INTERIM FINANCIAL REPORT

30 JUNE 2023

PREPARED PURSUANT TO ARTICLE 154-TER OF THE CONSOLIDATED FINANCE ACT

Gpi S.p.A.

Managed and coordinated
by FM S.r.l.

Registered office: VIA RAGAZZI DEL'99, 13 - TRENTO, ITALY
Fully paid-up share capital: 13,890,324.40
Tax code: 01944260221
Registered with the TRENTO **company registrar**
Company registration No. 01944260221
R.E.A. No. 189428

Corporate officers

Board of Directors

(Engagement ends with the approval of the financial statements at 31.12.2023)

Giuseppina Di Foggia	4	Chair
Andrea Mora	5	Deputy Chair
Fausto Manzana	1-5 days	Chief Executive Officer
Michele Andreaus	1-2-3-4	
Francesco Formica	1	
Paolo De Santis	1-2-3-4	
Dario Manzana	5	
Sara Manzana		
Sergio Manzana	5	
Antonio Perricone	4	
Ilaria Manzana	6-8 days	Secretary

Board of Statutory Auditors

(Engagement ends with the approval of the financial statements at 31.12.2024)

Standing members

Raffaele Ripa	7-8 days	Chair
Stefano La Placa	7	
Claudia Mezzabotta	7	

Alternate members

Cristian Tundo	7
Michela Zambotti	7

General Manager

Matteo Santoro

Manager in charge of financial reporting

Federica Fiamingo

Independent Auditors

(Engagement ends with the approval of the financial statements at 31.12.2026)

KPMG S.p.A.

[1] Member of the Strategic Committee
[2] Member of the Remuneration Committee
[3] Member of the Control, Risk and Sustainable Development Committee (also assigned responsibilities for related party transactions)
[4] Independent Director (pursuant to the Corporate Governance Code and Legislative Decree No. 58 of 24 February 1998)
[5] Executive Director
[6] Secretary of the Board of Directors
[7] Independent Statutory Auditor (pursuant to the Corporate Governance Code)
[8] Member of the Supervisory Body

DIRECTORS' REPORT

ON OPERATIONS

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Structure and business

Consolidation scope at 30 June 2023

As at 30 June 2023, GPI's share capital amounted to EUR 13,890,324.40, divided into 28,906,881 ordinary shares with no par value. There were 96,357 ordinary treasury shares in the portfolio.
FM S.r.l. holds 46.98% of the share capital and 60.91% of the voting rights.

Consolidation area	Registered office	Functional currency	Total Group interest %	Total non-controlling interests %
Parent:				
Gpi S.p.A.	Trento, Italy	Euro		
Subsidiaries consolidated on a line-by-line basis:				
Argentea S.r.l.	Trento, Italy	Euro	90.00%	10.00%
Bim Italia S.r.l.	Trento, Italy	Euro	100.00%	-
Cliniche della Basilicata S.r.l.	Potenza, Italy	Euro	67.00%	33.00%
Consorzio Stabile Cento Orizzonti Scarl	Trento, Italy	Euro	55.10%	44.90%
Contact Care Solutions S.r.l. Soc. Unipers.	Milan, Italy	Euro	100.00%	-
Do.Mi.No. S.r.l.	Venice, Italy	Euro	38.57%	61.43%
Esakon Italia S.r.l. [1]	Trento, Italy	Euro	100.00%	-
Gpi Britannia Limited	Cannock, England	Pound	100.00%	-
Gpi Cee GmbH	Klagenfurt, Austria	Euro	100.00%	-
Gpi Cyberdefence S.r.l. [1]	Trento, Italy	Euro	100.00%	-
Gpi France SASU	Paris, France	Euro	100.00%	-
Gpi Iberia Health Solutions S.L.	Madrid, Spain	Euro	100.00%	-
Gpi Latam S.p.A.	Chile	Chilean peso	100.00%	-
Gpi Polska z o.o.	Warsaw, Poland	Polish zloty	100.00%	-
Gpi USA Inc. [1]	Wilmington, USA	US dollar	100.00%	-
GTT Gruppo per Informatica Technologie Tunisie Suarl	Tunis, Tunisia	Tunisian dinar	100.00%	-
Healtech S.r.l. [1]	Trento, Italy	Euro	100.00%	-
Informatica Group O.o.o.	Moscow, Russia	Russian rouble	100.00%	-
IOP S.r.l. [1]	Trento, Italy	Euro	100.00%	-
Oslo Italia S.r.l.	Trento, Italy	Euro	100.00%	-
Professional Clinic G.m.b.h.	Klagenfurt, Austria	Euro	100.00%	-
Riedl G.m.b.h.	Plaue, Germany	Euro	100.00%	-
Umana Medical Technologies Ltd	Malta	Euro	58.39%	41.61%
Xidera S.r.l. [1]	Milan, Italy	Euro	100.00%	-
Tesi S.p.A. [1]	Milan, Italy	Euro	100.00%	-
Arko S.r.l. [1]	Milan, Italy	Euro	100.00%	-
Omnicom S.r.l. [1]	Milan, Italy	Euro	100.00%	-
Tesi de Mexico S.A. de C.V. [1]	Mexico City, Mexico	Mexican Peso	100.00%	-
Tesi Brasil Ltda [1]	São Paulo, Brazil	Real	100.00%	-
Informatica Tesi Colombia S.a.s. [1]	Bogotá, Colombia	Colombian peso	100.00%	-

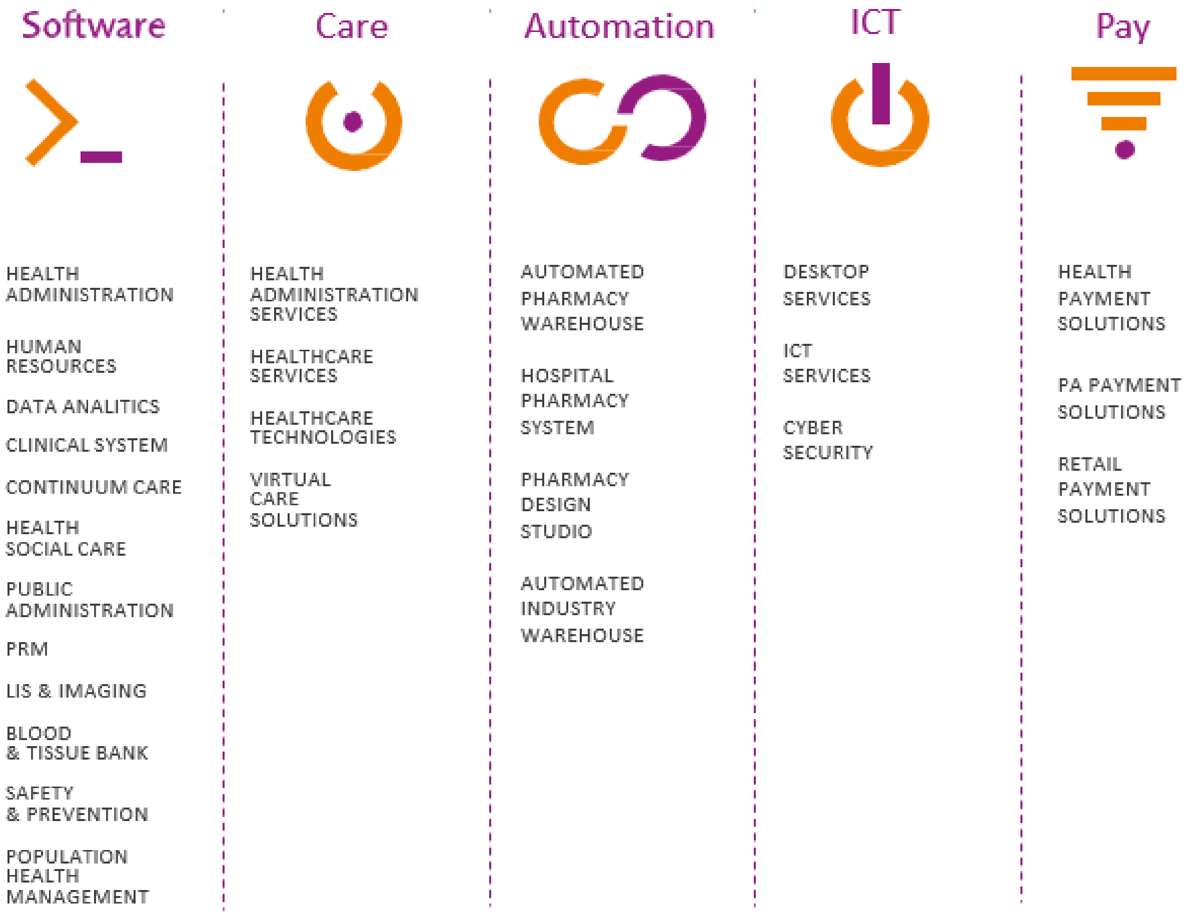
[1] Fully consolidated in accordance with the IFRS 3 - anticipated acquisition method

Consolidation area	Registered office	Functional currency	Total Group interest %	Total non-controlling interests %
Equity-accounted investees:				
Associates:				
SAIM - Suedtirol Alto Adige Informatica Medica S.r.l.	Bolzano, Italy	Euro	46.50%	53.50%
Trentino Data Center S.r.l.	Trento, Italy	Euro	20.00%	80.00%

Structure: Strategic Business Areas (SBAs)

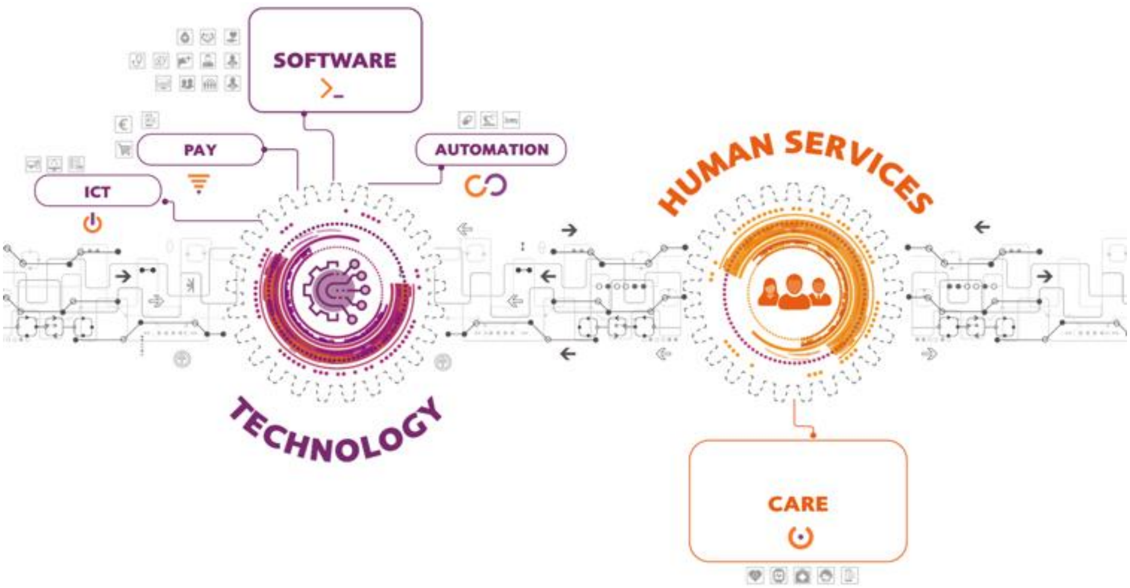
The current organisation into Strategic Business Areas (SBAs) enables the Group to provide complete and adequate answers to the digital transformation requirements and innovative drive of the Healthcare and Social Welfare sectors. It does this with a portfolio of solutions and services that combines extensive specialist ICT and domain, design and consultancy expertise with the customer-oriented approach that distinguishes Gpi and makes its way of doing business efficient and flexible.

All SBAs operate with both public and private customers indifferently. The structure of the Group's offerings is shown below, highlighting how the solutions offered to the market increasingly stem from an appropriate orchestration of the individual components ("composable digital care").



We operate in our target markets by providing a broad mix of highly innovative software solutions, technologies and services. A selection of technological drivers whose combination outlines the current and future application scenarios underlies this transformation: the cloud, mobile devices, Internet of Things, Big Data, artificial intelligence, technologies that we already apply to specific solutions for chronic illness management, initiative medicine, prevention pathways, the management of reception pathways, virtual care through telemedicine solutions and 24-hour operations centre services.
The strategic objective condensed in the Group's vision is to support a technological and sustainable transformation of healthcare systems by offering solutions adapted to the new health demand of citizens.
An effective combination of technology and services to respond to a healthcare system in continuous transformation that - also due to the initiatives linked to the National Recovery and Resilience Plan - will be increasingly affected by a major digital evolution.

Some Gpi Group SBAs are of the "complex" type, i.e., composed of an articulated set of product/market combinations (e.g., Software, Care), while others are of the "simple" type, i.e., comprising one or a few product/market combinations (Automation, Pay, ICT).



Structure of the offering

Software

Modular and integrated information systems for management of:

- clinical and administrative-accounting processes within hospital facilities, including the transfusion and diagnostic department;
- social welfare processes of the regional health facilities, including the prevention department;
- typical processes of Public Administrations, for good management of Institutions and to simplify the relationship between citizens and enterprises.

Information technologies that constitute the enabling factor for the provision of high efficiency and quality care services for citizens, for the management of logistics automation processes while integrating the ICT and payment services solutions offered to the Public Administration.

Care

Services and technologies for the reception, admission, treatment and empowering of patients:

- Business Process Outsourcing (BPO) for the multi-channel management of CUP services (Contact Centre, Counter Services, Digital Solutions).
- Telemedicine, telemonitoring and telecare services.
- Integrated health and care services provided through its own Policura outpatient clinics.
- Design and manufacture of custom prosthetics with 3D printers.

The multi-channel approach and the flexibility of the platforms allow GPI Group to process daily the provision of thousands of services/performances/accesses all over Italy, thus offering an infrastructure that has proved to be of great value for our country’s health system.

Automation

A complete and integrated solution, hardware and software, that automates the entire logistic process of the drug in hospitals: from purchase to administration at the bedside, reducing clinical risk and optimising resources.
For local pharmacies: a service that covers the organisation, equipping and design of retail premises, and a custom made, high- tech warehouse that speeds up and simplifies the storage and distribution of medicines. The logistics automation of hospitals and pharmacies proposed by Gpi harmoniously integrates and completes the solutions of the Software SBA (Clinical System, Administration System) and the Pay SBA for a complete logistical end-to-end management of the entire supply-chain.

ICT

A complete turnkey service that keeps all hardware and software components operating under perfectly efficient conditions through Desktop Management interventions, systems assistance, analysis and consultancy and IT defence and security systems. ICT services are the enabling factor for the efficient application of the information technologies of the Software SBA and Pay platforms and for the provision of Care services.

Pay

Innovative technologies and integrated services that facilitate the management of electronic payments for health, large-scale retail trade, the retail market, the banking sector and Public Administration.
A platform of solutions that synergistically supports the Group's Software, Care, Automation and ICT offering. The PAY offer also includes innovative services for the digital storage of documents.

Market trends

The Polytechnic University of Milan’s 2023 digital health observatory highlights how the Italian healthcare system’s transformation process is at a turning point. Two years after the approval of the National Recovery and Resilience Plan (NRRP), there are now numerous technological and regulatory interventions that are driving the change needed to build the healthcare of the future. In this transformation, digital innovation is playing (and will increasingly play) a crucial role.

The study highlights how Telemedicine, in particular, will need to play strategic role in local reform and in enhancing home care. The development of the national Telemedicine platform and the regional platforms integrated into it represents a key challenge for the near future.

The NRRP also emphasises the role and leveraging of data in Healthcare, which must go hand in hand with the completion of the process of digitalising processes at hospital level and the development of the Electronic Health Record (Fascicolo Sanitario Elettronico or FSE) 2.0. In this regard, the regional technology upgrading plans have been completed, aimed at ensuring the uniform growth of services throughout the country, and their implementation has short deadlines for regions and health authorities. The FSE 2.0 will enable healthcare professionals to access a single source of data and clinical information about patients and will offer citizens a single point of access to healthcare services. It will also be possible to exploit the data for clinical practice, to support research and to improve healthcare planning.

The evolution that will be possible for the National Health System thanks to digital innovation goes far beyond the important stimulus of the NRRP, and must from the outset be interpreted from a perspective that transcends national borders, placing itself at least in a European perspective. Indeed, the European Union is setting itself up as a crucial player for governance and the definition of shared rules on the most critical aspects of digital innovation in Healthcare, such as the use of data and Artificial Intelligence, in order to accelerate the transformation process and provide clear answers to possible ethical and/or legal dilemmas. The “Digital decade policy programme” in particular defines as one of the goals to be achieved by 2030 that all European citizens can access their health data in digital format. Actions to create a single space for access to health data at European level (European Health Data Space) go precisely in this direction, also providing a potentially revolutionary tool for Healthcare governance.

At global level, according to Gartner estimates (constant currency) updated in the second quarter of 2023, the CAGR 2022-2025 of spending on software and IT services in the Healthcare industry is estimated at 12.7%. In Western Europe, the CAGR 2022-2025 is estimated at 13%, whilst the estimate for Italy is 11.3%.

Customers

At 30 June 2023, the Group has over 3,000 customers. Having gained additional expertise through multiple M&As, the Group's offer is increasingly complete and competitive.

National footprint

The Group's acquisitions over the years, along with its desire to be near its customers, have led to an increasingly widespread footprint throughout Italy and abroad[1].

In Italy, the Gpi Group has its headquarters in the historic site of Trento, and a further 52 operating offices throughout the country.

It is also present abroad with operating companies in Austria, France, Germany, Malta, Poland, Spain, Tunisia, the United States, Mexico, Colombia, Brazil and Chile, offering high-tech solutions and services in over 70 countries through selected distributors and partners.

Its objective in forthcoming years is to multiply contacts on international markets to identify new partnership and business development opportunities through the acquisition of production and distribution companies.

[1] At year-end, the acquisition of the Tesi Group expands the Group's presence in Italy and abroad: Milan, Magenta (MI), Raffa di Puegnago (BS), Pianiga (VE), Naples, Bari and Catania; Brazil, Mexico and Colombia.

Financial performance and results

With regard to the statement of financial position aggregates, and in particular the financial indicators, please see the standards established by the ESMA Recommendation 20/3/2013 and Consob Communication DEM/6064293.

In application of Consob Communication of 3 December 2015, which transposes in Italy the guidelines on Alternative Performance Indicators (hereinafter also referred to as "API") issued by the European Securities and Markets Authority (ESMA), the criteria used for the preparation of the main APIs published by the GPI Group are defined below.

The APIs presented in this Annual Financial Report are considered to be significant for the assessment of operating performance with reference to the results of the Group as a whole. In addition, it is considered that APIs ensure a better synthesis and comparability over time of the same results, although they are not substitutes for, nor alternatives to, the results determined by applying international IFRS accounting standards.

With reference to the APIs, we highlight that within the respective chapters "Economic Performance", "Performance by Strategic Business Area" and "Financial highlights", Gpi presents the reclassified financial statements that differ from those envisaged by the IFRS international accounting standards included in the Consolidated Financial Statements and in the Separate Financial Statements as at 30 June 2023 (hereinafter called the: "financial statement schedules"). These reclassified financial statements therefore present, in addition to the economic, financial and equity quantities covered by international IFRS accounting standards, certain indicators and items deriving from international IFRS accounting standards, although not envisaged by the same standards and therefore identifiable as APIs.

Hereinafter, for the sake of simplicity, are listed the main reclassified aggregates and Alternative Performance Indicators presented in the Management Report, and a brief summary of the relative composition, as well as the reconciliation of the same with the corresponding financial statement data:

- "Consumption": corresponds to the total Cost of Materials in the financial statements;
- "General expenses": corresponds to the total of the Costs for services and Other operating costs included in the financial statements;
- "Labour": corresponds to the item "Personnel Costs" in the financial statements;
- "Gross Operating Margin (EBITDA)": this is the summary indicator of the gross profit arising from operating activities ("EBIT"), determined by subtracting operating costs from operating revenue, with the exception of amortisation, depreciation, impairment losses and reversals of impairment losses ("amortisation, depreciation and impairment of fixed assets"), the change in operational funds and other adjustments ("other provisions made");
- "Net Operating Profit (EBIT)": is the indicator that measures the operational profitability of the total amount of capital invested in the company, calculated by deducting from EBITDA the amortisation, depreciation, impairment losses and reversals of impairment losses ("amortisation, depreciation and impairment of fixed assets"), the change in operational funds and other adjustments ("other provisions made");
- "Net working capital": summarises the balance among the items of a typical business nature in the statement of financial position (trade receivables, assets and liabilities from customer contracts, advances to suppliers, impairment provisions, trade payables and inventories);
- "Fixed assets": are comprised by the items in the financial statements presenting the total amount of Goodwill, Other intangible assets, Property, Plant and Equipment, Equity Investments accounted for using the Equity method, non-current financial assets and Non-recurring costs for contracts with customers;
- "Net Invested Capital': shows the total amount of non-financial assets, net of non-financial liabilities; it is the algebraic sum of Net Working Capital, Fixed assets and Other operating assets (liabilities);
- "Net financial debt" (or NFP, Net Financial Position): represents the indicator of the share of the net invested capital covered by net liabilities of a financial nature, composed by the "Financial Liabilities - current and non-current", net of "Financial Assets - current and non-current", and by cash and cash equivalents;
- "Statement of cash flows": this graphically represents the main cash flow items that determine the change in net financial debt from the beginning to the end of the financial year;
- "Trade receivables on revenue": means the ratio, expressed in days, between the trade receivables from invoices issued as at 30/06, gross of the relative impairment fund, and the revenue for the year (x 180);

- "Customer contract assets on total trade receivables, of the customer contract assets and supplier advance payments" (%): means the share of only the assets from customer contracts, gross of the related impairment fund, in relation to total commercial assets;
- "Net working capital on revenue": means the ratio, expressed in days, between "net working capital" and revenue for the year (x180);
- "NFD/EQUITY": means the ratio of the Net Financial Debt to Equity;
- "NFD/EBITDA": means the ratio of the Net Financial Debt to Gross Operating Margin (EBITDA);
- "EBITDA/FC": provides the coverage indicator between Gross Operating Margin (EBITDA) and the balance of Financial Income and Expense;
- "Goodwill and other non-current intangible assets/Total Assets": means the ratio of the relevant items in the financial statements and the total assets;
- "Goodwill and other non-current intangible assets/Equity": means the ratio of the relevant items in the financial statements and Total Equity;
- "CAGR": is an acronym for Compounded Average Growth Rate, a commonly applied indicator used to express the average growth rate of a variable, given an initial year and a final reference year. In the case of Gpi, the CAGR is applied to Revenue and Other Income over a three-year period.

It should also be noted that some of the calculated APIs, as indicated above, are presented net of certain adjustments made for the purposes of a homogeneous comparison over time or in application of a different accounting treatment that is considered more effective in describing the economic and financial performance of specific assets of the Group. These adjustments are mainly attributable to the Adjusted consolidated economic data presented for EBITDA and EBITDA%.
This report shows "Adjusted" gross operating profit, with the objective of comparing the margins achieved at group and SBA level to revenue net of the share pertaining to the Temporary Grouping of Companies' partners, almost entirely related to "Care" contracts.
Finally, please note that Net Financial Debt is determined in accordance with the provisions of Guideline No. 39 issued on 4 March 2021 by ESMA, applicable as of 5 May 2021, and in line with the related Warning Notice No. 5/21 issued by Consob on 29 April 2021. In this regard, it should be noted that the references to the CESR Recommendations contained in previous Consob communications are to be understood as having been replaced by the above-mentioned ESMA Guidance, including the references in Communication No. DEM/6064293 of 28 July 2006 concerning the net financial position.

Financial highlights - consolidated

CONSOLIDATED PERFORMANCE HIGHLIGHTS, In EUR thousands	30 June 2023	30 June 2022	Changes	%
Revenue and other income	192,895	168,914	23,981	14.2%
Adjusted revenue	180,522	158,067	22,455	14.2%
Gross operating profit	**26,022**	**17,347**	**8,675**	**50.0%**
Adjusted EBITDA %	**14.4%**	**11.0%**		**3.4%**
Profit (loss) before tax	1,544	1,884	-340	-18.0%
Net profit	**506**	**250**	**256**	**102.8%**

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION, In EUR thousands	30 June 2023	31 December 2022	30 June 2023 %	31 December 2022 %
Net working capital	199,941	177,635	48.9%	45.4%
Non-current assets	268,437	259,678	65.6%	66.3%
Other operating assets (liabilities)	(59,297)	(45,811)	-14.5%	-11.7%
Net invested capital	**409,082**	**391,502**	**100.0%**	**100.0%**
Equity	235,040	248,942	57.5%	63.6%
Net financial debt (NFD)	174,041	142,560	42.5%	36.4%
Total equity + NFD	**409,082**	**391,502**	**100.0%**	**100.0%**

ALTERNATIVE PERFORMANCE INDICATORS	30 June 2023	30 June 2022
Trade receivables / revenue (DSO)	79	*63*
Net working capital / Revenue (DSO)	187	*158*
EBITDA/Net financial expense	3.54	*6.55*

ALTERNATIVE PERFORMANCE INDICATORS	30 June 2023	31 December 2022
Contract assets/Trade receivables, contract assets and advances (%)	*68.0%*	*68.8%*
NFD/EQUITY	0.74	*0.57*
Goodwill and other intangible assets/Total assets	*29.8%*	*29.7%*
Goodwill and other intangible assets/Equity	*85.2%*	*85.2%*

For an analysis of the results of the Alternative Performance Indicators, reference should be made to the explanations provided in the section Financial Highlights.

Performance of operations and notes on financial performance

Income statement highlights

RECLASSIFIED CONSOLIDATED INCOME STATEMENT, In EUR thousands	30 June 2023	%	30 June 2022	%	Changes amount	Changes %
Revenue	189,833		167,470			
Other income	3,062		1,444			
Total revenue and other income	**192,895**	**100.0%**	**168,914**	**100.0%**	**23,980**	**14.2%**
Raw materials and consumables	(9,058)	-4.7%	(5,445)	-3.2%	(3,613)	1.5%
General expenses	(49,860)	-25.8%	(47,613)	-28.2%	(2,247)	-2.4%
Personnel expense	(107,955)	-56.0%	(98,510)	-58.3%	(9,445)	-2.3%
Amortisation, depreciation and impairment losses	(14,945)	-7.7%	(12,132)	-7.2%	(2,814)	0.5%
Other provisions	(2,187)	-1.1%	(681)	-0.4%	(1,506)	0.6%
Operating profit/(loss)	**8,890**	**4.6%**	**4,534**	**2.7%**	**4,356**	**1.9%**
Net financial expense	(7,351)	-3.8%	(2,650)	-1.6%	(4,701)	2.2%
Share of profit/(loss) of equity-accounted investees	5		(1)		6	
Profit (loss) before tax	**1,544**	**0.8%**	**1,884**	**1.1%**	**(340)**	**-0.3%**
Income tax	(1,037)	-0.5%	(1,634)	-1.0%	597	-0.5%
Net profit	**506**	**0.3%**	**250**	**0.1%**	**257**	**0.2%**

PROFITABILITY AND STRUCTURE OF OPERATING COSTS % OF ADJUSTED REVENUE	30 June 2023	30 June 2022
Consumables % adjusted	5.0%	3.4%
General expenses % adjusted	20.8%	23.3%
Personnel expense % adjusted	59.8%	62.3%
Adjusted EBITDA %	14.4%	11.0%

In the first half of 2023, the Gpi Group increased its revenue by 14.2%, totalling EUR 24.0 million, due to both external and organic growth.

The structure of operating costs shows a decrease in the ratio of personnel costs to revenue of 2.3%, a decrease also seen in general expenses (-2.4%). On the other hand, the incidence of costs for materials rose by 1.5%; the incidence of depreciation, amortisation and other provisions also increased by a total of 1.1%.

The gross operating margin stood at EUR 26.0 million (17.3 million in the first half of 2022). Eliminating the effects of revenue from joint ventures, the adjusted EBITDA % for the first half of 2023 is 14.4% (11.0% in the first half of 2022).

Amortisation, depreciation and impairment losses, amounting to EUR 14.9 million, rose by EUR 2.8 million, due to the impact of the completion of investments linked to product developments, in particular for the Software SBA.

Net operating profit (EBIT) stood at EUR 8.9 million, corresponding to 4.6% of total revenue (4.5 million in the first half of 2022, 2.7%).

Financial operations as a percentage of total revenues amounted to 3.8%, increasing compared to the first half of the previous year (1.6%), due to both the increase in gross financial debt and the rise in the cost of money.

Tax expenses decreased by EUR 0.6 million compared to the first half of 2022, accounting for 0.5% of revenue.

The total net profit in the first half of 2023 is EUR 506 million, of which EUR 568 million pertains to the Group. The net result increased by approximately EUR 256 thousand compared to the first half of 2022.

Performance by Strategic Business Area

The results of the Group's two main business areas are summarised below:

PERFORMANCE HIGHLIGHTS BY SBA in EUR thousands	Software		Care		Pay		Other operating segments		Total	
	1H2023	1H2022	1H2023	1H2022	1H2023	1H2022	1H2023	1H2022	1H2023	1H2022
Revenue and other income	81,777	57,655	83,121	87,628	7,245	6,375	20,752	17,256	192,895	168,914
Gross operating profit	19,523	11,301	660	2,250	2,261	1,702	3,578	2,094	26,022	17,347
EBITDA %	*23.9%*	*19.6%*	*0.8%*	*2.6%*	*31.2%*	*26.7%*	*17.2%*	*12.1%*	*13.5%*	*10.3%*

The Software SBA recorded an increase in revenue of 42%, (EUR +24.1 million) partly related to organic growth of 19% and partly to inorganic growth of 23%, mainly driven by revenue generated by the Tesi Group, not present in the first half of 2022.

Revenues from the Care SBA marked a decline of EUR 4.5 million, down by 5% compared to the first half of the previous year.

Revenues of the Pay SBA increased by 14% to EUR 0.9 million in absolute value.

Finally, there was revenue growth for the other SBAs, with revenue up from EUR 17.3 million to EUR 20.8 million, making for a percentage increase of 20%.

Financial highlights

Net Working Capital increased by EUR 22.3 million compared to the end of the previous year, due to the increase in total trade receivables by EUR 18.3 million, the increase in inventories by EUR 2.2 million and the decline in trade payables by EUR 1.5 million.

Fixed assets rose by EUR 8.8 million, as a result of investment in new products and innovative solutions, especially linked to the Software SBA.

Other Operating Assets and Liabilities, amounting to EUR 59.3 million, increased by EUR 13.5 million (or 29.4%), the increase being mainly due to the higher proportion of payables to employees recorded in the first half of the year.

As a result of the above changes, Net Invested Capital increased by EUR 17.6 million compared to 31 December 2022, to EUR 409.1 million as of 30 June 2023.

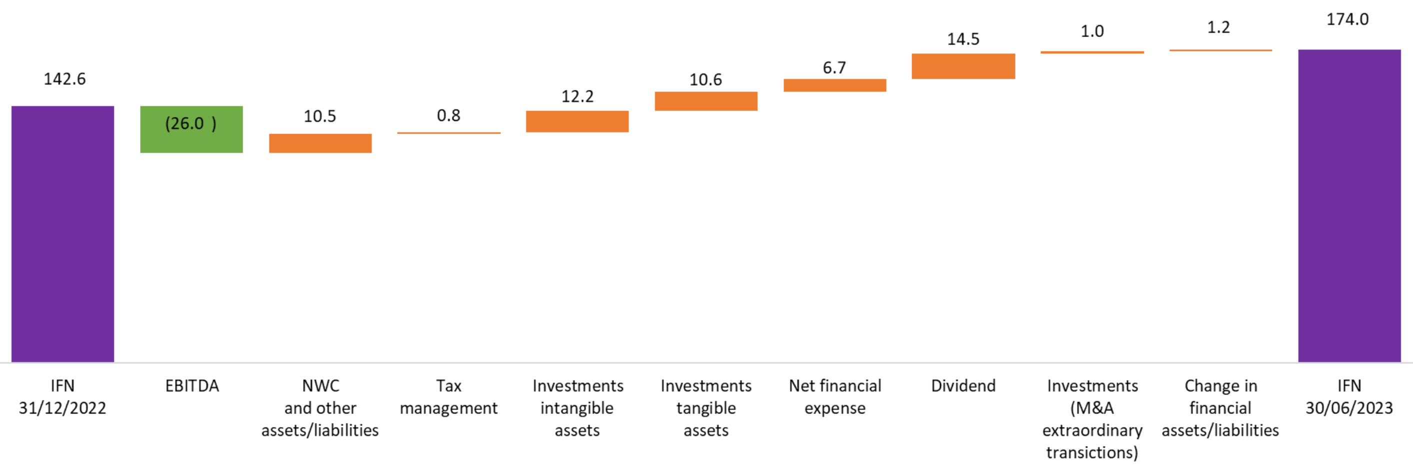
Shareholders' equity amounted to EUR 235.0 million, down by EUR 13.9 million compared to 31 December 2022, mainly justified by the payment of dividends to shareholders in the first half of 2023. For further details, please refer to Note 7.10 to the Consolidated Financial Statements.

NET FINANCIAL DEBT STRUCTURE % of total by due date	30 June 2023	31 December 2022	30 June 2023 %	31 December 2022 %
Short-term loans and borrowings	75,260	84,757	23.2%	25.2%
Medium/long-term loans and borrowings	253,084	251,960	76.8%	74.8%
Total loans and borrowings	**328,344**	**336,717**	**100.0%**	**100.0%**
Cash and cash equivalents	132,788	177,054	85.4%	91.2%
Current financial assets	21,515	17,104	14.6%	8.8%
Total cash and cash equivalents and short-term loan asset	**154,303**	**194,158**	**100.0%**	**100.0%**
Net financial debt	**174,041**	**142,560**		

Medium- and long-term gross financial debt totalled EUR 253.1 million, remaining stable compared to the end of the previous year. Short-term debt amounted to EUR 75.3 million, down by EUR 9.5 million from the previous year. The decrease in cash and cash equivalents is mainly due to the payment of dividends, investments made and the absorption related to the increase in working capital.
For further details, please refer to Note 7.11 to the Consolidated Financial Statements.

Net financial debt as at 30 June 2023 amounted to EUR 174.0 million, up EUR 31.5 million on the end of 2022.

Bridge net financial debt



For a breakdown of the items comprising the changes in Net Financial Debt, refer to the statement of cash flows included in the Consolidated Financial Statements as at 30 June 2023.

Investments and acquisitions

GPI Britannia

In February, Gpi S.p.A. incorporated the English company Gpi Britannia Limited based in Cannock, Staffordshire for GBP 100. This new company is meant to increase development in the United Kingdom after Brexit and improve the commercial presence to increase the supply of products and services in regions now outside the European Union. The wholly-owned company is fully consolidated by the Gpi Group.

Codin

On 22 February 2023, the GPI Group acquired the CODIN business unit, which operates in the healthcare information services sector: the estimated consideration is EUR 850 thousand and is subject to price adjustment mechanisms.

Development and innovation

According to the Polytechnic University of Milan’s 2023 digital health observatory, the digitalisation of prevention, treatment and care processes will make health data increasingly available, a trend that will increasingly characterise Healthcare as a data-intensive sector. Technological tools for leveraging data can act as enablers so that the data collected can generate value for the public. Indeed, data exploitation is an opportunity not only for decisions linked to the individual citizen-patient, but also for those pertaining to the public health sphere, that is, for all activities aimed at protecting the health of the population and the community as a whole.

In this context, artificial intelligence allows us to extract new meanings from people's clinical and biological data and from environmental, veterinary and socio-demographic data, enabling us to predict the onset of disorders, direct care and support Population Health Management.

Gpi Group Research and Development is focusing on these issues with a view to supporting healthcare systems in the crucial digital evolution phase, bearing in mind the importance of data and their exploitation through Artificial Intelligence models to support patient care and in order to implement intervention, care and treatment plans more effectively.

Skills and technologies that aim to support the “One Health” approach to assessing people's health in relation to their genetic characteristics, the environment in which they live, pollution, diet, lifestyle and animal health (veterinary). This means facing a complex issue: the analysis and integration of knowledge pertaining to every variable of the human exposome, i.e. the totality of (non-genetic) environmental exposures that an individual encounter. This is an area that can be addressed with the help of AI and on which Gpi's Research and Development laboratories are focusing through specific EU-funded IPCEI projects or “Important Projects of Common European Interest”.

The “One Health” approach also makes it possible to influence lifestyles, particularly with regard to moments when people tend to change them, and their occurrence can be caught by numerous devices. Changes are considered “markers” that can predict evolutions and deteriorations in health. Thanks to these new and constantly evolving technological devices, the aim is to provide people with an incentive towards healthy behaviours that can also maintain health over time while paying attention to compliance with data protection regulations.

There are many possible applications of AI in healthcare. A further example of what the Gpi Group has achieved is the recognition of people's emotional state through voice analysis. This can support doctors, for example during a telehealth visit, to understand whether patients are in a particular emotional state that may have an influence on the examination of their health or on treatment adherence. Artificial Intelligence is used both in the descriptive phase, to highlight new relationships between variables, and in the predictive phase, to predict the trend towards the emergence of a phenomenon.
Healthcare is facing major challenges to change the paradigm towards proactive and personalised medicine: AI in healthcare practice will increasingly be a strong ally to enact this crucial change.

Workforce

As at 30 June 2023, the Group had **a total of 7,589 employees in Italy and abroad**, an increase compared to both 31 December 2022 (+6.5%) and 30 June 2022 (+9%). Personnel is mainly employed by Gpi S.p.A. and the Italian subsidiaries (95.6% of the total).

Level	30 June 2023	31 December 2022	30 June 2022
Executives	51	67	57
Middle managers	138	190	141
Office workers	7,313	6,770	6,663
Apprentices	53	56	53
Blue-collar workers	34	46	44
Total	**7,589**	**7,129**	**6,958**

In the first half of 2023, Gpi continued to invest in the professional development of its employees through induction, refresher and retention training programmes. The main objectives for the first half of 2023 were to consolidate company competencies, mitigate the risk of skill shortages and promote a culture of continuous learning. The training aims to develop specialised skills, ensure technical and professional updates and promote transversal competencies and skills.

Training activities provided a timely response to the needs that emerged during the analysis conducted in the final quarter of 2022. This approach made it possible to align training with the organisation's current needs.

During the first half of 2023, several targeted training programmes were carried out, covering a wide range of skills. This included technical refresher courses, the development of managerial and leadership skills and the acquisition of new professional ICT and project management certifications. Special attention was paid to the ICT area, with a significant increase in the number of employees obtaining new professional certifications. This has helped to strengthen our position in a rapidly changing industry.

The constant growth of human resources requires an increasing commitment to training new recruits and supporting those in leadership positions. Customised training programmes and different methodologies have been successfully implemented to meet these needs.

The methodologies used to deliver the training included individual and team coaching, outdoor training experiences, e-learning courses, in-person training sessions and webinars. This variety has allowed it to deeply permeate all levels of the organisation, involving colleagues throughout the country.

In the first half of 2023, a total of over 62,000 hours of training were provided. Of these, about 53,000 hours concern non-compulsory training.

Corporate training is considered a strategic lever to support the growth of the organisation as a whole and of the people within it. It supports staff in the effective fulfilment of their organisational role and ensures that the organisation adapts to the complexity and changing dynamics of its market. Future outlooks include the continuous updating of skills and competencies through customised training paths based on professional areas and organisational roles. The group's now global presence requires the expansion of training initiatives internationally and the consolidation of leadership models to maintain a high level of focus and flexibility in a constantly changing business environment.

All staff within the Group are employed on regular employment contracts and - as far as Italy is concerned - are entirely governed by three national collective bargaining agreements (CCNL), the CCNL Metalmeccanica-Aziende Industriali for metalworking and industrial enterprises, the CCNL Multiservizi-Servizi Integrati for integrated and multiservice services and the CCNL Telecomunicazioni for telecommunications.

This scenario, which also derives from the corporate acquisitions that have taken place over the years, requires special attention towards the harmonisation of collective bargaining and regulated contracts, as well as the consistent application of corporate policies, with a view to ensuring that employees of all areas of the business and the acquired companies have the same work conditions and opportunities.
At the corporate areas, the national collective bargaining agreements are indicatively applied as follows: the CCNL Multiservizi-Servizi Integrati and CCNL Telecomunicazioni for the Care SBA and the CCNL Metalmeccanica-Aziende Industriali for the other areas, which together cover 99% of the company population.

In relations with trade unions[2], the Group's Industrial Relations Policy fosters an ongoing, constructive dialogue with a view to ensuring quality in labour relations and guaranteeing good employment through proactive methods that seek the involvement of all the Group's production units and all the signatory trade unions.
These aspects are particularly evident during the contract exchange and takeover operations on new orders that characterise the Care area in particular. In these contexts, company policy is particularly to safeguard employment regardless of the existence of explicit social clauses, always in accordance with the project submitted in the call for tenders, with an approach that aims to:

- enhance the organic assets already present with the previous contractor;
- make the new facility compatible with the project that led to the contract award;
- manage all organisational aspects of change, paying attention to social impacts.

With regard to ordinary activities of relations with the social partners, in the first half of 2023, there were **51 trade union meetings**, which concerned most of the Group's offices, involving the trade union interlocutors recognised in the territories, as well as the national level.
Among the topics dealt with are, alongside the dynamics linked to changes in contracts, classic topics such as the organisation of work - in particular for the regulation of smart working and its use - elements associated with contractual aspects, performance bonuses and remuneration and company welfare issues.

Outlook

The healthcare digitalisation process is a fundamental step in improving the value-for-money of health services, optimising resources (particularly waste in care coordination), reducing differences between areas and innovating reception and caretaking relations to improve the quality perceived by citizens.

Italy has chosen to make use of digital health tools, including Electronic Health Records, telemedicine and the dematerialisation of patient files and reports, drawing on the substantial economic resources made available at both national and European level. Although those in charge of managing this change have been clearly identified, development of digital health in Italy remains slow: for example, the portal for implementation of the Consip Framework Agreements was down for six months and became partially operational again in September.

Gpi nonetheless continues to manage important projects that are considered strategic for the country, such as the Electronic Health Records for the Lombardy Region, scheduled to be launched this October. This investment is an important asset in our product portfolio, and is also destined for the international market, thanks to European MDR (Medical Device Regulation) certification.

Gpi confirms its identity as an innovative company, through research and development activities that increasingly mark it as a company with a scientific focus. The technological solutions introduced in AI and one health contribute to the Group's reputation, which is now at the highest level.

Gpi is also in a phase of significant inorganic growth. Diversity of values, cultures and individuals offers a unique potential to meet the challenge of the global market. The Group is thus focusing on integrating the recently acquired companies in order to maximise synergies and improve competitive positioning in an increasingly international market.

[2] There are 3,492 trade union memberships for the Italian companies of the Group (1,924 of which concern the Parent Company GPI S.p.A.)

Other information

Market risk, liquidity risk and credit risk management

Reference should be made to Note 10.3 for details on financial, market, liquidity and credit risks.

Potential risks related to climate change

The Gpi Group is aware of the relevance of climate-related issues and their related impacts and, in this perspective, monitors them in relation to the type of its business (e.g. transition risks) and the sector in which it operates, which includes among its main risks, as well as emerging ones, those relating to "climate change" and in particular: physical risks that could cause extreme natural events with potential impacts attributable to supply chains, risks related to supply chain vulnerability caused by the aforementioned physical risks and that could lead to possible disruptions in supply chains, affecting the availability and cost of raw materials, transport and distribution.

The Gpi Group, has analysed the risk profiles it considers relevant - including risks with potential ESG impacts - aware of developments and recommendations (e.g. Task Force on Climate-related Financial Disclosures, TCFD) to which these analyses should strive.

Finally, the initiatives relating to the services provided and the awards obtained by the Group, in addition to which there are also the initiatives vis-à-vis personnel and other stakeholders, demonstrate the Group's attention and positioning - in a context of extreme sensitivity - with respect to emerging needs and the consequent risks, including regulatory ones, of a climatic-environmental nature.

Related party transactions

Related party transactions are reported in the financial schedules in annexes 2 and 3 of the financial report and detailed in Note 10.7 to which reference should be made. They are not considered atypical nor unusual, as they fall within the scope of the Group companies' normal operations and are carried out on an arm's length basis.
Reference should be made to the documentation published in the Governance section of the corporate website http://gpi.it for information on the procedure for related party transactions.

Derivative financial instruments

Reference should be made to Note 8 of the financial report for details on derivatives in place at the reporting date.

Quality

The Group's commitment to Quality is the cornerstone of its strategy. DNV has certified the Quality Management System of Gpi and of many of the Group companies in accordance with ISO 9001:2015.

Anti-corruption

Gpi and Argentea are certified in accordance with ISO 37001 (Anti-bribery Management System), which is the international standard for anti-bribery management systems. Gpi is now one of the few Italian companies that has developed a management standard for internal and external procedures to support and encourage the creation of a culture based on integrity, transparency and compliance to prevent and combat bribery.

Safety and the Environment

Gpi considers occupational health and safety a top priority and is extremely attentive to environmental issues. The certification it has received demonstrate this commitment: ISO 45001:2018 for occupational health and safety and ISO 14001:2015 for the environmental management system, for both GPI and Contact Care Solutions.

Cerved Rating

On 27 December 2022, CERVED rated Gpi A3.1- describing it as a “Company with solid fundamentals and a sound ability to meet its financial commitments. *Credit risk is low*".

IT services

Gpi is certified according to ISO 20000 and ISO 22301 for its Management System for the provision of multi-channel technical support services on hardware and software systems, and for its standards relating to the continuity of the services provided.

Information security
Proprietary and customer data and information are of vital importance to the activities of Gpi, Argentea and GPI Cyberdefence. This is why the companies have had their Information Security Management System certified in accordance with ISO/IEC 27001:2013.

Call centre services
Gpi is certified in accordance with ISO 18295:2017 for the provision of call centre services for the Trentino provincial company of healthcare services.

Medical devices
Gpi's medical software developments are compliant with the European MDR 745/2017. The management system for medical device development is ISO 13485:2016 certified.

POS management
Argentea has received COGEBAN 405010 certification for its "POS terminal and acquiring management service" in accordance with the CB2 protocol standard.

Family Audit
In 2009, Gpi S.p.A. received the Family Audit certification, as a result of having introduced initiatives to help employees achieve a positive work/life balance and improve people’s quality of life.

Social responsibility
Since June 2022, Gpi has been certified according to the SA8000:2014 international standard, confirming its commitment to social responsibility issues and continuing on the path embarked upon in November 2020 with the certification on the similar scheme of Contact Care Solutions S.r.l. It is important to emphasise that these two companies cover almost 90% of the staff of the entire group.

Corporate governance rules and principles
Gpi conducts its business in accordance with the series of principles, commitments and internal rules described in Gpi S.p.A.'s Code of Ethics and Organisational and Control Model, developed in accordance with Legislative Decree 231/2001 (the "231 Model").

The Code of Ethics establishes the principles of fairness, loyalty, integrity and transparency in transactions, conduct, working methods and relationships, both internally and with regard to external parties. All employees and freelancers, as well as anyone else operating in the Group's interests or in relation to it, must adhere to the ethical commitments and responsibilities described in the Code.

The 231 Model, of which the Code of Ethics is an integral part, plays a vital role in ensuring that activities are conducted in accordance with the legislative and regulatory framework that governs the Group's various operating areas, with specific reference to the aspects related to participation in public tenders. The Model is based on the "Guidelines for the creation of organisational, management and control models" developed by Confindustria and updated in July 2014 and on national best practices. The Model was first adopted on 15 October 2008 and has been continuously updated ever since. The current version reflects the last revision approved on 26 July 2021.

Organisational, management and control model pursuant to Legislative decree 231/2001
In October 2008, Gpi adopted its own Organisational, Management and Control Model pursuant to Legislative decree 231/2001 and established a Supervisory Body whose members hold no directorships in any Group companies.
This model is supplemented with the principles and provisions of Gpi's Code of Ethics and is constantly updated.
In September 2023, the company updated its model to incorporate the latest regulatory changes.

Compliance with the conditions for listing pursuant to the Markets Regulation
With respect to the conditions for the listing of certain companies under articles 15 and 16 of the Markets Regulation adopted by Consob with resolution no. 20249 of 28 December 2017, based on the “2022 Audit plan”,

one subsidiary based in a non-EU country is included in the scope of “materiality”. With regard to this company, all the conditions required for maintaining the listing of GPI S.p.A. as "Company controlling non-European companies incorporated and regulated by the laws of countries not belonging to the European Union" have been complied with.

Simplification option pursuant to Articles 70 and 71 of the Issuers' Regulation

GPI S.p.A. has exercised its opt-out right under the Consob Issuers' Regulation, thereby departing from the information publication obligations for significant mergers, demergers, acquisitions, sales and capital increases through contributions in kind.

In accordance with the aforementioned legislation, the Group has provided the market with adequate disclosures.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, in EUR thousands	Note	30 June 2023	31 December 2022
Assets			
Goodwill	*7.1*	124,947	125,235
Other intangible assets	*7.1*	89,825	86,767
Property, plant and equipment	*7.2*	40,704	34,484
Equity-accounted investments	*7.3*	308	111
Non-current financial assets	*7.4*	11,401	11,580
Deferred tax assets	*7.5*	11,134	9,140
Non-recurring contract costs	*7.7*	1,450	1,740
Other non-current assets	*7.6*	375	415
Non-current assets		**280,144**	**269,471**
Inventories	*7.7*	15,156	12,954
Contract assets	*7.7*	162,645	151,309
Trade receivables and other assets	*7.7*	94,220	83,668
Cash and cash equivalents	*7.8*	132,788	177,054
Current financial assets	*7.4*	21,515	17,104
Current tax assets	*7.9*	1,745	1,676
Current assets		**428,069**	**443,764**
Total assets		**708,213**	**713,235**
Equity			
Share capital		13,890	13,890
Share premium reserve		209,562	209,562
Other reserves and retained earnings/(losses carried forward), including profit/(loss) for the period		11,824	25,451
Capital and reserves attributable to owners of the parent	7.10	**235,276**	**248,903**
Capital and reserves attributable to non-controlling interests	7.10	**(236)**	**39**
Total equity		**235,040**	**248,942**
Liabilities			
Non-current financial liabilities	*7.11*	253,115	251,940
Employee benefits	*7.12*	6,115	5,837
Non-current provisions for risks and charges	*7.13*	796	509
Deferred tax liabilities	*7.5*	9,794	10,476
Other non-current liabilities	*7.14*	631	663
Non-current liabilities		**270,453**	**269,424**
Contract liabilities	*7.6*	6,251	6,514
Trade payables and other liabilities	*7.14*	113,997	99,215
Employee benefits	*7.12*	2,476	2,421
Current provisions for risks and charges	*7.13*	823	805
Current financial liabilities	*7.11*	75,260	84,757
Current tax liabilities	*7.9*	3,913	1,156
Current liabilities		**202,720**	**194,869**
Total liabilities		**473,173**	**464,293**
Total equity and liabilities		**708,213**	**713,235**

CONSOLIDATED INCOME STATEMENT in EUR thousands	Note	1H 2023	1H 2022
Revenue	*9.1*	189,833	167,470
Other income	*9.1*	3,062	1,445
Total revenue and other income		**192,895**	**168,914**
Raw materials and consumables	*9.2*	(9,058)	(5,445)
Service costs	*9.3*	(48,045)	(45,962)
Personnel expense	*9.4*	(107,955)	(98,510)
Amortisation, depreciation and impairment losses	*9.5*	(14,945)	(12,132)
Other provisions	*9.6*	(2,187)	(681)
Other operating costs	*9.7*	(1,815)	(1,650)
Operating profit		**8,890**	**4,534**
Financial income	*9.8*	2,109	1,857
Financial expense	*9.8*	(9,460)	(4,507)
Net financial income and expenses		**(7,351)**	**(2,650)**
Share of profit/(loss) of equity-accounted investees, net of tax	*9.9*	5	(1)
Profit (loss) before tax		**1,544**	**1,884**
Income tax	*9.10*	(1,037)	(1,634)
Profit for the period		**506**	**250**
Profit for the period attributable to:			
Owners of the parent		571	331
Non-controlling interests		(64)	(81)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, In EUR thousands	Note	1H 2023	1H 2022
Profit for the year		**506**	**250**
Other comprehensive income (expense)	*7.10*		
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plan (assets)/liabilities		115	-
Change in the fair value of financial assets with effect on OCI [Other Comprehensive Income]		-	-
Taxes on items that will not be reclassified to profit or loss		-	-
		115	
Items that may be reclassified subsequently to profit or loss			
Change in translation reserve		397	902
Cash flow hedges		162	943
Taxes on items that may be reclassified subsequently to profit or loss		(39)	(124)
		520	
Other comprehensive expense, net of tax		**635**	**1,721**
Total comprehensive income (expense) for the period		**1,141**	**1,971**
Total comprehensive income (expense) attributable to:			
Owners of the parent		1,206	2,052
Non-controlling interests		(64)	(81)

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY, In EUR thousands	Share capital	Share premium reserve	Remeasurement of defined benefit plans (IAS 19)	Translation reserve	Hedging reserve	Fair value reserve of financial assets (OCI)	Other reserves and retained earnings/(losses carried forward), including profit/(loss) for the period	Total	Non-controlling interests	Total equity
Balance as at 01 January 2022	**8,780**	**74,672**	**(858)**	**579**	**(89)**	**904**	**21,069**	**105,058**	**1,174**	**106,232**
Total comprehensive income (expense)										
Profit for the year							331	331	(81)	250
Other comprehensive income (expense)			-	902	819	-		1,721	-	1,721
Total comprehensive income (expense)	**-**	**-**	**-**	**902**	**819**	**-**	**331**	**2,052**	**(81)**	**1,971**
Transactions with owners										
Acquisition of treasury shares								-		-
Dividends							(9,079)	(9,079)	(317)	(9,396)
Business combinations								-		-
Other transactions with owners							433	433	(553)	(120)
Total transactions with owners	**-**	**-**	**-**	**-**	**-**	**-**	**(8,646)**	**(8,646)**	**(870)**	**(9,516)**
Other changes							(1,049)	(1,049)		(1,049)
Balance as at 30 June 2022	**8,780**	**74,672**	**(858)**	**1,481**	**730**	**904**	**11,705**	**97,415**	**223**	**97,639**
Balance as at 31 December 2022	**13,890**	**209,562**	**125**	**756**	**4,728**	**417**	**19,423**	**248,903**	**39**	**248,942**
Balance as at 01 January 2023	**13,890**	**209,562**	**125**	**756**	**4,728**	**417**	**19,423**	**248,903**	**39**	**248,942**
Total comprehensive income (expense)										
Profit for the year							571	571	(64)	506
Other comprehensive income (expense)			115	397	123	-		635	-	635
Total comprehensive income (expense)	**-**	**-**	**115**	**397**	**123**	**-**	**571**	**1,206**	**(64)**	**1,141**
Transactions with owners										
Acquisition of treasury shares								-		-
Dividends							(14,405)	(14,405)	(75)	(14,480)
Business combinations								-		-
Other transactions with owners								-		-
Total transactions with owners	**-**	**-**	**-**	**-**	**-**	**-**	**(14,405)**	**(14,405)**	**(75)**	**(14,480)**
Other changes				(2)			(425)	(427)	(136)	(563)
Balance as at 30 June 2023	**13,890**	**209,562**	**240**	**1,151**	**4,851**	**417**	**5,163**	**235,276**	**(236)**	**235,040**

CONSOLIDATED STATEMENT OF CASH FLOWS, in thousands of Euro	Note	1H 2023	1H 2022
Cash flows from operating activities			
Profit for the period		506	250
Adjustments for:			
- Depreciation of property, plant and equipment	*9.5*	4,424	3,232
- Amortisation of intangible assets	*9.5*	10,231	7,654
- Amortisation of contract costs	*9.5*	290	1,247
- Other provisions	*9.6*	2,187	681
- Net financial income	*9.8*	7,346	2,650
- Income tax	*9.9*	1,037	1,634
Changes in working capital and other changes		(10,770)	(3,831)
Interest paid		(7,337)	(2,739)
Income taxes paid		(799)	(1,634)
Net cash flows generated by operating activities		**7,115**	**9,144**
Cash flows from investing activities			
Interest collected		659	29
Net investments in property, plant and equipment	*7.2*	(10,644)	(2,782)
Net investments in intangible assets	*7.1*	(12,190)	(7,483)
Net change in other current and non-current financial assets		(4,139)	(28,630)
Acquisition of subsidiaries, net of cash acquired and disposals		(748)	(1,020)
Purchase of third-party equity investments, net of advances		-	(360)
Net cash flows used in investing activities		**(27,062)**	**(40,246)**
Cash flows from financing activities			
Capital increases and related charges		-	(1,049)
Dividends paid	*7.10*	(14,480)	(9,239)
Proceeds from new bank loans		30,000	155,817
Repayment of bank loans		(2,963)	(87,680)
Bond redemptions		(9,833)	(11,500)
New lease payables		2,329	963
Lease payments		(3,300)	(2,120)
Net change in other current and non-current financial liabilities		(3,872)	2,949
Change in liabilities for acquisition of equity investments		(22,200)	(721)
Net cash flows generated by (used in) financing activities		**(24,319)**	**47,420**
Net increase (decrease) in cash and cash equivalents		(44,266)	**16,318**
Opening cash and cash equivalents		177,054	41,371
Cash and cash equivalents		**132,788**	**57,689**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. General information

The Gpi Group (hereinafter the “Group”) operates in the field of IT services for the healthcare and social services sector and high-tech health services.

The Group’s offer combines specialised IT expertise with advisory and design capabilities enabling it to operate in a range of business areas: Software, Care, Automation, ICT and Pay (see Note 9.1).

The Group’s parent is Gpi S.p.A. (hereinafter also referred to as "GPI" or the "Parent Company") whose ordinary shares are listed on the Mercato Telematico Azionario managed by Borsa Italiana S.p.A. and, therefore, subject to the supervision of CONSOB (national commission for listed companies and the stock exchange).

The registered offices are in Via Ragazzi del '99, 13 Trento, Italy.

At the preparation date of these condensed interim consolidated financial statements, FM S.r.l. is the owner of the majority of Gpi S.p.A.’s shares and manages and coordinates the Parent.

These condensed interim consolidated financial statements at 30 June 2023 were approved by Gpi’s Board of Directors during the meeting held on 29 September 2023.

2. Form and content of the condensed interim consolidated financial statements

These condensed interim consolidated financial statements as at and for the period ended 30 June 2023 have been prepared in accordance with Articles 2 and 3 of Legislative Decree 38/2005 and Article 154-ter "Financial Reporting" of the Consolidated Finance Act (TUF) and subsequent amendments, on the assumption that the Parent and the Group’s other consolidated companies will continue as going concerns. The condensed interim consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), and IAS 34 “Interim Financial Reporting” specifically, issued by the International Accounting Standards Board and endorsed by the European Commission, which include the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the previously issued International Accounting Standards (IAS) and interpretations of the Standard Interpretations Committee (SIC) still in force, endorsed by the European Commission. For the sake of simplicity, all the standards and interpretations are referred to as the "IFRS" further on. In addition, the condensed interim consolidated financial statements were prepared considering the measures issued by CONSOB in implementation of paragraph 3, Article 9 of Legislative Decree 38/2005 on the preparation of financial schedules.

The condensed interim consolidated financial statements comprise the consolidated financial schedules (statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows) and these notes, applying IAS 1 “Presentation of Financial Statements” and, in general, measuring financial statements items at cost, except for items that are recognised at fair value pursuant to the IFRS. Unlike the annual consolidated financial statements, the interim consolidated financial statements may contain condensed disclosures in terms of form and content, as permitted by IAS 34. Therefore, for more complete information, these condensed interim consolidated financial statements should be read together with the annual consolidated financial statements as at and for the year ended 31 December 2022. The statement of financial position is presented on the basis of the layout which envisages the distinction between current and non-current assets and liabilities. Costs are classified by nature in the income statement. The statement of cash flows is prepared using the indirect method.
The IFRS are applied in accordance with the guidance provided in the "Conceptual Framework for Financial Reporting" and no critical issues arose requiring the departures as per paragraph 19 of IAS 1.

It should also be noted that pursuant to Resolution No. 15519 of 27 July 2006, Consob required the inclusion in the above-mentioned financial statements of any significant sub-items in addition to those already specifically provided for in IAS 1 and other IFRS, to highlight them separately from the reference items:

- positions and transactions with related parties;
- income arising from non-recurring events and transactions, i.e., those that do not frequently occur in the normal performance of operations.

All amounts are shown in thousands of Euro unless otherwise indicated. The euro is the functional currency of the Parent and the main subsidiaries and the presentation currency of these condensed interim consolidated financial statements. The corresponding prior year balance is shown for each financial statement item for comparative purposes.

3. *Accounting standards and policies applied*

As indicated in Note 2, the same accounting policies as those applied to prepare the consolidated financial statements at 31 December 2022 were applied for the condensed interim consolidated financial statements at 30 June 2023.
Reference should be made to Note 3 of the consolidated financial statements at 31 December 2022 for an analytical description of the accounting polices applied.

As provided for by the IFRS, the preparation of the condensed interim consolidated financial statements requires the use of estimates and judgement to determine the carrying amounts of assets and liabilities and disclosures in the notes, including contingent assets and liabilities at the reporting date. Such estimates are mainly used to determine depreciation and amortisation, impairment testing of assets (including estimated impairment losses on financial assets), provisions, provisions for employee benefits, the fair values of financial assets and liabilities, the progress of services that generate revenue, current and deferred taxes.

The estimates reflect assumptions based on market and regulatory parameters and information at the reporting date. However, information and current circumstances affecting assumptions about developments and future events could change due to, for example, changes in market trends or applicable regulations beyond the Group’s control. These changes in the assumptions are also disclosed in the financial statements when they occur.

Furthermore, certain measurement processes, particularly those that are more complex, such as the determination of impairment losses on non-current assets, are generally carried out complete only for the preparation of the annual financial statements, unless there are impairment indicators requiring the immediate estimate of any impairment losses, taking into account the indicators and results of previous impairment tests performed for the preparation of the prior-year annual consolidated financial statements.

4. *Consolidation scope*

The basis of consolidation for the condensed interim consolidated financial statements at 30 June 2023 is the same as that for the preparation of the consolidated financial statements at 31 December 2022 and illustrated in Note 4, to which reference should be made.

In addition to the Parent, the consolidation scope includes the companies over which Gpi directly or indirectly exercises control, either by virtue of owning shares with the majority of votes that can be exercised at the general meeting or because of other facts or circumstances which (irrespective of the extent of the equity relationships) give it power over the company, exposure or rights to variable returns and the ability to affect those returns through power over an investee. Acquisitions of companies and business units are recognised using the acquisition method in accordance with IFRS 3. Subsidiaries are consolidated on a line-by-line basis and are listed in Annex 1.

The Group accounts for business combinations using the acquisition method at the date when it effectively obtains control of the acquiree. The transferred consideration and net identifiable assets are usually recognised at fair value. The carrying value of any goodwill is tested annually for impairment. Any gains from a bargain purchase are recognised immediately in profit or loss, while transaction costs, other than those for the issue of debt or equity instruments, are expensed when incurred.

The contingent consideration is recognised at fair value at the acquisition date. If the contingent consideration meets the definition of a financial instrument as equity, it is not subsequently measured and the future settlement is recognised directly in equity. Other contingent consideration is measured at fair value at the end of each reporting period and any fair value gains or losses are recognised in profit or loss.

The consolidation scope does not include the companies listed in the aforementioned Annex 1 if their inclusion would be quantitatively and qualitatively immaterial for the purposes of giving a true and fair view of the Group’s financial position, results of operations and cash flows, as their operations are immaterial (they are not yet or no longer operating or they are companies that have more or less completed the winding up process).

Entities are excluded from the consolidation scope from the date when the Group loses control. If the Group loses control of a subsidiary, it derecognises its assets and liabilities, any non-controlling interests and other components of equity related to the subsidiaries. Any gain or loss arising from the loss of control is recognised in profit or loss. Any equity investment retained in a former subsidiary is measured at fair value at the date of loss of control.

Non-controlling interests are measured in proportion to the relative share of net identifiable assets of the acquiree at the acquisition date. Changes in the Group's percentage of investment in a subsidiary which do not result in a loss of control are accounted for as transactions between owners.

Consolidation is based on the specific reporting packages prepared by the consolidated companies at the reporting date in compliance with the IFRS standards adopted by the Group.

The foreign currency financial statements of foreign subsidiaries consolidated on a line-by-line basis and those of foreign companies valued using the equity method are converted into the reporting currency by adopting the exchange rate of 30 June 2023 for balance sheet items and the average exchange rate for the first six months of 2023 for the income statement.
The exchange rates applied are those published by the Bank of Italy, with the exception of the exchange rate of the Russian rouble, for which the ECB decided to suspend publication as of 1 March 2022; since that date, the Group has considered the exchange rate published by WMR (World Market Reuters) in London as the exchange rate:

Value for EUR 1	Averages			Closing		
	1H 2023	financial year 2022	1H 2022	30 June 2023	31 December 2022	30 June 2022
Chilean peso	871.24	917.92	902.77	872.59	913.82	962.06
Polish zloty	4.63	4.68	4.63	4.44	4.68	4.69
Russian rouble	73.53	73.53	84.02	78.91	78.91	57.24
US Dollar	1.08	1.05	1.09	1.09	1.07	1.04
Mexican Peso	19.66	20.76	-	18.56	20.86	-
Brazilian Real	5.48	5.56	-	5.28	5.64	-
Colombian peso	4,962.27	5,075.74	-	4,546.24	5,172.47	-
Pound sterling	0.88	-	-	0.86	-	-
Tunisian dinar	3.34	3.25	3.26	3.36	3.32	3.22

The consolidation scope at 30 June 2023 changed from that at 31 December 2022 for the following reasons:

- incorporation on 8 February 2023 of Gpi Britannia Ltd for GBP 100, or EUR 111.93;
- merger of the French companies Guyot-Walser Informatique S.a.s. and Medinfo International Hemoservice into Gpi France SASU on 30 June 2023, reporting the carrying amounts of the merged companies as of 1 January 2023;
- it should also be noted that due to the continuing war between Ukraine and Russia, the interim economic data of the Russian subsidiary Informatica Group O.o.o. are not available. Therefore, the Group decided to maintain it with the latest available asset values as at 31 December 2022.

5. *Main corporate transactions during the period*

Establishment of Gpi Britannia

In February, Gpi S.p.A. incorporated the English company Gpi Britannia Limited based in Cannock, Staffordshire for GBP 100. This new company is meant to increase development in the United Kingdom after Brexit and improve the commercial presence to increase the supply of products and services in regions now outside the European Union.
The wholly-owned company is fully consolidated by the Gpi Group.

6. *Completion of the purchase price allocation for acquisitions in the previous year*

It is hereby noted that the Group is completing the process of allocating the price paid for the acquisitions made in the previous year.
The value of the consideration of Tesi S.p.A. was revised following the final adjustment of the net financial position at the acquisition date; in the consolidated financial statements this adjustment reduced goodwill.

7. *Information on the consolidated statement of financial position items*

The items of the consolidated statement of financial position as at 30 June 2023 are commented on below. Reference should be made to Note 10.6 Related party transactions for details on the items in the statement of financial position arising from related party transactions.

7.1 Goodwill and Other intangible assets

The following table shows the opening and closing balances of goodwill and other intangible assets, highlighting the main changes that occurred during the period.

In EUR thousands	Goodwill	Software	Customer relationships	Other intangible assets	Intangible assets under dev. and payments on account	Total
Historical cost	125,234	143,196	29,864	18,651	7,442	324,386
Accumulated amortisation and impairment losses	0	(93,102)	(8,421)	(10,863)	-	(112,386)
Net amount as at 31 December 2022	**125,235**	**50,093**	**21,443**	**7,788**	**7,442**	**212,002**
Increases	-	3,890	850	599	8,672	14,011
Decreases	(223)	-	-	-	-	(223)
Reclassifications	-	7,101	-	-	(7,101)	-
Other changes	(65)		(322)	(399)		(786)
Amortisation, depreciation and impairment losses	0	(8,308)	(1,181)	(742)	-	(10,231)
Total changes	**(288)**	**2,683**	**(653)**	**(542)**	**1,571**	**2,771**
Historical cost	124,947	153,166	30,419	19,250	9,014	336,796
Accumulated amortisation and impairment losses	-	(100,389)	(9,630)	(12,004)	-	(122,024)
Net amount as at 30 June 2023	**124,947**	**52,776**	**20,790**	**7,246**	**9,013**	**214,772**

Intangible assets and goodwill as at 30 June 2023 came to EUR 214,772 thousand, up EUR 2,770 thousand when compared with 31 December 2022 (EUR 212,002 thousand).

The increases in intangible assets of EUR 14,011 thousand mainly refer to investments made for product and production process innovation, which substantially improve an existing product or new creation. Specifically, with reference to “Customer relationships”, the increase refers entirely to the purchase of the CODIN business unit on 22 February 2023, which is a business operating in the healthcare information services sector. The estimated consideration is EUR 850 thousand and is subject to price adjustment mechanisms.
"Other changes" include differences from the translation of the main currencies to the euro.

With reference to the recoverability of goodwill, it should be noted that no indicators of impairment were identified in the first half of 2023.

In relation to this, considering the results of the impairment tests performed pursuant to IAS 36 in the consolidated financial statements as at 31 December 2022, as well as the absence of developments in the subsequent period such so as to require changes in the main assumptions used in the economic-financial projections that could have a substantial impact on the results of the tests, it was deemed that the conditions were not fulfilled to proceed with an update as at 30 June 2023 of the tests already developed and analytically described in Note 7.1 of the consolidated financial statements as at 31 December 2022, to which reference should be made for further details.

7.2 Property, plant and equipment

The following table shows the opening and closing balances of the item "Property, plant and equipment", highlighting the main changes that occurred during the period.

In EUR thousands	Land	Industrial buildings	Plant, machinery and equipment	Other assets	Assets under development	Total
Historical cost	2,662	34,051	15,494	21,880	4,398	78,485
Accumulated amortisation and impairment losses	-	(16,580)	(11,913)	(15,508)	-	(44,001)
Net amount as at 31 December 2022	**2,662**	**17,471**	**3,581**	**6,372**	**4,398**	**34,484**
Increases	4,336	2,704	2,239	745	1,359	11,383
Decreases	-	(288)	-	(5)	-	(293)
Reclassifications	-	230	33	-	(263)	-
Other changes	-	-	-	(446)	-	(446)
Depreciation	-	(2,436)	(938)	(1,050)	-	(4,424)
Total changes	**4,336**	**210**	**1,334**	**(756)**	**1,096**	**6,220**
Historical cost	6,998	33,554	19,913	19,426	5,494	85,385
Accumulated amortisation and impairment losses	-	(15,874)	(14,997)	(13,810)	-	(44,681)
Net amount as at 30 June 2023	**6,998**	**17,681**	**4,915**	**5,616**	**5,494**	**40,704**

The value of Property, plant and equipment as at 30 June 2023 amounted to EUR 40,704 thousand, with a net increase of EUR 6,220 thousand compared to 31 December 2022 (EUR 34,484 thousand). The increase was mainly due to Land, following the purchase by Gpi S.p.A. of a lot of over 43 thousand square metres in the municipality of Mori, for a value of EUR 4,336 thousand, where the construction of the Group's new headquarters is planned, and to Assets under development, relating to the investment that Cliniche della Basilicata is making for EUR 1,246 thousand.

Property, plant and equipment under lease as at 30 June 2023 may be broken down as follows:

In EUR thousands	Land	Buildings	Industrial plant, machinery and equipment	Other assets	Assets under development	Total
Leased assets	843	12,313	0	4,234	-	17,390
Unleased assets	1,819	5,158	3,581	2,138	4,398	17,095
Total as at 31 December 2022	**2,662**	**17,471**	**3,581**	**6,372**	**4,398**	**34,484**
Leased assets	843	13,159	411	3,159	-	17,571
Unleased assets	6,155	4,522	4,505	2,458	5,494	23,133
Total as at 30 June 2023	**6,998**	**17,680**	**4,915**	**5,617**	**5,494**	**40,704**

7.3 Equity-accounted investments

Equity investments in associates recognised in the financial statements amounted to EUR 308 thousand as set forth below:

In EUR thousands	% held	31 Dec. 2022	Business combinations	Other changes	Revaluations/ write-downs	30 Jun. 2023
Suedtirol Alto Adige Informatica Medica S.r.l.	46.50%	111	-	-	(3)	108
Trentino Data Center S.r.l.	20.00%	-	-	200	-	200
Total		**111**	**-**	**200**	**(3)**	**308**

The increase during the period derives from the subscription of 20% of the share capital of Trentino Data Center S.r.l., amounting to EUR 200 thousand.
Investments in associates are valued at the corresponding pro-rata share of equity.
These equity investments are measured using the equity method based on the most recent financial statements approved and released by the respective companies.

7.4 Financial assets

Financial assets as at 30 June 2023 came to EUR 32,916 thousand, up by EUR 4,231 thousand when compared with 31 December 2022 (EUR 28,685 thousand).

In EUR thousands	30 June 2023	31 December 2022
Non-current financial assets		
Derivatives	5,722	5,560
Other financial assets	5,679	6,020
Total non-current financial assets	**11,401**	**11,580**
Current financial assets		
Other equity investments and financial instruments	398	1,493
Derivatives	87	87
Factoring assets	18,549	13,154
Other financial assets	2,481	2,370
Total current financial assets	**21,515**	**17,104**
Total financial assets	**32,916**	**28,685**

Non-current financial assets as at 30 June 2023 amount to EUR 11,401 thousand, down EUR 179 thousand on 31 December 2022 (EUR 11,580 thousand).
Current financial assets as at 30 June 2023 came to EUR 21,515 thousand, up EUR 4,411 thousand when compared with 31 December 2022 (EUR 17,104 thousand). The increase refers to
amounts due from factoring agents totalling EUR 5,395 thousand, which relate to the assignment of receivables without recourse that have not yet been collected, mainly referring to Gpi S.p.A. in the amount

of EUR 17,612 thousand; the Group's factoring transactions in the first half of 2023 amounted to EUR 106,794 thousand (EUR 111,995 thousand in the first half of 2022).
Other current financial assets amount to EUR 2,481 thousand, an increase of EUR 111 thousand compared to 31 December 2022.
Details of the fair value hierarchy levels are provided in Note 8.

7.5 Deferred tax assets and liabilities

Deferred tax assets and liabilities are broken down in the table below by type of tax:

In EUR thousands	30 June 2023	31 December 2022
Deferred tax assets		
IRES	9,292	7,658
IRAP	876	949
Foreign deferred taxes	966	533
	11,134	**9,140**
Deferred tax liabilities		
IRES	(5,062)	(5,139)
IRAP	(490)	(504)
Foreign deferred taxes	(4,242)	(4,833)
	(9,794)	**(10,476)**
Net deferred tax assets (liabilities)	**1,340**	**(1,336)**

The increase in deferred tax assets derives from the recognition of the deferred tax effect on provisions recognised during the period, particularly for the parent company Gpi S.p.A.

7.6 Other non-current assets

Other non-current assets amount to EUR 375 thousand, down EUR 40 thousand on 2022 (EUR 415 thousand). This item includes other sundry assets of EUR 51 thousand, accrued income and prepaid expenses of EUR 193 thousand and security deposits of EUR 131 thousand.

7.7 Net trading assets

Trade receivables and other assets

Trade receivables and other assets came to EUR 94,220 thousand, up EUR 10,552 thousand when compared with 31 December 2022 (EUR 83,668 thousand).

In EUR thousands	30 June 2023	31 December 2022
Net trade receivables	77,494	70,529
Other receivables	16,726	13,139
Trade receivables and other assets	**94,220**	**83,668**

Trade receivables and other current assets at 30 June 2023 are broken down below:

In EUR thousands	30 June 2023	31 December 2022
Trade receivables	84,676	75,678
Loss allowance	(7,182)	(5,149)
Other receivables	8,875	6,847
Indirect tax assets	7,001	5,474
Security deposits, advances and payments on account	850	818
Trade receivables and other assets	**94,220**	**83,668**

Trade receivables of EUR 57,137 thousand with Italian customers and EUR 27,539 with foreign customers are up EUR 8,998 thousand.
The loss allowance increased by EUR 2,033 thousand following a detailed analysis of accounts receivable at the closing date of these financial statements, thus the allowance amounts to EUR 7,182 thousand.

The breakdown of trade receivables by maturity with the allocation of the corresponding allowance for doubtful accounts is shown below:

30 June 2023 In EUR thousands	Total	Not yet due	Past due by	1-90 days	91-180 days	181-360 days	Over 360 days
Total gross trade receivables	**84,676**	**30,601**	**54,075**	**13,540**	**7,078**	**8,409**	**25,048**
% of total gross trade receivables	*100.0%*	*36.1%*	*63.9%*	*16.0%*	*8.4%*	*9.9%*	*29.6%*
Loss allowance	**(7,182)**	**(70)**	**(7,112)**	**(80)**	**(97)**	**(167)**	**(6,769)**
% of loss per bracket	*8.5%*	*0.2%*	*13.2%*	*0.6%*	*1.4%*	*2.0%*	*27.0%*
Net receivables	**77,494**	**30,532**	**46,962**	**13,460**	**6,981**	**8,242**	**18,279**
% of net trade receivables	*100.0%*	*39.4%*	*60.6%*	*17.4%*	*9.0%*	*10.6%*	*23.6%*

31 December 2022 In EUR thousands	Total	Not yet due	Past due by	1-90 days	91-180 days	181-360 days	Over 360 days
Total gross trade receivables	**75,678**	**26,295**	**49,382**	**16,671**	**5,261**	**8,570**	**18,881**
% of total gross trade receivables	*100.0%*	*34.7%*	*65.3%*	*22.0%*	*7.0%*	*11.3%*	*24.9%*
Loss allowance	**(5,149)**	**(147)**	**(5,002)**	**(85)**	**(76)**	**(142)**	**(4,698)**
% of loss per bracket	*6.8%*	*0.6%*	*10.1%*	*0.5%*	*1.4%*	*1.7%*	*24.9%*
Net receivables	**70,529**	**26,148**	**44,381**	**16,586**	**5,185**	**8,427**	**14,183**
% of net trade receivables	*100.0%*	*37.1%*	*62.9%*	*23.5%*	*7.4%*	*11.9%*	*20.1%*

Non-recurring contract costs

Non-recurring costs to obtain contracts with customers amount to EUR 1,450 thousand, down EUR 290 thousand on 31 December 2022 (EUR 1,740 thousand).

In EUR thousands	30 June 2023	31 December 2022
Contract costs	17,249	17,249
Accumulated amortisation of contract costs	(15,799)	(15,509)
Net contract costs	**1,450**	**1,740**

This item mainly refers to the costs for the acquisition of the supply contract for administrative services with the Lombardy health authority, provided by the subsidiary Contact Care Solution S.r.l.; the decrease compared with 2022 refers to amortisation for the period.

Contract assets and liabilities

Net contract assets came to EUR 156,394 thousand, up EUR 11,599 thousand when compared with 31 December 2022 (EUR 144,795 thousand).

In EUR thousands	30 June 2023	31 December 2022
Contract assets	162,645	151,309
Contract liabilities	(6,251)	(6,514)
Net contract assets	**156,394**	**144,795**

The following table shows changes in these items in the first half of 2023:

In EUR thousands	Assets	Liabilities	Net
Opening balance	**151,309**	**(6,514)**	**144,795**
Reclassifications to trade receivables during the period	(42,222)	-	(42,222)
Changes in consolidation scope	-	-	-
Advances on new supplies	-	263	263
Recognition of revenue to be invoiced	53,559	-	53,559
Net contract assets	**162,645**	**(6,251)**	**156,394**

The recognition of revenue to be invoiced mainly relates to Gpi S.p.A. and its subsidiaries Contact Care Solutions S.r.l., Consorzio Stabile Cento Orizzonti, Oslo Italia S.r.l. and PCS.

Inventories

Inventories came to EUR 15,156 thousand, up EUR 2,202 thousand when compared with 31 December 2022 (EUR 12,954 thousand). They mainly consist of materials/products categorised as follows:

- finished products, such as forceps and automated systems for hospitals and pharmacies;
- semi-finished products, such as semi-finished electronic components for automated pharmacies;
- raw materials to be used to build automated pharmacies;
- components for health services;
- components to be used to build "take-a-number" ticket dispensers;
- spare parts used for the provision of services by the ICT SBA.

In EUR thousands	30 June 2023	31 December 2022
Raw materials	1,876	1,787
Semi-finished products	6	8
Finished products and goods	11,734	9,938
Advances to suppliers	1,540	1,222
Total inventories	**15,156**	**12,954**

The increase is mainly attributable to the companies Gpi S.p.A. and RIEDL Gmbh referring to the Automation SBA.

7.8 Cash and cash equivalents

Cash and cash equivalents came to EUR 132,788 thousand, down EUR 44,266 thousand on 31 December 2022 (EUR 177,054 thousand). The changes are illustrated in the consolidated Statement of cash flows.

In EUR thousands	30 June 2023	31 December 2022
Bank current accounts	131,413	176,642
On-demand deposits	1,000	75
Cash	376	337
Cash and cash equivalents	**132,788**	**177,054**

Cash and cash equivalents are recognised at nominal value and include the amounts that meet the following requirements: they are highly liquid, available on demand and in the very short term and subject to an insignificant risk of changes in value.

7.9 Tax assets and liabilities

The income tax assets and liabilities of the Gpi Group are made up as follows:

In EUR thousands	Current tax assets		Current tax liabilities	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
IRES	1,191	1,162	(2,706)	(1,002)
IRAP	341	331	(487)	(58)
Income taxes of foreign companies	212	183	(720)	(96)
Net tax assets (liabilities)	**1,745**	**1,676**	**(3,913)**	**(1,156)**

Tax assets refer to tax credits claimed for tax deductions, tax relief and investments to be recovered in future years.

7.10 Equity

Equity attributable to owners of the parent came to EUR 235,276 thousand, down EUR 13,627 thousand when compared with 31 December 2022 (EUR 248,903 thousand). The main changes in the period, which are detailed in the statement of changes in equity, relate to:

- the profit for the period attributable to owners of the parent, totalling EUR 571 thousand;
- dividends approved by the Parent Company in the amount of EUR 14,405 thousand;
- the positive result of the other components of the comprehensive income statement, amounting to EUR 635 thousand, deriving from the positive change in the translation reserve, the cash flow hedge reserve and the reserve on revaluations of net liabilities/(assets) for defined benefits;

Equity attributable to non-controlling interests amounts to EUR -236 thousand, as at 31 December 2022 (EUR 39 thousand). The loss for the period was EUR 64 thousand;

Gpi's fully subscribed and paid-up share capital is EUR 13,890,324.40, divided into a total of 28,906,881 ordinary shares. There are 96,357 ordinary treasury shares in the portfolio.
Gpi's capital management objectives are geared towards creating value for the shareholders, safeguarding business continuity, protecting stakeholders' interests and ensuring efficient access to external sources of funding to adequately support the development of the Group's business.

7.11 Financial liabilities

Current and non-current financial liabilities of EUR 328,375 thousand are shown below:

In EUR thousands	30 June 2023	31 December 2022
Non-current financial liabilities		
Bank loans	(173,492)	(158,261)
Bonds	(24,906)	(33,178)
Derivative financial instruments	(87)	(87)
Financial liabilities from extraordinary transactions	(40,128)	(40,001)
Other financial liabilities	(4,848)	(9,382)
Medium/long-term lease liabilities	(9,654)	(11,031)
Total non-current financial liabilities	**(253,115)**	**(251,940)**
Current financial liabilities		
Bank loans	(37,463)	(26,296)
Factoring liabilities	(6,618)	(9,375)
Bonds	(18,026)	(19,493)
Financial liabilities from current extraordinary transactions	(1,838)	(23,288)
Other current financial liabilities	(6,097)	(1,492)
Short-term lease liabilities	(5,218)	(4,812)
Total current financial liabilities	**(75,260)**	**(84,757)**

Current and non-current bank loans amount to EUR 210,955 thousand, an increase of EUR 26,398 thousand compared to 31 December 2022, while bonds amounted to EUR 42,932 thousand, a decrease of EUR 9,738 thousand due to the payment of principal amounts falling due in the first half of 2023. Current bank loans include advances on bills in the portfolio in the amount of EUR 17,197 thousand (EUR 18,204 thousand as at 31 December 2022) and the accounting effects of the application of the amortised cost in the amount of EUR 192 thousand.
As a result of the successful conclusion of the 2022 capital increase of Gpi S.p.A., in January 2023 the last tranche of the "Unicredit-CDP" loan of EUR 30 million was disbursed, intended for external growth operations (M&A Line); this tranche was added to the previous one disbursed in 2022, reaching the amount of EUR 60 million.
The non-current and current shares of bonds are recognised net of the accounting effects of the application of the amortised cost in the amount of EUR 93 thousand and EUR 140 thousand, respectively.
Finance lease liabilities marked a decrease of EUR 971 thousand; the item refers to the recognition of lease agreements accounted for in accordance with IFRS 16.
Financial liabilities from current extraordinary transactions decreased following the payment in January 2023 of EUR 22,200 thousand concerning the last tranche of the acquisition of 65% of Tesi S.p.A.

The following tables detail bank loans and bond issues by nominal value, with a breakdown by current and non-current amounts:

Nominal values In EUR thousands

Bank	Origination	Maturity	Initial amount	Debt as at 30.06.2023		current	Debt as at 31.12.2022	current	Payment terms	Interest rate
Unicredit REFI FACILITY	2022	2028	125,817	125,817		5,813	125,817	2,859	Instalments	Floating, 6M Euribor
Unicredit M&A FACILITY	2022	2028	30,000	60,000	*	12,000	30,000	3,000	Instalments	Floating, 6M Euribor
Banca di Verona - ICCREA	2021	2027	5,000	4,025		987	4,515	981	Instalments	Floating, 3M Euribor
BNL	2021	2023	5,000	-		-	1,667	1,667	Instalments	Fixed
Credem	2019	2023	250	21		21	64	64	Instalments	Fixed
Credem	2020	2025	500	254		112	309	111	Instalments	Fixed
Raiffeisen	2021	2026	1,000	710		198	808	196	Instalments	Floating, 6M Euribor
MC Trentino	2021	2026	1,000	711		198	808	196	Instalments	Floating, 6M Euribor
BCC Milan	2020	2026	800	654		197	752	196	Instalments	Fixed
Intesa	2020	2024	200	98		53	124	52	Instalments	Floating, 1M Euribor
intesa (ex UBI)	2021	2026	400	218		80	258	80	Instalments	Fixed
BPM	2020	2026	500	331		98	378	99	Instalments	Floating, 3M Euribor
BPM	2021	2027	1,000	720		178	805	182	Instalments	Floating, 3M Euribor
Deutsche Bank	2021	2026	500	320		109	373	110	Instalments	Floating, 3M Euribor
BNL	2021	2024	1,000	500		333	667	333	Instalments	Floating, 3M Euribor
Total				**194,379**		**20,379**	**167,344**	**10,126**		

*EUR 30 million disbursed in January 2023

Nominal values In EUR thousands

Bond (ISIN code)	Origination	Maturity	Initial amount	Outstanding debt as at 30.06.2023	current	Outstanding debt as at 31.12.2022	current	Payment terms	Interest rate
IT0005187320	2016	2023	15,000	1,500	1,500	3,000	3,000	Instalments	Fixed
IT0005394371	2019	2025	30,000	25,000	10,000	30,000	10,001	Instalments	Fixed
IT0005394371	2020	2025	4,500	3,750	1,500	4,500	1,503	Instalments	Fixed
IT0005394371	2020	2025	15,500	12,917	5,167	15,500	5,166	Instalments	Fixed
Total				**43,167**	**18,167**	**53,000**	**19,670**		

The last tranche of the outstanding bond issued in 2016 will be repaid on 31 October 2023.

Bank loans and issued bonds are analysed below by nominal interest rate bracket:

In EUR thousands	30 June 2023		31 December 2022	
	Nominal value	Carrying amount	Nominal value	Carrying amount
Bank loans				
Up to 1%	-	-	1,667	1,667
from 1% to 2%	1,147	1,147	-	1,382
from 2% to 3%	-	-	-	-
from 3% to 4%	-	-	-	6,738
from 4% to 5%	2,680	2,680	-	1,674
over 5%	190,552	190,552	155,817	154,640
Total financial liabilities	**194,379**	**194,379**	**157,484**	**166,101**
Bonds				
Up to 1%	-	-	-	-
from 1% to 2%	-	-	-	-
from 2% to 3%	-	-	-	-
from 3% to 4%	41,667	49,730	50,000	49,730
from 4% to 5%	1,500	2,986	3,000	2,986
over 5%	-	-	-	-
Total financial liabilities	**43,167**	**52,716**	**53,000**	**52,717**

Bonds are recognised using the amortised cost method.
The following table summarises the bonds issued by the Group; the nominal redemption value refers to the issue value of the bonds, while the market value is determined on the basis of the value of the outstanding debt at the reporting date.

Bond (ISIN code)	Amount	Nominal value repayment	Coupon	Issue date	Maturity	Issue price (%)	Market price as at 30.06.2023	Market value as at 30.06.2023
IT0005187320	14,804	15,000	4.30%	01 June 2016	31 October 2023	98.69	79.46	1,192
IT0005394371	30,000	30,000	3.50%	20 December 2019	20 December 2025	100.00	104.13	26,033
IT0005394371	4,424	4,500	3.50%	04 September 2020	20 December 2025	98.30	104.13	3,905
IT0005394371	15,246	15,500	3.50%	04 November 2020	20 December 2025	98.36	104.13	13,450

Bond (ISIN code)	Amount	Nominal value repayment	Coupon	Issue date	Maturity	Issue price (%)	Market price as at 31.12.2022	Market value as at 31.12.2022
IT0005187320	14,804	15,000	4.30%	01 June 2016	31 October 2023	98.69	81.61	2,448

IT0005394371	30,000	30,000	3.50%	20 December 2019	20 December 2025	100.00	104.13	31,239
IT0005394371	4,424	4,500	3.50%	04 September 2020	20 December 2025	98.30	104.13	4,686
IT0005394371	15,246	15,500	3.50%	04 November 2020	20 December 2025	98.36	104.13	16,140

The bonds outstanding as at 30 June 2023 were issued on 1 June 2016 and in financial year 2019 in three different periods as shown in the table above. The characteristics of the bonds issued are also described in the 2022 financial statements.

The regulations and the prospectuses relating to the bond issues of the Gpi Group are available at www.gpigroup.com.
Some of the loans indicated above include immediate withdrawal, cross default, cross acceleration, change of control, pari passu and/or negative pledge clauses.
The financial covenants in the loan agreements and the bonds, which were described in the interim consolidated financial statements as at 30 June 2023, entail verification of the annual parameters and do not relate to the interim financial statements.

The maturities of the financial liabilities in terms of nominal value of the expected outlay, for bank loans and bond loans, as contractually defined, are described below.

In EUR thousands	Bank loans	Bonds	Total
Within 12 months	20,379	18,167	38,546
Between one and five years	174,000	25,000	199,000
Beyond five years	-	-	-
	194,379	**43,167**	**237,546**

The hedging derivatives relating to items classified as financial liabilities are as follows:

In EUR thousands	Hedged risk	30.06.2023		31.12.2022	
		Positive / (negative) fair value	Notional value	Positive / (negative) fair value	Notional value
Cash flow hedges					
2016-2028 interest rate swap	Interest rate	60	754	65	809
2022-2028 interest rate swap	Interest rate	3,421	59,000	3,302	59,000
2022-2028 interest rate swap	Interest rate	637	11,000	616	11,000
2022-2028 interest rate swap	Interest rate	290	5,000	285	5,000
2022-2028 interest rate swap	Interest rate	287	5,000	281	5,000
2022-2028 interest rate swap	Interest rate	869	15,000	856	15,000
		5,564	**95,754**	**5,405**	**95,809**

Interest rate risk hedges are classified as cash flow hedges in accordance with IFRS 9. The carrying amount of hedges is categorised as level 2 in the fair value hierarchy.
Please see section 10.3 for the description of the company's exposure to liquidity risk.

Group net financial debt

The Net Financial Debt is determined in accordance with the provisions of Guideline No. 39 issued on 4 March 2021 by ESMA, applicable as of 5 May 2021, and in line with the related Warning Notice No. 5/21 issued by Consob on 29 April 2021. In this regard, it should be noted that the references to the CESR

Recommendations contained in previous Consob communications are to be understood as having been replaced by the above-mentioned ESMA Guidance, including the references in Communication No. DEM/6064293 of 28 July 2006 concerning the net financial position.

In EUR thousands	30 June 2023	31 December 2022
Liquid funds (A)	131,788	176,979
Cash equivalents (B)	1,000	75
Current financial assets (C)	21,515	17,104
Liquidity (D)	**154,303**	**194,158**
Current financial debt (E)	(31,803)	(55,382)
Current portion of non-current financial debt (F)	(43,456)	(29,375)
Current financial debt (G = E + F)	**(75,260)**	**(84,757)**
Net current financial debt (H = G - D)	**79,043**	**109,400**
Non-current financial debt (I)	(187,884)	(178,524)
Debt instruments (J)	(24,906)	(33,178)
Trade payables and other non-current payables (K)	(40,294)	(40,259)
Non-current financial debt (L = I + J + K)	**(253,084)**	**(251,960)**
Total financial debt (M = H + L)	**(174,041)**	**(142,560)**
Non-current financial assets (N)	11,127	11,259
Total financial debt, including non-current financial assets (O = M + N)	**(162,914)**	**(131,301)**

Changes in Financial Debt (M) are shown in the Report on Operations in the “Bridge net financial debt” section.

7.12 Provisions for employee benefits

At 30 June 2023, this item mainly consists of post-employment benefits due upon termination of employment pursuant to current legislation in Italy. The actuarial model used to measure Italian post-employment benefits (“TFR”) is based on the same assumptions previously used for measurement at 31 December 2022, illustrated in the notes to the consolidated financial statements, to which reference should be made, as there were no significant changes in the demographic or economic assumptions underlying the actuarial calculation in the first half of 2023.

7.13 Provisions for risks and charges

In EUR thousands	30 June 2023	31 December 2022
Provisions for tax risks	(63)	(94)
Provisions for risks and charges	(915)	(800)
Long-Term Incentive provision	(642)	(420)
Total provisions for risks and charges	**(1,619)**	**(1,314)**
Non-current	(796)	(509)
Current	(823)	(805)
Total provisions for risks and charges	**(1,619)**	**(1,314)**

Provisions for risks and charges amount to EUR 1,619 thousand, up EUR 305 thousand on 31 December 2022 (EUR 1,314 thousand). The main change was due to provisions for the Long Term Incentive of Gpi S.p.A. of EUR 222 thousand.

7.14 Trade payables and other liabilities

	30 June 2023	31 December 2022
Trade payables	(49,848)	(51,378)
Payables for indirect taxes	(7,843)	(8,765)
Due to employees	(26,064)	(17,266)
Due to social security institutions	(10,940)	(10,872)
Current non-financial accrued expenses and deferred income	(15,155)	(9,231)
Other liabilities	(4,147)	(1,703)
Total trade payables and other liabilities	**(113,997)**	**(99,215)**

Trade payables and other liabilities amount to EUR 113,997 thousand, up EUR 14,782 thousand on 31 December 2022 (EUR 99,215 thousand). This increase is attributable mainly to payables to employees and non-financial accrued expenses and deferred income.
Other payables include the advance received on the future sale of the Trento building in the amount of EUR 733 thousand.
The breakdown of trade payables by maturity is shown below:

30 June 2023 In EUR thousands	Total	Not yet due	Past due by	1-90 days	91-180 days	181-360 days	Over 360 days
Due to suppliers	**(49,848)**	**(30,935)**	**(18,912)**	**(14,702)**	**(1,730)**	**(822)**	**(1,659)**
Due to suppliers %	*100.0%*	*62.1%*	*37.9%*	*29.5%*	*3.5%*	*1.6%*	*3.3%*

31 December 2022 In EUR thousands	Total	Not yet due	Past due by	1-90 days	91-180 days	181-360 days	Over 360 days
Due to suppliers	**(51,378)**	**(34,919)**	**(16,458)**	**(12,452)**	**(1,022)**	**(2,323)**	**(661)**
Due to suppliers %	*100.0%*	*68.0%*	*32.0%*	*24.2%*	*2.0%*	*4.5%*	*1.3%*

8. *Financial instruments*

The following table shows the carrying amount of the financial assets and liabilities at 30 June 2023 and 31 December 2022 compared with their fair values, including their categorisation in the fair value hierarchy:

30 June 2023 In EUR thousands	Note	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value						
Other equity investments and financial instruments	*7.4*	398	-	-	398	398
Factoring assets - current	*7.4*	18,549	-	-	18,549	18,549
Derivative assets	*7.4*	5,809	-	5,654	155	5,809
		24,756	**-**	**5,654**	**19,102**	**24,756**
Financial assets not measured at fair value						
Other financial assets	*7.4*	8,160	-	-	8,160	8,160
		8,160	**-**	**-**	**8,160**	**8,160**
Financial liabilities measured at fair value						
Derivative liabilities	*7.11*	(87)	-	(87)	-	(87)
		(87)	**-**	**(87)**	**-**	**(87)**
Financial liabilities not measured at fair value						
Liabilities for acquisition of equity investments	*7.11*	(41,966)	-	-	(41,966)	(41,966)
Bank loans	*7.11*	(210,955)	-	-	(210,955)	(210,955)
Lease liabilities	*7.11*	(14,872)	-	-	(14,872)	(14,872)
Bond	*7.11*	(42,933)	(44,580)	-	-	(44,580)
Other financial liabilities	*7.11*	(17,562)	-	-	(17,562)	(17,562)

		(328,288)	**(44,580)**	**-**	**(285,355)**	**(329,935)**

31 December 2022 In EUR thousands	Note	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value						
Other equity investments and financial instruments	*7.4*	1,493	-	-	1,493	1,493
Factoring assets - current	*7.4*	13,154	-	-	13,154	13,154
Derivative assets	*7.4*	5,647	-	5,647	-	5,647
		20,294	**-**	**5,647**	**14,647**	**20,294**
Financial assets not measured at fair value						
Other financial assets	*7.4*	8,390	-	-	8,390	8,390
		8,390	**-**	**-**	**8,390**	**8,390**
Financial liabilities measured at fair value						
Derivative liabilities	*7.11*	(87)	-		(87)	(87)
		(87)	**-**	**-**	**(87)**	**(87)**
Financial liabilities not measured at fair value						
Liabilities for acquisition of equity investments	*7.11*	(63,289)	-	-	(63,289)	(63,289)
Bank loans	*7.11*	(184,558)	-	-	(184,558)	(184,558)
Lease liabilities	*7.11*	(15,844)	-	-	(15,844)	(15,844)
Bond	*7.11*	(52,671)	(54,513)	-	-	(54,513)
Other financial liabilities	*7.11*	(20,249)	-	-	(20,249)	(20,249)
		(336,610)	**(54,513)**	**-**	**(283,939)**	**(338,452)**

9. *Information on the consolidated income statement items*

The main balances of the consolidated income statement are analysed below. Reference should be made to Note 10.6 Related party transactions for a breakdown of the consolidated income statement balances relating to related party transactions.

9.1 Revenue and other income

Revenue

The Gpi Group monitors the performance of revenue and costs by SBA. The key SBAs are:

- Software, which includes all software solutions and related services (corrective, adaptive, preventive and developmental maintenance) to manage the administrative/accounting processes and treatment processes for the public and private socio-healthcare structures, and, more generally, the public administration;
- Care, which includes ancillary administrative services (such as medical service booking/cancellation services, contact centres, administrative/counter acceptance services, administrative secretarial services, cultural intermediation for foreigners and other administrative services for business process outsourcing). This also includes services provided by outpatient clinics that use the "Policura" brand, telemedicine services and 3D prosthetics;
- Pay, which includes innovative technologies and services for e-payment management for supermarket chains, retail chains and banking;
- Automation, which includes integrated technological solutions (software and hardware infrastructures) for the management of the pharmaceutical supply chain;
- ICT, which represents a diversified set of products and services including (i) desktop management services, i.e. user workstation support and maintenance services for hardware and software components (ii) system support services such as data centre administration in the various components, networking consulting services and database administration.

1H 2023 In thousands of Euro	Software	Care	Pay	Other operating segments	Total
Revenue and other income	**81,777**	**83,121**	**7,245**	**20,752**	**192,895**
Raw materials and consumables	(3,458)	(770)	(501)	(4,329)	(9,058)

General expenses	(21,260)	(22,314)	(3,347)	(2,938)	(49,860)
Personnel expense	(37,536)	(59,377)	(1,136)	(9,906)	(107,955)
Amortisation, depreciation and impairment losses	(11,367)	(2,424)	(351)	(804)	(14,945)
Other provisions	(884)	(938)	(138)	(227)	(2,187)
Operating profit/(loss)	**7,272**	**(2,702)**	**1,772**	**2,547**	**8,890**

1H 2022 In thousands of Euro	Software	Care	Pay	Other operating segments	Total
Revenue and other income	**57,655**	**87,628**	**6,375**	**17,256**	**168,914**
Raw materials and consumables	(907)	(997)	(605)	(2,936)	(5,445)
General expenses	(16,406)	(25,431)	(2,836)	(2,939)	(47,613)
Personnel expense	(29,041)	(58,950)	(1,232)	(9,287)	(98,510)
Amortisation, depreciation and impairment losses	(8,127)	(3,038)	(319)	(649)	(12,132)
Other provisions	(382)	(184)	(27)	(88)	(681)
Operating profit/(loss)	**2,793**	**(971)**	**1,356**	**1,357**	**4,534**

Revenue and other income increased by EUR 23,981 thousand (+14% compared to the first half of 2022):

- Software SBA EUR +24,121 thousand +42%;
- Care SBA EUR -4,506 thousand -5%;
- Pay SBA EUR +870 thousand +14%;
- Other operating segments EUR +3,496 thousand +20%.

The considerable increase in the Software SBA is partly due to the change in the scope of consolidation following the acquisition of the Tesi Group in November 2022.

The analysis by geographical segment shows that the increase was mainly seen in Italian revenue. The following table shows the breakdown of revenues by area:

In EUR thousands	1H 2023	%	1H 2022	%
Italy	166,209	86.2%	153,007	90.6%
Abroad	26,686	13.8%	15,908	9.4%
Total	**192,895**		**168,914**	

Overseas revenue accounted for 13.8%. The significant increase compared to the previous period is due to the consolidation of the Tesi group, which includes the revenues generated in Mexico by the subsidiary Tesi de Mexico S.A. and in Brazil, as well as the revenues of the new subsidiary Gpi Britannia Limited.
Overseas revenue was mainly concentrated in the United States for EUR 5.0 million, in Austria and Germany for EUR 6.3 million and in Mexico for EUR 4.4 million as well as in Spain for EUR 2.9 million, France for EUR 2.6 million and Brazil for EUR 0.8 million.

Other income

Other income amounts to EUR 3,062 thousand, up EUR 1,617 thousand on the first half of 2022 (EUR 1,445 thousand). Part of the increase refers to the Tesi Group, for EUR 751 thousand.

9.2 Raw materials and consumables

Raw materials and consumables total EUR 9,058 thousand, up EUR 3,613 thousand on the first half of 2022 (EUR 5,445 thousand).

In EUR thousands	1H 2023	1H 2022
Consumables	(11,214)	(7,645)
Change in goods inventories	1,929	2,200
Change in finished products inventories	227	(0)

Total cost for materials	**(9,058)**	**(5,445)**

This item includes both costs for the purchase of materials and changes in inventories. It should be noted that the main companies that have inventory are Gpi S.p.A. and RIEDL Gmbh, in particular as regards the production and sale of products related to the Automation SBA.
The increase stems from the change in the scope of consolidation due to the consolidation of the Tesi Group for EUR 678 thousand, as well as the increase in Gpi S.p.A. for EUR 2,236 thousand, RIEDL Gmbh for EUR 434 thousand and other minor companies for EUR 265 thousand.

9.3 Service costs

Service costs total EUR 48,045 thousand, up 4.5% on the first half of 2022 (EUR 45,962 thousand).

In EUR thousands	1H 2023	1H 2022
Outsourcing	(30,489)	(32,119)
Consultancy	(3,468)	(3,051)
Travel expenses	(2,116)	(1,076)
Directors' fees	(1,129)	(906)
Utilities	(1,824)	(2,051)
Leases and rents	(1,659)	(1,409)
Other	(7,360)	(5,350)
Total service costs	**(48,045)**	**(45,962)**

The item mainly refers to outsourcing, consulting and other costs. Outsourcing consists of the purchase of software assistance services, costs incurred for services to be resold and personnel expense for certain central medical service booking centres. Consultancy mainly refers to administrative and commercial consultancy.
Other costs mainly include costs for temporary staff, statutory auditors' fees and other service costs.

9.4 Personnel expense

Personnel expense came to EUR 107,955 thousand, an increase of EUR 9,445 thousand, +9.6% compared to the first half of 2022 (EUR 98,510 thousand). The change in headcount was +649, as shown in the table below by category. The most important change concerns the consolidation of the Tesi Group for EUR 6,128 thousand and 268 resources.

The breakdown of the average workforce by level is provided below.

Level	1H 2023	1H 2022
Executives	49	57
Middle managers	135	141
Office workers	7,336	6,663
Apprentices	56	53
Blue-collar workers	31	44
Total	**7,607**	**6,958**

9.5 Amortisation, depreciation and impairment losses

The value only regards amortisation and depreciation of EUR 14,945 thousand and includes the amortisation of intangible assets and depreciation of property, plant and equipment of EUR 14,655 thousand and the amortisation of contractual costs of EUR 290 thousand.

In EUR thousands	1H 2023	1H 2022
Amortisation of intangible assets	(10,231)	(7,654)
Depreciation of property, plant and equipment	(4,424)	(3,232)
Amortisation of contract costs	(290)	(1,247)
Total amortisation and depreciation	**(14,945)**	**(12,132)**

It should be noted that the main increases regarded the amortisation of intangible assets for EUR 2,578 thousand as a result of the entry into operation of ongoing projects, while the increase in depreciation of property, plant and equipment was more limited, in the amount of EUR 1,192 thousand. Amortisation of contractual costs decreased by EUR 957 thousand.

9.6 Other provisions

This item consists of provisions, excluding those for employee benefits (which are classified under personnel expense), recognised by the Group companies to meet legal and contractual obligations which are expected to entail the outlay of economic resources in subsequent years. In the first half of 2023, provisions totalling EUR 2,187 thousand related to the loss allowance for EUR 1,961 thousand, the provision for Long Term Incentives for EUR 221 thousand and the provision for tax risks for EUR 5 thousand.

9.7 Other operating costs

Other operating costs amount to EUR 1,815 thousand, down EUR 165 thousand on the first half of 2022 (EUR 1,650 thousand).

9.8 Net financial income and expenses

Net financial expense amounts to EUR 7,351 thousand, up EUR 4,701 thousand compared with the first half of 2022 (EUR 2,650 thousand).

In EUR thousands	1H 2023	1H 2022
Income		
- Loans, receivables and bank current accounts	50	350
- Dividends	4	11
- Exchange rate gains	1,135	1,301
- Other income	920	195
Financial income	**2,109**	**1,857**
Expenses		
- Loss expense from fair value measurement of financial assets and liabilities	(1,161)	(1,402)
- Interest payable on loans and others	(6,060)	(1,411)
- Bonds	(1,073)	(1,205)
- Exchange rate losses	(366)	(23)
- Other charges	(799)	(465)
Financial expense	**(9,460)**	**(4,507)**
Net financial expense recognised in profit or loss	**(7,351)**	**(2,650)**

The increase in financial expense is mainly due to the restructuring of bank debt carried out by Gpi S.p.A. in May of the previous year; the full mix effect in 1H 2023 stems from an increase in interest rates applied as a result of the rise in Euribor rates, a higher amount financed and a full 1H reported in 2023 compared to 2022.

9.9 Income tax

Income tax is analysed below, distinguishing between the current and deferred amounts:

In EUR thousands	1H 2023	1H 2022

Current taxes		
IRES current tax	(1,893)	(1,598)
IRAP current tax	(537)	(710)
Foreign current tax	(1,405)	(787)
Current taxes from previous years	-	(2)
Total current taxes	**(3,835)**	**(3,097)**
Deferred taxes		
IRES deferred tax	2,209	1,172
IRAP deferred tax	85	(8)
Foreign deferred taxes	504	299
Total deferred taxes	**2,798**	**1,463**
Income tax on profit from continuing operations	**(1,037)**	**(1,634)**

10. *Other information*

10.1 Earnings per share

The following table illustrates the calculation of earnings per share:

Earnings per share	1H 2023	1H 2022
Number of shares	28,906,881	18,260,496
Profit (loss) for the period attributable to owners of the parent (thousands of Euro)	571	331
Basic earnings per share (Euro)	**0.02**	**0.018**
Number of shares	28,906,881	18,260,496
Number of treasury shares	(96,357)	(103,106)
Number of net shares	28,810,524	18,157,390
Profit (loss) for the period attributable to owners of the parent (thousands of Euro)	571	331
Net basic earnings per share (Euro)	**0.02**	**0.018**

10.2 Significant non-recurring transactions

There were no significant non-recurring transactions other than those described in Note 5 above.

10.3 Financial risk management

Gpi Group financial risk management objectives and policies

In the ordinary performance of its operations, the Gpi Group is exposed to:

- market risk, mainly consisting of changes in the interest rates on financial assets and liabilities;
- liquidity risk, which refers to the availability of sufficient financial resources to cover operating activities and settle liabilities;
- credit risk, associated with normal trade transactions and the possibility of a financial counterparty defaulting on its obligations.

The Gpi Group's financial risk management strategy is compliant and consistent with the business objectives defined by Gpi's Board of Directors.

Market risk

The strategy followed for this type of risk is to hedge interest rate and currency risks and optimise the cost of debt.

These risks are managed in accordance with the principles of prudence and market best practices. The main objectives of the risk management policy are to:

- continue protecting the long-term plan from the effects of exposure to current and interest rate risks, identifying the optimal balance of fixed and floating rates;
- pursue a potential reduction in the Group's cost of debt;
- manage derivative transactions, considering the impacts on profit or loss and financial position that they could have given their classification and presentation.

At 30 June 2023, the Group hedges its exposure to risks on non-current loans through cash flow hedges, which it classifies as such in accordance with IFRS 9. Reference should be made to Note 7.11 Financial liabilities for information on the fair value measurement of derivatives.

With reference to the floating rate loans, the Group is not subject to significant impacts deriving from a change in the interest rates to the extent of 1% (100 bps).

Liquidity risk

The liquidity risk is the risk that the available financial resources may be insufficient to meet obligations when they fall due. The Group believes that it has access to sources of funding sufficient to meet its planned financial requirements, considering cash and cash equivalents, its ability to generate cash flows, ability to raise funds on the bond market and the availability of credit facilities from banks.

Financial liabilities outstanding at 30 June 2023 are broken down by due date in Note 7.11 Financial liabilities.

At 30 June 2023, the Group has a reserve of liquidity estimated to be around EUR 136.1 million, consisting of:

- cash and cash equivalents and/or extremely short-term investments of EUR 132.8 million;
- credit facilities granted but not used of EUR 3.3 million.

Reference should be made to Note 7.11 Financial liabilities for the quantitative and qualitative analysis of the financial liabilities.

Credit risk

The Group manages credit risk essentially by choosing counterparties with high credit standing and does not have any significant concentrations of credit risk.

In addition, credit risk arising from open positions in derivatives can be considered marginal, as the Group's counterparties are major banks.

Any individually material credit positions are individually impaired if there is objective evidence of partial or total non-recoverability. The amount of the impairment loss reflects an estimate of the recoverable flows and the related collection date, costs and expense of future recovery and the amount of guarantees and deposits received from customers. Collective loss allowances are recognised for loans and receivables that are not impaired individually, considering past experience and available statistical data. Reference should be made to Note 7.7 Net trading assets for a detail of the loss allowance for trade receivables.

Risks relating to the macroeconomic environment

The current uncertainty in the macroeconomic environment, also related to the tail end of the COVID-19 pandemic, natural disasters, geopolitical events such as the Ukraine-Russia conflict and inflation, brings with it a number of risks, including changes in consumer demand, disrupted supply chains, staff shortages, increased market volatility and changes in the way we work. The sector in which the Group operates is not directly exposed to such risks, particularly with regard to the supply chain.

10.4 Disclosure of non-controlling interests in consolidated companies

30 June 2023 In EUR thousands	ARGENTEA S.R.L.	CONSORZIO STABILE CENTO ORIZZONTI and DIRECT SUBSIDIARIES	CLINICHE DELLA BASILICATA S.r.l.	UMANA MEDICAL TECHNOLOGIES LTD	TOTAL
Non-current assets	1,531	406	4,962	2,723	9,621
Current assets	20,137	9,096	478	1,403	31,113
Non-current liabilities	(247)	(151)	-	(118)	(516)
Current liabilities	(8,711)	(8,443)	(5,314)	(7,601)	(30,069)
Equity	**12,709**	**908**	**126**	**(3,594)**	**10,148**
Equity attributable to non-controlling interests	**1,271**	**97**	**41**	**(1,646)**	**(236)**
Revenue	7,449	10,502	-	379	18,330
Profit/(loss) for the period	2,019	65	(67)	(413)	1,604
Other comprehensive income (expense)	-	-	-	-	-
Total comprehensive income (expense) for the period	**2,019**	**65**	**(67)**	**(413)**	**1,604**
Profit/(loss) for the period attributable to non-controlling interests	202	(40)	(22)	(205)	(64)
Other comprehensive income (expense) attributable to non-controlling interests	-	-	-	-	-

31 December 2022 In EUR thousands	ARGENTEA S.R.L.	CONSORZIO STABILE CENTO ORIZZONTI and DIRECT SUBSIDIARIES	CLINICHE DELLA BASILICATA S.r.l.	UMANA MEDICAL TECHNOLOGIES LTD	TOTAL
Non-current assets	1,361	398	3,713	2,312	7,784
Current assets	16,122	9,642	328	1,329	27,421
Non-current liabilities	(295)	(197)	-	(152)	(644)
Current liabilities	(6,299)	(8,750)	(3,849)	(6,669)	(25,566)
Equity	**10,889**	**1,093**	**193**	**(3,180)**	**8,995**
Equity attributable to non-controlling interests	**1,089**	**291**	**64**	**(1,454)**	**(11)**
Revenue	14,152	30,664	-	959	45,774
Profit/(loss) for the period	3,783	345	(36)	(1,445)	2,647
Other comprehensive income (expense)	(5)	9	-	-	3
Total comprehensive income (expense) for the period	**3,777**	**354**	**(36)**	**(1,445)**	**2,650**
Profit/(loss) for the period attributable to non-controlling interests	378	55	(12)	(601)	(180)
Other comprehensive income (expense) attributable to non-controlling interests	-	-	-	-	-

10.5 Guarantees

As at 30 June 2023, the Group had no guarantees securing liabilities with third parties.

Contingent liabilities

The Group has analysed contracts in progress at the reporting date and has not identified the existence of significant contingent liabilities other than those indicated in Note 7.13.

10.6 Related party transactions

The following tables show related party transactions:

30 June 2023 In EUR thousands	Type	Assets	Liabilities	Revenue	Costs
FM S.r.l.	Parent	128	(164)	-	(21)
SAIM S.r.l.	Associate	2,847	-	483	-
TRENTINO DATA CENTER S.r.l.	Associate	200	(150)	-	-
CIV S.p.A.	Other related parties	20	-	2	-
TRENTINO VOLLEY	Other related parties	-	-	-	(100)
ZITI TECNOLOGICA LTDA	Other related parties	12	-	-	
Total		**3,207**	**(314)**	**485**	**(121)**

30 June 2022 In EUR thousands		Assets	Liabilities	Revenue	Costs
FM S.r.l.	Parent	75	(820)	-	(21)
SAIM S.r.l.	Associate	3,982	(1)	167	-
CIV S.p.A.	Other related parties	55	(4)	11	-
TRENTINO VOLLEY	Other related parties	-	-	-	(40)
ZITI TECNOLOGICA LTDA	Other related parties	12	-	-	-
OTHER PARTIES	Other related parties	36	(5)	18	(5)
Total		**4,160**	**(830)**	**196**	**(66)**

31 December 2022 In EUR thousands	Type	Assets	Liabilities	Revenue	Costs
FM S.r.l.	Parent	118	(164)	-	(42)
SAIM S.r.l.	Associate	3,111	-	921	-
CIV S.p.A.	Other related parties	48	(2)	14	-
TRENTINO VOLLEY	Other related parties	-	(31)	-	(40)
ZITI TECNOLOGICA LTDA	Other related parties	12	-	-	-
OTHER PARTIES	Other related parties	-	-	-	-
Total		**3,289**	**(197)**	**935**	**(82)**

Total assets from related parties amounted to EUR 3,207 thousand as at 30 June 2023, while liabilities were EUR 164 thousand; revenue came to EUR 485 thousand while costs were EUR 110 thousand.
Assets from SAIM S.r.l. are related to commercial and technical services rendered, while the assets recognised with respect to Trentino Data Center S.r.l. represent 20% of the investment held by Gpi S.p.A. in this company.
Liabilities with FM S.r.l. mainly relate to the loan that was recognised to reflect the right of use on the leased property.

SAIM S.r.l. revenue mainly relates to commercial and technical services rendered.
The costs concern the charges relating to the guarantees provided by FM S.r.l as well as the depreciation and financial charges relating to the leased property.
Sponsorship costs for the Trentino Volleyball team were also increased.

10.7 Events after the end of the reporting period

Events after the end of the reporting period include:

- On 4 August 2023, the acquisition of 96.58% of the share capital of Evolucare Investment SAS, the parent company of the French group of the same name, by Gpi France, a wholly-owned subsidiary of Gpi S.p.A., was finalised.
  The consideration agreed for the acquisition of the Evolucare Group is approximately EUR 109 million, determined on the basis of an equity value for 100% of the fully-diluted share capital of EUR 116 million, corresponding to an EV/adj. 2022 EBITDA multiple of about 11.0x. The financial resources were drawn from the EUR 140 million share capital increase that Gpi completed in December 2022. With this transaction, the Gpi Group significantly expands into international markets with its own Software SBA, 370 people join the Gpi Group, including many IT specialists and a significant R&D department of 100 people. The Group offers an integrated portfolio of specialised software solutions for the healthcare sector serving the patient journey. Active in around 20 countries, it provides proprietary solutions to more than 2,700 customers, hospitals, public and private clinics, diagnostics and rehabilitation centres and medical-social facilities (e.g. nursing homes and residences for the disabled) mainly in France and Germany (via the recently acquired company Health Information Management GmbH).
  The Evolucare Group consists of the holding company Evolucare Investment SAS, which wholly owns the operating company Evolucare Technologies SAS which, in turn, has direct or indirect control over 14 other companies located in France, Belgium, Germany, Spain, the United States, Canada, the Dominican Republic and China.
- On 12 July 2023, Gpi S.p.A. acquired 100% of Project Consulting S.r.l., a company operating in the Information Technologies sector; an initial tranche for the purchase was recognised in the amount of EUR 2,607 thousand, the subsequent tranches will be recognised in accordance with the clauses set forth in the contract.
- On 25 August 2023, Intesa Sanpaolo S.p.A. granted a loan to Gpi S.p.A. in the amount of EUR 20 million disbursed in a single tranche, with the repayment of principal on a six-monthly basis starting on 25 February 2024 and ending on 25 August 2027 and an interest rate of 6.85% recognised until 25 February 2024.

Annex 1 - Consolidation scope and Gpi Group investments - 30 June 2023

Parent:	Registered office	Functional currency	Share capital as at 30.06.2023	Held by	% interest in share capital/consortium fund as at 30.06.2023	Total Group interest %	Total non-controlling interests %
Parent:							
Gpi S.p.A.	Trento, Italy	Euro	13,890,324				
Subsidiaries consolidated on a line-by-line basis:							
Argentea S.r.l.	Trento, Italy	Euro	200,000	Gpi S.p.A.	90.00%	90.00%	10.00%
Bim Italia S.r.l.	Trento, Italy	Euro	1,000,000	Gpi S.p.A.	100.00%	100.00%	-
Cliniche della Basilicata S.r.l.	Potenza, Italy	Euro	300,000	Gpi S.p.A.	67.00%	67.00%	33.00%
Consorzio Stabile Cento Orizzonti Scarl	Castelfranco Veneto (TV), Italy	Euro	10,000	Gpi S.p.A.	55.10%	55.10%	44.90%
Contact Care Solutions S.r.l.	Milan, Italy	Euro	2,000,000	Gpi S.p.A.	100.00%	100.00%	-
Do.Mi.No. S.r.l.	Venice, Italy	Euro	25,500	Cento Orizzonti Scarl	70.00%	38.57%	61.43%
Esakon Italia S.r.l.	Trento, Italy	Euro	100,000	Gpi S.p.A.	75.00%	100.00%	-
Gpi Britannia Limited	Cannock, United Kingdom	Pound sterling	100	Gpi S.p.A.	100.00%	100.00%	-
Gpi Cee GmbH	Klagenfurt, Austria	Euro	35,000	Gpi S.p.A.	100.00%	100.00%	-
Gpi Cyberdefence S.r.l.	Trento, Italy	Euro	100,000	Gpi S.p.A.	51.00%	100.00%	-
Gpi France SASU	Paris, France	Euro	10,000	Gpi S.p.A.	100.00%	100.00%	-
Gpi Iberia Health Solutions S.L.	Madrid, Spain	Euro	600,200	Gpi S.p.A.	100.00%	100.00%	-
Gpi Latam S.p.A.	Santiago, Chile	Chilean peso	2,000,000	Gpi S.p.A.	100.00%	100.00%	-
Gpi Polska z o.o.	Warsaw, Poland	Polish zloty	40,000	Gpi S.p.A.	100.00%	100.00%	-
Gpi USA Inc.	Wilmington, USA	US dollar	11,872,913	Gpi S.p.A.	55.00%	100.00%	-
GTT Gruppo per Informatica Technologie Tunisie Suarl	Tunis, Tunisia	Tunisian dinar	15,000	Gpi S.p.A.	100.00%	100.00%	-
Healtech S.r.l.	Trento, Italy	Euro	500,000	Gpi S.p.A.	60.00%	100.00%	-
Informatica Group O.o.o.	Moscow, Russia	Russian rouble	10,000	Gpi S.p.A.	100.00%	100.00%	-
IOP S.r.l.	Trento, Italy	Euro	5,000	Gpi S.p.A.	51.00%	100.00%	-
Oslo Italia S.r.l.	Trento, Italy	Euro	1,000,000	Gpi S.p.A.	100.00%	100.00%	-
Professional Clinical Software G.m.b.h.	Klagenfurt, Austria	Euro	1,230,000	Gpi S.p.A.	100.00%	100.00%	-
Riedl G.m.b.h.	Plaue, Germany	Euro	160,000	Gpi S.p.A.	100.00%	100.00%	
Umana Medical Technologies Ltd	Malta	Euro	873,000	Gpi S.p.A.	58.39%	58.39%	41.61%
Xidera S.r.l.	Milan, Italy	Euro	10,000	Gpi S.p.A.	60.00%	100.00%	-
Tesi S.p.A.	Milan, Italy	Euro	600,000	Gpi S.p.A.	65.00%	100.00%	-
Arko S.r.l.	Milan, Italy	Euro	10,000	Tesi S.p.A.	51.00%	100.00%	-
Omnicom S.r.l.	Milan, Italy	Euro	60,000	Tesi S.p.A.	80.00%	100.00%	-
Tesi de Mexico S.A. de C.V.	Mexico City, Mexico	Mexican Peso	3,978,348	Tesi S.p.A.	100.00%	100.00%	-

Tesi Brasil Ltda	São Paulo, Brazil	Real	483,000	Tesi S.p.A.	100.00%	100.00%	-
Informatica Tesi Colombia S.a.s.	Bogotá, Colombia	Colombian peso	53,977,000	Tesi de Mexico S.A. de C.V.	100.00%	100.00%	-

Company name	Registered office	Functional currency	Share capital as at 30.06.2022	Equity investment held by	Total Group interest %	Total non-controlling interests %
Equity-accounted investments						
Associates:						
SAIM - Suedtirol Alto Adige Informatica Medica S.r.l.	Bolzano, Italy	Euro	200,000	Gpi S.p.A. Professional Clinic G.m.b.h.	46.50%	53.50%
Trentino Data Center S.r.l.	Trento, Italy	Euro	1,000,000	Gpi S.p.A.	20.00%	80.00%

Annex 2 - Consolidated statement of financial position pursuant to CONSOB Resolution 15519 of 27 July 2006

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, in EUR thousands	Note	30 June 2023	Of which related parties	31 December 2022	Of which related parties
Assets					
Goodwill	*7.1*	124,947		125,235	
Other intangible assets	*7.1*	89,825		86,767	
Property, plant and equipment	*7.2*	40,704	128	34,484	118
Equity-accounted investments	*7.3*	308	255	111	
Non-current financial assets	*7.4*	11,401		11,580	
Deferred tax assets	*7.5*	11,134		9,140	
Non-recurring contract costs	*7.7*	1,450		1,740	
Other non-current assets	*7.6*	375		415	
Non-current assets		**280,144**	**383**	**269,471**	**118**
Inventories	*7.7*	15,156		12,954	
Contract assets	*7.7*	162,645	1,892	151,309	2,356
Trade receivables and other assets	*7.7*	94,220	920	83,668	803
Cash and cash equivalents	*7.8*	132,788		177,054	
Current financial assets	*7.4*	21,515	12	17,104	12
Current tax assets	*7.9*	1,745		1,676	
Current assets		**428,069**	**2,824**	**443,764**	**3,171**
Total assets		**708,213**	**3,207**	**713,235**	**3,289**
Equity					
Share capital		13,890		13,890	
Share premium reserve		209,562		209,562	
Other reserves and retained earnings/(losses carried forward), including profit/(loss) for the period		11,824		25,451	
Capital and reserves attributable to owners of the parent	7.10	**235,276**	**-**	**248,903**	**-**
Capital and reserves attributable to non-controlling interests	7.10	**(236)**		**39**	
Total equity		**235,040**	**-**	**248,942**	**-**
Liabilities					
Non-current financial liabilities	*7.11*	253,115	114	251,940	124
Non-current provisions for employee benefits	*7.12*	6,115		5,837	
Non-current provisions for risks and charges	*7.13*	796		509	
Deferred tax liabilities	*7.5*	9,794		10,476	
Other non-current liabilities	*7.14*	631		663	
Non-current liabilities		**270,453**	**114**	**269,424**	**124**
Contract liabilities	*7.6*	6,251		6,514	
Trade payables and other liabilities	*7.14*	113,997	31	99,215	55
Current provisions for employee benefits	*7.12*	2,476		2,421	
Current provisions for risks and charges	*7.13*	823		805	
Current financial liabilities	*7.11*	75,260	19	84,757	18
Current tax liabilities	*7.9*	3,913		1,156	
Current liabilities		**202,720**	**50**	**194,869**	**73**
Total liabilities		**473,173**	**164**	**464,293**	**197**
Total equity and liabilities		**708,213**	**164**	**713,235**	**197**

Annex 3 - Consolidated income statement prepared pursuant to CONSOB Resolution 15519 of 27 July 2006

CONSOLIDATED INCOME STATEMENT, in thousands of Euro	Note	1H 2023	Of which related parties	1H 2022	Of which related parties
Revenue	*9.1*	189,833	485	167,470	197
Other income	*9.1*	3,062		1,445	
Total revenue and other income		**192,895**	**485**	**168,914**	**197**
Raw materials and consumables	*9.2*	(9,058)		(5,445)	
Service costs	*9.3*	(48,045)	(109)	(45,962)	(54)
Personnel expense	*9.4*	(107,955)		(98,510)	
Amortisation, depreciation and impairment losses	*9.5*	(14,945)	(10)	(12,132)	(10)
Other provisions	*9.6*	(2,187)		(681)	
Other operating costs	*9.7*	(1,815)		(1,650)	(1)
Operating profit		**8,890**	**366**	**4,534**	**132**
Financial income	*9.8*	2,109		1,857	
Financial expense	*9.8*	(9,460)	(2)	(4,507)	(2)
Net financial income and expenses		**(7,351)**	**(2)**	**(2,650)**	**(2)**
Share of profit/(loss) of equity-accounted investees, net of tax	*9.9*	5		(1)	
Profit (loss) before tax		**1,544**	**364**	**1,884**	**130**
Income tax	*9.10*	(1,037)		(1,634)	
Profit for the period		**506**	**364**	**250**	**130**
Profit for the period attributable to:					
Owners of the parent		571		331	
Non-controlling interests		(64)		(81)	

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Limited audit report on the condensed interim consolidated financial statements

To the Shareholders of
GPI S.p.A.

Introduction

We have performed a limited audit of the accompanying condensed interim consolidated financial statements, which comprise the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related notes to the financial statements of the GPI Group as at 30 June 2023. The directors are responsible for preparing the condensed interim consolidated financial statements in accordance with the applicable international accounting standard for interim financial reporting (IAS 34) adopted by the European Union. It is our responsibility to express a conclusion on the condensed interim consolidated financial statements on the basis of the limited audit performed.

Scope of the limited audit

We conducted our work in accordance with the limited audit criteria recommended by Consob in Resolution no. 10867 of 31 July 1997. The limited audit of the condensed interim consolidated financial statements consists of interviews, mainly with company personnel responsible for financial and accounting aspects, financial statement analyses and other limited audit procedures. The scope of a limited audit is substantially smaller than that of a full audit performed in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not allow us to be certain that we have become aware of all significant facts that could be identified by performing a full audit. Therefore, we do not express an opinion on the condensed interim consolidated financial statements.

Conclusions

Based on the limited audit performed, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the GPI Group as at 30 June 2023 have not been prepared, in all significant aspects, in accordance with the applicable international accounting standard for interim financial reporting (IAS 34) adopted by the European Union.

Verona, 29 September 2023

KPMG S.p.A.

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