessary requirements for the receipt and enjoyment of the grant detailed above.

8. Leases

Amounts recognised in the balance sheet

The balance sheet shows the following amounts related to leases:

	Thousands of euros			
	2022	**2021**	**2020***	**1 January 2020***
Rights of use				
Constructions	1,104	11	11	11
Machinery	10	5	3	-
Vehicles	18	18	8	2
Other	98	34	67	26
	1,230	**68**	**89**	**39**
Lease liabilities				
Non-current				
Constructions	930	5	6	4
Machinery	8	2	2	-
Vehicles	15	8	4	1
Other	82	16	36	9
Current				
Constructions	186	7	5	7
Machinery	2	3	1	-
Vehicles	3	11	4	1
Other	16	21	33	17
	1,242	**72**	**92**	**40**

**Unaudited financial years*

The rights of use recorded at year-end 2022 relate mainly to the lease of the warehouse where the Company carries out its activity (Note 7), (at year-end 2021, 2020 and 1 January 2020 they relate mainly to office furniture and forklift trucks).

(Expressed in thousands of euros)

The total cash outflow for leases at 31 December 2022 amounted to 204,000 euros (68,000 euros and 42,000 euros at 31 December 2021 and 2020 respectively).

The maturity analysis of the undiscounted lease liabilities is shown in Note 4.

As mentioned in Note 3.7, the Company assesses the possible impairment of recognised right-of-use assets by applying the requirements of IAS 36. At 31 December 2022, 2021 and 2020* no impairment losses were recorded.

Amounts recognised in the income statement

At 31 December 2022, 2021 and 2020*, the amounts recognised in the income statement related to lease agreements have been:

	Thousands of euros		
	2022	**2021**	**2020***
Amortisation charge for fixed assets			
Amortisation of rights of use	160	50	38
Financial expenses			
Financial expenses for lease liabilities	29	3	3

**Unaudited financial year*

In addition, payments associated with short-term leases and low value leases have been recognised as an operating expense in profit or loss, with 23,000 euros recognised as an operating expense in the 2022 financial year (14,000 euros and 0 euros in 2021 and 2020, respectively).

No significant variable payments are identified in the Company's lease contracts.

The Company has no residual value guarantees in lease contracts and no obligation to restore and decommission assets for rights of use.

The Company is not exposed to significant future cash outflows from contract extensions or options that are not reflected in the existing valuation of the liability.

Leasing activities of the Company

i) Office leases

The Company leases its offices where it has its registered office and tax domicile (Note 1). This lease agreement consists of the lease of the same with an initial lease term of 7 years, with the lease commencing in 2022 (Note 7).

ii) Leasing of machinery and technical installations

The Company also leases other items of machinery and technical installations. These leases have lease terms of between 2 and 5 years.

(Expressed in thousands of euros)

Extension and termination options

Extension and termination options are included in a number of property leases in the Company. These terms are used to maximise operational flexibility in terms of managing contracts. Most of the extension and termination options held are exercisable only by the Company and not by the respective lessor. In this respect and for the purpose of determining the lease terms, reasonable terms have been considered, taking into account the going concern accounting principle, determining that their renewal is an essential element for the operation of the business.

9. Financial assets

Details of financial asset items included in the balance sheet at 31 December 2022, 2021, 2020* and 1 January 2020*, except for investments accounted for using the equity method (Note 10), are as follows:

	Thousands of euros			
Financial assets	**2022**	**2021**	**2020***	**1 January 2020***
Non-current				
Financial assets at fair value through other comprehensive income	2,341	1,372	540	-
Financial assets at amortized cost	595	12	8	4
	2,936	**1,384**	**548**	**4**
Current				
Financial assets at amortized cost	24,958	13,224	5,234	783
	24,958	**13,224**	**5,234**	**783**
Total financial assets	**27,894**	**14,608**	**5,782**	**787**

**Unaudited financial years*

At year-end 2022, 2021 and 2020* and 1 January 2020* all non-current financial assets have a maturity of more than 5 years.

a) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income mainly correspond to investments held by the Company in equity instruments in investment funds. Certain shareholdings in investment funds are pledged as security for various bill discounting facilities, import financing facilities and loans granted by financial institutions to the Company with a limit of 16.700 million euros (6.500 million euros and 2.550 million euros in the 2021 and 2020 financial years, respectively), which are drawn down at 31 December 2022 in the amount of 13.405 million euros (5.192 million euros and 1.945 million euros at 31 December 2021 and 2020, respectively).

At 31 December 2022, the Company has recognised 93,000 euros under "Financial assets at fair value through net equity" in the balance sheet for changes in value, mainly arising from equity instruments in investment funds (no amounts recognised at year-end 2021 and 2020).

(Expressed in thousands of euros)

The maximum exposure to credit risk at the reporting date is the fair value of securities classified as financial assets at fair value through net equity. During the financial years 2022, 2021 and 2020 there have been no provisions for impairment losses on financial assets at fair value through net equity.

b) Financial assets at depreciated cost

Details of financial assets at amortised cost in the long and short term are as follows:

				Thousands of euros
	2022	**2021**	**2020***	**1 January 2020***
Non-current assets				
Loans to companies (Note 21)	495	12	8	4
Other financial assets	100	-	-	-
Current assets				
Fixed-term deposits	1,194	181	200	143
Sales and service clients	21,751	12,573	4,523	632
Sundry accounts receivable	801	149	262	-
Staff	1	9	-	-
Other creditors	1,211	312	249	8
Total assets at amortised cost	**25,553**	**13,236**	**5,242**	**787**

**Unaudited financial years*

At 31 December 2022 the Company has a receivable with the investee PB Online, S.r.l. amounting to 495,000 euros (no amount in previous years).

Trade receivables are initially recognised at the amount of the consideration that is unconditional unless they contain significant financial components, when they are recognised at fair value. Trade receivables are held by the Company with the objective of collecting the contractual cash flows and are therefore subsequently measured at amortised cost using the effective interest method.

Due to the short-term nature of current receivables, their carrying amount is considered to be the same as their fair value.

Note 4 includes information on the Company's exposure to credit risk, foreign exchange risk and interest rate risk.

Past due trade receivables less than six months old are not considered to be impaired. At 31 December 2022, 2021 and 2020 no receivables were past due.

Therefore, at 31 December 2022, 2021 and 2020 the Company has not recorded any allowance for doubtful accounts receivable. The Company has recognised an uncollectible loss of 74,000 euros recognised under "other income" in the income statement (3,000 euros and 0,000 euros in financial years 2021 and 2020, respectively).

(Expressed in thousands of euros)

10. Investments accounted for using the equity method

The changes during the financial years 2022, 2021 and 2020* in the accounts forming this heading are as follows:

	2022	2021	2020*
Opening balance	**-**	**-**	**-**
Additions due to acquisition of shares in PB Online, S.r.l.	2,650	-	-
Closing balance	**2,650**	**-**	**-**

**Unaudited financial year*

The most relevant information relating to the associate entity, whose activity at the end of 2022 is as follows:

Company	Activity	Capital	Outcome	Total Net Equity
PB Online, S.r.l.	Trade in technology products	5,300	(859)	4,441
Total		**5,300**	**(859)**	**4,441**

The company is not listed on the stock exchange.

Information on additions

On 10 October 2022, Riba Mundo Tecnología, S.L. subscribed half of the shares in the share capital of the Italian company PB Online S.r.l. and the other shareholder subscribed the remaining half of the shares.

The transaction was carried out in order for the jointly controlled company see (Note 3.1) to acquire certain assets from Eprice, S.p.A., associated with the "ePrice" sales platform and brand, an Italian online shop specialising in the sale of high-tech products.

Information relating to value adjustments

In the 2022 financial year, the Company has assessed its shareholdings in the entity for impairment and has concluded that it is not necessary to make valuation adjustments. At 31 December 2022, no impairment indications have been detected and it has not been necessary to make any valuation adjustments to the investee.

11. Inventories

All inventories at 31 December 2022, 2021, 2020* and 1 January 2020* correspond to commercial inventories in the consumer electronics sector. There are no firm purchase and sale commitments for significant amounts, no futures contracts on inventories, and no availability restrictions.

(Expressed in thousands of euros)

This heading includes the following items and amounts:

Inventories	2022	2021	2020*	1 January 2020*
Commercial	23,067	13,086	4,997	883
Total	**23,067**	**13,086**	**4,997**	**883**

**Unaudited financial years*

Provisions are made if the Company expects finished goods to be sold below cost.

The Company has taken out insurance policies to cover the possible risks to which its inventories are subject, such that at 31 December 2022, 2021 and 2020 these policies partially covered their net book value.

The Company has not capitalised financial expenses, does not hold any futures contracts on inventories and no inventories are pledged or seized. At 31 December 2022, 2021 and 2020, the Company does not maintain provisions for impairment of inventories due to high inventory turnover.

12. Other current assets

The breakdown of other current assets is as follows:

	Thousands of euros			
	2022	2021	2020*	1 January of 2020*
Prepaid expenses	-	279	62	-
Advances to suppliers	630	-	3	-
Total	**630**	**279**	**65**	**-**

The balances recorded under other current assets are due to expenses and payments of various kinds made to entities and companies with which the Company maintains commercial and financial relations.

13. Cash and cash equivalents

	Thousands of euros			
	2022	2021	2020*	01.01.2020*
Cash in bank and on hand	16,429	1,785	707	237
	16,429	**1,785**	**707**	**237**

**Unaudited financial years*

See Note 3.8 for the Company's other accounting policies for cash and cash equivalents.

At year-end 2022, 2021 and 2020 and 01 January 2020, the balance of "Cash and cash equivalents" in the accompanying balance sheets relates in full to the available liquid balances of the current accounts held by the Company with reputable financial institutions, bearing interest at market rates in both years, which are not material with respect to these financial statements.

(Expressed in thousands of euros)

14. Equity

a) Capital

At 1 January 2020, the share capital of the Company was represented by 10,000 shares of 1 euro par value each, fully subscribed and paid up by a single shareholder.

On 16 July 2020, the General Meeting of Shareholders resolved to increase capital by 1.189 million euros by means of a cash contribution through the issue of 1,189,000 new shares with a par value of 1 euro each, fully subscribed and paid up, and the Company ceased to be a sole proprietorship.

At 31 December 2020, the Company's share capital was represented by 1,199,000 fully subscribed and paid-up shares with a par value of 1 euro each.

In addition, on 3 June 2021, the General Meeting of Shareholders resolved to increase capital by 833,000 euros by issuing 833,000 new shares of 1 euro par value each, which were taken up by shareholders in proportion to their shareholding in the share capital, and which were fully paid up against voluntary reserves.

At 31 December 2022, the shareholder with a stake in its capital of more than 10% is Gioya 12 18, S.L., whose stake amounts to 36% (at 31 December 2021 it is Gioya 12 18, S.L. and F.G.C.V. Holding at 36% and 19%, respectively). No legal entity with a shareholding in the Company of more than 10% of the capital at 31 December 2020.

Thus, the share capital at year-end 2022 and 2021 is represented by 2,032,000 shares with a par value of 1 euro each, while at 31.12.2020, the year-end total is 1,199,110 shares with a par value of 1 euro each. All shares in the share capital carry the same rights and are not listed on the stock exchange.

b) Reserves

	2022	2021	2020*	01.01.2020*
Legal and statutory:				
Legal reserve	406	64	2	2
	406	**64**	**2**	**2**
Voluntary reserves	24	23	297	45
Reserves	**430**	**87**	**299**	**47**

Legal reserve

In accordance with the Spanish Companies Act, an amount equal to 10% of the profit for the financial year must be transferred to the legal reserve until it reaches at least 20% of the share capital. The legal reserve may only be used to increase the share capital to the extent of its balance exceeding 10% of the increased capital.

Except for the above-mentioned purpose, and as long as it does not exceed 20% of the share capital, this reserve may only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At year-end 2022 this reserve is fully funded, while at year-end 2021 and 2020 it was partially funded.

(Expressed in thousands of euros)

<u>Voluntary reserves</u>

Voluntary reserves are freely distributable. In addition, a dividend distribution was made during the year with a charge to voluntary reserves (Note 4.2).

c) Share premium

On 30 January 2019, the sole shareholder made a cash contribution of 55,000 euros, which was repaid in 2020 and 2019 in the amount of 12,000 euros and 43,000 euros, respectively.

d) Distribution of the result

The proposed distribution of the profit for the financial year 2022, formulated by the Sole Director of the Company and to be submitted to the General Meeting of Shareholders for approval, as well as that approved for the financial years 2021 and 2020, is as follows:

	Thousands of euros		
	2022	**2021**	**2020***
Result for the year	**4,996**	**2,566**	**621**
Distribution of the result			
A legal reserve	-	513	60
To voluntary reserves	4,996	2,053	561

**Unaudited financial year*

15. Financial liabilities

Details of the financial liability items included in the balance sheet at 31 December 2022, 2021, 2020* and 1 January 2020* are as follows:

	Thousands of euros			
	2022	**2021**	**2020***	**1 January 2020***
Financial liabilities				
Non-current				
Financial liabilities at amortised cost				
Debts to credit institutions (Note 16)	13,246	3,505	663	12
Current				
Financial liabilities at amortised cost				
Debts to credit institutions (Note 16)	19,394	8,255	1,987	122
Trade and other payables	30,686	14,700	6,752	1,430
	63,326	**26,460**	**9,402**	**1,564**

**Unaudited financial years*

(Expressed in thousands of euros)

a) Trade and other payables

Details of trade and other payables are as follows:

				Thousands of euros
Current liabilities	**2022**	**2021**	**2020***	**1 January 2020***
Short-term suppliers	29,202	14,141	6,297	1,352
Sundry accounts payable	1,237	481	351	18
Staff (outstanding remuneration)	169	47	2	10
Other creditors	78	31	102	50
Total Trade and other accounts payable	**30,686**	**14,700**	**6,752**	**1,430**

**Unaudited financial years*

Suppliers

This heading mainly includes debts with suppliers of technology products and other supplies included under inventories (Note 11).

Sundry accounts payable

This heading mainly includes debts to service providers.

Staff (outstanding remuneration)

This heading mainly includes debts to the Company's personnel for remuneration outstanding at year-end.

Other creditors

Other payables include balances payable to public authorities amounting to 78,000 euros in the 2022 financial year (31,000 euros, 102,000 euros and 9,000 euros in financial years 2021, 2020 and the beginning of 2020 respectively).

16. Financial debt

The composition of the financial debt is as follows:

												Thousands of euros
	2022			**2021**			**2020***			**1 January 2020***		
	Current	**Non-current**	**Total**	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Loans	2,877	10,791	**13,668**	204	1,151	**1,355**	33	167	**200**	-	-	**-**
Credit lines and other lines of finance	13,456	-	**13,456**	7,914	289	**8,203**	1,946	-	**1,946**	130	-	**130**
Debts to partners	3,061	2,455	**5,516**	28	2055	**2,083**	4	500	**504**	-	-	**-**
Fixed asset suppliers	-	-	**-**	119	-	**119**	-	-	**-**	4	-	**4**
Total financial debt	**19,394**	**13,246**	**32,640**	**8,255**	**3,505**	**11,760**	**1,983**	**667**	**2,650**	**134**	**-**	**134**

**Unaudited financial years*

The fair value of the Company's financial debt does not differ significantly from its carrying amount, as the interest payable is close to current market rates.

See debt maturities in Note 4 of these notes to the financial statements.

Debts to credit institutions

At 31 December 2022, 2021 and 2020, the Company has certain loans with a total amount drawn down of 27.124 million euros, 9.558 million euros and 2.146 million euros respectively, mainly in the form of loans with credit institutions. At 31 December 2021 there was a bank loan secured by a mortgage on the Company's premises. This loan and mortgage was cancelled with the sale of the warehouse (Note 7). Bank loans ultimately mature in the long term and bear interest at Euribor plus a market spread.

In addition, there are other debts granted by certain public bodies, mainly the Instituto Valenciano de Finanzas (Valencian Institute of Finance) (IVF) (Note 7).

Credit lines and other lines of finance

During 2022, 2021 and 2020 the Company has contracted various operating financing facilities and import financing facilities with a drawdown limit of 7.950 million euros in the 2022 financial year (4.650 million euros and 4.650 million euros in financial years 2021 and 2020 respectively), the amount drawn down being 7.414 million euros (4.036 million euros and 1.916 million euros in financial years 2021 and 2020 respectively), recognised under current liabilities in the accompanying balance sheet.

In addition, at 31 December 2022, 2021 and 2020, the Company has credit facilities with a limit of 7.500 million euros in the 2022 financial year (1.850 million euros in financial years 2021 and 2020 respectively), of which it has drawn down 5.991 million euros (1.156 million euros and 26,000 euros in financial years 2021 and 2020, respectively). In addition, the Company has bank card balances of 1,000 euros (2,000 euros and 0,000 euros in financial years 2021 and 2020, respectively).

The heading "loans" and "credit facilities and other" includes three financing contracts, formalised in 2021 and 2020 for a total amount of 1.250 million euros, which correspond to loans and ICO financing lines within the framework of Royal Decree-Law 8/2020, which is intended to alleviate possible cash flow tensions that could be caused by the COVID-19 pandemic.

Loans, credit facilities and financing facilities bear interest at market rates and are all denominated in euros. During 2022, accrued interest amounted to 804,000 euros (137,000 euros and 19,000 euros in financial years 2021 and 2020, respectively), which is recognised under "Financial expenses" in the accompanying income statement.

Debts to partners

The balance of "Financial debt" under current and non-current liabilities in the accompanying balance sheet at 31 December 2022 and 2021 relates mainly to loans granted by the entity's shareholders (Note 21).

During 2022, interest accrued on this debt amounted to 163,000 euros (40,000 euros and 4,000 euros in financial years 2021 and 2020, respectively), recognised under "Financial expenses" in the accompanying income statement.

(Expressed in thousands of euros)

17. Tax balances and income tax

a) Current balances with public authorities

At 31 December 2022, 2021, 2020* the Company has the following balances with public authorities:

								Thousands of euros
	2022		2021		2020*		1 January 2020*	
	Debit balances	Credit balances	Debit balances	Credit balances	Debit balances	Credit balances	Debit balances	Credit balances
Public Finance for - Corporation Tax	-	571	-	330	-	193	-	41
Value Added Tax	1,211	-	312	-	249	90	8	4
Personal income tax	-	30	-	10	-	4	-	3
Social Security Institutions	-	48	-	21	-	8	-	2
Total	**1,211**	**649**	**312**	**361**	**249**	**295**	**8**	**50**

**Unaudited financial years*

These balances are recorded under the balance sheet headings "Trade and other receivables" and "Trade and other payables".

b) Reconciliation between the accounting result and the tax base

Corporation tax is calculated on the basis of the economic or accounting result, obtained by applying generally accepted accounting principles, which does not necessarily have to coincide with the tax result, understood as the taxable base of the tax.

The reconciliation of the accounting result to the tax base for Corporation tax purposes for 2022, 2021 and 2020* is as follows:

Financial year 2022

	Increases	Decreases	Amount
Accounting result after tax			**4,996**
Permanent differences:	660	(93)	567
Corporation Tax	-	-	1,857
Other non-deductible expenses	9	-	9
Tax base			**7,429**

(Expressed in thousands of euros)

Financial year 2021

	Increases	Decreases	Amount
Accounting result after tax			**2,567**
Corporation Tax	871	-	871
Other non-deductible expenses	46	-	46
Tax base			**3,484**

Financial year 2020*

	Increases	Decreases	Amount
Accounting result after tax			621
Corporation Tax	199	-	199
Tax base			**820**

**Unaudited financial year*

In financial year 2020 there was an increase in shareholders' equity which gave rise to an entitlement to a reduction for the allocation to the capitalisation reserve, up to a limit of 10% of the tax base, with the remaining reduction to be applied to Corporation Tax in the following two years, subject to this limit. In financial year 2020, the Company availed itself of the tax benefit established by current legislation with respect to the reduction of the tax base through the allocation of a capitalisation reserve in the amount of 25,000 euros.

c) Reconciliation between accounting result and Corporation Tax expense

The reconciliation between the accounting result and the Corporation Tax expense (income) for financial years 2022, 2021 and 2020* is as follows:

	2022	2021	2020*
Accounting result before tax	6,853	3,437	820
Permanent differences	575	46	(25)
Quota at 25%	1,857	871	199
Income tax expense/ (Income)	**1,857**	**871**	**199**

**Unaudited financial year*

Under current legislation, taxes cannot be considered finally settled until the returns filed have been inspected by the tax authorities or the four-year limitation period has elapsed. At year-end 2022, all taxes applicable to the Company since its incorporation, i.e. financial years 2022, 2021, 2020 and 2019, are open for inspection by the tax authorities, with the exception of the taxes and years detailed below.

During the financial years 2021 and 2020, several census audits were initiated and, at the date of preparation of these financial statements, have been completed, which have not had any material impact on the accompanying financial statements.

(Expressed in thousands of euros)

In addition, a value added tax inspection procedure was initiated in the 2022 financial year for the 2021 financial year. This procedure was concluded during the 2022 financial year, with a certificate of compliance resulting in a refundable amount in favour of the Company, which was collected at the year end.

The Company's Sole Director considers that the tax payments have been properly made and, therefore, even in the event of discrepancies in the interpretation of current legislation regarding the tax treatment of transactions, any resulting liabilities, should they materialise, would not have a material effect on the financial statements.

18. Material items of profit or loss

a) Supplies

The breakdown of this heading in the financial statements for the years 2022, 2021, 2020* is as follows:

	2022	2021	2020*
Purchases of goods	324,375	175,038	62,049
Purchases of other supplies	-	71	26
Work carried out by other companies	-	6	-
Change in stock of goods	(9,981)	(8,385)	(4,378)
Purchase returns	(5)	(132)	(250)
Bonus received for purchases	(606)	(36)	(4)
Total	**313,783**	**166,562**	**57,443**

**Unaudited financial year*

b) Staff costs

The composition of the balance of the item "Staff costs" appearing in the accompanying income statement for the financial years 2022, 2021 and 2020* is as follows:

	2022	2021	2020*
Wages and salaries	1,526	569	229
Social Security	343	153	51
Other social expenditure	3	14	1
Total	**1,872**	**736**	**281**

**Unaudited financial year*

The average number of persons employed in the course of the financial years 2022, 2021, 2020* distributed by professional category and gender, which does not differ significantly from the headcount at year-end, was as follows:

Financial year 2022

Number of employees

	Men	Women	Total
Senior management	1	-	1
Administration and support	18	23	41
Warehouse	21	3	24
Total	**40**	**26**	**66**

(Expressed in thousands of euros)

Financial year 2021

Total number of employees

	Men	Women	Total
Senior management	1	-	1
Administration and support	3	10	13
Warehouse	10	-	10
Total	**14**	**10**	**24**

Financial year 2020*

Total number of employees

	Men	Women	Total
Senior management	1	-	1
Administration and support	1	5	6
Warehouse	4	-	4
Total	**6**	**5**	**11**

**Unaudited financial year*

The remuneration received by senior management (one man in financial years 2022, 2021 and 2020) in 2022 as salary amounted to 220,000 euros (89,000 euros and 55,000 euros in 2021 and 2020, respectively), and there was no remuneration for other items.

The Sole Director (one man at year-end 2022, 2021 and 2020) has not received any director's remuneration in addition to the amount disclosed as remuneration to senior management.

As of 15 April 2022, the Sole Director delegated his powers to a new Sole Director, who does not receive any remuneration as a director.

At 31 December 2022, 2021 and 2020, there are no loans or advances granted to the Sole Director of the Company, nor are there any pension plans or other similar contracts subscribed by the Company in their favour.

c) Operating costs

The breakdown of the balance of this heading in the accompanying financial statements for the financial years 2022, 2021, 2020* is as follows:

	2022	2021	2020*
Leases and rents	24	9	2
Repairs and maintenance	6	3	12
Independent professional services	1,722	369	626
Transport	3,224	1,533	560
Insurance premium	684	257	33
Banking and similar services	107	71	26
Advertising, publicity and public relations	265	90	3
Supplies	60	37	21
Other services	104	112	34
Taxes	29	26	-
Other current administrative expenditure	74	3	-
Total	**6,299**	**2,510**	**1,317**

**Unaudited financial year*

(Expressed in thousands of euros)

19. Revenue from contracts with customers

The net turnover for the financial years 2022, 2021 and 2020* is almost entirely composed of sales of electronic products to both retailers and wholesalers.

			Thousands of euros
Line	**2022**	**2021**	**2020***
Mobile phones	256,179	136,992	53,558
Tablets	17,796	9,903	420
Headphones	16,556	15,439	66
Other	38,562	11,361	5,832
	329,093	**173,695**	**59,876**

**Unaudited financial year*

20. Segment information

a) Description of main segments and activities

The Company examines the performance of the business from a product and geographic perspective and has identified three reportable segments:

- Smartphones
- Tablets
- Headphones
- Other

(Expressed in thousands of euros)

b) Segmented income statement information

Segmented income statement information is as follows:

2022

Segment	Ordinary income	Supplies	Gross margin	Operating costs	Staff costs	Amortisation	Impairment and profits or losses on disposals	Other income	Other earnings	Operating profit	Financial income	Financial expenses	Exchange rate differences	Financial result	Joint ventures accounted for by the equity method	Profit before tax	Income tax	Profit for the year
Mobile phones	**256,179**	**(244,123)**	**12,056**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spain	41,206	(114,738)	(73,533)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	168,517	(129,385)	39,132	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	46,456	-	46,456	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tablets	**17,796**	**(16,944)**	**852**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spain	2,863	(7,964)	(5,102)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	11,706	(8,980)	2,726	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	3,227	-	3,227	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Headphones	**16,556**	**(15,846)**	**710**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spain	2,663	(7,448)	(4,785)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	10,891	(8,398)	2,493	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	3,002	-	3,002	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	**38,562**	**(36,870)**	**1,692**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spain	6,204	(17,329)	(11,126)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	25,367	(19,541)	5,826	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	6,993	-	6,993	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jointly managed				**(6,299)**	**(1,872)**	**(410)**	**1,424**	**312**	**(306)**	**8,159**	**2**	**(996)**	**117**	**(877)**	**(429)**	**6,853**	**(1,857)**	**4,996**
				(6,299)	**(1,872)**	**(410)**	**1,424**	**312**	**(306)**	**(7.151)**	**2**	**(996)**	**117**	**(877)**	**(429)**	**(8,457)**	**(1,857)**	**4,996**

(Expressed in thousands of euros)

2021

Segment	Ordinary income	Supplies	Gross margin	Operating costs	Staff costs	Amortisation	Impairment and profits or losses on disposals	Other income	Other earnings	Operating profit	Financial income	Financial expenses	Exchange rate differences	Financial result	Joint ventures accounted for by the equity method	Profit before tax	Income tax	Profit for the year
Mobile phones	**136,992**	**(129,585)**	**7,407**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Spain	17,664	(19,305)	(1,641)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	88,507	(108,710)	(20,203)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	30,821	(1,570)	29,251	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tablets	**9,903**	**(8,994)**	**909**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Spain	1,475	(1,340)	135	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	8,308	(7,545)	763	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	120	(109)	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Headphones	**15,439**	**(8,411)**	**7,028**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Spain	1,991	(1,253)	738	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	9,975	(7,056)	2,919	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	3,473	(102)	3,371	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	**11,361**	**(19,571)**	**(8,210)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Spain	1,465	(2,916)	(1,451)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	7,340	(16,418)	(9,078)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	2,556	(237)	2,319	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jointly managed	**-**	**-**	**-**	**(2,510)**	**(736)**	**(97)**	**(32)**	**1**	**(183)**	**3,576**	**-**	**(140)**	**1**	**(139)**	**-**	**3,437**	**(871)**	**2,566**
	173,695	**(166,561)**	**7,133**	**(2,510)**	**(736)**	**(97)**	**(32)**	**1**	**(183)**	**3,576**	**-**	**(140)**	**1**	**(139)**	**-**	**3,437**	**(871)**	**2,566**

Riba Mundo Tecnología, S.L.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022 AND 2021
(Expressed in thousands of euros)

2020*

Segment	Ordinary income	Supplies	Gross margin	Operating costs	Staff costs	Amortisation	Impairment and profits or losses on disposals	Other income	Other earnings	Operating profit	Financial income	Financial expenses	Exchange rate differences	Financial result	Joint ventures accounted for by the equity method	Profit before tax	Income tax	Profit for the year
Mobile phones	**53,558**	**(44,691)**	**8,867**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Spain	7,760	(13,807)	(6,047)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	34,917	(30,571)	4,346	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	10,881	(313)	10,568	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tablets	**420**	**(3,102)**	**(2,682)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Spain	61	(958)	(897)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	274	(2,122)	(1,848)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	85	(22)	63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Headphones	**66**	**(2,901)**	**(2,835)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Spain	10	(896)	(886)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	43	(1,984)	(1,941)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	13	(20)	(7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	**5,832**	**(6,750)**	**(918)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Spain	845	(2,085)	(1,240)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	3,802	(4,617)	(815)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1,185	(47)	1,138	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jointly managed	**-**	**-**	**-**	**1,317**	**(281)**	**(51)**	**-**	**1**	**59**	**844**	**-**	**(22)**	**(2)**	**(24)**	**-**	**820**	**(199)**	**621**
	59,876	**(57,443)**	**2,433**	**1,317**	**(281)**	**(51)**	**-**	**1**	**59**	**844**	**-**	**(22)**	**(2)**	**(24)**	**-**	**820**	**(199)**	**621**

(Expressed in thousands of euros)

In Management's decision-making process, the amounts of the other income statement headings not disclosed in the above tables for each segment are not taken into consideration since, due to the nature of the Company, these headings are common and managed jointly by Management for all established segments. Thus, the values of such headings for each segment are not regularly provided to Management. Therefore, these financial statements do not contain segment information.

c) Segmented information on assets and liabilities

In Management's decision-making process, the amounts of total assets and liabilities for each segment are not taken into consideration, as due to the nature of the Company, assets and liabilities are common and managed jointly by Management for all established segments. Thus, the value of total assets and liabilities for each segment are not regularly provided to Management. Therefore, these financial statements do not contain segmented information on assets and liabilities.

21. Related party disclosures

a) Related party transactions

Details of related party transactions during the financial years 2022, 2021, 2020* are as follows:

	2022	**2021**	**2020**
Income			
Sales of goods	3,342	2,983	1,025
Expenses			
Other operating expenses	-	-	90
Purchases	-	612	-
Purchases of fixed assets (Note 7)	1,361	353	-
Financial expenses (Note 16)	32	40	4

**Unaudited financial year*

b) Balances with related parties

Details of balances held with related parties during the financial years 2022, 2021, 2020* are as follows:

	2022	**2021**	**2020***
Customers	1,281	842	524
Creditors	140	167	77
Current accounts, credit balance	-	-	1
Debts to shareholders (Note 16)	5,516	2,083	504

**Unaudited financial years*

The current balances reflected under "Customer receivables for sales and services" and "Sundry accounts payable" arise from commercial transactions with related companies of the Company's shareholders.

(Expressed in thousands of euros)

The balance of "Financial debt" under non-current liabilities in the balance sheet at 31 December 2022 includes the financing loaned to the Company in 2022 and 2021 by its shareholders in the amount of 5.482 million euros (2.055 million euros in financial year 2021), formalised with four loan contracts maturing in 10 years and bearing an annual market interest rate that has resulted in an accrued expense of 230,000 euros in the 2022 financial year recognised under "Financial expenses" in the accompanying income statement account (40,000 euros and 4,000 euros in financial years 2021 and 2020, respectively). Of these, all are not paid in full at 31 December 2021, which are recorded under "Financial debt" in the accompanying balance sheet (28,000 euros and 4,000 euros at 31 December 2021 and 2020, respectively).

22. Reconciliation of financial debt

Changes in financial debt according to the cash flow statement for the years ending 31 December 2022, 2021 and 2020* are presented below:

				Thousands of euros
	Debts with related parties	**Other debts**	**Debt to credit institutions**	**Financial leases**
Debt at 1 January 2020*	**4**	**-**	**130**	**14**
Financing cash flows (payments)	-	-	(130)	(14)
Financing cash flows (receipts)	501		2,145	-
Non-monetary changes	-	-	-	48
Debt at 31 December 2020*	**505**	**-**	**2,145**	**48**
Financing cash flows (payments)	-	-	(1,978)	(42)
Financing cash flows (receipts)	1,578	-	7,580	-
Non-monetary changes	-	119	-	66
Debt at 31 December 2021	**2,083**	**119**	**9,558**	**72**
Financing cash flows (payments)	-	(119)	(9,211)	(68)
Financing cash flows (receipts)	3,433	-	26,876	-
Non-monetary changes	-	-	-	1,238
Debt at 31 December 2022	**5,516**	**-**	**27,124**	**1,242**

**Unaudited financial years*

23. Other information

a) Contingent liabilities

The Company has contingent liabilities for litigation arising in the normal course of business from which no significant liabilities other than those already provided for are expected to arise.

b) Sureties and guarantees

At 31 December 2022, the Company has guarantees from various financial institutions to third parties for a total amount of 1.129 million euros (930,000 euros and 0,000 euros in 2021 and 2020, respectively). These guarantees have been obtained in the ordinary course of business to secure compliance with the obligations assumed by the Company.

c) Off-balance sheet arrangements

The Company considers that there are no off-balance sheet arrangements not disclosed elsewhere in these notes to the financial statements, if any, that are material to the Company's financial position.

24. Auditors' fees

Fees for audit services in financial year 2022 provided by the Company's auditor amounted to 45,000 euros (28,000 euros and 17,000 euros in 2021 and 2020 by another auditor), as well as for other audit and review work amounting to 165,000 euros (no amount in 2021 and 2020). In addition, other services have been provided by companies related to the auditor during the financial year 2022 in the amount of 55,000 euros (30,000 and 0,000 euros in the 2021 and 2020 financial year by another auditor).

25. Environmental information

The Company has not made any significant environmental investments during the financial year. It has not been deemed necessary to record any provisions for environmental risks and expenses, nor are there any contingencies related to the protection or improvement of the environment that could be considered relevant.

In addition, the Company has insurance policies and security plans that reasonably ensure coverage for any possible contingency that may arise from its environmental activities.

26. Events after the balance sheet date

During the financial year 2023, the Company has started the process of listing the Company's shares on the Euronext Growth market in Milan. The Company expects the admission process to be completed in the first half of 2023.

As a result of this fact, the Company has initiated the procedures provided for in articles 18 of the Law on Structural Modifications of Commercial Companies, 67 of the Capital Companies Act and 221, 338 et seq. of the Commercial Registry Regulations to proceed with the transformation of the company from a Limited Company to a Public Limited Company, which is still in the process of being formalised.

Riba Mundo Tecnología, S.L.

FORMULATION OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS AT 31 DECEMBER 2022 AND 2021

The sole director of **Riba Mundo Tecnología, S.L.**, on 18 April 2023, prepares the special purpose financial statements (balance sheet, income statement, statement of changes in net equity, cash flow statement and notes) for the years ending 31 December 2022 and 2021, which are constituted by the documents that precede this letter and which are signed on all pages by the sole director.

Originally signed by Marco Dezi (Sole Administrator) on 18th April 2033

Riba Mundo Tecnología, S.L.

Independent auditor´s report on the financial statements as at 31 December 2022 and 31 December 2021

"This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation."

Independent auditor´s report

To the shareholders of Riba Mundo Tecnología, S.L.:

Opinion

We have audited the financial statements of Riba Mundo Tecnología, S.L. (the Company), which comprise the balance sheet as at 31 December 2022 and as at 31 December 2021, and the income statement, statement of comprehensive income, statement of changes in equity, cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022 and as at 31 December 2021, as well as its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standard adopted by the European Union (IFRS-UE) described in note 2.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor´s responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled with other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Basis for the preparation of the financial statements

We draw attention to note 2 of the attached financial statements, which indicates that the financial statements have been prepared for the proposed public offering of a part of the shareholding on the Euronext Growth Milan market. Consequently, the financial statements may not be suitable for another purpose. Our opinion has not been modified in relation to this matter.

R. M. Madrid, hoja 87.250-1, folio 75, tomo 9.267, libro 8.054, sección 3ª
Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79 031290

First adoption of IFRS-EU

We draw attention to note 2 of the attached financial statements, which describes that the attached financial statements for the year 2022 are the first that the Company's directors prepare applying IFRS-EU, which generally require that the financial statements present comparative information that has been obtained through the application of the IFRS-EU in force as at 31 December 2022. Consequently, the figures corresponding to the years 2022, 2021 and 2020 differ from those contained in the approved annual accounts of the mentioned years, detailing in note 5 of the attached notes the differences resulting of the application of IFRS-EU on equity as at 31 December 2022, 31 December 2021, 31 December 2020 and 1 January 2020 and on the results of the years 2022, 2021 and 2020 of the Company. Our opinion has not been modified in relation to this matter.

Other matters

Formulation of annual accounts and opinion issued under the Audit Law of Spain

On 14 March 2023 we issued an audit opinion in accordance with the regulations governing the auditing activity in force in Spain on the Company's annual accounts for the year ended at 31 December 2022, which were formulated in accordance with the regulatory framework for financial information that is applicable in Spain.

Audit of financial statements under International Auditing Standards

The attached financial statements have been audited applying the ISAs, so this report can in no case be understood as an audit report in the terms provided in the regulations governing the auditing activity in force in Spain.

Other auditors

The annual accounts of the Company corresponding to the year ended as at 31 December 2021 were audited by another auditor who expressed an opinion on the mentioned annual accounts as at 18 March 2022 with qualifications for not being able to witness the physical count of inventories as at 31 December 2019.

Comparative figures

The figures corresponding to the year 2020, and as at 31 December 2020 and as at 1 January 2020, under IFRS-EU, which are included for comparative purposes in the attached financial statements, have not been audited.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the accompanying financial statements, in accordance with International Financial Reporting Standard adopted by the European Union (IFRS-UE), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company´s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor´s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.

- Obtain 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 entity´s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the 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 Company´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 modify 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the entity's directors 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.

PricewaterhouseCoopers Auditores, S.L.

Original signed by Sandra Deltell Díaz

26 April 2023