ANNUAL INTEGRATED REPORT

esprinet GROUP

YEAR 2024

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Parent Company:

Esprinet S.p.A.

VAT Number: IT 02999990969

Companies' Register of Milan, Monza e Brianza, Lodi and Tax Number: 05091320159
R.E.A. (economic and administrative index) 1158694

Registered Office and Administrative HQ Via Energy Park, 20 - 20871 Vimercate (MB)

Subscribed and paid-in share capital as at 31/12/2024: Euro 7.860.651

www.esprinet.com - info@esprinet.com

(*) This document constitutes a copy, in Pdf format, of the Annual Integrated Report of Esprinet S.p.A. as at 31 December 2024 and does not constitute the document in ESEF format required by the ESEF Technical Standards referred to in the Delegated Regulation (EU) 2019/815 (so-called 'ESEF Regulation'). The 2024 Annual Integrated Report in ESEF format is available in the Investors - Shareholders' Meeting - 2025 section of the Company's website (www.esprinet.com).

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* Each section has a separate table of contents for the reader's convenience.
** Separate financial statements of Esprinet S.p.A., as defined by IFRS.
*** The reports of the Board of Statutory Auditors and of the Independent Auditors are published in the specific sections Investors - Shareholders' Meeting of the Company's website (www.esprinet.com).

DIRECTORS' REPORT ON OPERATIONS
FOR THE YEAR 2024

GROUP'S CONSOLIDATED RESULTS OVERVIEW

1. Letter to Stakeholders

The Group achieved solid results, benefiting from its geographical diversification in Southern Europe and its broad technology portfolio.

Shareholders,

In the last 12 months, the Group has achieved important milestones, returning to year-on-year growth, albeit in a volatile and uncertain economic and geopolitical scenario. Our performance has shown that significant investments in the entire organisation towards a clear strategic repositioning, are producing positive results. We were able to seize the opportunities of technology macro-trends and those from converging sectors, with the clear objective of delivering strong returns to shareholders.

A year of solid growth

In 2024, the demand for technology, after the saturation effects of the previous year, saw a recovery in Europe and also in the countries where the Group operates, despite a still changing and often unpredictable environment influenced by geopolitical tensions and economic pressures. Contributing to the growth was the recovery of private consumer confidence supported in the second half of the year by the easing of inflationary pressure and the lowering of interest rates. The normalisation of rates has also favoured spending by companies that have continued with the digital transformation process, still supported by the government's multi-year Recovery and Resilience plans, and have also progressively invested in cutting-edge technologies.

In this context, the Group achieved solid results, benefiting from its geographical diversification in Southern Europe and its broad technology portfolio.

Sales at 4.1 billion euro grew by 4% compared to the previous year and reflected the positive trends in all product and customer segments as well as the consolidation of market share in Italy and Spain.

Due in part to the continued focus on cost control, the Group recorded an 8% year-on-year rebound in EBITDA to 69.5 million euro.

A clear strategic repositioning

The Group's ability to evolve by reacting promptly to market challenges has, over time, been key to achieving profitable growth.

Over the years, we have shaped our portfolio with products and solutions in line with technological mega-trends. In times of great change, we have strengthened our business model to unlock the many opportunities for future development by expanding our presence in crucial technologies. We started in 2000 as a distributor of information technology and consumer electronics products and became a leader in southern Europe under the Esprinet brand.

The year 2011 saw the creation of V-Valley, a wholly-owned subsidiary, now a key player in the provision of applications and services for digital transformation, cloud computing and cybersecurity, which continues to consolidate.

Today, the demand for data processing and storage continues to grow and the data centre world is facing significant pressure to find solutions to meet energy needs while addressing environmental concerns. This trend, together with the increasing projects linked to green transition, is favouring the convergence of the energy efficiency and renewable energy sectors towards the tech sector. Thus, in 2024 we announced the creation of Zeliatech, Europe's first distributor of technologies enabling the Double Transition, with the aim of making it easier for companies, institutions and families to meet the digital world and the green economy, almost doubling our targetable market.

RICAVI

+4%
vs 4.1 billion euro in 2023

EBITDA

+8%
69.5 million euro in 2023

Zeliatech
Europe's first distributor of technologies enabling the Double Transition

Further concrete steps in our sustainability journey

In 2024, we made further tangible progress on our sustainability journey towards environmental, social and governance commitments with actions integrated into the Group's business model.

In our first year of CSRD-compliant reporting, we fully embraced and supported the efforts required, not only out of obligation, but confident that the growing and rigorous demands from stakeholders could be further food for thought on transparency and accountability in corporate governance.

In the challenge to climate change, we have made further efforts to reduce our footprint on the environment. The creation of Zeliatech also confirms that sustainability is a strategic priority for the Group, which is certain that respect for the environment and ecological transition are essential for the long-term prosperity of our planet.

In the course of 2024, we enriched programmes to strengthen the most important resource we have: human capital.

Over the years, we have achieved important ESG targets, but we are aware that we still have a lot to do and fast. We believe that creating a close link between technology and sustainability is a strategic priority to contribute to the mission of shaping and preserving the future for generations to come.

Looking to the future

Building on the achievements and initiatives undertaken in 2024, the Group is ready to face the challenges of 2025 and the coming years. Thanks to our stable and long-lasting network of relationships with customers, suppliers, financial institutions, industry and non-industry organisations, and our well-established set of procedures and methodologies, we are equipped to handle the external shocks that the recent past has shown to be increasingly frequent. While the pandemic, geopolitical tensions and economic weakness have contributed to considerable uncertainty over the past five years, now the ongoing threat of the tariff war is increasing the risk of further disruptions in global growth and making forecasting increasingly difficult. However, ours is a Group that, in ever-changing circumstances, has always based its success on the people and the work performed with seriousness and dedication by its more than 1,800 employees. And strengthened by this wealth, in times of rapid and profound transformations, it looks to the future with optimism and confidence in its ability to seize new and significant opportunities in the changes and to advance its strategic intent.

I would therefore first like to thank the whole team, but my gratitude also goes to our customers and suppliers, our shareholders and all our stakeholders in general.

Thank you for investing in our Company.

Maurizio Rota

We believe that creating a close link between technology and sustainability is a strategic priority to contribute to the mission of shaping and preserving the future for generations to come.

2. Highlights

THE ESPRINET GROUP'S PERFORMANCE

FINANCIAL

€ 4,142 mil (+4%)
Revenue

€ 230 mil (+4%)
Gross profit

€ 69.5 mil (+8%)
EBITDA Adjusted

€ 21.5 mil
Net income

SOCIAL

52.8%
Gender distribution

11.2%
New generations/age diversity - share of employees under 30 years of age (% of total)

0
Serious injuries

ENVIRONMENTAL

98%
% electricity consumption from renewable sources

98%
Waste for recovery

Score B
CDP rating

Accession to the UN Global Compact

3. Summary of the Group's economic and financial results

The 2024 economic and financial results and those of the relative periods of comparison have been drawn up according to International Financial Reporting Standards ('IFRS') endorsed by the European Union and in force during the period. In the chart displayed below, in addition to the conventional financial indicators laid down by IFRS, some 'alternative performance indicators', although not defined by the IFRS, are presented. These 'alternative performance indicators', consistently presented in previous periodic Group reports, are not intended to substitute conventional IFRS indicators; they are used internally by the management for measuring and controlling the Group's profitability, performance, capital structure and financial position, as they are considered particularly relevant. As required by the ESMA/2015/1415 Guidelines issued by ESMA (European Securities and Market Authority) under Art. 16 of the ESMA Regulation, updating the previous recommendation CESR/05-178b of the CESR (Committee of European Securities Regulators) and adopted by CONSOB with Communication No. 0092543 of 03/12/2015, the basis of calculation adopted is defined below the table.

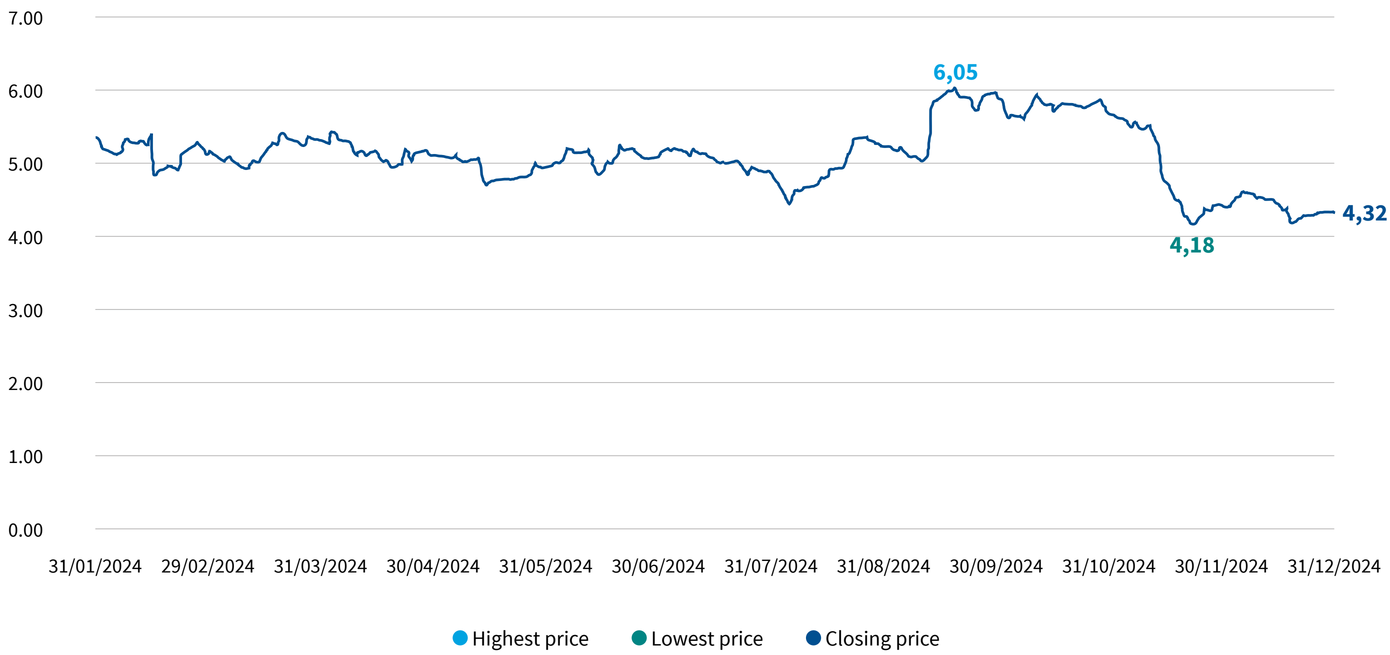
(euro/000)	notes	2024	%	2023	%	% var. 24/23
Profit & Loss						
Sales from contracts with customers		4,141,562	100.0%	3,985,162	100.0%	4%
Gross profit		226,942	5.5%	218,441	5.5%	4%
EBITDA	(1)	69,527	1.7%	34,077	0.9%	>100%
Operating result (EBIT)		46,226	1.1%	14,012	0.4%	>100%
Result before income tax		28,866	0.7%	(5,106)	-0.1%	>100%
Net result		21,521	0.5%	(11,875)	-0.3%	>100%
Financial data						
Cash flow	(2)	44,822		8,190		
Gross investments		6,979		13,744		
Net working capital	(3)	167,100		126,375		
Operating net working capital	(4)	135,209		104,112		
Fixed assets	(5)	302,084		273,868		
Net capital employed	(6)	425,483		351,889		
Net equity		389,247		367,410		
Tangible net equity	(7)	263,177		239,846		
Net financial debt	(8)	36,238		(15,521)		
Main indicators						
Net financial debt / Net equity		0.1		(0.0)		
Net financial debt / Tangible net equity		0.1		(0.1)		
EBIT / Finance costs - net		2.7		0.7		
EBITDA / Finance costs - net		4.0		1.8		
Net financial debt/ EBITDA		0.4		(0.2)		
ROCE	(9)	8.3%		6.9%		
Operational data						
N. of employees at end-period		1,808		1,776		
Avarage number of employees	(10)	1,797		1,791		
Earnings per share (euro)						
Basic		0.44		-0.24		>100%
Diluted		0.43		-0.24		>100%

(1) EBITDA is equal to the operating profit (EBIT) gross of amortisation, depreciation and write-downs.
(2) Sum of consolidated net income and amortisation/depreciation.
(3) Sum of current assets, non-current assets held for sale and current liabilities, gross of net short–term financial liabilities.
(4) Sum of trade receivables, inventory and trade payables.
(5) Equal to non-current assets net of non-current derivative financial assets.
(6) Equal to capital employed as of period end, calculated as the sum of net working capital plus fixed assets net of non-current non-financial liabilities.
(7) Equal to net equity less goodwill and intangible assets.
(8) Sum of financial payables, financial liabilities for leasing, cash and cash equivalents, derivative assets and liabilities and financial receivables.
(9) Calculated as the ratio of (i) EBIT, net of non-recurring items, the effects of IFRS 16 and taxes calculated at the effective tax rate of the latest issued consolidated financial statements, to (ii) average invested capital (calculated as the sum of net working capital and fixed capital) at the closing date of the period under review and the four preceding quarters.
(10) Calculated as the average of opening balance and closing balance of consolidated companies.

4. Share performance

The ordinary shares of Esprinet S.p.A. (ticker: PRT.MI) have been listed on the STAR Milan (Euronext STAR Milan) segment of the EXM (Euronext Milan) market of the Italian Stock Exchange since 27 July 2001.

The graph below illustrates the share performance from 1 January to 31 December 2024:



The Esprinet share closed 2024 at an official price of 4.32 euro, -21.40% down compared to the closing price on 31 December 2023 (5.50 euro).

Compared with a placement price of 1.4 euro per share in July 2001, taking into account the 1:10 share split-up effected during 2005, there is a share appreciation of +209%, which does not take into account dividends distributed and the related reinvestment.

During the year, the share recorded a maximum price of 6.05 euro in September and then started a downward trend, reaching a minimum of 4.18 euro on 22 November 2024.

The average price for the year was 5.14 euro.

The average daily volumes traded in 2024 were 169,807 (-37%) compared to average daily volumes traded in 2023 equal to 270,338. The highest volume peak was 1,323,197 shares traded on 13 September 2024, and the same month saw the highest average daily volume traded of 225,999 shares.

On 10 March 2025, the Esprinet share price was 4.70 euro (+8.8% compared to the closing price). Average daily trading up to the same date was 169,444 shares per day.

[1] *Simple arithmetic mean (source: Intesa Sanpaolo)*

CORPORATE GOVERNANCE

1. Company Officers

Board of Directors:

(Mandate expiring with approval of the financial statements for the year ending 31 December 2026)

Chairman	Maurizio Rota	
Deputy Chairman	Marco Monti	
Chief Executive Officer	Alessandro Cattani	(CCS)
Director	Luigi Monti	
Director	Riccardo Rota	
Director	Angela Maria Cossellu	(AI) (CNR)
Director	Angelo Miglietta	(AI) (CNR) (CCR)
Director	Emanuela Teresa Basso Petrino	(AI) (CCS)
Director	Emanuela Prandelli	(AI) (CCS)
Director	Renata Maria Ricotti	(AI) (CCR) (CNR)
Director	Angela Sanarico	(AI) (CCR)
Secretary	Manfredi Vianini Tolomei	Studio Chiomenti

Key:

InD: *Independent Director*
CRC: *Member of the Control and Risks Committee*
RNC: *Member of the Remuneration and Nomination Committee*
CCS: *Member of the Competitiveness and Sustainability Committee*

Board of Statutory Auditors:

(Mandate expiring with approval of the financial statements for the year ending 31 December 2026)

Chairman	Silvia Muzi
Permanent Auditor	Maurizio Dallocchio
Permanent Auditor	Riccardo Garbagnati
Alternate Auditor	Vieri Chimenti

Independent Auditors:

(Mandate expiring with approval of the financial statements for the year ending 31 December 2027)

PricewaterhouseCoopers S.p.A.

2. Waiver of obligation to provide information on extraordinary transactions

Pursuant to Art. 70, paragraph 8, and Art. 71, paragraph 1-bis, of the Issuers' Regulation issued by CONSOB, on 21 December 2012 the Board of Directors of Esprinet S.p.A. resolved to make use of the right to waive the obligation to publish the information documents stipulated for significant transactions relating to mergers, demergers, increases in capital by the contribution of goods in kind, acquisitions and transfers.

ACTIVITIES AND STRUCTURE OF THE ESPRINET GROUP

1. Description of the activities

Esprinet S.p.A. (hereinafter also "Esprinet" or the "parent company") and its subsidiaries (collectively the "Esprinet Group" or the "Group") operate in Italy, Spain and Portugal.

The Group is active in the business-to-business (B2B) distribution of Information Technology (IT) and consumer electronics, and is today the largest distributor in Southern Europe. In 2024, the Esprinet Group, through its subsidiary Zeliatech, started distributing green transition technologies.

Its main markets in geographical terms are Italy and the Iberian peninsula.

The main activity is the wholesale distribution of IT products (hardware, software and services) and consumer electronics, aimed at retailers oriented towards both 'consumer' and 'business' end-users. The range of products marketed includes 850 brands from leading technology manufacturers ('vendors'), including to name the world's leading manufacturers HP, Apple, Samsung, Asus, Lenovo, Dell, Microsoft, Acer, Epson.

This is complemented by the distribution of own-brand products made by third parties to order: NILOX, a brand under which electric mobility products, sports entertainment and PC accessories are made; CELLY, a brand under which mobile phone accessories are made; MUITOMAS, a brand under which home, beauty, travel and utility items are made.

In addition to providing traditional wholesaling services (bulk breaking and credit), Esprinet fulfils the role of enabler of the technological eco-system. The Group offers, for example, a turnkey e-commerce platform to hundreds of resellers, in-shop management for thousands of retail sales points, and specialised payment and financing solutions for the resellers community, by also offering the generation of demand by end users and big data analysis to the main technology manufacturers and resellers which outsource marketing activities increasingly more frequently.

The Group, in order to accompany companies and the public sector on their digitalisation journey, also acts as the market's reference distributor of value-added solutions, thanks to a wide range of technologies offered on-prem and as-a-service. Cloud services, collaboration and cybersecurity software, video conferencing systems, advanced IT infrastructure, are areas that will fuel further future sales growth for the industry and offer opportunities for margin expansion, thanks in part to the momentum of strong innovation related to Artificial Intelligence, which is opening up significant opportunities for services that will help companies invest in technology as an enabler of cost efficiency.

The ICT market presents interesting long-term growth prospects also because it is witnessing the continuous conquest of adjacencies: energy efficiency and renewable energies, electric mobility are examples of this. Faced with the new challenges of the Digital Transformation and Green Transition, the Group, through Zeliatech, is the player ready to interpret this future, supporting its partners in this path, thanks to a team of specialised resources and a portfolio of innovative products and solutions capable of facilitating the generation of renewable energy (photovoltaics), sustainable mobility (e-mobility charging solutions), energy efficiency in buildings (Smart Building) and Data Centres (Data Centre Facility).

The 'sales by product family and customer type' section provides a more detailed description of the main product categories marketed.

The customer base served in the two territories is composite, being made up of the different types of IT resellers present in the Italian and Iberian markets: from value-added resellers (VAR) to system integrators/corporate resellers, from dealers to shops (independent and/or affiliated), from generalist and/or specialised retailers to sub-distributors.

Professional clients served in the B2B area in 2024 totalled approximately 30,000, of which approximately 21,000 were in Italy and approximately 9,000 in the Iberian Peninsula.

Logistics activities are carried out at the main logistics centres at Cambiago (MI), Cavenago (MB), Tortona (AL), Pregnana Milanese (MI) and Zaragoza (Spain) all leased premises, totalling about 223,000 sqm (about 176,000 sqm in Italy and 47,000 sqm in Spain).

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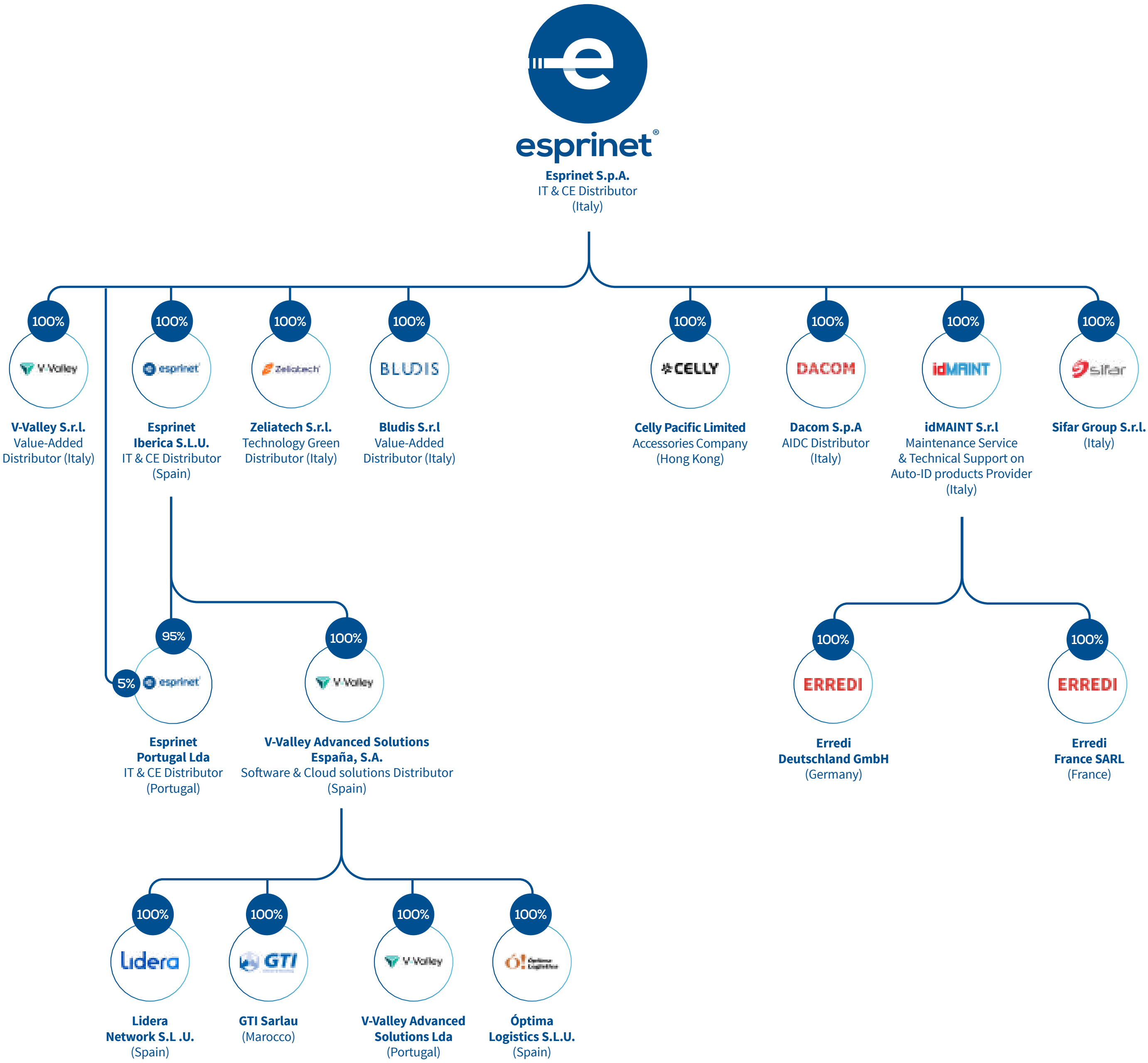
2. Group Structure

The chart below illustrates the structure of the Esprinet Group as at 31 December 2024:



From a legal standpoint, the parent company Esprinet S.p.A. was founded in September 2000 following the merger of two leading Italian distributors, Comprel S.p.A. and Celomax S.p.A.
The Esprinet Group later assumed its current composition as a result of the carve-out of micro-electronic components from the parent company and of various business combinations and establishment of new companies.

This report will refer to the 'Italian Subgroup' and the 'Iberian Subgroup'.
At period end, the Italian Subgroup includes not only the parent company Esprinet S.p.A., but also the companies it directly controls: Bludis S.r.l., Dacom S.p.A., idMAINT S.r.l., Sifar Group S.r.l. (acquired on 2 August 2023), V-Valley S.r.l., Zeliatech S.r.l. (established on 6 September 2023) and Celly Pacific LTD.

For the purposes of the representation under the Italian Subgroup, the subsidiary idMAINT S.r.l. is also understood to include its wholly-owned subsidiaries Erredi Deutschland GmbH, Erredi France SARL, (collectively the "idMAINT Group"), merely companies for procuring sales in service of Dacom S.p.A.

At the same date, the Iberian Subgroup is instead made up of the Spanish operating sub-holding Esprinet Iberica S.L.U. and its subsidiaries Esprinet Portugal Lda and V-Valley Advanced Solutions España, S.A (formerly GTI Software Y Networking S.A.). For the purposes of representation within the Iberian Subgroup, the subsidiary V-Valley Advanced Solutions España, S.A. is understood to also include its wholly-owned subsidiaries V-Valley Advanced Solutions Portugal Unipessoal Lda, GTI Software & Networking SARLAU, Optima Logistics S.L.U. and Lidera Network S.L., acquired on 1 August 2023.

Esprinet S.p.A. has its legal and administrative headquarters in Vimercate, Italy (Monza and Brianza) and has its own logistic sites in Cambiago (Milan), Cavenago (Monza and Brianza) and Tortona (Alessandria).
Esprinet S.p.A. uses Intesa Sanpaolo S.p.A. for specialist activities.

Italian Subgroup

Bludis S.r.l.

Acquired in November 2022, wholly-owned by Esprinet S.p.A., with operational headquarters in Rome, Bludis S.r.l. is an Italian company active in the distribution of software solutions in the Communication, Cybersecurity and IT Management areas, working mainly with innovative and emerging Vendors.

Celly Pacific LTD

Acquired on 12 May 2014 and previously held by Celly S.p.A., merged by incorporation into Esprinet S.p.A. in 2021, Celly Pacific LTD is a Chinese company, wholly-owned by Esprinet S.p.A., specialised in the design, production and distribution of accessories for mobile telephony. The Company for disposal was inactive as at 31 December 2024.

Dacom S.p.A.

Acquired on 22 January 2021, wholly-owned by Esprinet S.p.A., Dacom S.p.A. is an Italian company active since the 1980s in the specialised distribution of products and solutions for Automatic Identification and Data Capture (AIDC).

idMAINT S.r.l. e le sue controllate

Acquired on 22 January 2021, wholly-owned by Esprinet S.p.A., idMAINT S.r.l. is an Italian company specialised since 2012 in pre- and post-sales maintenance and technical support services on Auto-ID products.

idMAINT S.r.l. holds the entire share capital of the German subsidiary Erredi Deutschland GmbH and of the French subsidiary Erredi France SARL., companies inactive as at 31 December 2024 as for disposal.

Sifar Group S.r.l.

Acquired on 2 August 2023, wholly-owned by Esprinet S.p.A., Sifar Group S.r.l. is an Italian company active since 2012 in the B2B distribution of spare parts, components and accessories for mobile phone and tablet products.

V-Valley S.r.l.

Incorporated on 8 June 2010 under the company name Master Team S.r.l., later changed in September of the same year to V-Valley S.r.l., 100% owned by Esprinet S.p.A. is a company under Italian law operating de facto since December 2010 in the distribution activities, of "value" products (essentially high-end servers, storage and networking, virtualisation, cybersecurity, bar-code scanning), until May 2024, as a sales commission agent of Esprinet S.p.A. and from 1 June 2024, as an independent company following the transfer by the parent company Esprinet of the business unit called "Valore", whose purpose is the B2B distribution of products and services relating to the product segments Server and Storage, Networking, Enterprise Software and Cloud, Cybersecurity.

Zeliatech S.r.l.

Established on 6 September 2023, wholly-owned by Esprinet S.p.A., Zeliatech S.r.l. is an Italian company that became operational on 1 February 2024 following the transfer by Esprinet S.p.A. of a business unit active in the distribution of technologies aimed at the generation and distribution of electricity (including photovoltaic panels, inverters, cabling devices, charging stations for electric vehicles); instrumentation for the regulation of temperature and climate in homes, offices and industrial plants, also by means of electronic supports, such as heat pumps, condensers and thermostats; and video surveillance technologies and devices (including application software).

Iberian Subgroup

Esprinet Iberica S.L.U.

Originally established by the Group as a vehicle for the Spanish acquisitions carried out between the end of 2005 and the end of 2006, as a result of the various business combinations and mergers that took place over the years (including, in September 2022, the incorporation of Vinzeo Tecnologies S.A.U., already fully acquired on 1 July 2016, distributor of Apple products since 2009 and holder at the merger date of important distribution contracts in the field of volume ICT), Esprinet Iberica S.L.U. represents the market leader in the distribution of Information Technology and Consumer Electronics. The Spanish company has headquarters, offices and warehouses in Zaragoza, only about 300 km from all the main cities in Spain, and peripheral offices in Madrid, Barcelona and Bilbao, which together account for more than 80% of Spain's IT consumption.

Esprinet Portugal Lda

Established on 29 April 2015, 5% owned by Esprinet S.p.A. and 95% owned by Esprinet Iberica S.L.U., Esprinet Portugal Lda is a Portuguese company active in the distribution of PC, peripheral and consumer electronics products in Portugal, activity carried out by Esprinet Iberica S.L.U. up to that date.

V-Valley Advanced Solutions España, S.A. and its subsidiaries

Acquired by Esprinet Iberica S.L.U. on 1 October 2020, under the name of GTI Software Y Networking S.A. (renamed V-Valley Advanced Solutions España, S.A. on 1 October 2021, on occasion of the merger by incorporation of V-Valley Iberian S.L.U., also wholly-owned by Esprinet Iberica S.L.U., which followed the previous merger by incorporation on 31 March 2021 of the wholly-owned subsidiary DIODE España S.A.U.), the Spanish company, wholly-owned by Esprinet Iberica S.L.U., it is the leading distributor in Spain of software and "cloud" solutions to Value-Added Resellers and System Integrators.

V-Valley Advanced Solutions España, S.A. wholly owns the Spanish subsidiaries Optima Logistics S.L.U. and Lidera Network S.L. (acquired on 1 August 2023), the Portuguese subsidiary V-Valley Advanced Solutions Portugal Unipessoal Lda (formerly Getix Companhia de Distribuição de Software Unipessoal Lda) and the Moroccan subsidiary GTI Software & Networking SARLAU.

STRUCTURE AND TARGET MARKET TRENDS

B2B distribution of IT and consumer electronics

THE IT DISTRIBUTION CHAIN

Generally speaking, IT and electronic products are distributed in two different ways:direct (Direct Channel) and indirect (Tier 1 and Tier 2).

The former enables producers to directly reach the end consumer of technology, while the latter involve the use of first-level intermediaries, or 'resellers', and second level intermediaries, the 'distributors'. Very briefly the subjects making up the distribution chain are:

- "vendors": producers of Information Technology technologies and/or products operating under their own brand;
- "distributors": operators providing logistics, storage, credit and marketing services. In turn, distributors can be classified into:

  (i) 'wide-range' distributors, identified by their wide range and high turnover volumes;
  (ii) 'specialised' distributors, which are the reference point for specific technologies and disciplines, such as intermediate systems, networking, the internet and advisory, training and support services.

- "resellers": operators of heterogeneous size, profitability and organisational structures, business models and type of end-user approach.

In general, a distinction is made between the following categories of resellers:

- 'Professional Resellers': VAR (Value Added Resellers), Corporate Resellers, System Integrators, Dealers;
- 'Specialised Resellers': Telco Specialists, Photo Shops, Videogame Specialists, Furniture Specialists;
- 'Retailers & E-tailers': GDO/GDS (Large Organised/Specialised Distribution), Online Shops.

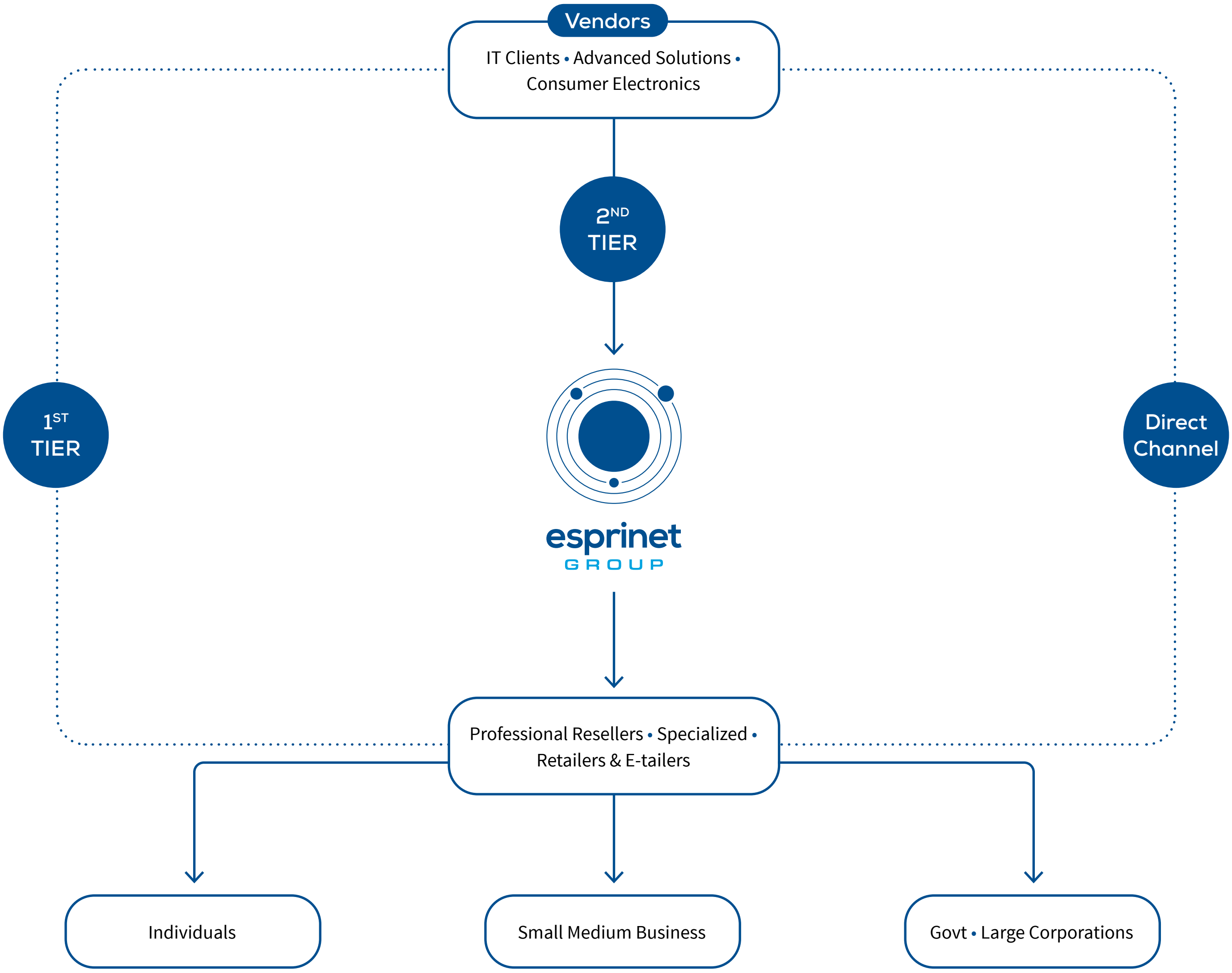
The individual sectors of the business model described above can be further defined in two different ways:

a) the 'addressed' market, which is the total volume of IT product sales made by distributors or effectively passing through the 'indirect channel' (that is, the sales flow that does not pass directly from the producer to the retailer or from the producer to the IT end-user);
b) the 'addressable' market, which is the volume of IT product sales, which can be made by distributors or effectively moved through the 'indirect channel' (with the sole exclusion of hardware equipment such as mainframes or application software such as ERP etc., which by their very nature cannot be intercepted by distributors).

It follows that the size of the sector must therefore be considered by analysing:

- IT demand (end-user consumption);
- the size of the distribution sector (that is the actual value of the sales effected by distributors or the value of the sales that can be guided by distributors according to the intrinsic nature of the products themselves).

The chart below illustrates the typical IT products distribution chain:



Europe

The distribution segment in Europe, measured by the British research company Context (January 2025) through a panel of distributors largely representative of the general trend, recorded sales of approximately 89.1 billion euro in 2024, a slight increase (+0.5%) compared to 88.7 billion euro in 2023 In particular, the trend by quarter highlights the following: -6.4% Q1 2024 vs Q1 2023, +2.3% Q2 2024 vs Q2 2023, +4.6% Q3 2024 vs Q3 2023, +1.9% Q4 2024 vs Q4 2023.

Although Germany remained the leading market with a turnover of 18.1 billion euro, it recorded a drop of 2.2%. Among the German-speaking countries, Switzerland also saw a contraction (-2.5%); only Austria showed a positive sign (+1.5%).

The market consisting of the UK and Ireland, the second largest with sales of 14.9 billion euro, was up 1.2%.

In Italy, turnover also increased (+0.7%) and stood at 9.4 billion euro, with its weight in the panel of European countries almost unchanged at 10.5%.

Slightly more contained was the growth in France (+0.4%), which practically confirmed 8.3 billion euro in sales.

In the Iberian Peninsula, Spain and Portugal showed respectively +0.3% (with a market at 7.2 billion euro) and +6.8% (with a market at 1.8 billion euro) compared to 2023.

The Netherlands (+6.7%), whose sales rose to 5.3 billion euro, and Belgium (+3.6%) also performed very well.

Among the Eastern European countries, there was a decline (-3.7%) in Poland, whose turnover in 2024 dropped to 5.2 billion euro, and Slovakia (-14.4%); the Czech Republic, on the other hand, recorded significant growth (9.4%).

In the Nordic countries, only Finland saw a decrease in sales (-2.5%). The Swedish market remained largely unchanged, while Denmark (+4.2%) and Norway (+8.8%) showed positive signs.

Finally, the Baltic countries, with +6.7% over 2023, brought turnover to 1 billion euro.

The following table summarises the distribution trend in each country in 2023 and 2024 (values are in billion euro), the development in the last two quarters, in the second half of the year and in 2024 as a whole, compared with the same periods in the previous year:

Country	2023	2024	Q3-24 vs Q3-23	Q4-24 vs Q4-23	2H 2024 vs 2H 2023	2024 vs 2023
Total	**88.7**	**89.1**	**4.6%**	**1.9%**	**3.1%**	**0.5%**
Germany	18.5	18.1	5.9%	0.6%	3.0%	-2.2%
UK-Ireland	14.7	14.9	6.9%	-2.4%	1.9%	1.2%
Italy	9.3	9.4	3.0%	-0.1%	11%	0.7%
France	8.3	8.3	-0.6%	-0.1%	-0.3%	0.4%
Spain	7.2	7.2	4.1%	10.1%	7.6%	0.3%
Netherlands	5.0	5.3	9.3%	9.1%	9.2%	6.7%
Poland	5.4	5.2	-7.1%	-2.5%	-4.4%	-3.7%
Switzerland	4.2	4.1	2.1%	-5.3%	-2.1%	-2.5%
Sweden	2.6	2.6	0.0%	6.3%	3.5%	0.0%
Czechia	2.2	2.4	13.4%	10.9%	11.9%	9.4%
Austria	2.1	2.2	8.4%	6.0%	7.0%	15%
Belgium	2.1	2.2	9.0%	9.6%	9.3%	3.6%
Portugal	1.7	1.8	11.5%	8.8%	10.0%	6.8%
Denmark	1.7	1.8	12.6%	7.4%	9.5%	4.2%
Norway	1.2	1.3	11.0%	10.0%	10.4%	8.8%
Finland	1.2	1.2	6.4%	-0.1%	2.8%	-2.5%
Baltics	0.9	1.0	20.3%	6.6%	12.6%	6.7%
Slovakia	0.5	0.5	-26.0%	-8.0%	-15.5%	-14.4%

Source: Context, January 2025.

Italy

IT, electronics consumption and distribution sector

In 2024, the Italian Information & Communication Technology ("ICT") market[2] measured through IDC data (February 2025), which monitors the purchases of end users in different European countries, recorded +5.4%, going from 27.7 billion euro to 29.1 billion euro of sales.

Going into the details of the product categories, among the devices, 'PCs' showed significant growth (+13.9%), with sales in 2024 amounting to 3.2 billion euro. This result was due to the positive performance of both 'Portable PCs', whose turnover increased from 2.1 billion euro to 2.4 billion euro (+14.5%), and 'Desktop PCs', whose sales rose to 787 million euro (+7.7%). On the other hand, the "Tablets" segment, with a market in 2024 at 805 million euro, recorded an increase of 12.2%.

"Mobile Phones", with a downward performance compared to the previous year (-3.5%), amounted to 7.1 billion euro.

In the peripherals category, the "Hardcopy" segment showed a 7.8% drop in turnover, while "PC Monitors" with performance of +8.3%, brought the market to 371 million euro.

In the Infrastructure area, "Servers" increased their scope (+4.4%) with sales at 760 million euro, while "Storage" recorded a decrease of -7.3% reaching 347 million euro.

Spending in the "IaaS" category increased significantly: +22.2% from about 1.3 billion euro in 2023 to 1.6 billion euro in 2024. By contrast, the "Network Equipment" category slowed down by 9.7% (894 million euro).

In the "Software" area[3], finally, with an increase of 15.8%, the market reached 8.4 billion euro.

In this context, in 2024, the Italian distribution market (source: Context, January 2025) recorded a positive trend compared to the previous year (+0.7%). Analysing the trend by semester, the first half-year recorded +0.2%, while the second saw a further improvement (+1.1%) compared to the same period of the previous year (+3.0% Q3 2024 vs Q3 2023 and -0.1% Q4 2024 vs Q4 2023).

According to Context data, Esprinet Italia remains the top distributor in the Italian market, with a share up compared to 2023.

[2] Excluding the IT Services segment. The following markets are therefore monitored: Hardware (Devices & Infrastructure) and Software.
[3] Considering the System Infrastructure Software and Application Development & Deployment segments.

Spain

IT, electronics consumption and distribution sector

In 2024, the Spanish Information & Communication Technology ("ICT") market measured through IDC data (February 2025), which monitors the purchases of end users in different European countries, recorded growth of 5.4%, going from 19.8 billion euro to 20.9 billion euro of sales.

In Spain, 'PCs' also recorded an increase in turnover (+11.2%), with sales rising from 2.9 billion euro in 2023 to 3.2 billion euro in 2024. It should be noted that both "Portable PCs" (+11.3% from 2.2 billion euro to 2.4 billion euro) and "Desktop PCs", which grew by 5.4%, contributed to this result.

The "Tablets" segment, with a turnover of 790 million euro in 2024, was also positive with +10.7%.

The "Mobile Phones" market, accounting for 5.2 billion euro, showed a drop of 1.2%.

Among peripherals, the "Hardcopy" segment ended 2024 in negative: -1.0%; while "PC Monitors" increased their scope with a significant +6.1%.

In the Infrastructure area, "Servers" and "Storage" recorded a decrease with the following trends, respectively: -14.2%, bringing the market to 401 million euro, and -1.8% with the market reaching 269 million euro. In Spain, spending in the "IaaS" category also jumped significantly (+21.5%, passing from 851 million euro to over one billion euro). The "Network Equipment" category instead performed negatively, with a decrease of 2.2% (750 million euro).

In the "Software" area, the increase of 15.6% brought turnover to 5.0 billion euro.

In this scenario, in 2024, the Spanish distribution market (source: Context, January 2025) increased slightly (+0.3%) compared to 2022 and the Esprinet market share was consolidated.

Portugal

IT, electronics consumption and distribution sector

In 2024, the Portuguese Information & Communication Technology ("ICT") market measured through IDC data (February 2025), which monitors the purchases of end users in different European countries, recorded a decrease of 4.8%, settling at 3.9 billion euro.

Among devices, "PCs" recorded an increase of 9.3%, with sales up in 2024 to 617 million euro. In the Portuguese market, this growth is attributable to "Portable PCs" (+15.2%), while "Desktop PCs" fell by 8.4%. "Tablets" also closed on a negative note: -8.5%.

The "Mobile Phones" market reached a turnover of about one billion euro, substantially in line with the previous year (+0.2%).

Among peripherals, the "Hardcopy" segment ended 2024 in positive: +1.2%; while "PC Monitors" slightly decreased with -0.9%.

In the Infrastructure area, 2024 saw the following performance: the "Servers" market increased by 4.2%, the "Storage" market decreased by 5.2%, the "IaaS" segment rose by 23.8% and the "Network Equipment" category recorded -14.4%.

As in Italy and Spain, the "Software" area bounced (+16.7%) reaching a turnover of 966 million euro.

In 2024, the Portuguese distribution market (source: Context, January 2025) grew by 6.8% compared to 2023 and the Esprinet market share recorded a decrease.

GROUP AND ESPRINET S.P.A. ECONOMIC AND FINANCIAL RESULTS

Please note that the economic and financial results and those of the relative period of comparison have been drawn up according to IFRS.

1. Income trend

A) ESPRINET GROUP' S FINANCIAL HIGHLIGHTS

The Group's financial highlights as at 31 December 2024 are hereby summarised:

(€/000)	2024	2023	% Var.
Sales from contracts with customers	**4,141,562**	**3,985,162**	**4%**
Cost of goods sold excl. factoring/securitisation	3,894,917	3,748,590	4%
Financial cost of factoring/securisation [1]	17,046	15,751	8%
Gross Profit [2]	**229,599**	**220,821**	**4%**
Gross Profit %	*5.54%*	*5.54%*	
Personnel costs	96,346	89,134	8%
Other operating costs	63,726	67,546	-6%
EBITDA adjusted(3)	**69,527**	**64,141**	**8%**
EBITDA adjusted %	*1.68%*	*1.61%*	
Depreciation and amortisation	9,344	7,430	26%
IFRS 16 Right of Use depreciation	13,957	12,635	10%
Goodwill impairment	-	-	n/s
EBIT adjusted(3)	**46,226**	**44,076**	**5%**
EBIT adjusted %	*1.12%*	*1.11%*	
Non recurring costs(4)	-	30,064	<100%
EBIT	**46,226**	**14,012**	**>100%**
EBIT %	*1.12%*	*0.35%*	
IFRS 16 interest expenses on leases	3,876	3,382	15%
Other financial (income) expenses	10,705	16,584	-35%
Foreign exchange (gains) losses	2,779	(848)	<100%
Result before income taxes	**28,866**	**(5,106)**	**>100%**
Income taxes	7,345	6,769	9%
Net result	**21,521**	**(11,875)**	**>100%**
- of which attributable to non-controlling interests	-	-	n/s
- of which attributable to the Group	**21,521**	**(11,875)**	**>100%**

[1] Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring, confirming and securitisation programmes.
[2] Gross of amortisation/depreciation that, by function, would be included in the cost of sales.
[3] Adjusted given gross of non-recurring items.
[4] Of which with reference to 2023, 29.4 million euro otherwise included in "Other operating costs", 0.6 million euro otherwise included in "Personnel costs".

Sales from customer contracts amounted to 4,141.6 million euro and showed an improvement of +4% compared to 3,985.2 million euro realised in 2023; on a like-for-like basis, i.e., stripping out the value of 2024 sales from the contribution of 27.7 million euro from Lidera Network S.L. and Sifar Group S.r.l., both acquired in August 2023 in, respectively, Spain and Italy, the improvement is estimated at +3%.

The gross trade margin amounted to 229.6 million euro, an improvement over the 220.8 million euro recorded in 2023, due to the increase in sales, the percentage margin being 5.54% in line with the corresponding period of the previous year. Excluding the 4.1 million euro contribution from the aforementioned acquisitions from the result of 2024, the percentage margin would have in any case shown a slight decrease to 5.48%.

Adjusted EBITDA, equivalent to EBITDA and equal to 69.5 million euro, up +8% compared to 64.1 million euro in 2023 when EBITDA, adversely impacted by 30.1 million euro in non-recurring costs generated by tax transactions signed in Italy in relation to VAT, instead amounted to 34.0 million euro. The incidence on sales increased to 1.68% from 1.61% in 2023, also thanks to the reduction in the incidence of operating costs.

The result includes 1.5 million euro of EBITDA generated by the two companies acquired in August 2023. Therefore, excluding the contribution from the aforementioned acquisitions from the 2024 result, Adjusted EBITDA is estimated to have amounted to 68.0 million euro (+6% compared to the previous year) with an incidence on sales that grew to 1.65% compared to 1.61% in the corresponding period of the previous year.

Adjusted EBIT, equal to EBIT, amounted to 46.2 million euro, showing an improvement of +5% (+2% net of acquisitions) over the corresponding period of the previous year. The change from Adjusted EBITDA results from the depreciation and amortisation of the automation investments completed at the end of 2023 in the Italian logistics sites, as well as the right of use of the new logistics site in Tortona from August 2024 and the assets arising from the acquisition of Sifar Group S.r.l. The incidence on sales amounted to 1.12% from 1.11% in the previous period.

EBIT, coinciding with Adjusted EBIT and positive at 46.2 million euro, compares to a positive result of 14.0 million euro in 2023.

The Result before income taxes in 2024 was positive compared to the negative result recorded in the corresponding period of 2023, influenced by 37.0 million euro of non-recurring costs, of which 6.9 million euro in financial charges deriving from the aforementioned tax transactions.

The Net result is positive for 21.5 million euro (-11.9 million euro in 2023).

The Group's main financial and equity position as at 31 December 2024 are hereby summarised:

(euro/000)	31/12/2024	31/12/2023
Fixed assets	302,084	273,868
Operating net working capital	135,209	104,112
Other current assets/liabilities	31,891	22,263
Other non-current assets/liabilities	(43,699)	(48,354)
Total uses	**425,485**	**351,889**
Short-term financial liabilities	87,799	72,246
Lease liabilities	12,633	11,896
Current financial (assets)/liabilities for derivatives	-	18
Financial assets held for trading	(103)	(113)
Financial receivables from factoring companies	(133)	(249)
Current debts for investments in subsidiaries	-	5,764
Other current financial receivables	(10,154)	(9,656)
Cash and cash equivalents	(216,250)	(260,883)
Net current financial debt	(126,208)	(180,977)
Borrowings	30,762	65,702
Lease liabilities	131,084	99,154
Non - current debts for investments in subsidiaries	600	600
Net financial debt (A)	36,238	(15.521)
Net equity (B)	389,247	367,410
Total sources of funds (C=A+B)	**425,485**	**351,889**

Net invested capital as at 31 December 2024 amounted to 425.5 million euro and was financed by:

- net equity amounting to 389.2 million euro (367.4 million euro as at 31 December 2023);
- negative net financial position of 36.2 million euro, improving compared to 30 September 2024 (negative by 344.3 million euro) but worsening compared to 31 December 2023 (positive by 15.5 million euro).

The change in the net financial position compared to 30 September 2024 is attributable to the measures adopted to contain the level of net working capital and the usual lower absorption of net working capital at the peak of the business seasonality. The change from 31 December 2023 is mainly due to the financial liability arising from the multi-year lease contract for the new warehouse in Tortona, effective as of 1 August 2024, and to the payment of instalments foreseen in the instalment plans of the tax agreements signed in previous periods, the level of average invested working capital having instead improved. It is always considered that the value of the exact net financial position as at 31 December 2024 is influenced by technical factors like the seasonality of the business, the trend in 'non-recourse' assignments of trade receivables (factoring, confirming and securitisation) and the trend in the behavioural models of customers and suppliers in the different periods of the year. Therefore, it is not representative of the average levels of net financial indebtedness noted during the period. The aforementioned factoring and securitisation programmes, which define the complete transfer of risks and benefits to the assignees and therefore involve the derecognition of receivables from the statement of financial position assets in compliance with IFRS 9, determine an overall effect on the level of consolidated net financial payables as at 31 December 2024 of 429.6 million euro (393.1 million euro as at 31 December 2023).

Net equity totalled 389.2 million euro, up compared to 367.4 million euro as at 31 December 2023.

Equity and financial indicators confirm the strength of the Group.

B) FINANCIAL HIGHLIGHTS BY GEOGRAPHICAL AREA

B.1) Italian Subgroup

The Italian Subgroup's financial highlights as at 31 December 2024 are hereby summarised:

(€/000)	2024	2023	% Var.
Sales from contracts with customers	**2,652,584**	**2,522,545**	**5%**
Cost of goods sold excl. factoring/securitisation	2,492,635	2,367,741	5%
Financial cost of factoring/securisation [1]	11,697	11,411	3%
Gross Profit [2]	**148,252**	**143,393**	**3%**
Gross Profit %	*5.59%*	*5.68%*	
Personnel costs	61,305	57,580	6%
Other operating costs	50,033	50,957	-2%
EBITDA adjusted [3]	**36,914**	**34,856**	**6%**
EBITDA adjusted %	*1.39%*	*1.38%*	
Depreciation and amortisation	7,258	5,332	36%
IFRS 16 Right of Use depreciation	10,564	9,245	14%
Goodwill impairment	-	-	n/s
EBIT adjusted [3]	**19,092**	**20,279**	**-6%**
EBIT adjusted %	*0.72%*	*0.80%*	
Non recurring costs [4]	-	29,224	<100%
EBIT	**19,092**	**(8,945)**	**>100%**
EBIT %	*0.72%*	*-0.35%*	

[1] Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring, confirming and securitisation programmes.
[2] Gross of amortisation/depreciation that, by function, would be included in the cost of sales.
[3] Adjusted given gross of non-recurring items.
[4] Of which with reference to 2023, 29.0 million euro otherwise included in "Other operating costs", 0.2 million euro otherwise included in "Personnel costs".

Sales from customer contracts amounted to 2,652.6 million euro and showed an improvement of +5% compared to 2,522.5 million euro realised in 2023; the change is also in line with a constant consolidation scope, i.e., stripping out the value of 2024 sales from the contribution of 15.0 million euro from Sifar Group S.r.l. acquired in August 2023.

The gross commercial margin is equal to 148.3 million euro, an improvement of +3% compared to the 143.4 million euro recorded in 2023 despite a slight reduction in the percentage profitability, which stands at 5.59% from 5.68% in the previous year. The gross trading margin benefited from a 2.8 million euro contribution in the first seven months of 2024 from the aforementioned business combination.

Adjusted EBITDA, equivalent to EBITDA and equal to 36.9 million euro, up +6% compared to 34.9 million euro in 2023 when EBITDA, adversely impacted by 29.2 million euro in non-recurring costs generated by tax transactions signed in Italy in relation to VAT, instead amounted to 7.7 million euro. The incidence on sales is in line with the previous year (1.39% from 1.38% in 2023).

The result also includes 1.3 million euro of EBITDA generated by the company Sifar Group S.r.l., acquired in August 2023, without whose contribution it is estimated that it would still have amounted to 35.6 million euro (+2% year-on-year).

Adjusted EBIT, equal to EBIT, amounted to 19.1 million euro, showing a decrease of -6% (-12% net of the aforementioned acquisition) over the corresponding period of the previous year. The change from Adjusted EBITDA results from the depreciation and amortisation of the automation investments completed at the end of 2023 in the Italian logistics sites, as well as the right of use of the new logistics site in Tortona from August 2024 and the assets arising from the acquisition of Sifar Group Srl. The incidence on sales fell to 0.72% from 0.80% in the previous period.

EBIT, coinciding with Adjusted EBIT and positive at 19.1 million euro, compares to a negative result of -8.9 million euro in 2023.

The Italian Subgroup's main financial and equity position as at 31 December 2024 are hereby summarised:

(euro/000)	31/12/2024	31/12/2023
Fixed assets	262,244	230,829
Operating net working capital	80,389	30,053
Other current assets/liabilities	51,346	49,005
Other non-current assets/liabilities	(27,306)	(32,705)
Total uses	**366,673**	**277,182**
Short-term financial liabilities	72,908	49,459
Lease liabilities	9,441	8,582
Current debts for investments in subsidiaries	-	5,764
Financial receivables from factoring companies	(133)	(249)
Financial (assets)/liab. from/to Group companies	20,257	-
Other current financial receivables	(10,154)	(9,656)
Cash and cash equivalents	(90,973)	(125,713)
Net current financial debt	1,346	(71,813)
Borrowings	18,834	39,574
Lease liabilities	115,934	81,478
Non - current debts for investments in subsidiaries	600	600
Net Financial debt (A)	136,714	49,839
Net equity (B)	229,959	227,343
Total sources of funds (C=A+B)	**366,673**	**277,182**

The net financial position was negative for 136.7 million euro, improving compared to 30 September 2024 (negative by 328.0 million euro) but worsening compared to 31 December 2023 (negative by 49.8 million euro).

The change in the net financial position compared to 30 September 2024 is attributable to the usual lower absorption of net working capital at the peak of the business seasonality. The change compared to 31 December 2023 is mainly due to the financial liability arising from the multi-year lease contract for the new Tortona warehouse, effective from 1 August 2024, the payment of the installments provided for in the installment plans of the tax agreements signed in previous periods and higher volumes of commercial working capital in the last quarter of 2024 compared to the corresponding quarter of 2023, while the level of average invested working capital improved throughout the year.

The value of the exact net financial position as at 31 December 2024 is influenced by technical factors like the seasonality of the business, the trend in 'non-recourse' factoring of trade receivables (factoring, confirming and securitisation), and trends in the behaviour of customers and suppliers at different times of the year. Therefore, it is not representative of the average levels of net financial indebtedness noted during the period. The aforementioned programmes of factoring and securitisation of trade receivables, which define the complete transfer of risks and benefits to the assignees and therefore allow their derecognition from the statement of financial position assets, determine an overall effect on the level of consolidated net financial payables as at 31 December 2024 quantifiable in 252.8 million euro (253.7 million euro as at 31 December 2023).

B.2) Iberian Subgroup

The Iberian Subgroup's financial highlights as at 31 December 2024 are hereby summarised:

(€/000)	2024	2023	% Var.
Sales from contracts with customers	**1,518,460**	**1,491,029**	**2%**
Cost of goods sold excl. factoring/securitisation	1,431,851	1,409,182	2%
Financial cost of factoring/securisation [1]	5,350	4,340	23%
Gross Profit [2]	**81,259**	**77,507**	**5%**
Gross Profit %	*5.35%*	*5.20%*	
Personnel costs	35,041	31,554	11%
Other operating costs	14,192	17,128	-17%
EBITDA adjusted [3]	**32,026**	**28,825**	**11%**
EBITDA adjusted %	*2.11%*	*1.93%*	
Depreciation and amortisation	1,590	1,559	2%
IFRS 16 Right of Use depreciation	3,393	3,390	0%
Goodwill impairment	-	-	n/s
EBIT adjusted [3]	**27,043**	**23,876**	**13%**
EBIT adjusted %	*1.78%*	*1.60%*	
Non recurring costs [4]	-	840	<100%
EBIT	**27,043**	**23,036**	**17%**
EBIT %	*1.78%*	*1.54%*	

[1] Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring, confirming and securitisation programmes.
[2] Gross of amortisation/depreciation that, by function, would be included in the cost of sales.
[3] Adjusted given gross of non-recurring items.
[4] Of which with reference to 2023, 0.4 million euro otherwise included in "Other operating costs", 0.4 million euro otherwise included in "Personnel costs".

Sales from customer contracts amounted to 1,518.5 million euro and showed an improvement of +2% compared to 1,491.0 million euro realised in 2023; on a like-for-like basis, i.e., stripping out the value of 2024 sales from the contribution of 12.7 million euro from Lidera Network S.L. acquired in August 2023, the improvement is estimated at +1%.

The gross trading margin amounted to 81.3 million euro, an improvement of +5% compared to 77.5 million euro in 2023, due to the increase in sales and the percentage margin that stood at 5.35% from 5.20% in the corresponding period of the previous year. On a like-for-like basis, i.e., stripping the 2024 result of the 1.4 million euro contribution from the aforementioned business combination, the percentage margin would still have grown to 5.31%.

Adjusted EBITDA, equivalent to EBITDA and equal to 32.0 million euro, is up +11% compared to 28.8 million euro in 2023 when EBITDA, adversely impacted by 0.8 million euro in non-recurring costs related to a reorganisation programme of the management structure, instead amounted to 28.0 million euro. The incidence on sale increased to 2.11% from 1.93% in 2023, thanks also to the reduction in the incidence of operating costs.

The result includes 0.2 million euro EBITDA generated by the company Lidera Network S.L. acquired in August 2023.

Adjusted EBIT, equal to EBIT, amounted to 27.0 million euro, showing an improvement of +13% (in line also net of the aforementioned acquisition) over the corresponding period of the previous year. The incidence on sales improved and stood at 1.78% from 1.60% in the previous period.

EBIT, coinciding with Adjusted EBIT and positive at 27.0 million euro, compares to a positive result of 23.0 million euro in 2023.

The Iberian Subgroup's main financial and equity position as at 31 December 2024 are hereby summarised:

(euro/000)	31/12/2024	31/12/2023
Fixed assets	114,423	117,625
Operating net working capital	54,873	74,204
Other current assets/liabilities	(19,453)	(26,741)
Other non-current assets/liabilities	(16,393)	(15,649)
Total uses	**133,450**	**149,439**
Short-term financial liabilities	14,892	22,787
Lease liabilities	3,192	3,314
Current financial (assets)/liabilities for derivatives	-	18
Financial assets held for trading	(103)	(113)
Financial (assets)/liab. from/to Group companies	(20,257)	-
Cash and cash equivalents	(125,277)	(135,170)
Net current financial debt	(127,553)	(109,164)
Borrowings	11,928	26,128
Lease liabilities	15,150	17,676
Net Financial debt (A)	(100,475)	(65,360)
Net equity (B)	233,925	214,798
Total sources of funds (C=A+B)	**133,450**	**149,438**

The net financial position shows a liquidity surplus of 100.5 million euro and shows an improvement, both compared to the financial position as at 30 September 2024 (negative by 16.3 million euro) and compared to the liquidity surplus of 65.3 million euro as at 31 December 2023, due to the containment of the level of net working capital, both punctual at the dates of recognition and average over the periods of reference.

The value of the exact net financial position as at 31 December 2024 is influenced by technical factors like the seasonality of the business, the trend in 'non-recourse' factoring of trade receivables (factoring, confirming and securitisation), and trends in the behaviour of customers and suppliers at different times of the year. Therefore, it is not representative of the average levels of net financial indebtedness noted during the period. The aforementioned programmes of factoring and securitisation of trade receivables, which define the complete transfer of risks and benefits to the assignees and therefore allow their derecognition from the statement of financial position assets, determine an overall effect on the level of consolidated net financial payables as at 31 December 2024 quantifiable in 176.8 million euro (139.5 million euro as at 31 December 2023).

Esprinet S.p.A.

The main economic, financial and equity position of the parent company Esprinet S.p.A. as at 31 December 2024 are hereby summarised:

(€/000)	2024	2023	% Var.
Sales from contracts with customers	**2,315,855**	**2,423,750**	**-4%**
Cost of goods sold excl. factoring/securitisation	2,194,405	2,282,264	-4%
Financial cost of factoring/securisation [1]	10,154	10,053	1%
Gross Profit [2]	**111,296**	**131,433**	**-15%**
Gross Profit %	*4.81%*	*5.42%*	
Personnel costs	43,844	50,993	-14%
Other operating costs	43,159	49,008	-12%
EBITDA adjusted [3]	**24,293**	**31,432**	**-23%**
EBITDA adjusted %	*1.05%*	*1.30%*	
Depreciation, amortisation, impairment	6,011	4,722	27%
IFRS 16 Right of Use depreciation	9,924	8,860	12%
Goodwill impairment	-	-	n/s
EBIT adjusted [3]	**8,358**	**17,850**	**-53%**
EBIT adjusted %	*0.36%*	*0.74%*	
Non recurring costs [4]	-	29,224	<100%
EBIT	**8,358**	**(11,374)**	**>100%**
EBIT %	*0.36%*	*-0.47%*	
IFRS 16 interest expenses on leases	3,213	2,695	19%
Other financial (income) expenses	9,238	14,088	-34%
Foreign exchange (gains) losses	1,003	(801)	>100%
Cost (income) from investments	11,197	-	>100%
Result before income taxes	**(16,293)**	**(27,356)**	**-40%**
Income taxes	(1,141)	1,683	<100%
Net result	**(15,152)**	**(29,039)**	**-48%**

[1] Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring, confirming and securitisation programmes.
[2] Gross of amortisation/depreciation that, by function, would be included in the cost of sales.
[3] Adjusted given gross of non-recurring items.
[4] Of which with reference to 2023, 29.0 million euro otherwise included in "Other operating costs", 0.2 million euro otherwise included in "Personnel costs".

Sales from contracts with customers amounted to 2,315.9 million euro, down by -4% from 2,423.8 million euro in 2023. The reduction was affected by 311.6 million euro in business volume developed in 2024 by the wholly-owned subsidiaries Zeliatech S.r.l. and V-Valley S.r.l. to which, on 1 February and 1 June 2024, the Company transferred the business units related to the distribution of products and services in the "Green Tech" and "Solutions" areas, respectively.

Gross Profit stood at 111.3 million euro and shows a decrease of -15% compared to 2023 (131.4 million euro) with a percentage margin of 4.81% compared to 5.42% in the previous year. This was affected by the contribution of branches of the Green Tech and Solutions businesses, which realised a gross trading margin of 21.6 million euro in 2024.

Adjusted EBITDA, equivalent to EBITDA and equal to 24.3 million euro, down -23% compared to 31.4 million euro in 2023 when EBITDA, adversely impacted by 29.2 million euro in non-recurring costs generated by tax transactions signed in Italy in relation to VAT, instead amounted to 2.2 million euro. The incidence on sales decreased to 1.05% from 1.30% in 2023. The EBITDA generated in 2024 by the transferred business units amounted to 7.0 million euro, which would have resulted in the company's earnings being equal to the previous year.

EBIT Adjusted, coinciding with EBIT since no non-recurring costs were recognised, was 8.4 million euro, -53% from 17.9 million euro in 2023, down compared to EBITDA Adjusted due to depreciation of the automation equipment of some Italian warehouse activities started at the end of 2023, and the right of use of the new Italian warehouse in Tortona.

EBIT, coinciding with Adjusted EBIT and positive at 8.4 million euro, compares to a negative result of 11.4 million euro in 2023. Gross of the EBIT generated in 2024 by the businesses transferred to the two subsidiaries, both EBIT and Adjusted EBIT in 2024 would have amounted to 15.2 million euro.

The Result before taxes in 2024, negative for -16.3 million euro (-10.7 gross of the contribution of the two business units), compares with the negative result recorded in 2023 equal to -27.4 million euro and influenced by 36.2 million of non-recurring expenses, of which 6.9 million euro of financial expenses deriving from the tax transactions previously mentioned.

The Net result is negative for -15.2 million euro (-29.0 million euro in 2023).

The main financial and equity position of the parent company Esprinet S.p.A. as at 31 December 2024 are hereby summarised:

(euro/000)	31/12/2024	31/12/2023
Fixed assets	314,411	247,898
Operating net working capital	(16,976)	(54,288)
Other current assets/liabilities	58,190	118,717
Other non-current assets/liabilities	(21,667)	(29,936)
Total uses	**333,958**	**282,391**
Short-term financial liabilities	69,809	48,006
Lease liabilities	8,822	8,124
Financial receivables from factoring companies	(133)	(249)
Debts for investments in subsidiaries (current)	-	5,764
Financial (assets)/liab. From/to Group companies	9,870	12,882
Other current financial receivables	(10,154)	(9,656)
Cash and cash equivalents	(74,671)	(113,122)
Net current financial debt	3,543	(48,251)
Borrowings	18,834	39,480
Lease liabilities	113,983	78,792
Debts for investments in subsidiaries (non-current)	600	600
Net Financial debt (A)	136,960	70,621
Net equity (B)	196,998	211,770
Total sources of funds (C=A+B)	**333,958**	**282,391**

The Net Financial Position was a negative 137.0 million euro and compares with a negative net financial position of 70.6 million euro as at 31 December 2023.

The change is mainly due to the financial liability arising from the multi-year lease contract for the new Tortona warehouse, the payment of the installments provided for in the installment plans of the tax agreements signed in previous periods and higher volumes of commercial working capital in the last quarter of 2024 compared to the corresponding quarter of 2023. The value of the exact net financial position as at 31 December is influenced by technical factors like the seasonality of the business, the trend in 'non-recourse' factoring of trade receivables (factoring, confirming and securitisation) and trends in the behaviour of customers and suppliers at different times of the year. Therefore, it is not representative of the average levels of net financial indebtedness noted during the period. The aforementioned programmes of factoring and securitisation of trade receivables, which define the complete transfer of risks and benefits to the assignees and therefore allow their derecognition from the statement of financial position assets, determine an overall effect on the level of consolidated net financial payables as at 31 December quantifiable in 217.2 million euro (228.0 million euro as at 31 December 2023).

Net equity totalled 197.0 million euro (211.8 million euro as at 31 December 2023).

C) GROUP'S FINANCIAL HIGHLIGHTS PRE-IFRS 16

The Group's main financial results are shown below using the adjusted figures according to IFRS 16, which was applied for the first time to the financial statements as at 31 December 2019:

(€/000)	2024	2023	% Var.
	Pre-IFRS16	Pre-IFRS16	
Sales from contracts with customers	**4,141,562**	**3,985,162**	**4%**
Cost of goods sold excl. factoring/securitisation	3,894,917	3,748,590	4%
Financial cost of factoring/securisation [1]	17,046	15,751	8%
Gross Profit [2]	**229,599**	**220,821**	**4%**
Gross Profit %	*5.54%*	*5.54%*	
Personnel costs	96,346	89,773	7%
Other operating costs	79,726	82,042	-3%
EBITDA adjusted [3]	**53,527**	**49,006**	**9%**
EBITDA adjusted %	*1.29%*	*1.23%*	
Depreciation and amortisation	9,344	7,430	26%
IFRS 16 Right of Use depreciation	-	-	n/s
Goodwill impairment	-	-	n/s
EBIT adjusted [3]	**44,183**	**41,576**	**6%**
EBIT adjusted %	*1.07%*	*1.04%*	
Non recurring costs [4]	-	30,064	<100%
EBIT	**44,183**	**11,512**	**>100%**
EBIT %	*1.07%*	*0.29%*	
IFRS 16 interest expenses on leases	-	-	n/s
Other financial (income) expenses	10,705	16,584	-35%
Foreign exchange (gains) losses	2,779	(848)	<100%
Result before income taxes	**30,699**	**(4,224)**	**>100%**
Income taxes	7,748	6,927	12%
Net result	**22,951**	**(11,151)**	**>100%**
- of which attributable to non-controlling interests	-	-	n/s
- of which attributable to the Group	**22,951**	**(11,151)**	**>100%**

[1] Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring, confirming and securitisation programmes.
[2] Gross of amortisation/depreciation that, by function, would be included in the cost of sales.
[3] Adjusted given gross of non-recurring items.
[4] Of which with reference to 2023, 29.4 million euro otherwise included in "Other operating costs", 0.6 million euro otherwise included in "Personnel costs".

The Group's main financial and equity results are shown below using the adjusted figures following the application of IFRS 16:

(euro/000)	31/12/2024 Pre - IFRS 16	31/12/2023 Pre - IFRS 16
Fixed assets	165,970	168,630
Operating net working capital	133,762	102,636
Other current assets/liabilities	32,369	23,270
Other non-current assets/liabilities	(43,559)	(48,354)
Total uses	**288,542**	**246,182**
Short-term financial liabilities	87,799	72,246
Lease liabilities	-	-
Current financial (assets)/liabilities for derivatives	-	18
Financial assets held for trading	(103)	(113)
Financial receivables from factoring companies	(133)	(249)
Current debts for investments in subsidiaries	-	5,764
Other financial receivables	(10,154)	(9,656)
Cash and cash equivalents	(216,250)	(260,883)
Net current financial debt	(138,841)	(192,873)
Borrowings	30,762	65,702
Lease liabilities	-	-
Non-current debts for investments in subsidiaries	600	600
Net Financial debt (A)	(107,479)	(126,571)
Net equity (B)	396,021	372,753
Total sources of funds (C=A+B)	**288,542**	**246,182**

2. Operating net working capital

The following tables show the turnover ratios and percentages of the components of working capital calculated with reference to the balance sheet values at the reporting date. Given the seasonal nature of the business and the variability of asset values even within individual months, these values and indices are not representative of the average values recorded in the same financial years:

(€/000)	31/12/2024			31/12/2023		
	Group	Italy	Iberica	Group	Italy	Iberica
Trade receivables [a]	**764,264**	**415,958**	**348,306**	**698,602**	**401,034**	**297,568**
Trade receivables net of VAT [1]	628,805	340,949	287,856	574,640	328,716	245,924
Sales from contracts with customers [2]	4,141,562	2,623,102	1,518,460	3,985,162	2,494,133	1,491,029
[A] Days Sales Outstanding - DSO [3]	55	47	69	53	48	60
Inventory [b]	**637,127**	**471,260**	**165,867**	**514,770**	**372,098**	**142,672**
[B] Days Sales of Inventory - DSI [4]	59	69	43	50	57	38
Trade payables [c]	**1,266,182**	**806,829**	**459,353**	**1,109,260**	**743,079**	**366,181**
Trade payables net of VAT (1)	1,040,966	661,335	379,631	911,710	609,081	302,629
Cost of Sales	3,914,620	2,506,957	1,407,663	3,766,721	2,381,529	1,385,192
Total SG&A [5]	63,726	50,034	13,692	70,187	53,598	16,589
[C] Days Payable Outstanding - DPO [6]	96	94	97	87	91	79
Operating net working capital [a+b-c]	**135,209**	**80,389**	**54,820**	**104,112**	**30,053**	**74,059**
Cash conversion Cycle [A+B-C]	**18**	**22**	**15**	**16**	**14**	**19**
Operating net working capital/Sales	**3.3%**	**3.1%**	**3.6%**	**2.6%**	**1.2%**	**5.0%**

[1] Net of VAT measured by applying the ordinary rate of 22% for the Italian Subgroup and 21% for the Iberian Subgroup.
[2] Amounts net of intercompany sales.
[3] (Trade receivables net of VAT / Sales and services sales) * 365.
[4] (Inventory / Cost of sales) * 365.
[5] SG&A from restated income statement.
[6] [Trade payables net of VAT/(Purchases + Costs of services and other Operating costs)] * 365.

(€/000)	Esprinet S.p.A.	
	31/12/2024	31/12/2023
Trade receivables [a]	**252,232**	**330,419**
Trade receivables net of VAT [1]	206,748	270,835
Sales from contracts with customers [2]	2,143,018	2,398,894
[A] Days Sales Outstanding - DSO [3]	35	41
Inventory [b]	**384,485**	**345,242**
[B] Days Sales of Inventory - DSI [4]	67	55
Trade payables [c]	**653,693**	**729,949**
Trade payables net of VAT [1]	535,814	598,319
Cost of Sales [5]	2,095,440	2,290,768
Total SG&A [6]	46,575	51,466
[C] Days Payables Outstanding - DPO [7]	91	93
Operating net working capital [a+b-c]	**(16,976)**	**(54,288)**
Cash conversion Cycle [A+B-C]	**11**	**3**
Operating net working capital / Sales	**-0.8%**	**-2.3%**

[1] Net of VAT measured by applying the ordinary rate of 22%.
[2] Net of intercompany sales amounting to 172.8 million euro (24.9 million euro in 2022) as per the table shown in the separate financial statements.
[3] (Trade receivables net of VAT / Sales and services sales) * 365.
[4] (Inventory / Cost of sales) * 365.
[5] Net of intercompany costs amounting to 111.7 million euro (3.9 million euro in 2023) as per the table shown in the separate financial statements.
[6] SG&A from reclassified income statement, the balance is represented net of intercompany costs and chargebacks for 3.4 million euro after chargebacks relative to personnel costs equal to 3.6 million euro (0.2 million euro after chargebacks relative to personnel costs equal to 0.7 million euro in 2023) as per the table shown in the separate financial statements.
[7] [Trade payables net of VAT / (Purchases + Costs of services and other Operating costs)] * 365.

3. Sales by product family and customer type

GROUP SALES BY CUSTOMER TYPE AND PRODUCT FAMILY

Sales by customer type

(euro/million)	2024	%	2023	%	Var.	% Var.
Retailer/e-tailers	1,421.7	34.3%	1,342.7	33.7%	79.0	6%
IT Reseller	2,994.0	72.3%	2,832.1	71.1%	161.9	6%
Adjustments	(274.1)	-6.6%	(189.6)	-4.8%	(84.5)	45%
Sales from contracts with customers	**4,141.6**	**100.0%**	**3,985.2**	**100.0%**	**156.4**	**4%**

In 2024, the market in Southern Europe recorded growth of 1% in the Business Segment (IT Reseller) and 2% in the Consumer Segment (Retailer, E-tailer). On the other hand, the Group's sales showed the following trends: the Business Segment at 2,994.0 million euro showed +6% as did the Consumer Segment, which rose to 1,421.7 million euro.

The weight of sales to IT Resellers in 2024 rose to 72% compared to 71% in the previous year, reducing the weight of the Consumer Segment, which is subject to greater discount pressures.

Sales by product family

(euro/million)	2024	%	2023	%	Var.	% Var.
PC (notebook, tablet, desktop, monitor)	1,251.2	30.2%	1,110.7	27.9%	140.5	13%
Printing devices and supplies	389.7	9.4%	356.9	9.0%	32.8	9%
Other IT products	316.0	7.6%	285.1	7.2%	30.9	11%
Total IT Clients	**1,956.9**	**47.3%**	**1,752.7**	**44.0%**	**204.2**	**12%**
Smartphones	956.2	23.1%	995.3	25.0%	(39.1)	-4%
White goods	55.2	1.3%	57.9	1.5%	(2.7)	-5%
Gaming hardware and software	91.0	2.2%	92.3	2.3%	(1.3)	-1%
Other consumer electronics products	120.6	2.9%	167.4	4.2%	(46.8)	-28%
Total Consumer Electronics	**1,223.0**	**29.5%**	**1,312.9**	**32.9%**	**(89.9)**	**-7%**
Hardware (networking, storage, server & others)	800.8	19.3%	696.2	17.5%	104.6	15%
Software, Services, Cloud	435.0	10.5%	413.0	10.4%	22.0	5%
Total Advanced Solutions	**1,235.8**	**29.8%**	**1,109.2**	**27.8%**	**126.6**	**11%**
Adjustments	(274.1)	-6.6%	(189.6)	-4.8%	(84.5)	45%
Sales from contracts with customers	**4,141.6**	**100.0%**	**3,985.2**	**100.0%**	**156.4**	**4%**

Analysing the details by product family, sales recorded an increase of +12% in the IT Clients segment, in a market that improved by 1% as measured by the English research company Context. The PC category had the greatest impact (+13%), but Printers and Consumables and Other Products also grew compared to last year: they respectively recorded the following trends +9% and +11%.

The Consumer Electronics segment recorded a decrease of 7%, mainly due to the decrease in sales of Smartphones (-4%) and Other Products (-28%). Household appliances and the Gaming category also showed a negative trend: -5% and -1% respectively. According to Context data, the Consumer Electronics market records a -2% decrease compared to last year.

In the Advanced Solutions segment, the Group registered sales of 1,235.8 million euro, +11% compared to 1,109.2 million euro in 2023, with a growth of 5% in Software, Services and Cloud, and with a significant +15% in Hardware (networking, storage, servers and other). Again according to the measurements of the English research company Context, the market shows a +1% increase; therefore, the Group increase its market share in this segment.

SALES OF ESPRINET S.P.A. BY CUSTOMER TYPE AND PRODUCT FAMILY

Sales by customer type

(euro/million)	2024	%	2023	%	Var.	% Var.
Retailer/e-tailers	897.2	38.7%	857.1	35.4%	40.1	5%
IT Reseller	1,385.9	59.8%	1,605.6	66.2%	(219.7)	-14%
Adjustments	32.8	1.4%	(38.9)	-1.6%	71.7	-184%
Sales from contracts with customers	**2,315.9**	**100.0%**	**2,423.8**	**100.0%**	**(107.9)**	**-4%**

The Company's sales show an increase of 5% in the Consumer Segment (897.2 million euro) and a decrease of 14% in the Business Segment (1,385.9 million euro).

Sales by product family

(euro/million)	2024	%	2023	%	Var.	% Var.
PC (notebook, tablet, desktop, monitor)	616.9	26.6%	525.6	21.7%	91.3	17%
Printing devices and supplies	305.6	13.2%	279.2	11.5%	26.4	9%
Other IT products	196.9	8.5%	175.4	7.2%	21.5	12%
Total IT Clients	**1,119.4**	**48.3%**	**980.2**	**40.4%**	**139.2**	**14%**
Smartphones	529.5	22.9%	551.4	22.8%	(21.9)	-4%
White goods	53.7	2.3%	55.7	2.3%	(2.0)	-4%
Gaming hardware and software	90.6	3.9%	91.7	3.8%	(1.1)	-1%
Other consumer electronics products	111.4	4.8%	155.1	6.4%	(43.7)	-28%
Total Consumer Electronics	**785.2**	**33.9%**	**853.9**	**35.2%**	**(68.7)**	**-8%**
Hardware (networking, storage, server & others)	285.3	12.3%	458.5	18.9%	(173.2)	-38%
Software, Services, Cloud	93.2	4.0%	170.1	7.0%	(76.9)	-45%
Total Advanced Solutions	**378.5**	**16.3%**	**628.6**	**25.9%**	**(250.1)**	**-40%**
Adjustments	32.8	1.4%	(38.9)	-1.6%	71.7	-184%
Sales from contracts with customers	**2,315.9**	**100.0%**	**2,423.8**	**100.0%**	**(107.9)**	**-4%**

The analysis of sales per product line shows growth in the IT Clients segment where all categories show a positive sign: PCs +17%, Printers and Consumables +9%, Other Products +12%.

The Consumer Electronics segment slowed down compared to last year (-8%). All categories showed a negative trend: Smartphones contracted by 4%, Other Products, which includes TV sets, declined by 28%, Household Appliances by 4% and Gaming declined by 1%.

In the Advanced Solutions segment, the Company registered sales of 378.5 million euro, -40% compared to 628.6 million euro in 2023, with a decrease of 38% in Hardware (networking, storage, servers and other) and 45% in Software, Services and Cloud. It should be noted that the activities of V-Valley, a wholly-owned subsidiary operating in the Advanced Solutions segment, were sold by Esprinet S.p.A. through a business transfer transaction on 1 June 2024.

SIGNIFICANT EVENTS OCCURRING IN THE PERIOD

The significant events that occurred during the period are briefly described as follows:

Transfer of the Solar business unit to Zeliatech S.r.l.

On 1 February 2024, Esprinet S.p.A. transferred to the wholly-owned subsidiary Zeliatech S.r.l. the "Solar" business unit, whose purpose is the distribution of technologies aimed at the generation and distribution of electricity (including photovoltaic panels, inverters, cabling devices, charging stations for electric vehicles); instrumentation for the regulation of temperature and climate in homes, offices and industrial plants, also by means of electronic supports, such as heat pumps, condensers and thermostats; and video surveillance technologies and devices (including application software).

The object of the unit were products intended for resale as part of the unit's activity, the related contractual relationships with suppliers, the contractual relationships with certain customers and the products in stock at the date of the transfer, as well as the employment relationships of 21 employees.

As a result of the transfer, Zeliatech S.r.l. took over all of the business unit's legal relationships with customers and suppliers, with the exception of receivables and payables, current or potential assets and liabilities, already existing at the date of the transfer which, with the sole exception of receivables for advances paid to suppliers for future supplies of products intended for resale pertaining to the business unit, remained the responsibility of Esprinet S.p.A.

The transfer, which took place at book values, resulted in a capital increase of the company Zeliatech S.r.l. for 25.0 million euro, of which 0.4 million euro for the share capital increase and 24.6 million euro for share premium.

Annual Shareholders' Meeting of the parent company Esprinet S.p.A.

The Ordinary Shareholders' Meeting of Esprinet S.p.A. was held on 24 April 2024, which has:

- approved the Financial Statements as at 31 December 2023;
- reviewed the Consolidated Financial Statements and the Sustainability Report as at 31 December 2023;
- resolved the renewal of the Board of Directors for the three-year period 2024-2026 and established the number of members at 11, appointing Maurizio Rota as Chairman;
- resolved the renewal of the Board of Statutory Auditors for the three-year period 2024-2026;
- resolved to approve, by means of a favourable and binding resolution, the first section of the Report on Remuneration under Article 123–ter, paragraph 3-bis of Italian Legislative Decree 58/1998;
- resolved to approve, by means of a favourable and non-binding resolution, the second section of the Report on Remuneration under Article 123-ter, paragraph 6 of Italian Legislative Decree 58/1998;
- approved, pursuant to Article 114-bis of Italian Legislative Decree 58/1998, a Compensation Plan ('Long-Term Incentive Plan') addressed to members of the Board of Directors, general managers, senior managers, employees and contractors of the Company and of Group companies, relating to the allocation of stock grant rights on the Company's ordinary shares ('Performance Stock Grant') to beneficiaries, who will be identified by the Board of Directors, up to the maximum amount of 690,000 Company shares;
- authorised the purchase and disposal of treasury shares, for a period of 18 months from the date of the resolution, within the maximum limit of 2,520,870 ordinary shares of Esprinet S.p.A. without indication of face value and fully paid up, equal to 5% of the Company's share capital, subject to the revocation of the authorisation resolved upon by the Shareholders' Meeting of 20 April 2023.

Granting of shares to beneficiaries in execution of the '2021-2023 Long-Term Incentive Plan'

On 24 April 2024, following the presentation of the consolidated financial statements as at 31 December 2023 to the Shareholders' Meeting of Esprinet S.p.A., and taking into account the partial achievement of the targets set for the 2021-2023 three-year period, the free stock grants of Esprinet S.p.A. ordinary shares referring to the 'Long-Term Incentive Plan' approved by the Shareholders' Meeting of 7 April 2021 became exercisable. Consequently, the beneficiaries were granted 36,403 shares already owned by the Company which, following said transaction, saw the number of own shares in the portfolio fall to 974,915 shares, equal to 1.93% of the total shares making up the share capital.

A total of 25% of the shares granted to the beneficiaries are subject to a lock-up period of two years from the grant date.

Termination of the Shareholders' Agreement between Axopa S.r.l. and Montinvest S.r.l.

On 15 May 2024, the voting and consultation syndicate agreement signed between Axopa S.r.l. and Montinvest S.r.l. on 24 March 2023, as subsequently amended, concerning 13,222,559 ordinary shares of Esprinet, equal to 26.23% of the number of shares representing the entire Share Capital of Esprinet S.p.A., was terminated due to the expiry of the term of duration.

Assignment of rights of the '2024-2026 Long-Term Incentive Plan'

On 27 May 2024, in execution of the resolution passed by the Shareholders' Meeting of Esprinet S.p.A. on 24 April 2024 regarding a Compensation Plan ("Long Term Incentive Plan") in favour of members of the Board of Directors, general managers, executives, employees and collaborators of Esprinet S.p.A. and Esprinet Group companies, 690,000 rights (equal to the maximum number resolved by the Shareholders' Meeting) were assigned, which can be freely converted into Esprinet S.p.A. shares. The conditions for the exercise relate to the achievement of economic-financial, ESG and performance objectives of the Esprinet stock in the three-year period 2024-26, as well as to the individual beneficiary's permanence with the Group until the date of presentation of the 2026 consolidated financial statements to the Esprinet S.p.A. Shareholders' Meeting.

Contribution of the Value business unit to V-Valley S.r.l.

On 1 June 2024, Esprinet S.p.A. transferred to the wholly-owned subsidiary V-Valley S.r.l., active since 2010 as the exclusive sales agent of Esprinet S.p.A, the business unit called 'Value', whose object is the B2B distribution of products and services relating to the Servers and Storage, Networking, Enterprise Software and Cloud, Cybersecurity product segments.

The object of the unit were products intended for resale as part of the unit's activity, the related contractual relationships with suppliers, given contractual relationships with certain customers, the products in stock at the date of the transfer, a portion of goodwill specifically attributable to the activities forming part of the transfer as well as the employment relationships of 178 employees.

As a result of the transfer, V-Valley S.r.l. took over all of the business unit's legal relationships with customers and suppliers, with the exception of receivables and payables, current or potential assets and liabilities, already existing at the date of the transfer, which remain the responsibility of Esprinet S.p.A.

The transfer, which took place at book values, resulted in a capital increase of the company Zeliatech S.r.l. for 27.0 million euro, of which 0.5 million euro for the share capital increase and 26.5 million euro for share premium.

Attainment of the 'waiver' on the Revolving Credit Facility (RCF) of 180.0 million euro

On 26 July 2024, Esprinet S.p.A. obtained from the pool of lending banks of the short-term Revolving Credit Facility (RCF) of 180.0 million euro (not used as at 30 June 2024 or as at 31 December 2023 and only partially used, and repaid in full according to the provisioned contractual deadlines, during the first half of 2024) the granting of a 'waiver' in relation to the violation, verified on the consolidated financial statements as at 31 December 2023, of one of the financial covenants supporting the credit line.

Renewal of an agreement for securitisation of a portfolio of trade receivables for a maximum amount of 130.0 million euro

On 31 July 2024, Esprinet S.p.A. and its wholly-owned subsidiary V-Valley S.r.l. renewed, as originators, a transaction involving the securitisation of trade receivables for 2024-2027 the three-year period, started in July 2015 and updated in July 2018 and 2021.

The transaction, which has been structured by UniCredit Bank AG as Arranger, involves the assignment on a 'non-recourse' revolving basis of trade receivables to the special purpose vehicle under Law no. 130/1999 named Vatec S.r.l., over an additional period of three years.

The amount of the programme was increased to 130.0 million euro, compared to 120.0 million euro expected with the renewal of 2021 and 80.0 million euro at the start in 2015.

Credit purchases are financed through the issuance of different classes of securities: class A (senior), subscribed by a UniCredit Group conduit, class B (mezzanine) and class C (junior) subscribed by specialised investors.

The transaction, 'committed' for three years, supplements the Group's medium/long-term financial structure, making it possible to strengthen the stability, and significantly extend the average duration, of its financial indebtedness.

Extraordinary Shareholders' Meeting of the parent company Esprinet S.p.A.

On 6 September 2024, the Extraordinary Shareholders' Meeting of Esprinet S.p.A. was held and approved, in particular, the amendments to the Articles of Association aimed at implementing the provisions contained in the 'Capital Law', in relation to which participation of the shareholders in the Shareholders' Meeting is expected to take place exclusively through the 'Designated Representative', pursuant to Article 135-undecies of Italian Legislative Decree no. 58/98 (TUF, 'Consolidated Law on Finance') to whom proxies and/or sub-proxies may also be granted, pursuant to Article 135-novies of the TUF.

Resignation of a Statutory Auditor of Esprinet S.p.A.

On 16 November 2024, Luisa Mosconi, Standing Auditor of Esprinet S.p.A., appointed by the shareholders' meeting of 24 April 2024, resigned from her position with immediate effect. Following this resignation in accordance with the law and the Articles of Association, Mr. Riccardo Garbagnati, who was appointed alternate auditor by the Shareholders' Meeting of 24 April 2024, took over as standing auditor.

Developments in tax disputes

On 19 January 2024, the Supreme Court of Cassation confirmed the favourable ruling, issued in 2020 by the Lombardy Regional Tax Commission against Esprinet S.p.A., relating to 66 thousand euro of indirect taxes pertaining to the year 2013.

The Company was the winner in the dispute regarding the failure to apply VAT on the invoice on the transfers made to a customer company which, through the submission of a declaration of intent, which subsequent tax audits by the Tax Authorities had certified the customer company could not have issued, had requested this favourable regime.

The ruling definitively ascertained the correct conduct of the Company which, in relation to this dispute, had already obtained the repayment of the amounts provisionally paid in previous years in accordance with the provisions of the administrative procedure.

On 9 April 2024, Esprinet S.p.A. received the ruling of 23 June 2023 by which the Court of Cassation rejected the appeal filed by the Company against a ruling of the Lombardy Regional Tax Commission in 2014, relating to indirect taxes on transactions carried out in 2005 by Actebis Computer S.p.A., a company acquired by Esprinet S.p.A. in December 2006 and merged by incorporation the following year.

However, the ruling did not produce any consequences since, as they were disputes relating to transactions carried out prior to the acquisition of Actebis Computer S.p.A., the disputed sums had been paid in full upon receipt of the funds from the previous owner of the company.

SUBSEQUENT EVENTS

No significant events occurred after the end of the financial year.

BUSINESS OUTLOOK

In 2024, demand for technology recovered in Southern Europe, where the Group operates, after the saturation effects of the previous year. Contributing to the slight growth, in a context still characterised by great instability, was the recovery of private consumer confidence supported in the second half of the year by the easing of inflationary pressure and the lowering of interest rates. The normalisation of rates also favoured the spending of companies that continued the digital transformation process, still supported by the government's multi-year Recovery and Resilience investment plans.

While the pandemic, geopolitical tensions and economic weakness have contributed to considerable uncertainty over the past five years, now the ongoing threat of the tariff war is increasing the risk of further disruptions in global growth and making forecasting increasingly difficult. Against this backdrop, however, ICT analysts are currently forecasting a low single-digit percentage increase in demand in the Group's target markets, which is still above GDP.

Five years after the boom of COVID-19, 2025 is expected to be the year of technological renewal of personal computers: favoured by innovation related to artificial intelligence, the main driver will be the end of support for Windows 10 (expected in October 2025) for which software updates and security patches will no longer be provided free of charge, in addition to the lack of technical support for the platform in question.

In Infrastructure, investments in digitalisation will continue and artificial intelligence projects will be increasingly frequent with long-term growth projections. The news that this technology can be developed and deployed at significantly lower costs than initially assumed, leads to believe that the potential use cases are far greater, many so far not even imagined. Again, the continuing transformation of artificial intelligence and cloud computing, together with multiple threats related to the geopolitical environment, are increasing the risk of cyber attacks, leading organisations to adopt new security strategies and solutions. Finally, as the demand for data processing and storage continues to grow, the data centre world is facing increasing pressure to find solutions to meet energy needs while addressing environmental concerns. This trend is favouring the convergence of the energy efficiency and renewable energy sectors towards the tech sector.

In this process of strong technological evolution, the distribution channel, which has confirmed its resilience also in 2024, will remain strong in the choice of the go-to-market strategy of producers. Retailers might also be well positioned to take advantage of the potential supply chain effects of tariff policy: logistical and financial capabilities will have renewed relevance in supporting suppliers and customers in managing potential supply chain disruptions and protecting against price increases.

The Esprinet Group, after a 2024 characterised by solid growth and steps towards a clear strategic repositioning of its three divisions - Esprinet, V-Valley and Zeliatech -, in times of rapid and profound changes as described above, will further strengthen its business model to unlock the many opportunities by expanding its presence in technologies crucial for future growth. With a well-established tradition of expansion also based on M&A transactions, acquisitions will remain just as central to the Group's strategy to deliver strong returns for shareholders.

MAIN RISKS AND UNCERTAINTIES FACING THE GROUP AND ESPRINET S.P.A.

RISKS CLASSIFICATION

Risk management is a strategic tool for creating value. The activities of the Esprinet Group and Esprinet S.p.A. are in fact exposed to certain risk factors that may influence their economic, equity and financial situation.

Esprinet S.p.A. and the Esprinet Group identify, assess and manage risks in compliance with internationally recognised models and techniques.

Starting in 2009, the Group adopted an operational and organisational model for risk management and monitoring of adequacy over time (so-called 'ERM-Enterprise Risk Management') inspired by the methodology of the Committee of Sponsoring Organisations of the Treadway Commission (so-called 'CoSO'), which makes it possible to identify and manage risks in a uniform manner within Group companies. This is based on a methodological framework aimed at creating an effective risk management system capable of involving, at different levels, the player of the internal control system who are assigned different roles of responsibility for control activities.

The identification, assessment, management and monitoring system of the company's main risks is based on a process, which involves the performance of the following tasks, at least annually:

- mapping and assessment of the main business risks ('risk assessment' and 'risk scoring');
- identification of 'risk management' priorities;
- identification of a 'risk strategy' (acceptance, optimisation, improvement or monitoring of control measures) for each risk mapped and its declination into operational action plans.

The final aim of the process described is to identify potential events that may affect the business activity and to keep the level of risk within the acceptable threshold defined by the administrative body in order to achieve the business objectives.

During 2024, the envisaged activity plan was adequately implemented, including an audit plan and a plan to strengthen controls on the risks considered to be priorities.

New procedures were also developed or existing procedures were revised.

At the end of the year, there were no significant changes in risk exposure compared with the previous year.

As regards 2025, the Group's activities will be mainly aimed at monitoring and optimising the levels of control of existing and/or recently introduced risks, since the annual review of the main business risks has led to the substantial confirmation of the existing mapping with sporadic changes.

Finally, as necessary, new procedures will be defined and drawn up and new controls will be introduced in order to formalise and regulate processes aimed at the correct management of the risks that have emerged in the face of possible regulatory updates and/or the expansion of the Group's operations.

GLOBAL MACROECONOMIC CONTEXT

In 2024, the macroeconomic situation continued in the same vein as in previous years, i.e. characterised by basic uncertainty and downward tensions, due to the continuation of the military offensive on Ukrainian territory initiated by the armed forces of the Russian Federation on 24 February 2022 (in correspondence with which timid attempts at resolution appear to be emerging in the first months of 2025), to the continuation of a restrictive monetary policy, albeit in an easing phase, in light of recent cuts in the cost of money by the world's major central banks (including the European Central Bank), and the continuation throughout 2024 of the Israeli-Palestinian conflict, for which a truce was reached in February 2025, albeit a very fragile one at present.

No less important and internationally characterising, with obvious repercussions on both the political and commercial level, was the election in November 2024 of Donald Trump as the 47th president of the United States of America, whose announced policies in the economic field, strongly protectionist in nature with the introduction, for example, of customs duties and restrictive measures, could, on the one hand, lead to a return of inflation (currently expected to fall in the course of 2025, to the target levels of the world's main central banks) and the rekindling of geopolitical frictions with repercussions on international trade. On the other hand, a positive development is expected in 2025 with regard to the cost of money, which is expected to gradually decrease, thus favouring the recovery of household consumption and business investments.

The direct impact in 2024 of the aforementioned geopolitical tensions on the Esprinet Group was marginal, as it is not significantly exposed to the markets of the countries currently directly involved in ongoing conflicts, in addition to being able to rely on a sound financial structure. Similarly, since the Italian, Spanish and Portuguese markets are the Group's main reference markets, and in light of the business sector in which it operates, any customs duties being studied or being introduced at international level are expected to have mostly an indirect and all in all limited impact. However, the economic context still characterised by tepid private consumption and corporate investments, despite having recorded growth in the second part of 2024, partly affected the Group's performance.

Finally, despite the underlying uncertainties, in the Euro area, the credit context is expected to improve during 2025 and GDP to increase, albeit moderately. Furthermore, the expected increasing availability of products, services and solutions with artificial intelligence, which is considered a major, if not epoch-making, IT breakthrough, could positively influence consumer and business demand in the current and coming years.

RISKS CLASSIFICATION

The definition of the main business risks is based on the following macro-classification:

- strategic risks;
- operating risks;
- compliance risks;
- financial risks.

The following is a brief description of the main risks, assessed without taking into consideration the response actions put into force or planned by the Group to bring the seriousness of the risk within acceptable levels.

Strategic Risks

Inadequate response to unfavourable macroeconomic scenarios

The Group's economic, equity and financial situation is influenced by various factors, which make up the macroeconomic contexts of the markets where the Group operates.

These include, but not only, GDP performance, consumer and business confidence levels, the inflation rate, interest rate trends, the cost of raw materials and unemployment rates.

During 2024, the Italian distribution market showed a growth of 1% compared to the previous year, the Spanish market was more or less in line with 2023, while Portugal showed a positive trend of +7% (source: Context, January 2025).

However, it is not certain that the market will perform in line with analysts' expectations and, if these expectations are not realised, the equity, economic, and financial situation of the Group could be adversely affected.

Inadequate response to customers' and suppliers' demands

Due to its intermediary role within the IT production chain, the Esprinet Group's success largely depends on its ability to address, interpret and meet customers' and suppliers' demands.

This ability translates into a value proposition both at the source and later on in the sales process which differentiates itself from the competition through its adequate and historically superior profitability conditions compared with both its direct and indirect competitors.

Should the Esprinet Group be unable to maintain and renew this value proposition, that is, to develop more innovative offers and competitive services than those of its main competitors, the Group's market share could fall significantly, with a negative impact on its equity, economic and financial position.

Competition

The nature of the Group's trade brokering activities means that it operates in highly competitive sectors, both in Italy and in the Iberian peninsula and in all other markets in which it operates.

The Group therefore has to operate in a highly competitive context and to compete in the various geographical markets against both deeply rooted local operators and multinational companies which are significantly larger than the Group and with considerably greater resources.

Competition in the IT and consumer electronics distribution sector, the Group's main activity, is measured in terms of prices, availability, quality and variety of products, associated logistics services and pre- and after-sale assistance.

The degree of competition is also heightened by the fact that the Group acts as an intermediary between the large world-wide suppliers of technology and resellers of IT/consumer electronics, which include operators with high contractual power, including the major retail chains, often with the potential to open supply chains directly with producers.

The Group also competes with multinational groups of extremely high financial standing, both in Italy and in the Iberian peninsula and in all other markets in which it operates.

Should the Esprinet Group be unable to deal effectively with the external situation in question there could be a negative impact on the Group's outlook and operations, as well as on its economic results and financial position.

The Group is also exposed to competition from alternative distribution models, whether current or potential, such as those based on direct sales to the user by the producer, even though in the past all the limits of these alternative distribution models have been revealed.

If the "de-intermediation" situation proves to be significant in the coming years, even though not caused by any empirical or economically rational facts, the Esprinet Group could suffer negative repercussions in terms of its equity, economic and financial position.

Price changes

The technology sector is typically characterised by a deflationary price trend that tends to be linked to the phenomenon of high product obsolescence and strong market competition. There is also a risk linked to more economic factors, such as the fluctuations of the US dollar and the Chinese currency, representing the two main currencies at the source of the IT products technology content, and inflation, at particularly high levels between 2022 and 2023.

The Group is also exposed to the risk of decreases in IT and electronic product unit prices, if the gross profit formed by the difference between the sales prices applied to retailers and purchasing costs applied by suppliers falls in absolute value when prices applied to the end consumer are lowered. This occurs since it is difficult to pass the higher costs caused by the lowering of prices on to customers in a sector as highly competitive as the distribution sector.

Despite the fact that this risk is lessened by the Group's capacity to limit overheads/fixed costs levels and adjust productivity levels, thus reducing process costs chiefly linked to physical drivers (e.g. number of transactions, number of products moved in warehouses or forwarded by courier), and despite the fact that the percentage value of the gross sales margin is to some extent independent of reductions in the unit prices of products, it is not possible to provide assurances regarding the Group's ability to deal with the technological sector's deflation rates.

Acquisitions and extraordinary transactions

As an integral part of its strategy for growth, the Group periodically acquires assets (divisions of a company and/or company shareholdings), which are highly compatible in strategic terms with its own area of business.

In principle, acquisition transactions present the risk that the expected synergies may not be activated, in whole or in part, or that the costs of integration, explicit and/or implicit, may be higher than the benefits of the acquisition.

Integration problems are magnified if the target companies operate in countries and markets other than those where the Group has historically operated and which present, for said reason, specific business regulatory and cultural characteristics and/or trade barriers.

These problems are attributable, in addition to the implementation of adequate organisational mechanisms for coordination between the acquired entities and the rest of the Group, to the need to align with standards and policies mainly in terms of internal control procedures, reporting, information management and data security.

Similar risks, albeit in a mirror mode, may arise in the event of company spin-offs, with regard to the creation of new companies/business units with duplication of processes, of the logical IT structure and with an increase in the general operational complexity of the Group and of the need for interoperability between the various entities.

Therefore, it is not possible to provide any guarantee regarding the Group's future ability to successfully complete further acquisitions or spin-offs, nor to be able to preserve the competitive positioning of any target acquisitions, nor to be able to replicate favourably its business model and offer system.

Operating risks

Dependency on IT systems

The Esprinet Group is strongly dependent on its IT systems in the performance of its activities.

In particular, the viability of its business depends to a considerable extent on the capacity of the IT systems to store and process enormous volumes of data and guarantee elevated standards of performance (speed, quality, reliability and security) that are stable over time.

The critical nature of the IT systems is also heightened by the fact that the Group, because of its business model, relies on Internet for a consistent part of its business, both as an instrument for the transmission of information to its customers, and order-processing and marketing intelligence. Other critical factors are the connections in EDI mode to the IT systems of many vendors, as well as the remote connection to the Esprivillage network active in the country and the recent migration of some IT services to a cloud platform managed by third parties.

Cybersecurity

The Group has invested considerable resources in order to prevent and monitor the risks associated with dependence on information systems and improve the degree of IT security. For example, the continual maintenance of the hardware installed and the updating of the relative software, the signing of insurance policies against damages caused indirectly by possible system crashes, the housing of the data centre in safe environments, the stipulation of contracts to protect the company with leading cloud service providers (Microsoft/Amazon), the construction of anti-intrusion and anti-virus defences by carrying out penetration tests aimed at verifying the robustness of the aforementioned defences, the continual back-up of system-resident data, the provision of business continuity and disaster recovery plans and the testing of the latter through the execution of "shutdown and restart tests on redundant systems", the use of expert advisors in the sector and the definition of new key roles with specific expertise in IT such as the Chief Information Security Officer. Hard disk encryption systems, behaviour control systems and a training program on cybersecurity issues were also implemented. Lastly, the most up-to-date Microsoft security systems and a SOC (Security Operations Center) were activated.

Artificial intelligence

There is a rapidly expanding trend at global level on the use of artificial intelligence as a support in the execution of business processes, which, in addition to constituting an important opportunity for procedural optimisation, could possibly be used for the commission of offences with potential negative impacts on the Group. Specularly, the adoption is expected of corporate IT protection systems that provide specifically for the use of artificial intelligence is being assessed.

However, the possibility that the Group might have to suspend or interrupt its sales activities, due to malfunctioning or actual black-outs of owned or third-party systems, cannot be ruled out.

It is similarly impossible to guarantee that the IT systems of companies and/or businesses acquired will satisfy the Group's minimum reliability and safety requirements at the time of the acquisition.

Medium-/long-term interruptions of logistics chain

The Group's sales activities strongly depend on the correct functioning and efficiency of the logistics chain, thanks to which the products are able to reach their reference markets.

These logistics chains have reached high levels of complexity and the journey of goods from the factories where the IT and electronic products sold are produced to the end customers could be subject to interruptions due to natural, political and operational events, changes in trade relations between governments, trade restrictions and embargoes, conflicts or financial soundness crises of operators in the various transport and storage stages.

Any unfavourable events in these areas are likely to cause long-term interruptions, which could have a significantly negative impact on the Group's prospects and financial position.

Dependency on suppliers and risk of non-observance of extra-contractual agreements

The Group as a whole has direct relationships with around 800 leading technology vendors including IT, consumer electronics and microelectronics vendors, vendors of complementary products/accessories to the former and vendors active in the photovoltaic sector. In fact, the Group has always focused on the distribution of branded products, sales from the sale of own-brand products (accessories, consumables, and micro-computer components under the Celly, Nilox, Muitomas and +Ego brands) being negligible.

In most cases, trading contacts with the vendors are governed by contracts and/or agreements generally renewed every year.

Despite the high number of vendors in its portfolio, the Esprinet Group shows a certain degree of concentration risk in that the incidence of the top 10 suppliers accounted for over 73% of the total amount (69% in 2023).

A consequence of this situation is that the Group is exposed to the risk of the non-renewal of current distribution contracts and/or inability to replace these contracts effectively.

The Group is also exposed to the risk of significant changes in the terms and conditions of contracts drawn up with vendors, particularly regarding amounts regarding premiums for the attainment of targets, or the very level and nature of these targets, the sums for co-marketing and development, the policies for protection of the economic value of the stock and commercial returns, payment terms and associated discounts.

These variations, if negative, are likely to have a negative impact on the assets and on the Group's economic, equity and financial results.

Traditionally, however, the Group has been able to negotiate contractual conditions with its counterparts providing a long historical series of positive economic results. The level of partnership attained with the majority of its suppliers also laid the foundations for significantly consolidated collaborations with the most important suppliers over the years, something also due to the use and maintenance of direct communication channels.

Dependency on suppliers of critical services

The Group's logistics model is based upon the direct warehousing handling and collections and the outsourcing of haulage and delivery services. These activities are of critical importance to the value chain for IT and consumer electronics distributors.

For the first of the above-mentioned activities, the Group employs the services of a warehousing and storage services company for its Italian operations, has introduced Laser Guided Vehicles (LGV) in a pilot logistics centre, and in a second logistics centre has implemented an automated storage system for products of limited weight and size (Flexi warehouse). Transport activities are instead contracted to independent external carriers in each country in which the Group is active.

The interruption of contractual relations with the above-mentioned suppliers of services, or a significant reduction in the level of quality and efficiency of the services provided or the emergence of possible trade unions unrest could have a significant negative impact on the Group's economic and financial results.

These suppliers and the relative industry are continually monitored in order to mitigate any related risk.

Low profit margins

The result of the high level of competition to which the Group is subject is a low profit margin (gross trading margin and net operating result) in relation to sales.

These low margins tend to amplify the effects of unexpected variations in sales levels and operating costs on profitability

that can be also negatively impacted from any incorrect decisions concerning the products 'pricing' and the management of discount policies.

It is impossible to guarantee that the Group will also be able to manage its 'pricing' policies with the same care and prudence in the future, in difficult economic situations.

The constant monitoring of product and customer margins and the search for the best mix within its portfolio of suppliers and customers are the main factors in mitigating this risk.

Reduction in value of inventory

The Group is subject to the risk of a reduction in the value of unsold stock as a result of lowered list prices on the part of vendors and economic or technological obsolescence.

It is usual within the sector for the vendors to set up forms of total and/or partial protection, contractual or otherwise, of the financial value of stock in the above-mentioned cases for the benefit of the distributors with direct supply contacts.

Nevertheless, cases of non-fulfilment on the part of the vendors or the failure to activate non-contractual protection can occur.

Further, these protective clauses also come into force solely under certain conditions and are therefore totally controlled and by purchase planning ability in function of market potentiality.

It is not possible to give guarantees regarding the Group's future ability to manage stock levels so that even limited risks of stock devaluation are avoided, or to be able to activate the contractual protection provided in the case of the majority of the product suppliers.

The constant ability to minimise stock levels also due to the support of expert inventory management and demand planning systems based on availability indicators and consequently customer satisfaction, together with the constant monitoring of existing contractual agreements, in terms of the consolidated practice of the sector, which traditionally believes that suppliers are also likely to protect the economic value of stock, is fundamental in order to reduce/mitigate this risk.

Dependency on key managers

The activity and development of the Esprinet Group is characterised by a significant dependence on the contribution of several key management staff, particularly that of the Chief Executive Officers (or the corresponding functions in the various Group companies), other executive Directors, and of the 'front line' management and/or heads of functions acting in the geographical markets where the Group operates.

The Group's success therefore depends to a large extent on the professional and personal ability of such key figures.

The loss of the services of several of the managers without any suitable replacement, together with the inability to attract and keep new qualified resources, could therefore have negative effects on the Group's prospects, operations and financial results.

The main methods used by the Group to deal with the risk in question comprise policies for work-life balance, professional development and employee retention policies.The latter are part of a compensation system which includes the use of long-term incentive plans as well as continual training activities.

Physical destruction of company assets and products assigned for sale

Equipment and products stored in warehouses are subject to risks linked to adverse climate events (e.g.: earthquakes, floods, storms) increasingly frequent following the current climate change situations, fires, theft and destruction. These events could cause a significant fall in the value of the damaged assets and an interruption in the Group's operational ability, even for extended periods of time.

In the impossibility of excluding such events occurring and the damage caused by the same, and while bearing in mind the management and mitigation policies for these risk categories in terms of physical safety, subdivision of the risk over separate logistic poles (with the addition of a new warehouse in Italy in 2024) and fire prevention basically effected by transferring the risks to insurance companies and the preparation of an appropriate Business Continuity plan, no guarantees regarding the negative impacts that could affect the Group's the financial position can be given.

Customer relationship management / customer satisfaction

It is of fundamental importance for the Group to manage the relationship with its customers in a profitable way, maximising their satisfaction and trying to limit their complaints. This takes on greater importance if read in light of the role of intermediary assumed by the Group in the Information Technology chain, operating in an extremely competitive market.

It is therefore vitally important to be able to stand out from the competition, by focusing on the service offered to customers and on the effectiveness and efficiency of the support provided, enhancing the customers' perception of the added value generated.

To do this, the Group has established a specific corporate function made up of a team of experts tasked with analysing the degree of customer satisfaction, identifying their latent needs and the strengths and weaknesses of the proposed offer, in order to optimise its sales actions, maximising their effectiveness and efficiency.

Any inability of the Esprinet Group to increase the satisfaction of its customers, with their subsequent disinterest and loss of market shares, could have a hugely negative impact on the Group's economic, equity and financial situation.

Fraud perpetrated by employees

Bearing in mind the high number of transactions effected, the intensive use of IT systems both for operations and for interfacing with customers and suppliers, besides the high unit value of several transactions, significant economic damage could be generated by disloyal employees' conduct.

The Esprinet Group is committed to reducing the likelihood of such fraudulent conduct occurring by means of duty segregation techniques, management of access to IT systems and physical access, appropriate monitoring systems, introduction of procedures and controls and dissemination of the code of ethics.

However, it is not possible to give any guarantees about unfavourable impacts on the Group's economic and financial position, which could derive from fraudulent activities of the kind described.

Reliability of the administrative-accounting system

Strategic and operational decisions, the planning and reporting system, as well as the process of external communication of data and equity, economic and financial information is based on the reliability of the administrative-accounting information generated and processed within the Group. The correctness of this information also depends on the existence of organisational procedures, rules and organisation, on employees' professional expertise and on the effectiveness and efficiency of IT systems.

The Group is committed to maintaining a high level of control over all the procedures that generate, process and circulate equity, economic and financial information. These procedures and the underlying IT systems are subject to regular audits and checks by various actors of the Internal Audit System and are constantly updated even when solutions to 'Non-compliance' situations have been applied.

Critical issues in the management of international trade (dual use)

Although sales from sales of products and/or services in non-EU countries represents a residual portion of the Esprinet Group's turnover, it is not possible to exclude a priori, depending on the product in question, the risk that dual-use products (i.e. potentially usable for military as well as civil purposes) may be exported outside the European borders, without authorisation, with the consequent exposure of the Group itself to the application of significant administrative and financial sanctions, as well as penalties for its top management by the competent authorities.

To mitigate this risk, appropriate operating procedures have been adopted that provide, for example, for the automatic system block of any order issued by customers located in non-EU countries, whose release is allowed only to personnel operating in the relevant functions, in addition to Esprinet S.p.A. having activated appropriate consulting channels and having equipped itself of platform that makes it possible to carry out an initial screening of counterparties and an initial analysis of the exported products. Finally, the extension of the adoption of this platform to the Group level and the introduction of a dedicated product mapping is being defined.

Compliance risks

The Esprinet Group is exposed to the risk of violating numerous laws, rules and regulations, including tax laws, which govern its operations. The complexity, number and extent of the respective sanctions has been steadily increasing over time, which is also the result of the considerable regulatory production at the EU level in recent years, during which time numerous regulatory texts have seen the light of day, including the so-called AI Act, the Sustainability Reporting Regulations (CSRD), the regulations on information security measures (NIS 2), etc. To mitigate this, adequate procedures have been drawn up and specific control activities have been implemented. In addition, where deemed necessary, appropriate advisory channels were activated, cross-functional work teams were created and training activities were introduced. In particular, in order to optimise tax risk management, in 2024, the parent company Esprinet started a process of adherence to the cooperative compliance regime aimed at establishing a relationship of trust between administration and taxpayer, a process that is expected to be completed in the second half of 2025.

Legal and tax disputes

In addition to the transaction and the consequent settlement of some tax disputes that had negative impacts on the financial statements, although not such as to constitute structural threats, at the reporting date a number of legal and tax proceedings, which involve some Group companies and are potentially able to influence their economic and financial results, are still pending.

It cannot be excluded that the Group's economic, equity and/or financial situation may be negatively impacted in the event of an adverse outcome worse than expected or for liabilities considered only possible.

Legal disputes

The type of legal disputes to which the Group is exposed can be divided essentially into two main groups: disputes of a commercial nature with customers, relating to the nature and/or quantity of goods and services supplied, the interpretation of contractual clauses and/or supporting documentation, or disputes of a different nature.

The risks associated with the first type of disputes are the object of accurate monthly analyses with the support of legal advisors and any consequent financial impacts are reflected in the *Bad debt provision*.

The 'other disputes' refer to various types of claims made against companies within the Group due to supposed infringements of laws or contracts.

Risk analyses are undertaken periodically with the support of external professionals and any consequent economic impacts are reflected in the *Provision for risks and charges*.

Tax disputes

It cannot be excluded that the Group may have to pay liabilities as a result of tax disputes of various kinds. In such case the Group could be called on to pay extraordinary liabilities with consequent economic and financial effects.

Risk analyses are undertaken periodically by the Group together with the external professionals appointed for the task and any consequent economic impacts are reflected in the Provision for risks and charges.

For risks and the main developments of disputes in course, please see the item *'Non-current provisions and other liabilities'*.

Financial risks

Esprinet Group's activities are exposed to a series of financial risks able to influence its equity and financial situation, profits and cash flows through their impact on existing financial operations.

These risks may be summarised as follows:

a) credit risk;
b) liquidity risk;
c) market risk (currency risk, interest rate risk and other price risks).

Overall responsibility for setting up and supervising the Group's financial risk management system lies with the Board of Directors, as part of the more general Internal Control System, which guides the various organisational units that are functionally responsible for the operational management of individual types of risk.

These units, substantially belonging to the Finance and Treasury departments, within the guidelines traced out by the Board in the case of each specific risk, define the instruments and techniques necessary for the relevant cover and/or transfer to third parties (insurance) and assess risks that are neither covered nor insured.

The Group has consolidated practices, operational procedures and risk management policies, which are continually adapted to changing environmental and market conditions, which are able to identify and analyse the risks to which the Group is exposed, to define appropriate controls and constantly monitor the same limits.

Further information regarding risks and financial instruments pursuant to IFRS 7 and 13 can be found under *'Disclosure on risks and financial instruments'* in the 'Notes to the consolidated financial statements'.

The degree of significance of the Group's exposure to the various financial risk categories identified is discussed below.

Credit risk

Credit risk is the risk that the Group might suffer a financial loss through the effects of the non-fulfilment of an obligation to pay by a third party.

Esprinet Group's exposure to credit risk depends on the class of financial instruments, even if it is essentially linked to the option of deferred payments granted to customers in relation to sales of products and services in the markets where the Group operates.

Management strategies dealing with this risk are as follows:

- in the case of cash and cash equivalents and financial derivatives assets, the choice of leading national and international banks;
- in the case of trade receivables, the transfer of the risk, within the limits of the credit negotiated and with the aim of reaching an optimum balance of costs and benefits, to leading insurance and/or factoring companies as well as applying special checking procedures regarding the assignment and periodical review of lines of credits to customer, besides requiring collateral in the case of customers whose creditworthiness is insufficient in respect of credit facilities to guarantee operations.

Group policies include a strict hierarchically organised authorisation mechanism to deal with trade receivables, involving the Credit Committee and on up until the Board of Directors, in cases where the limits of the line of credit granted independently by the Group exceed the corresponding credit facilities granted by the insurance company.

Customer credit risk is monitored by grouping the same according to sales channels, the ageing of the credit, the existence or otherwise of any previous financial difficulties or disputes and any ongoing legal or receivership proceedings.

Customers classified at a 'high risk' are inserted in a strictly-checked list and any future orders are filled solely against advance payment.

The Group usually accrues estimated impairment of trade receivables quantified on the basis of analyses and write-downs of each single position to a bad debt provision, after taking into account the benefits provided by the insurance.

In the case of credit risk concentration, the following table shows the incidence of the top 10 customers on sales with reference to Esprinet S.p.A. and to the Group respectively:

% top 10 customers	2024	2023
Esprinet Group	24%	25%
Esprinet S.p.A.	34%	31%

Liquidity risk

Liquidity risk, or funding risk, represents the risk that the Group may encounter difficulties in obtaining - under economic conditions - the funds necessary to meet its commitments under financial instruments.

The policy for the management of this risk is based on a criterion of the utmost prudence aimed at avoiding, in the event of unforeseen events, having to bear excessive burdens or even having its reputation in the market compromised.

Liquidity risk management hinges on cash-flow planning and also on the maintenance of consistent amounts of lines of credit in Italy and Spain, aided by a conservative financial policy favouring stable financing sources including that for financing working capital. As at 31 December 2024, the Group had unused credit lines of 535 million euro (569 million euro as at 31 December 2023), or about 89% (about 83% as at 31 December 2023) of the total of the existing credit lines.

The availability of unused credit lines did not create, with the exception of the Revolving line, any specific charges. For further information please refer to the paragraph 8.6 *'Lines of credit'* under section 8 *'Other significant information'* in the 'Notes to the consolidated financial statement'.

In fact, as at 31 December 2024, the Group's financial needs are significantly covered both by several medium/long-term loans taken out with Italian and Spanish financial institutions and a pool Revolving Line.

The latter constitutes one of the pillars of liquidity risk management and, like some other medium/long-term loans, is subject to compliance with certain covenants, the violation of which gives the lending institutions the contractual right to request immediate repayment.

While the existence of a covenant structure allows the Group to dispose of a stable funding structure not subject to any cancellation and/or unilateral downsizing as per international contractual practice, on one hand, on the other it introduces elements of instability linked to the possible violation of one or more of the threshold financial parameters, failure to observe which exposes the Group to the risk of the advance reimbursement of the borrowed sums.

Market risk: currency risk

Currency risk is the risk of fluctuations in the value of a financial instrument as a result of variations in foreign exchange rates. In this regard, it should be noted that only a residual part of the products purchased by the Esprinet Group are expressed in currencies other than euro.

In 2024, these purchases were mainly in US dollars and amounted to 5.3% of the Esprinet Group's total purchases (4.3% in 2023).

The possibility that parity of exchange - and the euro/US dollar in particular - may be modified in the period running between the time of invoicing in foreign currency and the time of payment determines the Group's exposure to foreign exchange risk. The Group does not have other financial assets and liabilities, nor in particular loans, denominated in foreign currency. It follows that the currency risk is limited to commercial operations, as described above.

Market risk: interest rate risk

Interest rate risk consists of the risk that the value of a financial instrument, and/or the level of cash flows generated by it, changes as a result of fluctuations in market interest rates.

The bank lines available to the Esprinet Group have a cost largely based on interest rates indexed to the 'Europe Interbank Offered Rate' or Euribor.

The Group, as a result of analysis on the value and composition of the Group financial indebtedness, can decide to totally or partially hedge itself against the interest rate risk on the loans. In this case, the aim is to fix the funding cost of the middle-term floating-rate loans (hedged items). The instrument typically used is an 'IRS-Interest Rate Swap' of the 'plain vanilla' type, also and especially in light of its eligibility for cash flow hedge accounting.

Considering the composition of medium/long-term financial indebtedness, mainly at fixed rates, the risk level is low and therefore it was not considered necessary to proceed with the above-mentioned forms of hedging.

In addition, the Group has a risk monitoring and control system capable of effectively and promptly promoting the revision of the interest rate risk management strategy as the characteristics of the capital structure change.

Market risk: other price risks

Other price risks include the risk of fluctuations in the fair value of marketable securities due to variations in the market price arising both from specific factors related to the individual security or its issuer and from factors able to influence the total securities traded in the marketplace.

The Esprinet Group does not own any securities negotiable in active markets; consequently, is not exposed to this type of risk in any way.

SUSTAINABILITY REPORTING

1 GENERAL INFORMATION

1.1 Basis of preparation

ESRS | BP-1 | BP-2

GENERAL BASIS OF PREPARATION

The Consolidated Sustainability Report (Sustainability statement) of Esprinet S.p.A. and its subsidiaries (Esprinet Group, Esprinet, the Group) for the year ended 31 December 2024 has been prepared in accordance with Article 4 of **Legislative Decree 125/2024**, which transposed the **(EU) 2024/2464 Corporate Sustainability Reporting Directive (CSRD)** in Italy.

The Sustainability statement for FY 2024, presented in the specific section of the Report on Operations, represents the first document prepared by the Esprinet Group in accordance with the new regulations and was prepared, as required by the CSRD, in compliance with the **European Sustainability Reporting Standards (ESRS)**.

The objective of Sustainability statement is to enable stakeholders to understand the material impacts of the company on people and the environment and the material effects of sustainability topics on the company's development, performance and situation.

The ESRS define the information that a company must disclose about its **impacts**, **risks** and **opportunities** in relation to material environmental, social and governance **sustainability matters**. The materiality of sustainability topics, arising from direct and indirect business relationships in the upstream and/or downstream value chain, is determined on the basis of the application of the principle of 'double materiality' ("DMA" or "Double Materiality Assessment").

The ESRS and related indicators reported (disclosure requirements) are those representative of sustainability topics assessed as material, consistent with the Esprinet Group's business and related impacts, risks and opportunities. The process of analysing, identifying, evaluating and prioritising material topics, as described in the chapter *Managing Impacts - Risks - Opportunities under The Process*, was conducted as required by the ESRS. This process is updated and progressively developed over time, as part of the Esprinet Group's sustainability reporting (accountability) process.

Based on the results of the double materiality analysis (DMA), this document covers the entire upstream and downstream value chain.

The index summarising the information on the different areas covered (ESRS Content Index), published as an appendix to the Sustainability statement and an integral part of it, allows traceability of the data, indicators and other quantitative and qualitative information presented.

Esprinet has not availed itself of the option to omit specific information corresponding to intellectual property, know-how or results of innovation or any ongoing negotiations.

In order to allow for the comparison of data over time and the assessment of the Group's business performance, comparative data for the previous year is presented, even if not required for the first year of reporting under ESRS, where necessary reclassified and re-exposed according to different units of measurement compared to those reported in the Consolidated Non-Financial Statement (NFS) for the previous financial year, 2023[1], prepared pursuant to Legislative Decree 254/2016.

Sustainability Reporting includes the disclosures required by Article 8 of **EU Regulation 2020/852** on the **European Union Taxonomy of Sustainable Activities**. The EU Taxonomy sets out the conditions that an economic activity must fulfil to be considered sustainable. This information can be found in the chapter Environmental Information/paragraph European Taxonomy.

Reporting scope

The reporting scope of the qualitative and quantitative data and information is the performance of the parent company Esprinet S.p.A. and subsidiaries, consistent with the Group's consolidated financial statements as of 31 December 2024, for the entire reporting year (for the period from 1 January 2024 to 31 December 2024).

INFORMATION ON SPECIFIC ASPECTS

Time horizon - The Esprinet Group defines medium-term time horizons in line with its strategic sustainability objectives, consistent with the provisions of the ESRS (6.4 Definition of short-, medium- and long-term for reporting purposes. In particular, short-term is defined as the reporting period, medium-term up to five years and long-term beyond five years.

Value chain estimations - the reporting metrics also include some value chain data, mainly related to GHG Scope 3 emissions. This data, in accordance with the methodology adopted (GHG Protocol), is determined on the basis of estimates and assumptions, also using indirect sources, where direct data is not available, and therefore more subject to uncertainty.

Causes of uncertainty in estimates and results - The process of reporting data on the ESG performance of some topics requires the use of estimates by the Directors. Estimates are made on the basis of historical experience, primary and authoritative external sources and through the use of external specialists and consultants, as well as other information deemed reasonable under the circumstances. The use of estimates, if any, and the related methodologies adopted are directly referred to in the various paragraphs on the reporting of material topics, to which reference is made for further details.

[1] *The comparative figures for the previous year 2023 are not subject to limited review by the auditors.*

The quantitative metrics that are subject to uncertainty in estimates and results relate in particular to the following topics and reporting areas:

Main topics/areas of reporting subject to estimation (quantitative data)	Description and impact
GHG emissions - Scope 3	GHG emissions - Scope 3 throughout the value chain (upstream and downstream of the Esprinet production process) Uncertainties inherent in the nature and quality of the data and the consequent measurement techniques adopted, as envisaged by the GHG Protocol. Potential impact: medium

In order to mitigate the risk of errors in relation to estimated ESG performance data, and with specific reference to those characterised by uncertainty, internal controls and processes are in place to validate reported data and information.

Changes in the preparation and presentation of information - To ensure the consistency and comparability of information, where deemed necessary for the correction of any errors or to take into account changes in the measurement method of indicators or in the nature of the business, the quantitative data presented and relating to previous periods may be recalculated and restated with respect to what was published in the previous year. The material indications, recalculation criteria and effects are highlighted in the corresponding chapters and paragraphs.

It should be noted, however, that this is not applicable for 2024 sustainability reporting (the first reporting year under ESRS). The comparative figures for FY 2023, which are presented on a voluntary basis, although they have been reclassified in different units, have not been changed or corrected.

Disclosures required by other legislation or sustainability reporting requirements - Disclosures in addition to those required by ESRS, which are required by other legislation containing sustainability reporting requirements or sustainability provisions, are reported in the relevant chapters and paragraphs. The list of information required by an information item derived from other EU regulations, contained in Appendix B of ESRS 2, is provided in Annex 2 of the ESRS Table of Contents.

Incorporation by reference - The table below provides a list of ESRS disclosures that have been incorporated into the Sustainability Reporting by reference and placed in a different section of the Esprinet Group's Report on Operations/Annual or Consolidated Financial Statements.

Disclosure (Disclosure Requirement)	Data point	Paragraph
ESRS 2 SBM-1	§42	Activities and structure of the Esprinet Group

Use of phase-in provisions in accordance with Appendix C of ESRS 1 - In accordance with Appendix C of ESRS 1, the Esprinet Group made use of phase-in provisions for the quantification of the expected financial effects arising from risks and opportunities related to climate (disclosure requirement E1-9), pollution (disclosure requirement E2-6), water and marine resources (disclosure requirement E3-5) and resource use and the circular economy (disclosure requirement E5-6).

1.2 Governance

THE ROLE OF THE ADMINISTRATION, MANAGEMENT AND CONTROL BODIES

ESRS | ESRS 2 GOV-1

Esprinet is aware of how an adequate governance structure is crucial for realising short- and long-term strategic goals. The system of administration and control adopted is the traditional one, which is considered adequate to ensure a constant dialogue between management and shareholders, and includes the following bodies and committees:

Shareholders' Meeting

Board of Directors

Board of Statutory Auditors

Committees

- Control, Risk and Independent Related Party Transactions Committee
- Appointments and Remuneration Committee
- Independent Committee for Related Party Transactions
- Competitiveness and Sustainability Committee

Independent auditing firm

The Governance System

The Group's corporate governance system is based on the central role of the Board of Directors, the transparency of management decisions, the effectiveness of the internal control system and the regulation of potential conflicts of interest.

This system, conceived and constructed also in the light of the principles elaborated by the Corporate Governance Committee of Borsa Italiana, has been implemented with the adoption of codes, principles and procedures that characterise the activities of all the organisational and operational components of Esprinet and that are subject to verification and updating, in order to effectively respond to the evolution of the regulatory context and the change in operating practices.

The Articles of Association are updated and amended over the years to bring them into line with national regulations.

The Report on Corporate Governance and Ownership Structure [2] is intended to supplement the information on Corporate Governance, in accordance with Legislative Decree no. 58/98 as most recently amended by Law No. 21 of 5 March 2024 and Legislative Decree no. 125 of 6 September 2024 on compliance with Law no. 21 of 5 March 2024 amending Legislative Decree 58/98 and adherence to the Corporate Governance Code [3] of listed companies. This report contains information on:

- independence of the members of the Board of Directors 4.7
- competences relevant to the organisation's impacts 4.3
- stakeholder representation 12
- mechanisms for the selection of Board members 4.2
- chairman of the highest governance body 4.5
- processes of the highest governance body to ensure the prevention and mitigation of conflicts of interest 10.0
- membership of more than one board of directors 4.3

[2] *Document available at www.esprinet.com Governance section.*
[3] *Document available for consultation on the website of Borsa Italiana S.p.A. www.borsaitaliana.it*

The Board of Directors

Board of Directors	Role	
Maurizio Rota	Chair	Non-executive and non-independent
Marco Monti	Deputy Chairman	Non-executive and non-independent
Alessandro Cattani	Chief Executive Officer	Executive and non-independent
Luigi Monti	Director	Non-executive and non-independent
Riccardo Rota	Director	Non-executive and non-independent
Angelo Miglietta	Director	Non-executive and independent
Renata Maria Ricotti	Director	Non-executive and independent
Emanuela Prandelli	Director	Non-executive and independent
Angela Sanarico	Director	Non-executive and independent
Angela Maria Cossellu	Director	Non-executive and independent
Emanuela Teresa Basso Petrino	Director	Non-executive and independent

The Board of Directors, which is entrusted with the central role in the management, as well as the definition and supervision of the strategic lines to be adopted, is currently composed of 11 members, 6 of which are independent (i.e. 54.6%), 1 executive member and 10 non-executive members. The Board of Directors, appointed on 24 April 2024, will remain in office until the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2026.

Appointment criteria and process

The members of the Board of Directors are appointed in relation to the requirements of professionalism, competence, experience and diversity criteria such as age, seniority in office and gender, as well as expertise regarding the impacts associated with the Esprinet Group's sectors, products and geographies. Refer to the website www.esprinet.com/it/governance/sistema-di-governance/consiglio-di-amministrazione for profiles, specific competences and information on other relevant positions held and commitments undertaken by each member of the Board of Directors.

The Board of Directors is appointed in compliance with the rules and regulations in force on gender balance, as defined by the Corporate Governance Code. The current composition of the Board of Directors respects the diversity criterion mentioned.

Board of Directors - Diversity

GENDER

Women

46% or 5

Men

54% or 6

Total

100% or 11

AGE GROUPS

Under 30 years old

0% or 0

Between 30 and 50 years old

27% or 3

Over 50 years old

73% or 8

Esprinet recognises the importance of diversity and the representation of employees and other workers within its administration, management and control bodies. With regard to the composition and diversity of the governance bodies, Esprinet's Board of Directors includes a company executive, the CEO.

The Board of Statutory Auditors

The Board of Statutory Auditors is the body responsible for supervising the proper administration of the company, compliance with the law and the articles of association, and the adequacy of the internal control and accounting systems. The Board of Statutory Auditors of Esprinet S.p.A. was appointed by the Shareholders' Meeting of 24 April 2024 and will remain in office until the approval of the financial statements as at 31 December 2026. The Board of Statutory Auditors currently numbers 3 standing auditors and 1 alternate member:

Board of Statutory Auditors	Role
Silvia Muzi	Chair
Maurizio Dallocchio	Standing auditor
Riccardo Garbagnati	Standing auditor
Vieri Chimenti	Alternate auditor

The Board of Statutory Auditors monitors the sustainability financial reporting process, including by verifying the efficiency of internal control systems, an adequate organisational structure in charge of such reporting, and adequate information flows in both quantitative and qualitative terms. The Board verifies that the sustainability reporting is structured in a manner consistent with Art. 3 and 4 of Legislative Decree no. 125/2024 and with the company's strategic objectives and policies. The Board of Statutory Auditors also monitors compliance with the attestation and publicity requirements of the CSRD, also reporting to the Board of Directors.

The statutory audit of the accounts and certification of compliance of the Sustainability Report is entrusted to an independent auditing firm.

Committees

The Board of Directors, in compliance with the Best Practices set forth in the Corporate Governance Code approved by the Corporate Governance Committee for Listed Companies, has established **four Committees**: the Control and Risks Committee, which is also entrusted with the role of Related Party Transactions Committee, the Appointments and Remuneration Committee and the Competitiveness and Sustainability Committee, which will remain in office until the approval of the financial statements for the year ending 31 December 2026.

Control and Risks Committee

The Control and Risks Committee consists of three non-executive and independent directors. The Committee is responsible for assisting the Board with investigations, making proposals and providing advice, so that the main risks faced by the Company and its subsidiaries are correctly identified and adequately measured, managed and monitored, also determining to what extent such risks are compatible with a company management that is in line with the strategic goals identified, in order to contribute towards the Company's sustainable success. Refer to the Esprinet website | The Esprinet Board Committees (www.esprinet.com/it/governance/sistema-di-governance/comitati/) for more information.

Control and Risks Committee
Renata Maria Ricotti - Chairman
Angelo Miglietta
Angela Sanarico

Appointments and Remuneration Committee

The Appointments and Remuneration Committee consists of three non-executive and independent directors. The Committee is appointed, *inter alia*, to assist the Board of Directors in the elaboration of the remuneration policy, submitting proposals or expressing opinions on the remuneration of directors as well as on the setting of performance targets related to the variable component of such remuneration, monitoring the concrete application of the remuneration policy and verifying, in particular, the actual achievement of performance targets, and finally periodically assessing the adequacy and overall consistency of the policy for the remuneration of directors and top management. For more information, refer to the Appointments and Remuneration Committee Regulation available on the website www.esprinet.com/it/governance/sistema-di-governance/comitati/.

Appointments and Remuneration Committee
Angelo Miglietta - Chairman
Renata Maria Ricotti
Angela Maria Cossellu

Competitiveness and Sustainability Committee

The Competitiveness and Sustainability Committee consists of the CEO, two independent directors and an employee. The Committee is tasked with assisting the Board of Directors with preparatory functions, of a propositional and consultative nature, concerning the creation of lasting competitive benefits and the establishment of the preliminary conditions for the creation of long-term value for the various categories of Esprinet's stakeholders. For more information, refer to the Competitiveness and Sustainability Committee Regulation available on the website www.esprinet.com/it/governance/sistema-di-governance/comitati/. The Competitiveness and Sustainability Committee as a whole has adequate expertise in matters related to the pursuit of ESG objectives in the business sector and in the Group's activities.

Competitiveness and Sustainability Committee
Alessandro Cattani - Chairman
Emanuela Prandelli
Emanuela Teresa Basso Petrino
Giulia Perfetti

Sustainability governance

The **Board of Directors** approves the Sustainability Report and, in advance, oversees the process of identifying, assessing and prioritising material topics (IROs - Impacts Risks Opportunities).

The management of impacts, risks and opportunities (IROs) is part of the Board of Directors's responsibilities in relation to the overall management of the Company, as defined in the Corporate Governance Report.

For the coordination of the operational steps of the process, such as the involvement of stakeholders, the integration of assessments and the identification of impacts, risks and/or opportunities and material topics, the Board of Directors is supported by the Competitiveness and Sustainability Committee, which is also responsible for the approval of material topics. During the reporting period, no specific training programme for members of the Board of Directors and the Competitiveness and Sustainability Committee on sustainability topics was implemented. However, the Group recognises the importance of developing appropriate skills to address the challenges related to the identified Impacts, Risks and Opportunities (IROs). Therefore, the introduction of dedicated training courses is being considered.

The **Competitiveness and Sustainability Committee** is entrusted with the following tasks, in particular:

- to collaborate with the Board in setting the Company's performance targets for sustainable management, monitor their level of implementation and propose corrective actions where necessary;
- to examine and assess the sustainability policy aimed at ensuring long-term value creation for stakeholders in compliance with the principles of sustainable development, as well as regarding the sustainability guidelines and goals and the sustainability reporting submitted annually to the Board;
- to examine the implementation of the sustainability policy in business initiatives, based on the Board recommendations;
- to monitor the Group positioning vis-à-vis the financial markets on sustainability topics, also with reference to possible participation in sustainability indices;
- to assess the suitability of periodic non-financial information in correctly representing the business model, the Company strategies, the impact of its activities and the performance achieved;
- to monitor the adoption of appropriate measures to ensure the implementation of the Sustainability Plan and express an opinion on other sustainability matters at the request of the Board.

The Board of Directors plays a central role in approving the sustainability strategy and setting the related targets.

THE PROCESS OF INFORMING AND MANAGING SUSTAINABILITY TOPICS

ESRS | ESRS 2 GOV-2

The ESG fundamentals are consistent with Esprinet's value system (Board of Directors and management team) and with the general principles of ethical business conduct, based on respect for the environment and the territory, for people and for current regulations.

At regular meetings held during the year, the Board of Directors is systematically informed about the management of impacts on the environment and people, as well as the related risks and opportunities. All impacts, risks and opportunities and the related sustainability matters are regularly brought to the attention of the Board of Directors and the Competitiveness and Sustainability Committee (refer to the chapter *Material impacts, risks and opportunities and their interaction with the strategy and business model/section material topics (IROs)* for a complete list). At their regular meetings, these bodies analyse and evaluate key strategic issues to ensure a proactive approach to managing impacts, risks and exploiting opportunities, as well as monitoring performance. A structured comparison allows sustainability to be integrated into business decisions.

The Chief Executive Officer and executives with delegated powers implement the sustainability policies promoted by the Board on the recommendations of the Competitiveness and Sustainability Committee and the actions aimed at achieving the defined ESG targets.

It should be noted that no significant critical issues were found during 2024 to be reported to the Board of Directors.

In February 2024, the Board of Directors conducted its self-assessment for the three-year period 2021-2023. The self-assessment covered the size, composition and effective functioning of the board of directors and committees, also considering their role in defining strategies and monitoring management performance and the adequacy of the risk management and internal control system.

During the reporting period, the Competitiveness and Sustainability Committee met five times and at the first useful meeting, the Chairman of the Competitiveness and Sustainability Committee reported to the Board on the decisions taken and the activities undertaken by the Committee.

INTEGRATION OF SUSTAINABILITY TOPICS AND PERFORMANCE INTO INCENTIVE SYSTEMS

ESRS | ESRS 2 GOV-3

The Remuneration Policy for the three-year period 2024-2026 was approved by the Shareholders' Meeting on 24 April 2024 and adopted by the Board of Directors on 7 May 2024.

The Remuneration Policy describes the main elements that make up the remuneration of the Chairman of the Board of Directors, the Chief Executive Officer (also acting as Chief Strategic Officer), the Chief Operating Officer (General Manager), the non-executive directors and the members of the Board of Statutory Auditors.

For the Chief Executive Officer and the Chief Operating Officer, the components of this remuneration generally consist of fixed remuneration, short-term variable remuneration, long-term incentive system (performance share) and benefits. These remuneration schemes are defined to attract and retain resources with a high professional and managerial profile, supporting the corporate strategy, ensuring that remuneration is based on measurable objectives and results actually achieved.

The main innovations of the remuneration policy approved in 2024 include the **introduction of short- and long-term ESG incentive components** linked to financial sustainability indices, supporting the ESG component of the strategy. These plans include sustainability targets related to the following indicators:

- Employee Satisfaction
- Customer Satisfaction
- Reducing CO_2 emissions
- Diversity, Equity and Inclusion Targets

The short-term indicators reflect the level of customer satisfaction and the level of employee satisfaction and well-being, measured respectively through a specific survey conducted on an annual basis and the achievement of the 'Great Place to Work' certification.

Medium- and long-term indicators, on the other hand, are linked to results and targets for reducing CO_2 emissions and reducing inequalities. This last sustainability indicator is linked to the achievement of a certification on Diversity, Equity and Inclusion.

The performance indicators for short- and long-term variable remuneration include the following sustainability indicators and targets, with the corresponding weights on the variable component:

Incentive system	Recipients	Characteristics
Short-term variable remuneration	Chief Executive Officer Chief Operating Officer	Employee Engagement and Client Satisfaction indicators - overall weight 15%: • Great Place to Work certification in at least 2 countries • NPS Customer Satisfaction
Long-Term Incentive System (Performance share)	Chief Executive Officer Chief Operating Officer	• Reducing CO_2e emissions - weight 7.5% • Reducing inequalities - weight 7.5%

In the performance of its function, the Appointments and Remuneration Committee avails itself of the services of independent experts, in order to obtain information on market practices regarding remuneration policies and average remuneration levels, as well as on long-term incentive and retention plans and the most suitable implementation methods. As at 2024, a new peer group of Italian and European listed companies was defined to assess the competitiveness of the remuneration package.

THE DUE DILIGENCE PROCESS OF SUSTAINABILITY TOPICS

ESRS | ESRS 2 GOV-4

As recalled in the OECD Guidelines [4] due diligence is the process that companies should implement to **identify, prevent, mitigate and account for how they address actual and potential negative impacts in their business**, supply chain and other business relationships (value chain as a whole).

Esprinet has developed an approach based on integrating due diligence into its governance, strategy and business model. The principles of due diligence are treated as an intrinsic component of Esprinet's risk management system (**"ERM" or "Enterprise Risk Management"**) and internal control system.

Basic elements of due diligence	Reference (Sustainability Reporting paragraphs)
Integrating due diligence into the governance, strategy and business model	• GOV-1 - The role of the administration, management and control bodies • GOV 2 - The process of informing and managing sustainability topics • GOV-3 - Integration of sustainability topics and performance into incentive systems • SBM-3 - Material impacts, risks and opportunities and their interaction with the strategy and business model
Involving stakeholders at all key stages of due diligence	• SBM-2 - Stakeholders: interests and expectations
Identifying and assessing negative impacts	• SBM-3 - Material impacts, risks and opportunities and their interaction with the strategy and business model • IRO-1 - The process of identifying and assessing material impacts, risks and opportunities
Intervening to address negative impacts	• E1-3 Climate change policy actions and resources • E2-2 Pollution-related actions and resources • E3-2 Water and marine-related actions and resources • E5-2 Actions and resources related to the use of resources and the circular economy • S1-4 Actions on material impacts on own workforce and approaches for managing material risks and pursuing material opportunities in relation to own workforce, as well as effectiveness of such actions • S2-4 Actions on material impacts on workers in the value chain and approaches for the management of material risks and the achievement of material opportunities for workers in the value chain, as well as the effectiveness of such actions • S4-4 Actions on material impacts on consumers and end-users and approaches to manage material risks and achieve material opportunities in relation to consumers and end-users, and the effectiveness of these action
Monitor the effectiveness of interventions and communicate	• SBM-3 - Material impacts, risks and opportunities and their interaction with the strategy and business model

[4] *OECD Guidance on due diligence for responsible business conduct*

The Risk Management and Internal Control System (RMICS)

The Risk Management and Internal Control System is an essential part of the Group's corporate governance system. It is defined as the set of rules, conduct, policies, procedures and organisational structures, aimed at enabling the identification, measurement, management and monitoring of the main management risks, contributing to ensuring the safeguarding of corporate assets, the efficiency and effectiveness of corporate processes, the reliability of financial information, compliance with laws and regulations as well as with the company's Articles of Association and internal procedures.

This system is integrated into the more general organisational, administrative and corporate governance structures adopted by the Group and takes into account existing national and international reference models and best practices. The degree of integration of the system is defined by the degree of homogeneity, interdependence and integration of its various players and components. With this in mind, the Company integrates the control activities and procedures required by law with those adopted for Group management decisions.

Esprinet's Risk Management and Internal Control System (RMICS) envisages that the Board of Directors, in its capacity as the body of strategic supervision, shall be responsible for the RMICS and periodically assess its adequacy and efficiency, supported by the Chief Executive Officer ("CEO"), who is responsible for implementing the RMICS's guidelines, and the Control and Risks Committee (CRC), ensuring its alignment with the strategic objectives and regulations in force.

Risk management, under the responsibility of the Risk Manager, is based on the risk management framework (ERM), updated at least once a year and adopted by the entire Group.

Risk Mapping

technical and operational functions of the group's subsidiaries

Processes and monitoring

Risk Manager
Risk Management Framework (ERM)

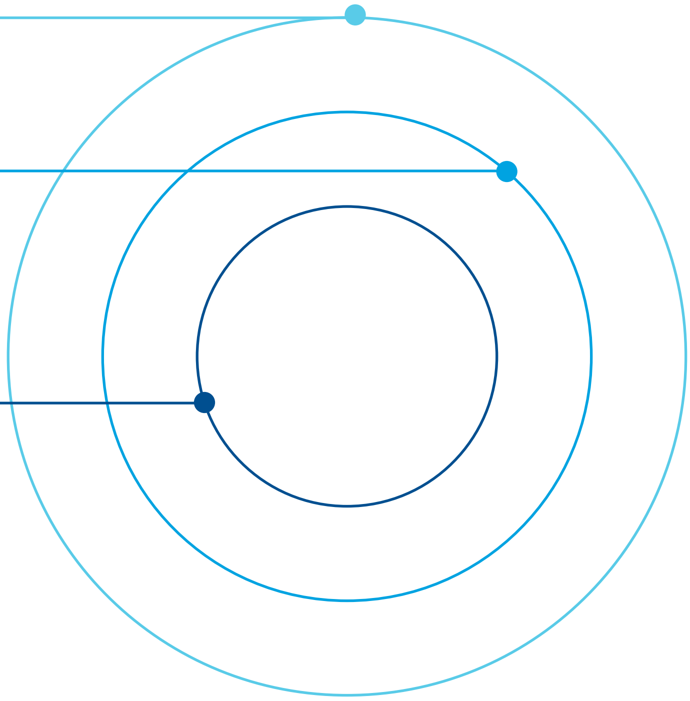
Organisational, administrative and governance functions of the Group

Controlling and supervising

Board of Directors (BoD)
Strategic Oversight Board

Chief Executive Officer (CEO)
Responsible for implementing the (RMICS)

Control and Risks Committee (CRC)
Ensure alignment with the strategic objectives and regulations in force.



THE INTERNAL SUSTAINABILITY REPORTING CONTROL SYSTEM

ESRS | **ESRS 2 GOV-5**

Sustainability reporting and control system

In 2024, following the provisions of the new legislation on sustainability reporting (CSRD - Corporate Sustainability Reporting Directive), implemented in Italy by Legislative Decree 125/2024, the Esprinet Group initiated actions to strengthen the Internal Control System, consistent with the needs arising from the process of collecting the information required for Sustainability Reporting purposes.

Reporting risk in Sustainability Reporting refers to the possibility that the information disclosed may be incomplete, inaccurate and unrepresentative, or even false. This type of risk could be related to cases such as the incorrect calculation/determination of values or information; lack of standardisation of processes and methods that could lead to inconsistent interpretations or reporting from a methodological point of view; lack of elementary processes for collecting a piece of data or information.

The sustainability reporting process

Procedure	Definition of policies and procedures to ensure compliance with regulations and best practices.
Roles and responsibilities	Clear definition of the roles and responsibilities of the different players involved.
Material topics - Risk & Control Matrix	Identification of key risks and related control measures to mitigate them.
Collection of data/ information	Structuring the process of collecting, storing and analysing information relevant to monitoring and controls.
Monitoring and reporting	Adoption of verification mechanisms, internal audits and reporting to ensure the effective functioning of controls.

To mitigate the reporting risk, the Esprinet Group has initiated a process to strengthen reporting practices. More specifically:

- Definition of more structured data collection and verification procedures to ensure better traceability.
- Clear and transparent communication with stakeholders on sustainability progress and challenges.

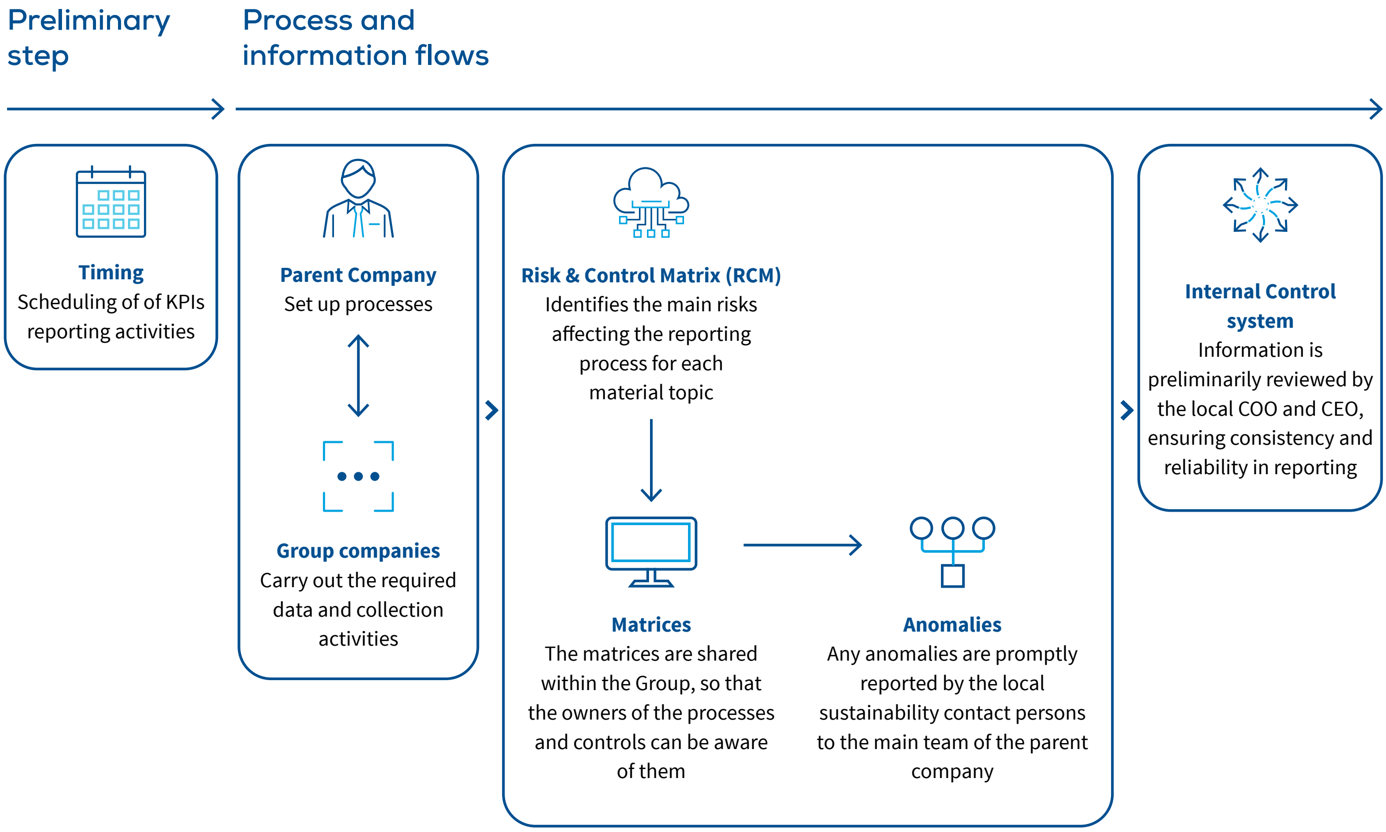
Setting up the process - The preliminary steps concern the setting up and scheduling of reporting activities for KPIs/indicators related to material topics for Group companies. All Group companies within the perimeter are informed about the procedures and deadlines for reporting information on material topics.

The Process and Information Flows - The activities of determining and collecting the required data are ensured, by the Group's companies, in compliance with the processes defined by the Parent Company and under the supervision of the mitigating controls outlined in the **Risk & Control Matrix (RCM)**, which identifies for each material topic the main risks affecting the reporting process, the controls implemented to mitigate those risks, the characteristics of the controls (type and frequency and the supporting systems). The matrices are disseminated within the Group, so that the owners of processes and controls can be aware of them, together with the control evidence to be found during monitoring. Any anomalies are promptly reported by the local sustainability contact persons to the central team of the parent company.

The information is first reviewed by the local COO and CEO, ensuring consistency and reliability in reporting.

The role and responsibilities of the owners - At each stage of the information flow, it is essential that the owners of the activities themselves ensure the truthfulness and accuracy of the information transmitted, its completeness, timeliness of execution and traceability of information and actions. Adherence to these principles is essential to ensuring the consistency and fairness of the process and significantly mitigating the risk of error, consequently increasing stakeholder confidence, enhancing transparency and facilitating accurate assessment of corporate performance with specific reference to sustainability topics.

The reporting system - The information-gathering system adopted for reporting purposes for FY 2024 is based on reporting tools structured on spreadsheets, sent to the individual Group companies and consolidated annually. The implementation of an ESG as a Service platform is currently being studied, with the aim of centralising and automating data collection activities to ensure greater efficiency and traceability of information.



The role of the Internal Audit Department

The Internal Audit Department, with the support of the Risk Manager, is responsible for periodically updating the process and informing the players involved within the Group, which may arise as a result of regulatory changes, changes to the Group's organisational structure, the introduction of new lines of business and any other case that may impact the approach of the Internal Control System in the field of Sustainability Reporting. The results of the evaluations and controls are periodically presented to the management and control bodies.

1.3 Strategy and business model

STRATEGY, BUSINESS MODEL AND VALUE CHAIN

ESRS | ESRS 2 SBM-1

Vision, mission & values

The **Esprinet Group** is an Italian multinational **leader in distribution of high-tech products**, in the supply of application and services for **digital transformation** and for the **green transition**.

In order to foster tech-democracy, reduce the digital divide and accompany people and companies along their digitisation journey, Esprinet brings to Europe a comprehensive offer of consultancy, IT security, services and products for sale or rent through an extensive network of professional resellers.

Group vision

The Esprinet Group seeks to **make life easier for people and organisations**, which is why it is committed to expanding and facilitating the distribution and use of technology, confident that it enriches everyone's daily life.

Group mission

To be the **key contact point** between manufacturers, retailers and technology users. The Group strives to create value for all players in the network, including shareholders and employees, through an ongoing strategy of shared growth based on an innovative distribution model to:

- promote the extended use of each technology with efficient distribution on all channels of contact with consumers and organisations;
- develop effective and innovative operational and financial tools to cope with evolving markets;
- be a reference point in the technology market, thanks to the very best professional expertise.

Group values

BE ACCOUNTABLE

Reliability

We empower a project for the future. We strive to become bigger and more competent every day to meet the challenges of ever-changing markets. Our corporate vision inspires us to be entrepreneurs at the service of the best business project.

BE DARING

Bravery

We sail the open sea to discover new horizons. Our company mission drives us to act, even if this means running the risk of making mistakes. The important thing is to face them with the knowledge that we can turn them into opportunities.

BE RESPONSIVE

Customer centricity

We listen to the world we are part of. We want to build the perfect path to meet all our customers' needs: we get involved with them to create winning results.

BE EMPOWERED

Quest for excellence

We give strength to future projects. We are committed to becoming bigger and more competent every day, to be ready to overcome the challenges of ever-changing markets. We want to be entrepreneurs at the service of the best business projects.

BE TOGETHER

Teamwork

Together is better: that's why we all take the field. Our corporate values include teamwork, collective thinking, the value of difference and the relationship between different skills, aspirations, and competences.

BE SURPRISING

Creativity

We shape innovation. We want to create ever more original and surprising solutions: we do this by experimenting with new ways of thinking and acting.

BE CARING

Responsibility

We believe that technologies are a common good. Our Corporate Identity is based on a concept that is as simple as it is fundamental: technology is a common good. We contribute every day to make it more and more available to everyone by offering everyone who chooses Esprinet the opportunity to learn, participate, share and live valuable experiences.

BE INCLUSIVE

Listening

We are all different, but together we create a single reality. We believe in valuing people. We always listen to their needs, opinions, and requests to help us create a better organization.

Business Model

The Esprinet Group is the largest distributor in Southern Europe (Italy, Spain and Portugal) of high-tech and consumer electronics products. It is also a leading provider of applications and services for digital transformation. In 2024, it entered the green transition technology distribution business.

The Esprinet Group seeks to be the point of reference among the communities of technology manufacturers, resellers and users, in the conviction that technology should be a common good and contributing every day to make it more and more available.

The Group purchases technology products from around **800 manufacturers** and serves **29,000 customers, ranging from SMEs to large enterprises, with a presence in the public sector**. It also offers services to suppliers and retailers, in a market where the complexity of demand, driven by progressive digitisation, generates the need for services provided by distributors.

With a complementary model of three companies born at different times of the ICT revolution, today ready to meet different demands and different audiences, the Group operates through the brands:

- Esprinet: to quickly bring technology to businesses and households and to reduce the digital divide.
- V-Valley: to support companies and the public sector in accelerating digitisation with value-added solutions.
- Zeliatech: to accompany customers in the Double Transition, through a comprehensive portfolio of products, solutions and expertise for environmental sustainability and energy efficiency.

For more information on the business model, refer to the paragraph "Activities and structure of the Esprinet Group" of the Directors' Report.

The ESG centric strategy

Esprinet has made sustainable development one of its main strategic pillars. According to this approach to the business model, Esprinet has been on a sustainability path for years, with the aim of progressively combining business decisions with environmental and social responsibility. The Group's is a concrete commitment to adopting a business and governance model that not only enables the company's long-term success, but also targets the environment and social welfare.

Managing the company sustainably means managing all available resources, whether natural, financial, human or relational, in the best possible way. ESG fundamentals are not only consistent with the value system of the board of directors and management, but sustainability is to be seen as a strategic element capable of triggering new competitive dynamics. While the commitment to sustainability stems from a deep conviction and recognition of the value of an ethical attitude, it is also a source of inspiration and innovation and represents an opportunity to create value for the Group and its employees, for its customers and suppliers, for the community in which it operates and, of course, for investors.

Esprinet's commitment

Esprinet has the duty and the opportunity to continue and strengthen this strategic path, assuming the responsibility to help secure the future for generations to come. This commitment is implemented along the following lines of action:

Striving for excellence in business management while promoting its values.

Acting as the point of reference among the community of technology manufacturers, resellers and users to make life easier for people and organisations in the belief that technology should be a common good.

Creating a working party capable of collaborating by enhancing the potential of each individual.

Supporting the uniqueness of the community by donating time and value.

Protecting our planet by acting consciously and reducing our impact.

Acting with transparency, professionalism and fairness in dealing with all our stakeholders.

The threats of climate change and social inequalities, as well as the need for transparency in corporate governance, are highly relevant and strategic challenges. This is why Esprinet feels the responsibility to reaffirm its commitment to its role as a leading company in Southern Europe in the ICT sector, a key player in the transformation process. Esprinet is aware of its duty to contribute to the mission of shaping the future by **strengthening the close link between technology and sustainability**, guided by its core values.

In this regard, some of the actions implemented in 2024 are summarised below (and also reported in greater detail in the paragraphs on the corresponding material topics reported) to support the realisation of ESG objectives and strategy and the engagement of its stakeholders.

Esprinet's sustainability path has led, over time, to the achievement of important ESG targets, always considered as an intermediate step, in the awareness that there is no final goal, but a process of continuous improvement.

Environment - Properties and LEED® certifications

To reduce its environmental footprint, it has made further progress: the new **logistics hub in Tortona**, which is LEED® Gold certified, has also been equipped with a **photovoltaic system and LED lighting systems** to gradually achieve energy self-sufficiency, as has already been done for the Cambiago (MI) warehouse.

Environment - Zeliatech and the digital and green transition

Confident that environmental sustainability and ecological transition are essential for the long-term prosperity of our planet and future generations, and confirming that sustainability is a strategic priority for the Group, **Zeliatech**, a full subsidiary, was established.

Zeliatech is the **first European distributor of technologies enabling the Double Transition, digital and green** and operates in the distribution, sale and rental of **smart solutions for photovoltaics, e-Mobility charging solutions, Smart Building, green data centres** and, in the future, also related and value-added services.

Social - Human resources

In 2024, the process of strengthening and enhancing the resource that remains the most important: human capital, continued. Esprinet continued to listen to all employees through **surveys and open discussions** in an ongoing and transparent dialogue. The **educational offerings** were enriched in order to **enhance** the skills of each individual and support the **development** of their potential. In addition, an ambitious programme was initiated to promote a **culture of diversity, equity and inclusion** within the organisation. And because different generations coexist in the company, Esprinet has embarked on a path that facilitates knowledge and exchange on desires, expectations and **work culture**, which turns differences and similarities into a source of opportunities.

Social - Customers and suppliers

Esprinet continued its strategic activity of **listening to customers and suppliers**, not only to intercept and intervene on any **cases of dissatisfaction** and thus offer a service in line with expectations, but also to support the knowledge of its partners and build a **profitable and lasting relationship**.

Building on stable and long-lasting relationships with customers and suppliers, the dialogue on ESG topics in their supply chain was also consolidated. Through internal and external training sessions, in collaboration with key suppliers, the topic of environmental responsibility was promoted, in terms of risks but also business opportunities, to develop areas of collaboration that contribute to the transition towards circular business models.

Social - Local communities

Esprinet has also committed itself to creating a **dialogue and exchange with local communities** by supporting and collaborating with various charitable organisations, aware that its development must take place in full respect of them, according to a logic of social responsibility as well.

Governance - the role of the Competitiveness and Sustainability Committee

Within the framework of sound corporate governance, stimulated also by the challenges generated by CSRD, internal discussions to guide strategic sustainability decisions were strengthened. The collaboration between the departments involved in the management of environmental and social topics and the interaction with the Competitiveness and Sustainability Committee bear witness to the fact that sustainability is the result of a shared approach promoted by the company's top management at board level.

The United Nations Sustainable Development Goals (SDGs)

Esprinet is an official signatory of the UN Global Compact.

Esprinet is committed, through the implementation of its industrial strategy and through its ecosystem of values and business model, to the pursuit of a sustainable business model. This approach must necessarily also be reflected in the commitment (Commitment) to the UN 2030 Agenda and the Sustainable Development Goals (SDGs) that form an integral part of it. The SDGs represent business opportunities, which can also generate positive environmental and social impacts.

Esprinet carried out a consistency analysis, starting from its business model and materiality analysis in order to define strategic objectives and implemented and/or planned projects with respect to the contents (objectives and targets) of the 2030 Agenda. This analysis, highlighted in the chapter *Sustainability Plan: objectives and actions on material sustainability topics*, concerns the most significant and priority sustainability topics in relation to the Esprinet Group's contribution and commitment.

The identification and prioritisation of the SDGs was also carried out on two separate levels of analysis along the short-, medium- and long-term shared value creation cycle.

Esprinet's value chain

The Esprinet Group's value chain, given its position within the Information & Communication Technology (ICT) sector, is **highly globalised and made up of a complex network of relationships between different players** involved at different stages in the supply flow of products and services: from the procurement of raw materials to the delivery and disposal of products to end users.

Value chain and main upstream phases, direct and downstream activities

Upstream
(upstream of distribution)

Raw material extraction
Includes the procurement of resources needed for the production of electronic devices.

Production of finished products
Vendors (technology manufacturers) transform raw materials into IT products and consumer electronics.

Vendors and finished product
Manufacturers supply products to Esprinet for distribution.

Inbound logistics
Managing the arrival of products from vendors, with transport and reception operations.

Esprinet direct activity
(core business: distribution)

Warehousing
Storage in warehouses for subsequent distribution.

Cash & Carry
Physical point of sale where retailers can purchase products directly.

Downstream
(downstream of distribution)

Outbound logistics
Shipping of products to retailers or through the Cash & Carry channel.

Professional resellers
Professional, specialised resellers or retailers/e-tailers who sell to end consumers.

Product use and end of life
The end user uses the product until it is disposed of or recycled.

Employees by geographical area

As at 31 December 2024, the Esprinet Group had a total of **1,808 employees**, calculated on the basis of headcount at the end of the period. During the two-year period 2023-2024, slight growth is recorded in the workforce. Women account for 52.8% of the total.

Geographically, the distribution of the workforce shows a **significant concentration in Italy**, with 1,041 employees, or 57.6% of the total, followed by Spain, which accounts for 38.2% of the total workforce.

	2024			2023		
Employees	**Women**	**Men**	**Total**	**Women**	**Men**	**Total**
Total employees at period end/by gender	**955**	**853**	**1,808**	**945**	**831**	**1,776**
Total number of employees by gender/ geographical area						
Italy	523	518	1041	512	513	1,025
Spain	391	300	691	389	285	674
Portugal	32	24	56	33	22	55
Morocco	9	11	20	8	10	18
China	-	-	-	2	-	2
France	-	-	-	1	-	1
Germany	-	-	-	-	1	1
Total	**955**	**853**	**1,808**	**945**	**831**	**1,776**

STAKEHOLDERS: INTERESTS AND EXPECTATIONS

ESRS | ESRS 2 SBM-2

Stakeholders are defined as **individuals or groups who have interests, expectations of** a company, who are, or could be, directly or indirectly **impacted** (positively or negatively) by the company's activities and its relationships throughout the value chain.

Stakeholder engagement

Stakeholder **engagement** is a central element of the company due diligence process and sustainability materiality assessment aimed at understanding the processes for identifying and assessing actual and potential negative impacts that guide the sustainability reporting process.

Esprinet creates, develops and maintains relationships with its stakeholders over time, with the aim of strengthening these relationships and, consequently, improving its competitive position and ability to generate and distribute value. Involvement and discussion with stakeholders (stakeholder engagement) is a structural activity aimed at understanding their interests, expectations and needs and, in this way, fostering a more effective and conscious decision-making process, which can facilitate adequate strategic planning and the achievement of business objectives.

The Esprinet Group bases its relations with its stakeholders on principles of good faith, fairness, loyalty and transparency. The Group's stakeholders were identified taking into account the sector they belong to, their business model and existing system of relations, as well as their geographical presence.

For Esprinet, stakeholder engagement is an activity carried out systematically, as part of the business model, independently of sustainability reporting. In the context of this listening process and ongoing relations and relationships with stakeholders, a number of **specific engagement initiatives** were implemented. These initiatives are aimed at gathering and analysing their expectations, ensuring that they are taken into account in corporate decision-making processes. The outcomes are reported to the Board of Directors, ensuring that stakeholder input contributes to strategic orientation and sustainable value creation.

The system of tools through which the Esprinet Group manages relations with its stakeholders is outlined below. These tools are differentiated in relation to the different stakeholder categories and also include some activities that have been carried out as part of the path leading to the drafting of the 2024 Sustainability Report. In 2025, Esprinet will strengthen its involvement through direct relations with stakeholders, focusing in particular on suppliers and customers. This commitment will result in building stronger and more lasting relationships based on trust, transparency and collaboration.

Further information concerning the activities and organisation of engagement initiatives with stakeholders is described in greater detail in the relevant sections of the thematic ESRS.

Main stakeholders	Engagement activities Projects - Initiatives - Reports
Shareholders (buy-side financial analysts, retail investors, institutional/professional investors)	Shareholders' Meeting - Board of Directors - Website/dedicated section - Regular meetings - Investor Relations and Corporate Affairs Department - Press releases
Banks - Lenders	Meetings - Exchange of information and documents - Presentations
Employees, collaborators and trade unions	Dialogue with the Human Resources Department - Informal meetings and institutional events - Company Intranet - Training plans and events, including non-professional ones - Company welfare tools and initiatives - Internal newsletter - Communication plan - Net Promoter Score and Trust index - Employee Engagement survey - Great Place to Work survey - Community - Team building - Internal employer branding - Company library - Solidarity sports events - Socialisation events - Psychological desk - Townhall - Meetings with trade union representatives - Consultation meetings with workers' safety representatives
Suppliers (vendors, cooperative contractors, transporters, other non-goods suppliers)	Business meetings and company visits - Training meetings
Customers (large/specialised retail, small resellers, Var, on-line shops, small retailers, large resellers)	Sales meetings and company visits - Interaction with sales staff - Customer Service - Institutional website, social media, e-mail, mail - 'Esprinet listens to you' intranet channel - TIB Project - TOGETHER IS BETTER! - Information newsletters
Community (local authorities, universities, schools, media, non-profit organisations, trade associations)	Meetings with local community representatives - Company visits - Investments in the social fabric and for local authorities - donations and sponsorships - FOR -TE project - Corporate volunteering activities (Esprinet4others) - Shape the future - Intec project

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH THE STRATEGY AND BUSINESS MODEL

ESRS ESRS 2 SBM-3

This section summarises the material impacts, risks and opportunities, as resulting from the relevant identification and assessment process (see the following section on Material topics IRO-1) and how these material topics are integrated with the strategy and business model.

Material topics (IRO)

The **Double Materiality Assessment**, in the context of sustainability reporting, is essential for assessing and understanding the impact of the Group's activities on the environment and society, and the underlying financial risks and opportunities related to environmental, social and governance (ESG) topics.

The approach considers both the impacts, classified as actual or potential, positive or negative, that the Group may generate on people and the environment in the short-, medium- or long-term (impact materiality), and the influence of environmental, social and governance (ESG) factors on the Group's financial performance and resilience (financial materiality). The introduction of the European ESRS standard has fostered the identification of material ESG risks and opportunities, which complement the results of the impact analysis and reflect an increased awareness and focus on the potential financial impact of these factors and their consistent and integrated assessment.

It should be noted that, for the purposes of drafting the reporting document on sustainability topics for the previous financial year (2023 NFS - drafted pursuant to Legislative Decree 254/2016), the analysis of the material topics was focused on impact analysis and did not make explicit the financial perspective, as this was not envisaged by the GRI Sustainability Reporting Standards, defined by the Global Reporting Initiative and used as reporting standards.

The tables below provide a description of the sustainability impacts, risks and opportunities considered material by the Esprinet Group following the double materiality analysis on which the drafting of this report is based.

Impact materiality - With regard to the results of impact materiality, the following characteristics are made explicit for each impact:

- Negative or positive, potential or actual impacts and how impacts affect people and the environment.
- Stage in the value chain where the impact originates.
- Expected time horizons of impacts.

ESRS Sub Topic	Impact	Description	Prob.	Value chain	Time horizon
		Environment - E1 Climate change			
E1 Climate change mitigation	− Contribution to climate change	Esprinet's activities contribute negatively to climate change, as they release climate-changing emissions (GHG) into the atmosphere. Supply chain activities (raw material extraction, product processing and manufacturing, inbound and outbound logistics) have a particularly great impact. Direct activities that generate GHG emissions are attributable to the energy consumption of the Group's warehouses.	ef	Upstream Own Operations Downstream	Short-Medium/long-term
E1 Energy	− Contribution to climate change	The production and use (consumption) of energy required by Esprinet's activities throughout the value chain generates climate-changing emissions (GHG), which contribute negatively to climate change.	ef	Upstream- Own Operations Downstream	Short-Medium/long-term

+ Positive impact | − Negative impact | ef Effective probability | po Potential probability | Short-/medium-term | Short-Medium/long-term | Medium/long-term

ESRS Sub Topic		Impact	Description	Prob.	Value chain	Time horizon
Environment - E2 Pollution						
E2	Pollution of air	– Air pollution, soil and water contamination	The products marketed by Esprinet contain critical materials (including rare soils, silicon, lithium and others). Harmful emissions from mining activities can have negative impacts on air quality. Air pollution also caused by inbound and outbound transport activities (release of pollutants other than CO_2e).	ef	Upstream - Downstream	
E2	Pollution of water	– Air pollution, soil and water contamination	The products marketed by Esprinet contain critical materials (including rare soils, silicon, lithium and others). The release of harmful substances from mining activities can have negative impacts on water and soil contamination levels.	ef	Upstream	
E2	Pollution of soil	– Air pollution, soil and water contamination		ef	Upstream	
E2	Substances of concern	– Air pollution, soil and water contamination	Products marketed by Esprinet may contain substances defined by EU legislation as substances of concern, with potential negative impact on the environment if released during processing or disposal.	po	Upstream	
Environment - E3 Water and marine resources						
E3	Water consumption	– Water consumption and exploitation of natural resources	The extraction and processing of raw materials, as well as the production of electronic components and/or finished products, require withdrawals and consumption of water resources. However, these activities may involve areas subject to high water stress and risks of further depletion of the resource.	po	Upstream	
E3	Water withdrawals	– Water consumption and exploitation of natural resources		po	Upstream	
E3	Water discharges	– Water consumption and exploitation of natural resources	Industrial activities in the extraction and processing of raw materials and the production of electronic components generate water discharges, which can have potential negative impacts on communities and the environment in the event of contamination and inadequate management.	po	Upstream	
Environment - E5 Resource use and circular economy						
E5	Resources inflows, including resource use	– Use of resources and raw materials	The products marketed by Esprinet use critical raw materials and packaging that cannot always be recycled or reused. Such characteristics of the materials used could slow down the development of a circular economy model.	ef	Upstream - Own Operations	
E5	Resource outflows related to products and services	– Marketing of products		ef	Upstream - Own Operations Downstream	
E5	Waste	– Waste production	The technology sector is characterised by activities that produce different types of waste, hazardous and non-hazardous. Inadequate waste management negatively impacts both the environment and ecosystems, also taking into account the end-of-life of marketed products.	ef	Upstream - Own Operations Downstream	

+ Positive impact | – Negative impact | ef Effective probability | po Potential probability | Short-/medium-term | Short-Medium/long-term | Medium/long-term

ESRS Sub Topic	Impact	Description	Prob.	Value chain	Time horizon
Social - S1 Own workforce					
S1 Working time	– Working conditions	Failure to comply with current legislation on working conditions and working hours could result in a violation of rights and stressful conditions for employees.	po	Own operations	Short-/medium-term
S1 Work-life balance	+ Working conditions	Esprinet supports the creation and maintenance of a quality working environment with the aim of increasing the well-being of its employees, with a focus on work-life balance.	ef	Own operations	Short-/medium-term
S1 Social dialogue	+ Working conditions	Esprinet supports a working environment based on collaboration, dialogue and listening to all stakeholders.	ef	Own operations	Short-/medium-term
S1 Health and safety	– Failure to protect the health and safety of employees	Esprinet's potential occupational health and safety impact is mainly related to load handling/unloading operations within warehouses.	po	Own operations	Short-/medium-term
S1 Training and skills development	+ Commitment to employee lifelong learning	Esprinet supports and delivers technical and professional training activities to its employees, promoting their personal and professional skills development.	ef	Own operations	Short-Medium/long-term
S1 Gender equality and equal pay for work of equal value	+ Discrimination in the workplace and failure to respect equal opportunities	Esprinet fosters an inclusive working environment, based on respect for diversity and equal opportunities, which can cause discrimination among employees, negatively impacting their opportunities for personal and professional development.	po	Own operations	Short-/medium-term
S1 Employment and inclusion of people with disabilities	+ Discrimination in the workplace and failure to respect equal opportunities		po	Own operations	Short-/medium-term
S1 Diversity	+ Discrimination in the workplace and failure to respect equal opportunities		po	Own operations	Short-/medium-term

\+ Positive impact | – Negative impact | ef Effective probability | po Potential probability | Short-/medium-term | Short-Medium/long-term | Medium/long-term

ESRS Sub Topic	Impact	Description	Prob.	Value chain	Time horizon
Social - S2 Workers in the value chain					
S2 Working time	Negative - Working conditions in the value chain	Working conditions related to the production chain (in particular for the production of raw materials, critical materials, components/products) may be characterised by potential negative impacts on human rights and other personal rights (working hours - inadequate wages - social dialogue - freedom of association - training and skills development) also taking into account the geographical areas in which they are located.	po	Upstream - Downstream	Short-/medium-term
S2 Adequate wages	Negative - Working conditions in the value chain		po	Upstream - Downstream	Short-/medium-term
S2 Social dialogue	Negative - Working conditions in the value chain		po	Upstream - Downstream	Short-/medium-term
S2 Freedom of association, including the existence of corporate committees	Negative - Working conditions in the value chain		po	Upstream - Downstream	Short-/medium-term
S2 Training and skills development	Negative - Working conditions in the value chain		po	Upstream - Downstream	Short-/medium-term
S2 Health and safety	Negative - Failure to protect the health and safety of employees in the value chain	Working conditions related to the production chain (in particular for the production of raw materials, critical materials, components/products) may be characterised by potential negative impacts on occupational health and safety management and attention to occupational health and safety conditions) also taking into account the geographical areas in which they are located.	po	Upstream - Downstream	Short-/medium-term
S2 Gender equality and equal pay for work of equal value	Negative - Failure to protect the human rights of workers in the value chain	The working environment of the production chain (in particular for the production of raw materials, critical materials, components/products) may be characterised by non-inclusive policies and a lack of respect for diversity and equal opportunities, leading to potential discrimination and unfair behaviour towards human resources.	po	Upstream - Downstream	Short-/medium-term
S2 Employment and inclusion of people with disabilities	Negative - Failure to protect the human rights of workers in the value chain		po	Upstream - Downstream	Short-/medium-term
S2 Diversity	Negative - Failure to protect the human rights of workers in the value chain		po	Upstream - Downstream	Short-/medium-term
S2 Child labour	Negative - Failure to protect the human rights of workers in the value chain	Working conditions related to the production chain (in particular for the production of raw materials, critical materials, components/products) may be characterised by potential negative impacts on human rights and other personal rights (child labour and forced labour) also taking into account the geographical areas in which they are located.	po	Upstream - Downstream	Short-/medium-term
S2 Forced labour	Negative - Failure to protect the human rights of workers in the value chain		po	Upstream - Downstream	Short-/medium-term

Positive impact | Negative impact | ef Effective probability | po Potential probability | Short-/medium-term | Short-Medium/long-term | Medium/long-term

ESRS Sub Topic	Impact	Description	Prob.	Value chain	Time horizon
Social - S4 Consumers and end-users					
S4 Privacy	− Violation of privacy and security of customer data	Impacts related to the potential loss and breach of sensitive data/privacy and cybersecurity could result from cyber attacks not mitigated by adequate preventive measures.	po	Own operations - Downstream	Medium/long-term
S4 Access to products and services	+ Enabling digitisation	Esprinet's business model is focused on the strategy of expanding and facilitating the distribution and use of technology, acting as an enabler of digitisation.	ef	Own operations - Downstream	Short-Medium/long-term
S4 Access to products and services	+ Enabling sustainable mobility	Among other products, Esprinet also markets electric bicycles and scooters, tools that promote sustainable mobility, as they are an alternative to combustion vehicles (in town centres).	ef	Downstream	Short-Medium/long-term
Governance - G1 Business conduct					
G1 Corporate culture	+ Creation of a Corporate Culture aimed at the protection and promotion of human resources	Esprinet aims to protect and promote the value of its human resources by consolidating its corporate culture, ensuring dignity, equal opportunities, security and professional growth for its employees.	ef	Own operations	Short-/medium-term
G1 Management of relations with suppliers, including payment practices	+ Sustainable supply chain management	Fair and timely payment practices and supplier engagement/monitoring activities can foster economic development (in general, but also with regard to the local economy) and sustainable business models. The Group's commitment to take measures to ensure transparent relations with its suppliers generates a positive impact in terms of expanding the culture of environmental and social responsibility throughout the supply chain.	po	Own operations	Short-/medium-term

+ Positive impact | − Negative impact | ef Effective probability | po Potential probability | Short-/medium-term | Short-Medium/long-term | Medium/long-term

Financial materiality - For each material risk or opportunity, along with the description, the following is specified:

- at which stage of the value chain it manifests;
- the expected time horizons of risks and opportunities.

It should also be noted that for the various risks, the management system adopted by Esprinet provides for **mitigation measures**, which are referred to when reporting on material topics.

ESRS Sub-topic / Sub-sub-topic	Risk/opportunity	Value chain	Time horizon
Environment – E1 Climate change			
E1 Climate change mitigation	Transition risks related to the non-compliance of the Group or its suppliers with the recurring and systematic updating of European and international environmental and climate change legislation (sustainability reporting, EU Directives and Regulations related to specific areas.	Own operations – Upstream	Medium/long-term
	Transition risk related to the reduced supply of green vehicles (company fleet) compared to demand with a potential increase in purchase/use costs.	Upstream - Downstream	Medium/long-term
E1 Climate change mitigation	Transition risks related to non-compliance with sustainability requirements demanded by customers.	Own operations	Medium-term
E1 Energy	Transition risk related to the unavailability/volatility of energy source prices.	Own operations	Medium-term
	Physical risk due to rising temperatures and the resulting lower operating efficiency and increased air conditioning costs.	Own operations – Upstream	Medium/long-term
	Transition opportunities related to the establishment of a new Business Unit dedicated to promoting environmental sustainability and ecological and digital transition through specialised products, solutions and expertise.	Own operations – Upstream	Short-/medium-term
Environment – E5 Resource use and circular economy			
E5 Resources inflows, including resource use	Opportunities for new business channels arising from the establishment of a circularity model in electronics. Esprinet acts as an intermediary and distributor (e.g. management of returns, product recovery/reuse).	Own operations	Medium/long-term
Social - S1 Own workforce			
S1 Working time	Risk arising from possible violations of workers' human rights or non-compliance with social standards within its operations that could lead to litigation.	Own operations	Medium/long-term
S1 Health and safety	Risk related to the consequences of possible accidents and/or injuries at work (business interruption - litigation - reputation).	Own operations	Medium/long-term
S1 Training and skills development	Risk of loss of talent in key positions and consequent loss of specialised know-how.	Own operations	Medium/long-term
S1 Gender equality and equal pay for work of equal value S1 Diversity S1 Employment and inclusion of people with disabilities	Risks due to potential incidents of discrimination among Group employees and workers, in the absence of adequate measures and protocols to protect diversity and equal opportunities.	Own operations	Medium/long-term

Short-/medium-term | Short-Medium/long-term | Medium-term | Medium/long-term

ESRS Sub-topic / Sub-sub-topic	Risk/opportunity	Value chain	Time horizon
Social - S2 Workers in the value chain			
S2 Health and safety	Risk related to the consequences of possible accidents and/or injuries at work in the Supply Chain (business interruption - litigation - reputation).	Upstream - Downstream	Medium/long-term
S2 Child labour	Risk arising from possible incidents of child labour and forced labour among the employees of partner companies (business interruption - litigation - reputation).	Upstream - Downstream	Medium/long-term
S2 Forced labour		Upstream - Downstream	Short-Medium/long-term
S2 Working time	Risk arising from possible exploitation of workers throughout the work value chain (disruption of operations - litigation - reputation).	Upstream - Downstream	Medium/long-term
S2 Adequate wages		Upstream - Downstream	Medium/long-term
S2 Gender equality and equal pay for work of equal value	Risks due to the occurrence of incidents of discrimination among workers in the value chain, due to inadequate measures and protocols for the protection of diversity and equal opportunities (business interruption - litigation - reputation).	Upstream - Downstream	Short-Medium/long-term
S2 Diversity			
S2 Employment and inclusion of people with disabilities			
Social - S4 – Consumers and end-users			
S4 Health and safety	Risks arising from failure to control the quality and safety of products, which could lead to possible damage in terms of consumer health and safety.	Downstream	Short-Medium/long-term
S4 Access to products and services	Opportunities related to the diffusion of electronic products on the market.	Downstream	Short-Medium/long-term
	Opportunities related to the growing popularity of non-combustion personal mobility products (bicycles, e-bikes, electric scooters).		
Governance - G1 Business conduct			
G1 Protection of whistleblowers	Risk due to lack of protection of persons using the whistleblowing channel to make reports.	Own operations – Upstream - Downstream	Short-Medium/long-term
G1 Management of relations with suppliers, including payment practices	Failure to meet suppliers' payment terms could lead to the severance of relations with suppliers and the consequent disruption of the value chain.	Own operations – Upstream - Downstream	Short-Medium/long-term
G1 Active and passive corruption	Risk resulting from possible bribery and/or corruption, contrary to national and European legislation.	Own operations	Short-Medium/long-term

Short-/medium-term | Short-Medium/long-term | Medium-term | Medium/long-term

The effects of material impacts, risks and opportunities on the business model, strategy and decision-making process are explored within each ESRS material outcome. It should be noted that there are no current financial effects related to the risks and opportunities identified as material that have not been reflected in Esprinet's Consolidated Financial Statements. As allowed by ESRS 1 (Appendix C - phase-in), the expected medium- to long-term financial effects related to the same risks and opportunities have not been quantified.

1.4 Managing impacts - risks - opportunities

THE PROCESS

ESRS | IRO-1 | IRO-2

The process of identifying and assessing material impacts, risks and opportunities

The IRO-1 disclosure requirement requires a detailed description of the processes used to identify and assess the impacts, risks and opportunities material to the Esprinet Group.

The aim of the Double Materiality Assessment is to identify, investigate and prioritise the sustainability matters (Sustainability Matters) that are most significant for the Group and its stakeholders. The purpose of this process is to draw up a document reporting on the impacts, risks and opportunities (hereinafter also referred to as "IROs") related to ESG aspects, assessed as material for the Group, and highlighting how they are managed.

The double materiality process developed in 2024 involved the relevant departments within the Group, in particular the Investor Relations and Sustainability, Risk Management, Human Resources and Internal Audit Departments. The Department Managers, designated for specific environmental, social and governance topics, together with those responsible for sustainability reporting, played a key role in managing the various phases and communicating the results to the approving bodies.

The double materiality assessment was performed following the guidelines of the ESRS standard, which defines two perspectives to consider a sustainability topic as material:

- **Impact perspective:** a topic is material if it concerns the company's impacts on people or the environment in the short-, medium- or long-term. Impacts can be actual or potential, positive or negative.
- **Financial perspective:** a topic is material if it causes or could cause significant financial effects for the company, either negative (risks) or positive (opportunities).

The double materiality process, and in particular the financial analysis, allows for an understanding of how sustainability matters can influence a company's financial performance and, conversely, how the company's activities can impact people and the environment.

Impacts, risks and opportunities may arise both from activities under the direct control of the company and from its value chain, upstream and downstream; for each impact, risk and opportunity, a time horizon is defined, clarifying whether it will occur in the short-, medium- or long-term.

The starting point for the identification of IROs is the structure of the Group's value chain. Analyses of the sustainability reference context and external circumstances referred to by the main reporting standards, international sustainability ratings and regulatory framework of the reference sector were carried out, together with analysis of internal documentation, such as the Group's ERM, the 2023 Non-Financial Statement, corporate policies and objectives.

This approach provided a detailed picture of the activities carried out within the reporting boundary and throughout the entire value chain.

The analysis will need to be updated annually to reflect any changes and to incorporate best market practices and methodologies that may emerge at a national and international level, taking into account the evolution of the regulatory and legislative environment, the Group's strategy and any element that may materially affect the company's ability to generate value in the short-, medium- and long-term.

Impact materiality

The first stage of the double materiality analysis developed by the Esprinet Group was the identification of the impacts generated on the environment and people, which took place as follows:

1. understanding of the **context** in which the Group operates. All activities carried out by the company, the most significant business relationships (Disclosure requirement SBM-1: "Strategy, business model and value chain"), and the geographical areas in which the Group operates;
2. discussion with internal **stakeholders** (Disclosure requirement SBM-2: Stakeholder interests and opinions).

The next phase of the assessment involved the **prioritisation of impacts**.

The approach used when assessing impacts examined both actual and potential impacts, positive and negative, without mitigation through already implemented or planned mitigation measures, in order to understand the true extent of the consequences of the company's operations and to identify areas where action is needed. This approach provides a clear and direct view of the potential effects that the company's activities may have on people and the environment.

Impacts were assessed considering **two variables: severity and probability**. Severity, in turn, was assessed through 3 parameters, each with its own rating scale, namely Scope, Scale and Irremediability, the latter considered only for negative impacts. Based on the degree of probability and severity (their product), each impact is classified according to a different degree of significance: very significant, significant, moderately significant, insignificant, negligible. **The impacts considered material were those rated very significant, significant and moderately significant.**

The impacts identified relate to short-, medium- and long-term time horizons; assessments were carried out over a 5-year horizon.

The materiality of impacts was identified according to an analysis based on the collection of documentary evidence and through the involvement of internal stakeholders. The main input parameters used by the Esprinet Group to perform the double materiality assessment are as follows:

- Analysis of external pressures, the regulatory and legislative environment (e.g. TCFD, EBA, EFRAG);
- Analysis of internal documentation, e.g. ERM, NFS, policies and corporate objectives;
- Industry reports (e.g. MSCI materiality map, CDC, World Energy Outlook, SASB);
- Benchmark analysis on peers and competitors of the Esprinet Group;
- Analysis of the Group's main social and environmental initiatives and projects.

Financial materiality

At this stage, the Group has identified risks and opportunities that could have financial effects in the short-, medium- and long-term. Several aspects were considered:

- Risks and opportunities arising from impacts defined with impact significance and thus resulting from the Group's impact on people and the environment.
- Risks and opportunities arising from actions taken in the area of sustainability: risks and opportunities may arise from actions taken by the company to mitigate negative or foster positive sustainability impacts.
- Dependencies and relationships: risks and opportunities can influence:
  - the company's ability to continue to use or obtain the resources needed for its business processes, including the quality and price of resources;
  - the company's ability to rely on the relationships necessary for its business processes on acceptable terms.

To define their significance, risks and opportunities were assessed through the use of two variables: magnitude and probability. The materiality threshold for risks and opportunities was defined internally by the relevant Department and is based on the combined result of financial magnitude and probability, assessed in qualitative terms.

Each risk and/or opportunity was classified as follows: very significant, significant, moderately significant, not very significant, negligible. The risks and opportunities considered material were those rated very significant, significant, moderately significant and not very significant.

The risks and opportunities, similarly to the analysis of impacts, were identified through an analysis based on the collection of documentary evidence and through the involvement of internal stakeholders.

In this context, the double materiality process involved both the sustainability Department and the Enterprise Risk Management (ERM) Department. The analyses conducted by both Departments were fundamental to the drafting of the financial materiality, complementing the activities previously carried out by the ERM Department with new analyses. This approach ensures a more comprehensive and coherent view of the challenges and opportunities related to sustainability and risk management.

In addition to a number of risks, which are discussed in more detail in the dedicated chapters, the financial materiality analysis has identified a number of opportunities that will be pursued in the short and medium term according to their applicability and potential impact. These opportunities will be further examined and considered in order to optimise the management of the company, in order to contribute to its sustainable development, preserving and strengthening its competitive position in the market. The proactive approach not only aims to exploit opportunities that emerge, but also to ensure that the company adapts and responds effectively to the challenges of the economic and environmental environment.

Stakeholder engagement

The activity of understanding the expectations and needs of stakeholders in order to develop solid and lasting relationships is conducted structurally and continuously by Esprinet. For the reporting year under review, the Group's external stakeholders did not play an active role in the identification and assessment of IROs and the approval of the double materiality process. However, their demands have been adequately taken into account on the basis of the constant interactions there.

With regard to internal stakeholder engagement activities, the risk, sustainability, internal audit, legal, human resources and logistics departments verified the completeness of the list of identified IROs and proposed any changes (additions or removals) to it. Subsequently, the qualitative assessment of impacts, risks and opportunities and the results of the process were submitted to and validated by the same departments involved in the previous phase. Finally, the management (CEO and General Manager) and administration approved the analysis in its entirety and the results obtained.

Material topics and ESRS reporting

Annex 1 to the Sustainability Report presents a Table of Contents, to which reference is made, summarising the information presented in the document (Disclosure requirements) according to the results of the materiality analysis (double materiality).

Also published (as **Annex 2**) is a table of information areas arising from other EU legislation, indicating the references in the Sustainability Report, including those assessed as not material, with corresponding indication.

Summary of Esprinet Group policies and management systems

The Esprinet Group is committed to ensuring responsible business conduct through the adoption of policies and procedures.

The parameters for the application of the policies are defined according to specific monitoring and reporting processes, as well as the promotion of their contents within the Group through training programmes. The Esprinet Group promotes awareness of the policies and procedures adopted through the development of training and awareness programmes on their contents and application.

Furthermore, the policies, approved by the Board of Directors and available on the Esprinet Group's website, set out the Group's commitments and regulate actions and behaviours regarding the organisation's business activities and relationships, to protect the Group and all stakeholders.

A summary of the main policies and management systems adopted by the Esprinet Group is reported, which are taken up and further elaborated in the thematic ESRS reporting paragraphs.

Policies/Management Systems	Thematic ESRS reference
Organisational, management, and control model pursuant to Italian Legislative Decree 231/2001 (the "231 Model") - Criminal Risk Control, Management and Organisation Model - Crime Prevention Manual	G1 Business conduct
	S1 Own workforce
Code of Ethics	G1 Business conduct
	S1 Own workforce
Anti-Corruption Policy	G1 Business conduct
Whistleblowing	G1 Business conduct
	S1 Own workforce
	S2 Workers in the value chain
	S4 Consumers and/or end-users
Multi-Site Corporate Policy	E1 Climate change
	E2 Pollution
	E3 Water and marine resources
	E5 Resource use and circular economy
	G1 Business conduct
	S4 Consumers and/or end-users
Supplier Code of Conduct	E2 Pollution
	E3 Water and marine resources
	S2 Workers in the value chain
Information & Cybersecurity Policy	G1 Business conduct
	S4 Consumers and/or end-users
ISO 14001:2015 Management System	E1 Climate change
	E2 Pollution
	E3 Water and marine resources
	E5 Resource use and circular economy
ISO 45001:2018 Management Systems	S1 Own workforce
ISO 9001:2015 Management Systems	S4 Consumers and/or end-users

Organisational, management, and control model pursuant to Italian Legislative Decree 231/2001 (the "231 Model")

Aware of the importance of an effective internal control system and proper risk management for the achievement of its corporate objectives, Esprinet has adopted the Organisation, Management and Control Model (231 Model) pursuant to Legislative Decree No. 231/2001, which governs the administrative liability of entities for certain offences committed in their interest or to their advantage.

The introduction and implementation of the 231 Model represent for Esprinet not only a tool for the prevention of offences envisaged by Legislative Decree no. 231/2001, but also a strategic element for the improvement of the Corporate Governance system. 231 Model is a coherent set of principles and rules governing the internal functioning of the Company and its external relations. It also regulates a control system for sensitive activities, aimed at preventing the perpetration or attempted perpetration of offences.

Periodically updated according to regulatory changes, 231 Model is divided into a General Part and Special Parts. The General Part deals with the reference legislation, the role and functioning of the Supervisory Body, and the system of sanctions for violations of the Model's rules. The Special Parts define the principles of conduct and control protocols for each of the types of offences considered material to the Company.

In accordance with Legislative Decree no. 231/2001, Esprinet has set up an independent Supervisory Body, charged with monitoring its effective application, verifying compliance and keeping it up-to-date. Information flows between the Supervisory Body and the various corporate departments ensure constant monitoring of sensitive processes.

In addition to Esprinet S.p.A., the Italian subsidiaries V-Valley S.r.l., Dacom S.p.A. and Zeliatech S.r.l. have also adopted 231 Model, while the foreign subsidiaries Esprinet Iberica S.L.U., V-Valley Iberian Advanced Solutions S.A. and Esprinet Portugal have organisational models that comply with local legislation on the administrative liability of entities.

Code of Ethics

The Code of Ethics sets out the lines of conduct and regulates the set of rights, duties and responsibilities that the Group expressly assumes with its stakeholders and defines the ethical criteria adopted for a correct balance between the expectations and interests of the various stakeholders; it also contains principles and guidelines for conduct on any ethical risk areas.

The adoption of the Code of Ethics is, in general, an expression of aiming primarily to meet the needs, and expectations of its customers and stakeholders through:

- the continuous promotion of a high standard of internal professionalism;
- full and constant compliance with the regulations in force in the Countries where it operates;
- the compliance of its activities with the principles of consistency, transparency and contextual control provision;
- the discipline of relations with Third parties (suppliers, customers, Public Administration) also in order to avoid possible episodes of corruption.

The Code of Ethics is an integral part of 231 Model.

Anti-Corruption Policy

Esprinet's Anti-Corruption Policy unifies and integrates the rules for preventing and combating corruption and represents an organic and coherent system of principles of integrity and transparency aimed at preventing and combating the risks of unlawful practices in the conduct of business and corporate activities.

Whistleblowing

Under the Whistleblowing legislation, regulated in Italy by Legislative Decree no. 24/2023, which transposes Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law and on provisions concerning the protection of persons who report breaches of national laws, the Esprinet Group has fulfilled its new obligations in accordance with the time-frame indicated in the legislation.

The Esprinet Group has adopted a specific policy for the prevention of fraud and violations of the Code of Ethics and for the management of whistleblowing reports, which summarises the principles dictated by the Company in order to effectively prevent and combat fraudulent and illegal conduct and in any case conduct contrary to the Code of Ethics, the Organisational Model pursuant to Legislative Decree no. 231/01 (or the equivalent documents of the Group Companies), laws and regulations, by all Esprinet Group employees.

Information & Cybersecurity Policy

The Esprinet Group, aware of the importance of protecting information, has prepared the Information & Cybersecurity Policy in order to ensure adequate protection of information and the information system as a whole. Through this Policy, the Group defines the general security principles to be adopted in all processes and activities carried out by internal and external personnel. These general principles constitute a framework for achieving an adequate level of protection of the company's information assets, through the continuous improvement of organisational processes and the search for innovative technological solutions in relation to developments in technology, threats and defence tools.

Multi-Site Corporate Policy

The Esprinet Group's Multi-Site Corporate Policy defines the vision, mission and core values that guide the Group's activities in all its locations. Furthermore, the policy emphasises the importance of meeting customer and stakeholder requirements, continuously improving the effectiveness and efficiency of processes, and ensuring that quality, environmental protection and occupational safety objectives are met in accordance with laws, regulations and commitments.

Supplier Code of Conduct

The Esprinet Group's Code of Conduct for responsible supply chain management sets out ethical and behavioural guidelines for the Group's suppliers and business partners. This code aims to promote transparent, fair and ethical relations, focusing on aspects such as quality, safety, respect for the environment and compliance with current regulations, with the aim of consolidating value for stakeholders.

Management systems

The Esprinet Group is committed to achieving excellence in management systems related to quality, environment, safety and ethics.

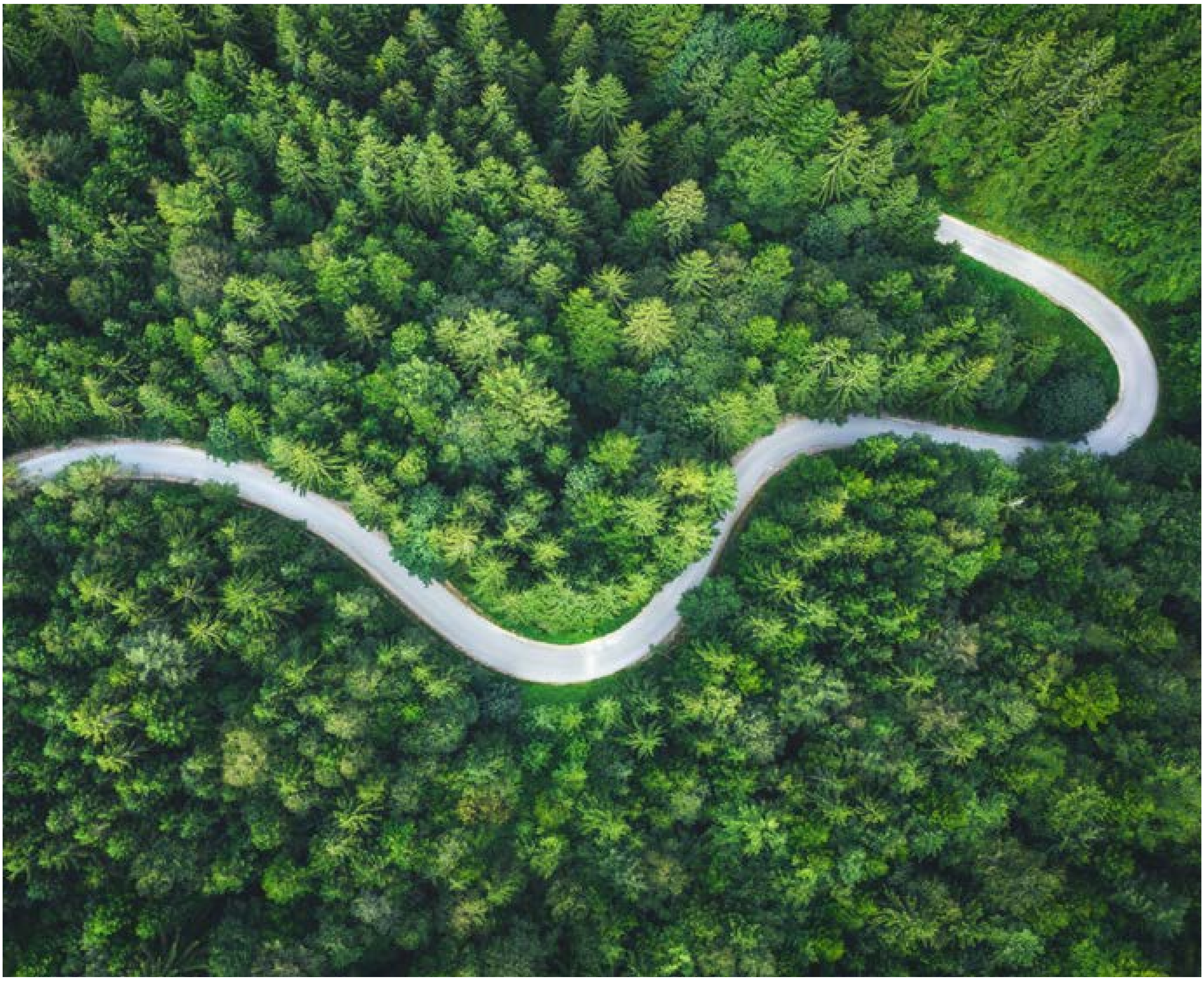
ISO 14001:2015 - Environmental Management System to improve environmental performance, reduce environmental impact and ensure compliance with environmental regulations.

ISO 9001:2015 - Quality Management System aimed at ensuring customer satisfaction and continuously improving business processes, optimising the quality of products and services offered.

ISO 45001:2018 - Management system for the health and safety of workers with the objective of reducing risks to workers' health and safety, improving the working environment and preventing occupational accidents and illnesses.

The table below shows the certifications obtained by the different Esprinet Group companies.

Company	ISO 9001	ISO 45001	ISO 14001
Esprinet S.p.A.	●	●	●
V-Valley S.r.l.	●	●	●
Esprinet Iberica S.L.U.	●	●	●
V-Valley Advanced Solutions España S.A.	●	●	●
Zeliatech S.r.l	●	●	●



Sustainability Plan: objectives and actions related to material sustainability topics

Material topic	Goals	Actions	2024 baseline	2027 target	SDGs Sustainable Development Goals #	Target (abstract)
		E1 Climate change				
Climate change mitigation **Climate Change Adaptation** **Energy**	**Reduce greenhouse gas emissions from Group operations (Scope 1 and Scope 2)**	Activation of the photovoltaic system of the warehouse in Tortona Evaluate installation of photovoltaic systems also at other Group sites	455 MWh of self-generated electricity	> 1000 MWh of self-generated electricity	7 13	7.3 Double the global rate of energy efficiency improvement by 2030 13.2 Integrate climate change measures into policies, strategies and planning
		Increase the percentage of hybrid or electric company cars given to Group employees	59% "green" corporate fleet	> 75% "green" corporate fleet		
		Raise awareness among Group employees about the correct use of hybrid cars to improve fuel efficiency				
		Encourage and raise awareness among Group employees on the use of HVO fuel for diesel-powered company cars				
		Carry out continuous screening of existing assets in order to identify possible consumption efficiency or electrification actions				
		Total emissions Scope 1 +2 (location based)	2,833 tonnes CO_2e	-12.6% Scope 1 and Scope 2 emissions (location based)		
	Maintain the Group's renewable electricity purchasing policies	Purchase electricity covered by certificates of origin for all directly managed assets	98% of electricity purchased from renewable sources	>95% of electricity purchased from renewable sources in the three-year period 2025-2027		
	Reduce greenhouse gas emissions from outbound logistics (Scope 3)	Engage major carriers and the Group's own customers to explore possible decarbonisation levers for outbound logistics				

Material topic	Goals	Actions	2024 baseline	2027 target	SDGs Sustainable Development Goals #	Target (abstract)
		E5 Resource use and circular economy				
Resources inflows, including resource use **Outflows of resources related to products and services** **Waste**	**Strengthen the market supply of products that enable the circular economy**	Develop the business of the subsidiary SIFAR, a distributor of components and spare parts for the repair of smartphones and tablets aims to extend the life cycle of products by helping to minimise the production of electronic waste			12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2 Achieve sustainable management and efficient use of natural resources. 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
	Promote circular economy projects in cooperation with major suppliers of goods	With established relationships with suppliers of goods, look for areas of collaboration that contribute to the transition to circular business models				
	Apply circular economy principles to warehouse management	Regenerate damaged pallets within the warehouse by repairing them with carpentry services				
		S1 Own workforce				
Working time **Social dialogue** **Work-life balance** **Health and safety**	**Promote the health and safety of workers in the Esprinet Group**	Maintain an ISO 45001 certified management system for the companies Esprinet S.p.A., V-Valley S.r.l., Esprinet Iberica S.L.U. and V-Valley Advanced Solutions España S.A	0 accidents with serious consequences	0 accidents with serious consequences in the three-year period 2025-2027	4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	4.4 Increase the number of young people and adults with specific skills, including technical and vocational skills 5.5 Ensure full and effective participation of women and equal leadership opportunities at every decision-making level 8.8 Protect the right to work and promote a healthy and safe working environment for all workers 10.2 By 2030, enhance and promote the social, economic and political inclusion of all
	Promoting the well-being of employees and external workers	**Promote constant, transparent dialogue** Continue to listen to all employees through surveys and through open discussions in an ongoing and transparent dialogue	The Esprinet Group is certified Great Place to Work in Italy, Spain, Portugal and Morocco	Maintain Great Place to Work certification in Italy, Spain, Portugal and Morocco in the three-year period 2025-2027		
		Ensure Work-Life Balance and Welfare Maintain initiatives that help improve employees' quality of life: financial support for employees and their families through liberal welfare; health insurance Continue to offer at least 8 smart working days per month to Esprinet employees working in the offices in Italy, Spain and Portugal				
		Promote Well-being initiatives Psychological help desk, corporate pharmacy, healthy food, mindfulness meetings, physiotherapy and prevention with awareness webinars				

Material topic	Goals	Actions	2024 baseline	2027 target	SDGs Sustainable Development Goals #	SDGs Sustainable Development Goals Target (abstract)
Gender equality and equal pay for work of equal value **Training and skills development** **Employment and inclusion of people with disabilities** **Diversity**	**Protecting diversity, equal opportunities, and promoting inclusion**	**Ensure equal opportunities and empowerment of female staff** Continue the partnership with VALUE D to support the careers of female managers towards roles of greater responsibility	Esprinet is EDGE certified	Maintain EDGE certification in the three-year period 2025-2027		
		Make inclusiveness a distinctive feature and differentiating element of the Group's culture Launching the Community Diversity, Equity, Inclusion, and Belonging (DEIB) project, enabling the development of actions that meet employees' needs				
		Protect disability and promoting inclusion Continue to offer a bonus to support the disability of employees or their children and/or spouses (perimeter: Italy, Spain, Portugal)				
		Engage the different generations in the company Develop a plan that facilitates knowledge and exchange on the desires and expectations in the work culture of colleagues, and that turns differences and similarities into a source of opportunities				
		Contribution to social inclusion Continue to integrate people with disabilities into the workforce by involving them in activities functional to the Esprinet Group's business such as delivery (Project FOR-TE), filling out product sheets (Product Data Sheet project) in Italy and the DOWN project in Spain				
		Incentivising corporate volunteering and donations Encourage corporate volunteering among Esprinet Group employees and value chain workers: Renew the Esprinet4others programme, through which the Group organises the active and concrete participation of workers in the life of the local community with volunteer hours in support of non-profit organisations. In the coming years, the Group would also like to involve some of its business partners in the initiative	592 hours of corporate volunteering	>500 hours of annual corporate volunteering in the three-year period 2025-2027		

Material topic	Goals	Actions	2024 baseline	2027 target	SDGs Sustainable Development Goals #	Target (abstract)
	Commitment to technology literacy and digital security education	**Collaborate with universities and/or other organisations to foster the development of digital skills** Continue the collaboration with the Polytechnic University of Milan for the Scholarships project, which provides scholarships for the most deserving students in the Electronic Engineering course, and for the TechCamp@PoliMi project, which provides university orientation for high school students				
	Incentivising continuous employee training and protecting company meritocracy	**Invest in employee training** Promoting the value of human resources with training programmes for continuous professional development				
		On-boarding project for all new recruits in Italy, Spain and Portugal	0% of new recruits in Italy, Spain and Portugal involved in the on-boarding project	Maintain 100% of new recruits involved in the project in Italy, Spain and Portugal		
		Facilitate internal and international employee mobility Maintaining the International Job Rotation programme	12 job rotation	> 5 international job rotations approved in the three-year period 2025-2027		
S4 Consumers and end-users						
Information-related impacts for consumers and/or end-users **Personal safety of consumers and/or end-users** **Social inclusion of consumers and/or end-users**	**Strengthen the market offer of products that enable energy transition and sustainable mobility**	**Enabling energy transition and sustainable mobility** Develop business related to sustainable micro-mobility solutions Develop the business of Zeliatech, Europe's first tech green distributor, with the mission to serve and develop the double transition market, digital and green, where technology is an enabler of both			9	9.4: By 2030, upgrade infrastructure and redevelop industries to make them sustainable, with more efficient use of resources and greater adoption of clean and environmentally friendly technologies and industrial processes

2 ENVIRONMENTAL INFORMATION

2.1 Climate change

Topic	Sub-topic	SDGs
E1 Climate change	Climate change mitigation Climate change adaptation Energy	7 Affordable and clean energy; 13 Climate action

GOVERNANCE

Integration of sustainability performance into incentive schemes

ESRS | ESRS 2 GOV-3

The Esprinet Group takes climate-related topics into account in the remuneration system of the administration, management and control bodies. A performance share plan has been integrated that links a significant portion of remuneration to both Business Plan and environmental sustainability targets, including specific greenhouse gas (GHG) emission reduction targets.

As mentioned in the Remuneration Policy, the remuneration component linked to the achievement of GHG emission reduction targets represents 7.5% of the total economic incentives recognised.

STRATEGY

Climate change mitigation transition plan

ESRS | ESRS E1-1

As at the date of publication of this document, the Esprinet Group has not adopted a climate change mitigation transition plan. As part of strengthening its commitment to sustainability, the Group is committed to establishing a transition plan in the coming years that includes specific strategies to reduce the negative impacts of climate change and seize emerging opportunities.

As a preliminary step, a climate risk analysis was conducted, assessing the potential effects of physical hazards related to climate change.

Material impacts, risks and opportunities and their interaction with the strategy and business model

ESRS | ESRS 2 SBM-3

Analysis of physical risks

In 2024, the Group conducted an initial analysis of the potential effects of physical climate-related risks, including the Group's offices and warehouses located in Italy and Spain.

- Cavenago warehouse
- Cambiago warehouse
- Tortona warehouse
- Legal, commercial and administrative headquarters in Vimercate
- Saragossa head office and warehouse

For the Esprinet Group analysis, the time horizons considered are 2030 and 2050.

Physical climate risks were analysed using a tool provided by an external provider, which bases its analysis on the use of **Representative Concentration Pathways (RCP)** scenarios developed by the Intergovernmental Panel on Climate Change (IPCC). This tool simulates the evolution of climate variables in relation to the risks described in Appendix A of the Taxonomy Regulation (EU) 2020/852.

To assess the physical climate risk on assets, the following variables were used:

- Probability of occurrence of the adverse climatic event.
- Exposure of assets or people in an area potentially affected by an adverse weather event.
- Vulnerability, understood as the expected losses in the event of an adverse climatic event.

Exposure results were subsequently translated into long-term economic impacts, where a damage function was available.

The tool uses an operational system to classify climate hazards and to mitigate their impacts: floods, fires and heat waves are defined as climate-related hazards. Each climate risk is associated with one or more specific hazards *(see table below)*. Linked to each hazard are climate indicators, which serve as metrics to describe and quantify the relevant hazard.

Risk	Danger
Temperature change	Temperature
	Heat
	Cold
Changes in wind patterns	Extreme weather phenomena
Cold wave	Cold
Drought	Drought
Heat stress	Heat
Heat wave	Heat
Heavy rainfall	Rainfall
	Cold
Rainfall variability	Rainfall
Temperature variability	Temperature
Forest fire	Fire
Storm	Extreme weather phenomena
Water stress	Drought
Floods	Flash floods

A detailed and thorough assessment of transitional climate risks was not carried out during the reporting year.

THE SCENARIOS CONSIDERED

With respect to the range of climate scenarios, the tool uses RCP scenarios derived from the IPCC. Only two RCP scenarios were considered, as they were deemed the most useful with respect to the objectives of the analysis:

Representative Concentration Pathway (RCP) 4.5 (equivalent to 4.5 W/m^2)	This scenario is described by the IPCC as an intermediate scenario, in which greenhouse gas emissions peak around 2040 and then decline.
Representative Concentration Pathway (RCP) 8.5 (equivalent to 8.5 W/m^2)	This scenario projects a reasonable worst-case scenario and is widely used for climate risk assessment and stress testing.

The scenarios do not focus on single weather events, but assess the evolution of the frequency and intensity of climate-related hazards. For each time horizon, the tool provides an estimate of the potential value of the climate hazard for the median year of the period considered (e.g. the time horizon 2030 represents the climate of the period 2021-2040).

CLIMATE RISKS IN ESPRINET GROUP PLANTS

The analysis conducted on Esprinet Group plants shows significant climate risks related to **rising temperatures**. In particular, the change in maximum temperature and the increase in **cooling degree days** indicate that the **Vimercate, Cambiago and Cavenago** plants will be increasingly exposed to high temperatures, with a possible increase in maximum temperature of up to 20% by 2050 (RCP scenario 8.5). At the same time, it is expected that the number of days on which room cooling will be required will increase significantly, resulting in higher energy costs.

Moreover, the **risk of heat waves** is particularly critical for the **Tortona**-plant, where both the frequency and duration of **heat waves**are expected to increase, with potential impacts on worker safety and productivity.

Finally, **thermal stress** is a priority risk for the **Tortona and Saragossa** plants, where the number of days with extreme temperatures (Wet Bulb Global Temperature >32°C) could increase significantly by 2050 (RCP scenario 8.5), with a critical impact on operating conditions.

These results highlight the need for targeted adaptation strategies, including investments in efficient cooling systems, improved operational resilience and the implementation of worker protection measures.

The analysis conducted showed that the risk of **river flooding** is particularly significant for the **Tortona**plant, which is located near a watercourse. This risk is significant in all scenarios projected for **2030 and 205**0, with an increase in the **RCP 4.5 and RCP 8.5** scenarios. The increase over historical values suggests that the risk of river flooding may increase significantly over time, but it should be emphasised that the value in itself is not serious in absolute terms. This increase indicates an increasing risk and the severity of this risk also depends on the location and management of protective infrastructures, as in the case of Tortona, located near a river.

In conclusion, the analysis carried out did not identify any physical climate risks that could impact the Group's warehouses and offices in the short or medium term. In the long term, with particular reference to 2030 and 2050, physical climate risks were identified that, although characterized by a high degree of uncertainty, could potentially impact the Group's activities.

MONITORING AND GOVERNANCE OF CLIMATE RISKS

The Group's strategy is subject to a periodic evaluation process by the governance bodies, with the Board of Directors playing a central role. In this context, the Enterprise Risk Management (ERM) Department proactively monitors risks and provides timely information to the company's front lines, including the Chief Sustainability Officer's function, thus ensuring adequate responsiveness and alignment of the business strategy to any changes in the operating environment.

The analysis of physical risks has identified the assets exposed to risk; however, the definition of a mitigation strategy and related adaptation actions is still under development. The results of the analysis will be specifically evaluated by the Board of Directors in the next reporting period.

MANAGING IMPACTS - RISKS - OPPORTUNITIES

The process of identifying and assessing material impacts, risks and opportunities

ESRS | ESRS 2 IRO-1

Impacts	Danger
Climate change mitigation	Esprinet's activities contribute negatively to climate change, as they release climate-changing emissions (GHG) into the atmosphere.
	Supply chain activities (raw material extraction, product processing and manufacturing, inbound and outbound logistics) have a particularly great impact.
	Direct activities that generate GHG emissions are attributable to the energy consumption of the Group's warehouses.
Energy	The production and use (consumption) of energy required by Esprinet's activities throughout the value chain generates climate-changing emissions (GHG), which contribute negatively to climate change.

Risks/opportunities	Danger
Climate change mitigation	Transition risks related to the non-compliance of the Group or its suppliers with the recurring and systematic updating of European and international environmental and climate change legislation (sustainability reporting, EU Directives and Regulations related to specific areas.
Climate change mitigation	Transition risk related to the reduced supply of green vehicles (company fleet) compared to demand with a potential increase in purchase/use costs.
Climate change adaptation	Transition risks related to non-compliance with sustainability requirements demanded by customers.
Energy	Transition risk related to the unavailability/volatility of energy source prices.
Energy	Physical risk due to rising temperatures and the resulting lower operating efficiency and increased air conditioning costs.
Energy	Transition opportunities related to the establishment of a new Business Unit dedicated to promoting environmental sustainability and ecological and digital transition through specialised products, solutions and expertise.

The Esprinet Group has assessed its impacts, risks and opportunities related to climate change taking into consideration not only its own activities, but also activities throughout the value chain, upstream and downstream.

Impacts from the double materiality analysis highlight the contribution to climate change of activities throughout the value chain, such as the extraction of raw materials, processing and production of finished products, and logistics.

The global trend of companies engaging in climate change mitigation and decarbonisation processes also represents an opportunity for the Esprinet Group, considering its role as a technology enabler. Zeliatech, an Esprinet Group company and European distributor of green technology, was founded in 2024. The company promotes sustainability through innovative solutions in the fields of photovoltaics, e-mobility charging, smart building and green data centres. Zeliatech's mission is to support customers in their digital and green transition by offering a comprehensive portfolio of products and specialised expertise, making use of the Group's logistical and financial capabilities.

For more information on the process of identifying material impacts, risks and opportunities, refer to the chapter *Material impacts, risks and opportunities and their interaction with the strategy and business model / paragraph Material topics (IRO)*.

Climate change mitigation and adaptation policies

ESRS | **ESRS E1-2**

The Esprinet Group, through its role as a distributor of technology products and IT solutions, sees itself as an e**nabler of energy transition and sustainable mobility** as a structural part of its business model.

The Esprinet Group's **Multi-Site Corporate Policy** and **Code of Ethics** promote a commitment to environmental protection, declaring that the Group's activities are inspired by the principle of environmental protection, in compliance with applicable regulations. Furthermore, Esprinet promotes the responsible use of resources and the search for innovative solutions to ensure energy savings. Group companies are committed to minimising the consumption of natural resources such as electricity.

The Group's main companies have adopted an **ISO 14001-certified** environmental management system that aims to **reduce the consumption of energy and natural resources**.

However, the Esprinet Group has not adopted any specific policy to manage its significant impacts, risks and opportunities related to climate change mitigation and adaptation.

Esprinet reserves the right in the coming years to consider adopting a specific policy for managing the impacts, risks and opportunities related to climate change mitigation and adaptation. This decision will be based on the evolution of its business, the in-depth analysis of physical and transitional risks and the dynamics of its value chain. This approach will provide a better understanding of the strategic and operational implications, ensuring targeted and effective action. There are currently no plans to implement such a policy by 2025.

Climate change policy actions and resources

ESRS | **ESRS E1-3**

The actions mentioned below, although not derived from a specific climate change policy, have been implemented with the aim of contributing to the mitigation of their own negative impacts on climate change.

Company fleet renewal

During the reporting period, part of the Esprinet Group's corporate fleet was renewed: **59% of the new vehicles have theoretical specific emissions of less than 50 g CO_2/km**, contributing to the possible reduction of GHG emissions related to employee travel. The estimated reduction cannot be quantified at present as it is also linked to the car use practices of employees. The replacement of the vehicles required an investment of Euro 788,000, only for vehicles with theoretical specific emissions below 50 g CO_2/km.

Photovoltaic energy production at the Cambiago plant

In 2024, the new photovoltaic system on the roof of the Cambiago warehouse began operating. The plant will contribute to an annual reduction of approximately 211 tCO_2e of GHG. Given the plant's estimated useful life of 25 years, the installation of the plant will contribute to an overall GHG reduction of approximately 5,275 tCO_2e. The photovoltaic plant began operating in 2024, however, the Group supported the investment during the reporting years 2022 and 2023.

Purchase of electricity - Contracts with Guarantees of Origin

As in all previous years (starting in 2019), the Esprinet Group [5] purchased Guarantees of Origin (GO) for the purchase of electricity from renewable sources. Guarantees of origin cover approximately 98% of the Group's total electricity consumption. This action, for which a cost of Euro 4,292,000 was incurred, made it possible to reduce Scope 2 emissions (calculated using the Market-based method) by about 95%, thanks to the lower emission impact of electricity production from renewable sources compared to the residual mix of the countries in question.

Tortona logistics hub

In 2024, the Esprinet Group signed a multi-year lease agreement for a new logistics hub. The warehouse in Tortona, LEED Gold certified, will play a central role in distribution operations and has been designed with a view to making both logistics operations and energy consumption more efficient; in particular, the site is equipped with:

- an LED lighting system. The plant was already in place and therefore it is not possible to indicate a CapEx expenditure or estimate the possible reduction in GHG emissions;
- a photovoltaic system. The system was already installed, so no CapEx expenditure can be indicated. It was not possible to estimate the reduction in emissions from the use of the plant as it is not yet operational.

In 2024, the air-conditioning system for cooling was replaced in order to make electricity consumption more efficient, incurring an investment of Euro 48,850 related to the air-conditioning system alone. It was not possible to estimate the potential reduction in emissions associated with the installation of the new air-conditioning system, which will only be quantified once information on the utilisation phase is available.

Zeliatech - Enabling the green and digital transition

Zeliatech, established in 2024, a subsidiary of the Group, offers solutions to its customers for the green and digital transition: the company deals with the distribution of energy-related products (photovoltaic panels, energy efficiency solutions, electric vehicle charging) and IT services.

[5] The Esprinet Group purchased Guarantees of Origin for consumption from its operations in Spain and Italy, with the exception of consumption related to recharging vehicles from recharging stations, related to Bludis and related to Sifar for the months of January to May.

Enabling low-emission personal mobility

The Esprinet Group, through its Nilox brand, markets environmentally friendly personal mobility devices, in particular electric bikes and scooters, thus contributing to the indirect reduction of greenhouse gas emissions produced by end consumers in their travels.

Zeliatech and the Nilox brand have an indirect impact on reducing GHG emissions through the products and services sold to customers. Quantifying this reduction was not possible for 2024.

During the reporting year 2024, the Group had recourse to various external sources of financing; however, none of them were specifically earmarked for the direct financing of the above actions.

METRICS AND TARGETS

Climate change mitigation and adaptation targets

ESRS | **ESRS E1-4**

Esprinet strengthens its commitment to climate change mitigation through targets aimed at reducing greenhouse gas emissions and increasing the use of energy from renewable sources.

A first objective is to **reduce greenhouse gas emissions related to the Group's operations (Scope 1 and Scope 2)**. To achieve this goal, the photovoltaic system in the warehouse in Tortona is planned to be activated. The self-produced energy from this installation will exceed 1.000 MWh by 2027, starting from a baseline of 455 MWh in 2024. In addition, the aim is to increase the percentage of hybrid or electric company cars in the possession of employees and to raise staff awareness of the efficient use of these cars to reduce fuel consumption. Currently, 59% of the company fleet consists of environmentally friendly vehicles, but the goal is to reach at least 75% by the year 2027.

The use of HVO fuel for diesel-powered company vehicles will also be promoted wherever possible. In a parallel fashion, continuous monitoring of the company's assets will be carried out to identify possible energy efficiency or electrification actions. These measures will contribute to a **12.6% reduction in Scope 1 and Scope 2 (location based) emissions** by 2027 compared to the base year 2024 (amounting to 2832 tonnes CO2e). This objective includes all fully consolidated Group companies within its organisational scope. In line with the "2024 Report on Remuneration Policy and compensation paid", the Esprinet Group has set targets for the reduction of Scope 1 and Scope 2 location-based emissions inspired by the SBTi criteria and the level of ambition aligned to the scenario of a 1.5° increase in temperature compared to the pre-industrial era.

Another commitment concerns the maintenance of **policies for purchasing electricity from renewable sources**. Currently, 98% of purchased electricity comes from renewable sources and the target for 2025-2027 is to **maintain a share above 95%**.

Finally, it is committed to **reducing greenhouse gas emissions from outbound logistics (Scope 3)** To do so, the company will involve major carriers and its customers, analysing with them possible decarbonisation strategies for outbound logistics. Esprinet is also committed to setting a target in the short term in relation to Scope 3 emissions, which were subject to a major methodological and boundary change (with consequent recalculation) in 2024.

There are currently no plans to use offsetting credits. These targets are approved by the Competitiveness and Sustainability Committee.

Energy consumption and energy mix

ESRS | **ESRS E1-5**

During the current reporting year, the Esprinet Group recorded the following energy consumption, expressed in MWh.

The figures for total energy consumption for own operations show a significant increase from 12,403 MWh in 2023 to 13,728 MWh in 2024, an increase of 10.7%, which is mainly attributable to higher natural gas consumption at the Group's assets. As a result, energy consumption from fossil fuels increased from 5,959 MWh to 6,881 MWh, an increase of 15.5%, with a resulting increase in its share of total consumption from 48% to 50%. One important event in 2024 is the introduction of autonomous renewable energy production, which reached 267 MWh in terms of self-consumption.

The primary data that was considered to feed the energy consumption table comes from the natural gas and electricity bills consumed during the year 2024 and evidence of company car refuelling (diesel, LPG, petrol, electricity).

Energy consumption	MWh 2024	2023
Total energy consumption related to own operations	13,728	12,403
Fossil energy consumption (MWh)	6,881	5,959
Share of fossil sources in total energy consumption (%)	50%	48%
Consumption from nuclear sources (MWh)	13	31
Share of consumption from nuclear sources in total energy consumption (%)	0%	0%
Renewable energy consumption (MWh)	6,834	6,413
Fuel consumption from renewable sources, including biomass, biofuels, biogas, renewable hydrogen, etc.	1	-
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	6,566	6,413
The consumption of self-generated non-fuel renewable energy (MWh)	267	-
Share of renewable sources in total energy consumption (%)	50%	52%
Non-renewable energy production	-	-
Renewable energy production	455	-

[1] *For the calculation of the share of electricity from fossil and nuclear sources, the residual mix indicated by the Association of issuing Bodies (AIB) was used, ensuring consistency with the approach used for market-based Scope 2 emissions quantification.*

[2] *The figure for energy consumption of buildings for which no primary evidence (electricity bills) was available was estimated by re-proportioning on the basis of the consumption of the group's other assets and surface area; this contribution amounts to 0.63% of total consumption.*

The sector considered in the analyses corresponds to NACE Code 46.51-Wholesale of computers, computer peripheral equipment and software, Section G of Regulation (EC) no. 1893/2006 of the European Parliament and of the Council (with **high climate impact**).

Consumer companies operating in impact sectors	2024	2023
Fuel consumption from coal and coal products (MWh)	-	-
Fuel consumption from crude oil and petroleum products (MWh)	4,358	4,397
Fuel consumption from natural gas (MWh)	2,408	1,438
Fuel consumption from other fossil sources (MWh)	-	-
Consumption of purchased or acquired electricity, heat, steam or cooling from fossil sources (MWh)	115	124

The net revenue figures taken into account for the energy intensity calculation correspond to Euro **4,141** million for 2024 and Euro 3,985 million for 2023; refer to NOTE 33 of the Consolidated Financial Statement.

Energy intensity based on net revenue	2024	% 2024/2023
Total energy consumption per net revenue associated with activities in high climate impact sectors (MWh/€)	3.315*10^-6	106.49%

GHG emissions

ESRS | ESRS E1-6

The Esprinet Group's total calculated GHG emissions for FYs 2024 and 2023 attributable to Esprinet's business and its value chain are shown in the table below. The emission figure is reported in tonnes of carbon dioxide equivalent (t CO2e) and refers to direct emissions (GHG Scope 1 - Greenhouse Gas), together with indirect emissions associated with the consumption of electricity purchased from the grid (GHG Scope2) and indirect GHG Scope 3 emissions related to Esprinet's value chain (upstream and downstream).

Total GHG emissions	UoM	2024 emissions	2023 emissions
Total GHG emissions (location based)	t CO_2e	3,470,551	3,031,239
Total GHG emissions (market based)	t CO_2e	3,469,226	3,029,948

The following table shows the GHG emission intensity indices parametrised to net revenue figures for the years (similar to the calculation performed for the energy consumption intensity indices.

GHG intensity per net revenue	2024	2023
Total GHG emissions (location-based) per net revenue (tCO_2eq/€)	$8.38*10^{-4}$	$7.61*10^{-4}$
Total GHG emissions (market-based) per net revenue (tCO_2eq/€)	$8.38*10^{-4}$	$7.60*10^{-4}$

Direct Scope 1 GHG emissions

Direct emissions (GHG Scope 1) result from stationary and mobile combustion, process emissions and fugitive emissions.

As far as Scope 1 emissions are concerned, the primary data used for the calculation corresponds to the maintenance reports of the air conditioners in the Group's assets and the energy consumption described above. There are no GHG scope 1 emissions covered by regulated emissions trading schemes (e.g. ETS, Emission Trading Scheme).

Scope 1 emissions show an increase in 2024 compared to 2023, rising by 8.9%. The trend in emissions over the two-year period was driven by the increased consumption of natural gas for heating the assets comprising the Group's Italian perimeter.

Scope 1	UoM	2023 emissions	2024 emissions	% 2024/2023
Total	t CO_2e	1,322	1,440	108.9%

Indirect Scope 2 GHG emissions

Indirect emissions (GHG Scope 2) result from the energy consumption of all plants from external supply (electricity), net of production and supply from renewable energy plants (photovoltaic plants). The calculation of indirect emissions from electricity consumption (GHG - Scope 2) was carried out according to both the location-based and market-based approaches:

- The location-based method involves accounting for emissions from electricity consumption by applying national average emission factors for electricity production.
- The market-based method, which requires determining the GHG - Scope 2 emissions from electricity purchases by considering specific emission factors reported by suppliers. Purchases of electricity from renewable sources are assigned a zero emission factor of t CO_2e. Where no specific contractual agreements have been defined, this approach requires the use of national 'residual mix' emission factors, where technically applicable.

Scope 2 considers GHG emissions from the consumption of electricity purchased by the Group. The primary data used for the calculation corresponds to the previously reported electricity consumption. The Esprinet Group purchased Guarantees of Origin for consumption from its operations in Spain and Italy (6,556 MWh in total), with the exception of consumption related to recharging vehicles from recharging stations, related to Bludis and related to Sifar for the months of January to May. The purchase of these instruments made it possible to cover approximately 2,900 tCO_2 of the GHG emissions generated by the Group.

The table below shows the Scope 2 emissions according to the location-based and market-based methodology, which requires determining the GHG - Scope 2 emissions from the purchase of electricity by considering specific emission factors. The increase in emissions over the two-year period (+2.7% according to the location-based approach and + 3% according to the market-based approach) is attributable to a minimal increase in the Group's electricity consumption (+125 MWh).

Scope 2	UoM	2023 emissions	2024 emissions	% 2024/2023
Purchase of electricity - location based	t CO_2e	1,356	1,392	102.7%
Purchase of electricity - market based	t CO_2e	65	67	103.0%

The GHG emissions reported relate to the entire perimeter of Esprinet's operational subsidiaries, which corresponds to the Group's consolidated perimeter. Esprinet has no shareholdings in associates, subsidiaries or joint ventures.

Emission factors and methodology

GHG Scope 1 and Scope 2 emissions were calculated following the principles, requirements and guidelines provided by the GHG Protocol Corporate Standard (2004 version). The following emission factors were used to calculate emissions:

- Scope 1: emission factors provided by the Department for Environment, Food and Rural Affairs (DEFRA - UK).
- Scope 2 Location based: emission factors provided by the European Environment Agency. It should be noted that in the 2023 reporting year, the emission factors provided by Terna were used. In order to provide a true and effective comparative term, the 2023 values were then recalculated using emission factors provided by the European Environment Agency.
- Scope 2 Market based: emission factors provided by the Association of issuing Bodies (AIB).

Indirect GHG emissions Scope 3 (Value Chain)

The Scope 3 emissions data reported in this document present substantially different values than those presented in previous reporting cycles because the boundary considered in the calculation has undergone a major change.

During the current reporting year, in fact, the emissions calculated for the scope 3 categories refer to the total of products purchased and sold by the Esprinet Group; while the values presented in 2023 considered only the products marketed under the Nilox and Celly brands. Therefore, for the purposes of comparability of the data, the emissions of categories 3.1, 3.11 and 3.12 were recalculated using the same methodology as in 2024.

In 2024, Scope 3 emissions amount to 3,467,719 tonnes of CO_2 and represent the largest share of the Group's overall carbon footprint. It should be noted that most emissions are attributable to two main categories: the use of products sold and the purchase of goods and services, which make up about 99% of Scope 3 emissions. This distribution is consistent with the Group's business model and indicative of the large quantity of electronic products marketed by the Group; the weight of the individual categories on the total Scope 3 emissions remained unchanged compared to what was reported for 2023. The increase in emissions in 2024 compared to the previous reporting year (+16%) is mainly attributable to the higher weight of purchased products (+13.4%) and electronic products sold (+8.1%).

Scope 3	2024 emissions (t CO_2e)	2023 emissions (t CO_2e)
1. Purchased goods and services	1,531,928	1,423,032
3. Energy consumption not included in Scope 1 and Scope 2 emissions	331	312
4 Transport and distribution of purchased products	16,131	12,641
5. Waste generated in operations	14	19
6. Business traveling	960	907
7. Employee commuting	2,066	1,929
11. Use of sold products	1,919,645	1,588,356
12. End-of-life treatment of sold products	1,513	1,365
Total	**3,467,719**	**3,028,561**

GHG Scope 3 emissions were calculated following the principles, requirements and guidelines provided by the GHG Protocol Corporate Standard (2004 version). The calculation of category 3.4 "Upstream T&D", in continuity with what has been done in recent years of reporting, involved a primary data collection activity that directly involved the players in Esprinet's value chain responsible for outbound transport of the products marketed by the Group. 75% of Scope 3.4 GHG emissions for 2024 are in fact calculated from point data on routes travelled, vehicles used and weights transported for deliveries; this amount of emissions corresponds to 0.3% of the total Scope 3 emissions.

The calculation methodologies, main model estimates and limitations, and sources of the emission factors used are given below.

Scope 3	Calculation method	Emission factors
1. Purchased goods and services	Average-Data Method; emissions are calculated using the weights of all products and materials (including packaging) purchased by Esprinet in 2024. The emissions attributable to approximately 85% of the total weight (in tonnes) of the products and materials purchased by the Group in 2024 were calculated using the point method, while the emissions of the remaining part (15%) were estimated, as they relate to products for which a specific emission factor could not be identified and which cannot be assimilated into other reported categories. In addition, this category takes into account the emissions of external warehouses rented by Esprinet; the electricity consumption of these warehouses was estimated on the basis of square metres using an approximation of the energy intensity of warehouses owned by the Esprinet Group, whose consumption is known.	Ecoinvent 3.11
3. Fuel and energy-related activities (not included in Scope 1 or Scope 2)	This category refers to: • Upstream emissions of purchased fuels; • Upstream emissions of purchased electricity; • Upstream transmission and distribution (T&D) losses. The data used as input are the same as those used to calculate the Group's Scope 1 and 2 energy consumption and emissions.	DEFRA (Department for Environmental, Food & Rural Affairs) - 2021, 2024
4 Upstream transportation and distribution	**Inbound transport** Distance-based method: transport of finished products and packaging materials purchased by Esprinet for 2024 was considered. With regard to packaging, the suppliers, geographical location and weight of material purchased from each of them are known. With regard to purchased products, calculations were made on the basis of extractions from the Group's internal management systems; total input weights and country of origin are known. The means of transport used differed according to the country of origin and was estimated on the basis of the information available on the few routes operated directly by Esprinet. **Outbound transport** Distance-based method: data were collected directly with Esprinet's main carriers (both Italy and Spain/Portugal). Primary information was collected on the distances travelled, the vehicles used and the weights transported on each route. Where the primary data (25% of the total outbound weight) was not available, emissions were re-proportioned on the basis of weight.	DEFRA (Department for Environmental, Food & Rural Affairs) - 2024

Scope 3	Calculation method	Emission factors
5. Waste generated in operations	Waste-type-specific method: emissions are calculated using as input the amount of waste produced by the Esprinet Group in 2024, its EWC code ("European Waste Catalogue") and its final destination (e.g. landfill, recycling).	DEFRA (Department for Environmental, Food & Rural Affairs) - 2024
6. Business travels	Distance-based method: the data needed to calculate the Group's business travel emissions were collected from extractions from expense accounts or travel agency databases. The available data covers 95% of the Group's employees; to estimate the greenhouse gas (GHG) emissions related to the business trips of the remaining employees, a reproportioning index based on the current number of employees was used. In the case of missing distance or incorrect input, certain assumptions were made about the distance travelled.	DEFRA (Department for Environmental, Food & Rural Affairs) - 2024
7. Employee commuting	Distance-based method: a questionnaire was used to quantify employee commuting emissions. The questionnaire was sent to employees of Esprinet Italy and Spain via the company intranet. The calculation also includes the employees of cooperatives for which point values collected through a survey in 2022 were used, re-proportioned to the current number of employees. The number of working weeks in a year was assumed to be 46. Considering a total number of employees of 1,945, including both Esprinet Group employees and cooperative employees, and 1,324 respondents to the survey (68%), the GHG emissions of the remaining employees were estimated by re-proportioning the commuting emissions of the 1,324 employees who responded to the questionnaire on the other employees.	DEFRA (Department for Environmental, Food & Rural Affairs) - 2024
11. Use of sold products	This category includes the total expected emissions generated during the direct use phase of all relevant products sold by Esprinet in the reporting year. The total expected electricity consumption for each product category was estimated on the basis of literature data and product data sheets, assuming a number of useful recharges during the entire life of the product and the number of products sold. It was assumed that all products were sold on the Italian and Spanish markets.	Association of Issuing Bodies (AIB) 2023
12. End-of-life treatment of sold products	This category includes emissions from the disposal and treatment of products sold by the Group (in the reporting year) at the end of their life. More than 86% of the total weight (in tonnes) of products and materials sold by the Group in 2024 has been calculated, while the emissions of the remaining part (14%) have been estimated. Data on the final destination of waste was estimated based on information from the literature (recycling rates in Europe).	DEFRA (Department for Environmental, Food & Rural Affairs) - 2024

The reported data on GHG Scope 1, Scope 2 and Scope 3 emissions is not verified by any third party other than the auditor of this document.

GHG removal and offsetting projects

ESRS | **ESRS E1-7**

In 2024, the Esprinet Group decided not to purchase carbon offsetting or removal credits (albeit on a voluntary basis), while reserving the option to take such action in the future. This choice is consistent with the broader and more structured approach that the Group has adopted in defining a greenhouse gas (GHG) emission reduction strategy, which is currently being defined.

The aim is to develop a long-term strategy that reflects the requirements of transparency, accountability and consistency with corporate values.

However, the voluntary financing of climate protection projects through the DKV Card CLIMATE in relation to CO_2 emissions from the consumption of fuel purchased for the car fleet is worth mentioning. This contribution for the reporting year 2024, amounts to 615.18 tonnes.

Internal carbon pricing

ESRS | **ESRS E1-8**

Although the Esprinet Group recognises internal pricing of environmental externalities as a useful tool in the process of assessing environmental risks and identifying material opportunities, it does not currently use or apply any internal carbon pricing system to support decision-making.

2.2 Pollution

Topic	Sub-topic	SDGs
E2 Pollution	Pollution of air	6 CLEAN WATER AND SANITATION; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION
	Pollution of water	
	Pollution of soil	
	Substances of concern	

MANAGING IMPACTS - RISKS - OPPORTUNITIES

The process of identifying and assessing material impacts, risks and opportunities

ESRS | ESRS 2 IRO-1

Impacts

Pollution of air	The products marketed by Esprinet contain critical materials (including rare soils, silicon, lithium and others). Harmful emissions from mining activities can have negative impacts on air quality. Air pollution also caused by inbound and outbound transport activities (release of pollutants other than CO_2e).
Pollution of water Pollution of soil	The products marketed by Esprinet contain critical materials (including rare soils, silicon, lithium and others). The release of harmful substances from mining activities can have negative impacts on water and soil contamination levels.
Substances of concern	Products marketed by Esprinet may contain substances defined by EU legislation as substances of concern, with potential negative impact on the environment if released during processing or disposal.

The double materiality analysis on ESRS E2 Pollution, as reported in the chapter *Material impacts, risks and opportunities and their interaction with the strategy and business model* / paragraph *Material topics (IRO)* considered the Esprinet Group's assets and activities, as well as the entire value chain, considering potentially material impacts. The result of this analysis led to the assessment of the impacts only throughout the value chain, in particular in both the incoming and outgoing logistics of the products marketed by the Group as significant.

No consultations were held with communities affected by the impacts. No material risks or opportunities were identified in relation to the topic of pollution.

Pollution-related policies

ESRS | ESRS E2-1

Esprinet's approach to preventing and managing pollution and the use of hazardous substances, which is mainly generated in its Supply Chain, is outlined in the **Code of Conduct for responsible supply chain management** and the **ISO 14001 certified Environmental Management System**.

Code of Conduct for responsible supply chain management

The Esprinet Group adopts a structured process for managing supplier-related activities, with a focus on evaluation, qualification and monitoring. The aim of this process is to ensure transparency throughout the supply chain, reducing the risk of non-compliant behaviour and aiming to strengthen the integrity and sustainability of relationships with business partners.

The Code of Conduct for responsible supply chain management promotes compliance with current regulations concerning hazardous substances in the production of consumer goods, such as the European RoHS II Directive, i.e. Directive 2011/65/EU of the European Parliament and of the Council of 8 June 2011 on the restriction of the use of certain hazardous substances in electrical and electronic equipment.

Group companies must verify the correct fulfilment of the obligations by being able to request supporting documentation and carry out testing and control activities.

ISO 14001 Management System

To ensure compliance with environmental standards and pollution prevention, the company management adopts a structured approach to environmental management, in line with the principles of ISO 14001. Actions taken include integrating environmental management into business processes, setting specific sustainability targets and continuously monitoring environmental performance. Internal awareness of the importance of environmental protection is also promoted through awareness-raising and training activities, and compliance with applicable regulatory requirements is ensured through periodic audits conducted by Internal Audit.

The main Group companies adopt the environmental management system according to the **international ISO 14001** standard, which guarantees a structured management system to prevent, reduce and control negative impacts related to pollution.

Esprinet does not have a specific policy on pollution and the use of substances of concern throughout the value chain, as the impacts, risks and opportunities in this area are indirect and depend on the dynamics of the supply chain. However, Esprinet is committed to mitigating these aspects through established practices and policies already in place, based on recognised standards. In particular, the Code of Conduct for responsible supply chain management and the adoption of the ISO 14001 certified environmental management system ensure a responsible approach to managing environmental impacts throughout the supply chain.

Pollution-related actions and resources

ESRS | ESRS E2-2

Supplier qualification: pollution control and environmental compliance

The qualification phase of its suppliers, with reference to pollution aspects, includes verification of compliance with the RoHS Directive (Restriction of Hazardous Substances) and the REACH Regulation (Registration, Evaluation, Authorisation and Restriction of Chemicals). The RoHS directive imposes restrictions on the use of certain hazardous substances, by setting concentration thresholds, in the construction of various types of electrical and electronic equipment (WEEE) in order to help protect human health and the environment. The REACH Regulation concerns the registration, evaluation, authorisation and restriction of chemicals in order to prevent them from harming human health or the environment. During the qualification process, it is necessary for the Department requesting the supplier's qualification to obtain from the supplier, for each product it intends to purchase, relevant reports/certificates of compliance with pollution regulations.

Direct engagement of suppliers

The Esprinet Group is engaged in engagement activities with its suppliers. In particular, with regard to carriers used in the transport of both incoming and outgoing products, monitoring and collection of emission data is conducted.

These actions are not linked to specific objectives or policies. Esprinet reserves the right in the coming years, in the light of regulatory developments, such as the introduction of the CSDD (Corporate Sustainability Due Diligence Directive) to consider whether to proceed with the adoption of specific actions to manage material pollution-related impacts, risks and opportunities. The sustainability plan for 2025 does not foresee any specific actions in this regard.

METRICS AND TARGETS

Pollution-related objectives

ESRS | ESRS E2-3

For the Esprinet Group, responsible supply chain management and the development of transparent, long-term relationships with suppliers are essential to reduce environmental impact and combat pollution throughout the entire value chain.

In this context, the Group initiated a **supplier assessment** to analyse its supply chain. The objective is to identify potential environmental risk factors in a more analytical way, with a focus on pollutant impacts related to the sector and geographical location of the partners.

As a distributor, Esprinet has limited direct influence on the reduction of pollution generated by upstream production activities. It focuses on monitoring and raising awareness of environmental topics among its suppliers. It is worth mentioning that 70% of Esprinet's purchases are concentrated in 10 large international players with specific environmental policies.

Although the Group has not yet defined specific pollution targets, the completion of the risk assessment will provide concrete data to establish any targeted actions and strengthen its commitment to reducing its environmental impact. Indeed, the ongoing analysis will gather further elements in order to identify and evaluate initiatives to mitigate environmental impacts by promoting more sustainable practices throughout the supply chain.

2.3 Water and marine resources

Topic	Sub-topic	Sub-sub-topic	SDGs
E3 Water and marine resources	Waters	Water consumption	6 CLEAN WATER AND SANITATION
		Water withdrawals	
		Water discharge	

MANAGING IMPACTS - RISKS - OPPORTUNITIES

The process of identifying and assessing material impacts, risks and opportunities

ESRS | ESRS 2 IRO-1

Impacts

Water consumption Water withdrawals	The extraction and processing of raw materials, as well as the production of electronic components and/or finished products, require withdrawals and consumption of water resources. However, these activities may involve areas subject to high water stress and risks of further depletion of the resource.
Water discharge	Industrial activities in the extraction and processing of raw materials and the production of electronic components generate water discharges, which can have potential negative impacts on communities and the environment in the event of contamination and inadequate management.

The double materiality analysis on topic E3 Water and marine resources, as reported in the chapter *Material impacts, risks and opportunities and their interaction with the strategy and business model* / paragraph *Material topics (IRO)* considered the Esprinet Group's assets and activities, as well as the entire value chain, considering potentially material impacts.

The **extraction and processing of raw materials** involves significant consumption of natural resources, including water. Hence, there is a dependence on this resource in the production stages of the value chain, while direct operations are limited to the withdrawal and discharge of water for sanitation purposes only.

Apart from impacts, no material risks and opportunities related to direct activities and the value chain were identified. No consultations were held with communities affected by the impacts.

Policies related to water and marine resources

ESRS | ESRS E3-1

Esprinet's approach to managing water consumption and the exploitation of marine resources in relation to the impacts and risks identified throughout the value chain is outlined in the Code of Conduct for Responsible Supply Chain Management and the ISO 14001 environmental management system.

Code of Conduct for responsible supply chain management

The Esprinet Group's Code of Conduct for responsible supply chain management requires that recipients undertake to **comply with the applicable environmental protection regulations** in force in the country in which they carry out their activities, in order to preserve the quality of the territory in which they operate and promote a **better use of natural resource**s, including **the responsible use of water**.

ISO 14001 Management System

The main Group companies adopt the environmental management system according to the international ISO 14001 standard, which enables the prevention, reduction and control of negative impacts related to water use.

Esprinet has not adopted a specific policy on water consumption and exploitation of marine resources throughout the value chain, but is committed to mitigating the related impacts and risks through such established practices and policies already in place.

Esprinet does not have a specific policy on water and marine resources throughout its value chain, as the impacts, risks and opportunities in this area are indirect and depend on the dynamics of the supply chain. However, Esprinet is committed to mitigating these aspects through established practices and policies already in place, based on recognised standards. In particular, the Code of Conduct for responsible supply chain management and the adoption of the ISO 14001 certified environmental management system ensure a responsible, structured approach to managing environmental impacts throughout the supply chain.

Water and marine-related actions and resources

ESRS | ESRS E3-2

Currently, the Esprinet Group has not taken any actions directly related to the management of water and marine resources throughout the value chain. However, as part of the process of selecting new suppliers, they are required to certify that they have environmental management systems compliant with ISO 14001.

In addition, Esprinet is assessing which actions are best suited to mitigate any negative impacts related to water and marine resource management within its value chain. This assessment takes into account industry best practices, current regulations and the specifics of business processes, with the aim of integrating any initiatives with a real effect in the value chain.

METRICS AND TARGETS

Objectives related to water and marine resources

ESRS | ESRS E3-3

As previously mentioned, Esprinet started a preliminary activity of mapping its suppliers and an in-depth analysis of the related risks. In addition, internal elements such as the presence of certifications and the possible existence of environmental legal proceedings will be taken into account in the analysis. The Group's strategy is focused on continuous collaboration with its suppliers and the dissemination of sustainability practices with the third parties it interfaces with.

Although the Esprinet Group has not yet defined specific water-related targets, it will undertake, following the completion of this analysis, to monitor and raise awareness among suppliers on the responsible use of water resources.

2.4 Resource use and circular economy

Topic	Sub-topic	SDGs
E5 Resource use and circular economy	Inflows of resources, including use of resources Outflows of resources related to products and services	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
	Waste	

MANAGING IMPACTS - RISKS - OPPORTUNITIES

The process of identifying and assessing material impacts, risks and opportunities

ESRS | ESRS 2 IRO-1

Impacts

Inflows of resources, including use of resources Resource outflows related to products and services	The products marketed by Esprinet use critical raw materials and packaging that cannot always be recycled or reused. Such characteristics of the materials used could slow down the development of a circular economy model.
Waste	The technology sector is characterised by activities that produce different types of waste, hazardous and non-hazardous. Inadequate waste management can negatively impact both the environment and ecosystems, also taking into account the end-of-life of marketed products.

Risks/opportunities

Inflows of resources, including use of resources	Opportunities for new business channels due to the emergence of a circularity model in electronics, within which Esprinet acts as an intermediary and distributor (e.g. management of returns, product recovery/reuse).

The double materiality analysis on ESRS E5 resource use and the circular economy considered the Esprinet Group's assets, operations and value chain, and led to the identification of material risks and opportunities at operational stages and throughout the value chain.

The Group's business is based on the marketing of products that require the use of materials that are not always recyclable or reusable, limiting recovery opportunities and increasing environmental impact throughout the product life cycle. Furthermore, the use of non-recyclable or non-reusable packaging contributes to the production of waste, hindering the transition to a circular economy model. In addition, many end-of-life products contain materials that are difficult to recover, increasing the volume of e-waste and complicating sustainable resource management.

The technology sector generates a large amount of hazardous and non-hazardous waste from the production, logistics and disposal of end-of-life products, the improper treatment of which can have significant environmental impacts. Responsible management is therefore essential to reduce environmental risk and ensure regulatory compliance.

In a parallel fashion, the circular economy represents a strategic opportunity for the Group. The establishment of models based on recovery and reuse allows Esprinet to position itself as an intermediary and distributor, developing activities related to the management of returns and the recovery of used products. This approach not only reduces environmental impact, but also optimises the management of resources along the entire supply chain.

No consultations were held with communities affected by the impacts. Refer to the chapter *Material impacts, risks and opportunities and their interaction with the strategy and business model / paragraph Material topics (IRO).*

Resource use and circular economy policies

ESRS | ESRS E5-1

The Esprinet Group adopts policies aimed at consolidating an **environmental culture**, in the belief that respect for the environment is an essential value for promoting sustainable lifestyles. With this in mind, the Group is committed to environmental protection through an approach aimed at **responsible resource management, waste reduction** and the selection of **recyclable raw materials**. This commitment is realised through the adoption of established policies and practices that reflect a commitment to the environment and responsible resource management.

To manage the impacts, risks and opportunities related to these topics, Esprinet has adopted specific corporate policies and operational tools, including a Group **Multi-Site Corporate Policy** that defines guidelines for responsible resource management and the **ISO 14001 certified environmental management system**.

Multi-Site Corporate Policy

The **Multi-Site Corporate Policy** adopted by Esprinet aims to promote the **responsible** use of **resources**, in line with the **principles of the circular economy**, and is an integral part of the company's approach to sustainability. The main objective is to identify, assess and manage risks and impacts related to the company's activities, with a focus on resource inflows, outflows and waste management. In this context, Esprinet is committed to reducing the consumption of resources, minimising the production of waste, favouring its recovery and promoting the recycling of materials. This policy is established by senior management and appropriate to the context of the organisation and its strategic objectives; reviewed annually to establish its appropriateness; revised as necessary; and available to the public, stakeholders and all staff by publication on the Esprinet Group's website and corporate intranet. Compliance with the above-mentioned commitments is ensured by achieving and maintaining Multi-site Environment certification according to UNI EN ISO 14001:2015.

ISO 14001 Management System

The main Group companies have also adopted the **international standard ISO 14001**, which provides a structured system for environmental management, aimed at preventing, reducing and controlling the negative impacts of company operations. This integrated approach allows Esprinet to continuously monitor its environmental performance and comply with applicable regulations.

Actions and resources related to the use of resources and the circular economy

ESRS | **ESRS E5-2**

Adopting practices to reduce environmental impact, optimise the use of raw materials and encourage reuse and recycling is key to fostering a circular economy. In this context, the Esprinet Group has taken several initiatives to improve the efficiency of its operations, reduce waste and promote innovative solutions throughout the supply chain.

Packaging Sustainability Program

In seeking to reduce its impact on the environment, the Esprinet Group has activated the **Packaging Sustainability Programme**, which envisages the use of innovative and sustainable materials in the goods packaging process, with the aim of respecting the environment and eliminating the virgin plastic material used in warehouses from the packaging stock.

Recycled materials

Recyclable materials

Circular economy practices

Partnerships and collaborations

Today, **100% of the packaging in warehouses in Italy is produced from post-consumer materials from second life and/or fully recyclable materials**. The Esprinet Group undertakes a series of actions to mitigate and prevent negative impacts from its activities, in order to improve resource efficiency and promote the transition to a circular economy. Described below.

RECYCLED MATERIALS

The Esprinet Group is committed to progressively replacing plastic with more sustainable alternatives to reduce environmental impact and promote the use of environmentally friendly materials. All plastic products are modified in their original composition, as they always consist of at least 30% second-life material.

Packaging filler material - The Group uses exclusively **recycled paper** in its logistics centres in Italy. Also in 2024, the logistics of the Saragossa-based Esprinet Group maintained its environmental commitment by using recycled and recyclable plastic in all order preparation processes, including airplus plastic (air-inflated plastic filling pads) to fill boxes. The rolls of 'Pluriball' type filler material are made from 100% recycled material.

Stretch Film - Stretch film consists of a 50% virgin LDPE plastic blend and a 50% regenerated LDPE plastic blend. In addition, the plant supplying the material was also chosen for its proximity, at a distance of only 5.1 km from Esprinet's logistics, thus reducing CO_2 emissions into the environment due to the transport of materials.

Document envelopes - The mailing envelopes are made entirely from 100% recycled paper; the type of adhesive used is 'hot melt solvent free', 100% recyclable and completely biodegradable.

Pallet covers - The cover at the top of the pallets is made from post-production regenerated HDPE cardboard.

RECYCLABLE MATERIALS

BOPP adhesive tape - The adhesive tape, called BOPP (biaxially oriented polypropylene), which is used to close boxes is a 100% recyclable product that can be entirely regranulated and used for the production of new BOPP adhesive tape substrates. The use of regranulated polypropylene therefore reduces both the consumption of fossil resources and the emission of CO_2 and NOx related to polymer production and transformation processes. The tape is free of harmful solvents and is applied using solvent-free, water-based acrylic adhesive material.

Rubberised paper - The use of rubberised paper dispensers that do not use any chemicals to close the boxes is consolidated, definitively eliminating the classic chemical seal made from plastic rubber or metal staple closure. With this solution, paper boxes are 100% recyclable and can be disposed of directly as cardboard without having to remove the seal and without suffering any environmental contamination from glue chemicals.

Strapping - Strapping is made from PET (polyethylene terephthalate), a synthetic material belonging to the polyester family, which is made from oil, natural gas or vegetable raw materials; 100% recyclable, it does not lose its fundamental properties during the recovery process and can thus be repeatedly transformed into valuable products.

CIRCULAR PRACTICES AND DESIGN

Recovery and reuse of pallets - Pallets are recovered and reused, and only when they are irreparably damaged are they classified as waste and sent for recycling.

Substitute filing - Over the years, Esprinet has been committed to reducing the amount of paper produced through substitute tax filing, which involves the electronic storage of all documents.

Renewable materials - In 2024, the Iberica Group conducted an in-depth study to evaluate the substitution of filler material in shipping packaging from plastic to paper. However, the results of the study showed that by choosing paper, material consumption in 2024 would be 6.5 times higher than using plastic. For this reason, the Esprinet Group has decided not to continue in this direction for the time being, continuing to explore other, more sustainable solutions for its packaging.

As far as the Cambiago logistics hub is concerned, there is only one heat-shrink oven and box-forming machines with automatisms are installed, i.e. state-of-the-art devices that have enabled the total elimination of the plastic adhesive tape used to make up the box. Today there are 6 machines called automatisms that work on 4 box formats, forming and closing the box using glue instead of plastic tape. The box, previously formed by the forming machine, passes through a tunnel, where it is minimised according to its contents, then filled with an insert that prevents the product contained in the box from shifting during transport. The container is then closed with a lid, also made from cardboard, all without using plastic but only glue. This process not only allows the total elimination of plastic, but also the reduction of emissions on the road, thanks to the special feature of minimising the cardboard box, and thus transporting more packages on a single vehicle.

PARTNERSHIPS

Membership of consortia - Esprinet S.p.A., Sifar Group, Zeliatech and V-Valley are members of the Erion (WEEE and Energy) consortium and delegate to this consortium the operational aspects of end-of-life product management with reference to the regulations on the disposal of waste electrical and electronic equipment (WEEE) and batteries. For these types of waste, however, Dacom S.p.A. and IdMaint S.r.l. are members of the Erion Professional and Energy consortia. As far as packaging management is concerned, Esprinet S.p.A., Sifar Group, Dacom S.p.A., IdMaint S.r.l, Zeliatech and V-Valley are members of the CONAI consortium. The Spanish subsidiaries Esprinet Iberica S.L.U. and V-Valley Advanced Solutions España S.A., Esprinet Ibérica, as manufacturers of electrical and electronic equipment, adhere to a collective Extended Producer Responsibility (EPR) system and, therefore, join the Recyclia and Ecoembes consortia.

For these actions, it is not possible to identify the resources used, as the accounting system does not allow the breakdown of these costs and investments.

METRICS AND TARGETS

Resource use and circular economy targets

ESRS | ESRS E5-3

Esprinet is committed to promoting business models inspired by the principles of the circular economy, with **the aim of reducing the use of resources and optimising reuse**.

A first objective is to **strengthen the market supply of products that enable the circular economy**. To this end, the business of the subsidiary SIFAR, a distributor of components and spare parts for the repair of smartphones and tablets, will be developed. The aim is to extend the life cycle of electronic devices, reducing waste generation and limiting the environmental impact of disposing of technological products.

Another commitment concerns the **promotion of circular economy projects in cooperation with major suppliers of goods**. Through its strong relationships with suppliers, Esprinet intends to identify new opportunities for cooperation to facilitate the transition to more circular business models, promoting innovative and sustainable practices along the entire supply chain.

Finally, Esprinet **will adopt circular economy principles to its warehouse management**. With this in mind, the plan is to continue regenerating damaged pallets within the company's warehouses, repairing them with the support of carpentry services. This intervention will reduce the need for new resources, favouring the reuse and optimisation of existing materials.

At present, the Esprinet Group has not set specific targets for resource use and circular economy, as the choice of packaging also depends on the technical feasibility of ensuring product safety. Nevertheless, Esprinet continues to search for materials that respect the principles of economy. As part of the Packaging Sustainability Programme, a goal was set to progressively replace plastic with more sustainable alternatives, reducing environmental impact and promoting the use of environmentally friendly materials. This commitment is part of a broader strategy to minimise the use of virgin raw materials, promote circular design and prevent the depletion of renewable resources, contributing to the transition to a more efficient and sustainable circular economy model.

Incoming resource flows

ESRS | ESRS E5-4

Packaging materials

The raw materials fed into the Esprinet Group's supply chain consist mainly of paper and cardboard, plastic, wood, iron bits and glue, used for product packaging.

The most commonly used materials are paper and cardboard and wood, accounting for 49.1% and 43.8% of the total raw materials respectively. The remainder consists of 6.7% plastic and a total of 0.4% glue and iron. Biological raw materials (wood, paper and cardboard) make up 92.8% of the total.

Total materials used for packaging in 2024 by the Esprinet Group is 1,350.69 tonnes, an increase of 32.6% compared to 2023, due to a different packaging configuration adopted for specific product categories, resulting in a greater use of wood.

In line with the Packaging Sustainability Programme, which envisages the gradual reduction and phasing out of non-renewable materials, the use of plastics was significantly reduced, dropping by 15.4%.

The data presented on the raw materials used were collected by monitoring the materials used in packaging and recorded in internal management systems. Quantities are determined on the basis of purchases made and certifications provided by suppliers, also in order to avoid double counting.

Materials (t)	2024			2023		
	Technical materials	Biological materials	Total	Technical materials	Biological materials	Total
Raw materials						
Iron	0.94	-	0.94	1.20	-	1.20
Wood	-	591.12	591.12	-	251.13	251.13
Plastic	91.51	-	91.51	108.13	-	108.13
Paper and cardboard	-	662.69	662.69	-	653.68	653.68
Glue	4.43	-	4.43	4.54	-	4.54
Total inflows	**96.88**	**1,253.81**	**1,350.69**	**113.87**	**904.81**	**1,018.68**

The paper and cardboard purchased by the Esprinet Group comes 100% from sustainable supply chains, as attested by the FSC-STD-40-003 and FSC-STD-40-004 certifications. FSC Chain of Custody (CoC) certification ensures the traceability of materials, guaranteeing that they come from responsibly managed forests, controlled sources, recovered materials or a combination of these.

Almost all (96.47%) of the raw materials used for packaging are either reused, such as the wood in the pallets, which is continuously reused, or recycled, as guaranteed by the relevant certificates of origin.

Materials (t)	2024		2023	
	Recycled or reused materials	% Recycled or reused materials	Recycled or reused materials	% Recycled or reused materials
Raw materials				
Iron	-	-	-	-
Wood	591.12	100.00%	251.13	100.00%
Plastic	53.05	57.98%	101.03	93.40%
Paper and cardboard	658.87	99.42%	650.77	99.60%
Glue	-	-	-	-
Totale	**1,303.04**	**96.47%**	**1,002.93**	**98.45%**

Finished products (t)	2024	
	Technical materials	Biological materials
Laser printers and multifunction printers	12,083	-
Monitor desktop	6,398	-
Washing machines	3,976	-
Storage batteries	3,604	-
Notebooks	3,299	-
TVs and hotel TVs	3,180	-
Consumables	2,008	-
Smart monitors	1,807	-
Refrigerators	1,524	-
Desktop PCs	1,295	-
Tumble dryers	1,214	-
Inverters	1,118	-
UPSs	873	-
Console games	843	-
Smartphones	813	-
Digital signage monitors	746	-
Washer-dryers	727	-
All-in-one PCs	665	-
Microwaves and ovens	666	-
Surface cleaning	601	-
Tablets	563	-
Dishwashers	532	-
Copper wiring	519	-
Photovoltaic solar panels	533	-
Rack	502	-
Renewable energy accessories	503	-
Total	**50,590**	**-**

Incoming finished products

The table presented shows the product categories purchased by all Group companies during 2024, identified as most relevant on the basis of their overall weighting. The list was drawn up following a selection criterion aimed at identifying products which, taken together, account for at least 80% of the total weight of purchases, excluding categories which are too general or not significant for the purposes of the analysis.

Considering that Esprinet operates as a retailer, with over 130,000 technology products in its catalogue, and not as a manufacturer, it is not possible to provide specific data on the composition of the products nor on the percentage of recycled content. In addition, each product category includes items of different brands, with heterogeneous characteristics and dimensions, making any form of standardisation of this information complex. Currently, these specifications are not available within the data sheets provided by manufacturers, and therefore a detailed reporting of these parameters is impractical due to structural limitations. Consequently, the total weight of the products in the analysis was assumed to be technical only, while the recycled content was assumed to be zero, in the absence of verifiable data.

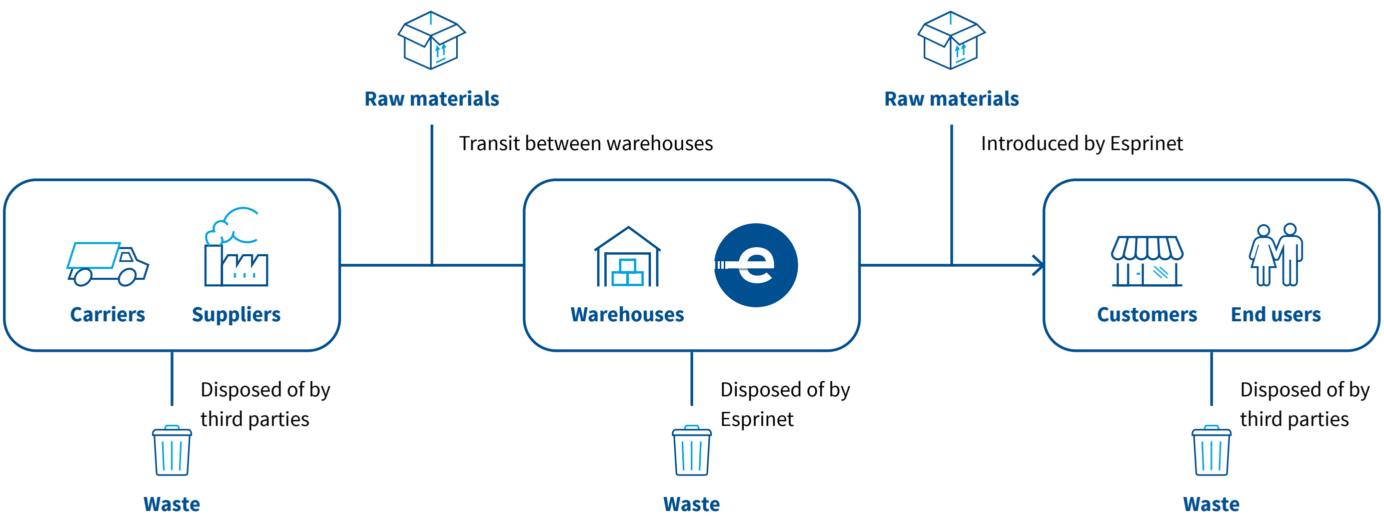
Following the introduction of the Digital Product Passport (DPP) legislation, expected in the coming years, a significant evolution in the availability of environmental and product composition information is expected. This tool, which aims to improve transparency throughout the supply chain, will allow for more precise tracking of product characteristics, including the materials used and their sustainability.

Outgoing resource flows

ESRS | ESRS E5-5

The Esprinet Group's role in the supply chain

The Esprinet Group operates in the business-to-business distribution of technology products, taking on the role of wholesale distributor throughout the IT supply chain. One key aspect to be considered is that the Group introduces some materials into the supply chain for which it does not have the burden of disposal, as the responsibility lies with its customers. This includes packaging used for assembling deliveries, which only becomes waste when it reaches the customer-retailer or end-user, who disposes of it. Secondly, the Esprinet Group is responsible for the disposal of certain waste, which mainly originates from manufacturers or third-party suppliers in charge of transporting the products to the Group's warehouses. These include packaging used for transporting goods.



Waste

The waste produced by the Esprinet Group derives primarily from packaging, which is the main component as it is used to transport products from production sites to the Group's warehouses. This waste consists mainly of **paper, cardboard, plastic, pallet wood and iron**.

Waste generated directly by Esprinet's activities includes hazardous waste to a limited extent. In 2024, the amount of hazardous waste generated was 4.57 tonnes, of which WEEE and emulsions accounted for the majority.

The classification of waste in terms of recovery or disposal is based on technical documentation compiled at the time of collection (waste forms for Italy) and on information and estimates provided by environmental managers. Starting 2025, in accordance with Ministerial Decree 59/2023, Esprinet will adopt the loading and unloading registers in digital format, using its own management systems or the support services made available by RENTRI (National Electronic Waste Tracking Register).

Waste management, in the collection and disposal phases, takes place in a mixed mode: on the one hand through external private suppliers, on the other hand through municipal collection for the fractions of paper, cardboard and plastic generated by offices and Cash & Carry. The latter quantities are not included in the tables below. In addition, for more than six years, three balers for plastic packaging, four compactors for cardboard and two compactors for mixed material have been operating at the Cambiago and Cavenago logistics facilities, in order to optimise space and reduce clutter.

In 2024, the total volume of waste produced by Group companies increased by 9.0%, mainly attributable to the growth in sales volumes. No radioactive waste was found during 2024.

Waste by category (t)	2024			2023		
	Recovery	Disposal	Total	Recovery	Disposal	Total
Hazardous waste						
Emulsions	2.34	-	**2.34**	1.22	-	**1.22**
Electrical equipment containing hazardous substances	1.65	-	**1.65**	2.26	-	**2.26**
Batteries and accumulators	0.40	-	**0.40**	0.01	-	**0.01**
Toners containing hazardous substances	0.10	-	**0.10**	0.21	-	**0.21**
Ink waste	-	0.02	**0.02**	-	0.08	**0.08**
Packaging containing hazardous substances	0.06	-	**0.06**	0.04	-	**0.04**
Total hazardous waste	**4.55**	**0.02**	**4.57**	**3.74**	**0.08**	**3.82**
Non-hazardous waste						
Paper and cardboard packaging	613.98	-	**613.98**	582.40	-	**582.40**
Iron and steel	92.68	-	**92.68**	54.74	-	**54.74**
Plastic packaging	78.44	-	**78.44**	70.38	-	**70.38**
Undifferentiated	74.57	-	**74.57**	81.64	-	**81.64**
Wood packaging	61.09	-	**61.09**	58.43	-	**58.43**
Electrical equipment	9.49	-	**9.49**	9.59	-	**9.59**
Batteries and accumulators	1.07	-	**1.07**	0.12	-	**0.12**
Toner	0.22	-	**0.22**	0.21	-	**0.21**
Water-based liquid wastes	-	15.51	**15.51**	-	11.73	**11.73**
Total non-hazardous waste	**931.54**	**15.51**	**947.04**	**857.51**	**11.73**	**869.25**
Total waste	**936.09**	**15.52**	**951.61**	**861.25**	**11.81**	**873.06**
% waste for recovery			**98.37%**			**98.65%**

The 2023 figures were restated following an improved reporting process to ensure comparability of information. For the data previously published, refer to the 2023 Sustainability Report published in the Sustainability section of the https://www.esprinet.com *website*

Of the waste generated by Esprinet in 2024, 98.37% was destined for recovery, a percentage in line with the previous year's figure. The amount of non-recycled waste is 30.34 t, or 3.19% of the waste produced.

Details of waste sent for recovery and disposal operations are presented below.

Waste recovery (t)	2024	2023
Hazardous waste		
Preparation for reuse	-	0.27
Recycling	4.02	3.47
Other recovery operations	0.53	-
Total hazardous waste	**4.55**	**3.74**
Non-hazardous waste		
Preparation for reuse	14.28	328.22
Recycling	917.26	529.29
Total non-hazardous waste	**931.54**	**857.51**
Total waste to recovery	**936.09**	**861.25**

Waste for disposal (t)	2024	2023
Hazardous waste		
Other disposal operations	0.02	0.08
Total hazardous waste	**0.02**	**0.08**
Non-hazardous waste		
Other disposal operations	15.51	11.73
Total non-hazardous waste	**15.51**	**11.73**
Total waste for disposal	**15.52**	**11.81**

Outgoing finished products

As previously noted in the section on *Incoming finished products*, the Esprinet Group does not have detailed information on the durability, reparability and recyclable content of the products distributed.

In order to estimate this information, an in-depth analysis was conducted on these key aspects, considering industry studies, applicable legislation, information available on manufacturers' websites and data from the *Ecoinvent* inventory.

The analysis cannot accurately determine the durability, reparability index and recyclable content of the products distributed, due to the limitations outlined above. This information is currently not included in the data sheets provided by manufacturers, making accurate reporting of these parameters not feasible at present. These structural constraints can only be overcome with the introduction of the Digital Product Passport (DPP), which will ensure greater transparency throughout the supply chain, making reliable data available on the composition and sustainability of products.

2.5 European Taxonomy

THE EU TAXONOMY: OBJECTIVES AND EU REGULATION 2020/852

In 2018, the European Commission adopted the Sustainable Finance Action Plan, in which it set out a strategy that aims to redirect capital flows towards sustainable investments in order to support sustainable and inclusive development.

With EU Regulation 2020/852 of 18 June 2020, the European Union introduced the EU Taxonomy. The regulation establishes criteria for determining whether an economic activity and its investments can be considered environmentally sustainable. The Taxonomy of the European Union, a classification system for economic activities, is the basis for the action plan for financing sustainable development.

In order to meet climate and energy targets and to direct investments towards sustainable projects and activities, the European Union has adopted a definition of what is 'sustainable': the European Union Taxonomy, a classification system for economic activities, which is the basis for the action plan for financing sustainable development

The EU Regulation 2020/852 on Taxonomy identifies six environmental objectives:

	Code [1]	Description	
1	**CCM**	Climate Change Mitigation	Climate change mitigation
2	**CCA**	Climate Change Adaptation	Climate change adaptation
3	**WTR**	Water & Marine Resources	Sustainable use and protection of water and marine resources
4	**CE**	Circular Economy	Transition to the circular economy, also with reference to waste reduction and recycling
5	**PPC**	Pollution Prevention and Control	Pollution prevention and control
6	**BIO**	Biodiversity and ecosystems	Protecting biodiversity and the health of ecosystemsProtection and restoration of biodiversity and ecosystems

[1] The code contains the abbreviation of the objective to which the economic activity can make a substantial contribution, to which the section number of the activity in the corresponding Annex of the Delegated Regulation relating to the specific objective is to be associated.

THE DELEGATED REGULATIONS AND CRITERIA

EU Regulation 2020/852 defines (Art. 3) the criteria for identifying an economic activity as eligible and the conditions that must be met in order to classify it as aligned/environmentally sustainable.

Taxonomy eligible (eligibility)

Substantial contribution	a)	It contributes substantially to the achievement of one or more of the environmental objectives set out in Art. 9 (Environmental Objectives). The Regulation identifies the economic sectors and activities that fall within those eligible for the taxonomy (whether or not these activities meet one or all of the technical screening criteria of the Delegated Regulations - condition 04).

Taxonomy aligned Conditions for Alignment

DNSH Do Not Significant Harm	b)	Do not cause significant harm to any of the other five environmental objectives in Article 9 (DNSH Do Not Significant Harm).
Minimum Safeguards/Minimum Safeguard Criteria	c)	It is carried out in compliance with the minimum social safeguards (Minimum Safeguards) laid down in Art. 18.
Technical screening criteria	d)	Compliance with the technical screening criteria set out in the Delegated Regulations on taxonomy. Activities that meet the technical requirements set out in the taxonomy for the sectors and activities identified as eligible, as summarised below.

In November 2023, the process of publishing the Delegated Regulations on six environmental objectives was completed, which defined the technical screening criteria for determining under which conditions an economic activity can be considered to contribute substantially to the various environmental objectives, while at the same time not causing significant harm to any other environmental objective (DNSH). EU taxonomy for sustainable activities - European Commission (europa.eu)

The **European Commission Delegated Regulation EU 2021/2078 of 6 July 2021**, updated in January 2024, defines the **content and information** that companies obliged to publish information on the EU Taxonomy must disclose on environmentally friendly economic activities, and specifies the methodology for complying with this disclosure obligation.

INFORMATION (ART.8 REGULATION)

Art. 8 of **EU Regulation 2020/852** on taxonomy requires companies to report: a) the share of their revenues (Turnover) derived from products or services associated with economic activities considered environmentally sustainable; and b) the share of capital expenditure/capital expenditure (Capex) and the share of operating costs (Opex) related to assets or processes associated with economic activities considered environmentally sustainable.

The taxonomy provisions in force at the date of this Sustainability Report require reporting both financial metrics (revenue/Turnover - investments/ Capex) and operating costs/Opex).

Eligible activities are those **activities included in the current taxonomy**, irrespective of whether or not those activities meet one or all of the technical screening criteria set out in the taxonomy.

Accounting standards

For the purposes of reporting under Article 8 of the Taxonomy, revenues (Turnover), investments (Capex) and operating costs (Opex) are defined as follows (refer to the Consolidated Financial Statements for the accounting standards adopted by the Esprinet Group):

Revenues (Turnover)	Net revenue obtained from products or services.
Investments (Capex)	Additions of intangible and tangible assets, including capitalised research and development costs, to property, plant and equipment, intangible assets, before any changes due to fair value adjustments and before depreciation and amortisation.
Operating expenses (Opex)	Non-capitalised research and development costs, building renovation costs, short-term lease costs, maintenance and repair costs, and other indirect costs for the day-to-day maintenance of property, plant and equipment.

In order to be considered eligible, an economic activity must meet certain requirements: a) generate or aim to generate revenue to third parties; b) fall within the descriptions/list of activities in the Regulation and the Delegated Acts; and c) have associated applicable technical screening criteria.

THE ELIGIBILITY AND ALIGNMENT ANALYSIS OF ESPRINET

In line with what was carried out in the previous year (2023), for reporting year 2024 the Esprinet Group updated its assessment of the eligibility of the activities carried out directly by the Group with respect to the Climate Delegated Act, the Complementary Delegated Act and the Environmental Delegated Act with the aim of understanding their contribution to the six environmental objectives. In addition, the company also analysed possible further eligible activities with reference to CapEx (related to the purchase of products from eligible economic activities according to the Taxonomy [6]) and OpEx.

The analysis led to the identification of the following eligible activities for the climate change mitigation objective:

- **3.4 - Manufacture of batteries:** with reference to Capex related to the purchase of batteries;
- **4.1 - Production of electricity using photovoltaic solar technology:** with reference to the activity of selling energy generated through photovoltaic systems;
- **6.4 - Management of personal mobility devices, cycling:** with reference to the Group's activity in the marketing of products dedicated to micro-mobility, such as scooters, electric bikes and traditional bicycles;
- **6.5 - Transportation by Motorcycles, Passenger Cars and Light Commercial Vehicles:** with reference to CapEx relating to the leasing of electric and hybrid vehicles;
- **7.3 - Installation, maintenance and repair of energy efficiency devices:** with reference to CapEx related to energy efficiency measures carried out on assets directly managed by the Group;
- **7.7 - Purchase and Ownership of Buildings:** with reference to CapEx relating to the leasing of buildings (warehouses, offices and Cash & Carry), based on the interpretation that the leasing of assets is to be considered as ownership.

Although these activities are also reported with reference to the climate change adaptation activity, as stated in FAQ 18 of Commission Notice 2023/C 211/01 published in October 2023, the description itself does not appear to be a sufficient criterion for assessing an activity as eligible in the absence of a plan for adapting to the identified physical climate risks.

The analysis also led to the identification of the following activity eligible for the transition to a circular economy objective:

- **4.1 - Provision of data-driven IT/OT (information technology/operational technology) solutions:** with reference to the Group's activity of marketing IT solutions;
- **5.2 - Sale of spare parts:** referring to the Group's activity of marketing spare parts with the aim of extending the useful life of products;
- **5.4 - Sale of Second-Hand Products:** referring to the Group's activity of reselling second-hand products (e.g. Notebooks, Desktop PCs, Monitors and Workstations) with the aim of extending the useful life of the products sold.

With the aim of assessing their alignment, the activities considered eligible for the climate change mitigation objective and the transition to a circular economy were then evaluated according to the technical screening criteria.

SUBSTANTIAL CONTRIBUTION

For the purposes of the alignment assessment, eligible activities must comply with the activity-specific substantive contribution criteria defined in Annex I and II of the Climate Delegated Act, Complementary Delegated Act and Environmental Delegated Act. These criteria define technical characteristics that eligible activities must possess in order to contribute to the goal of climate mitigation and the transition to a circular economy.

- **3.4 - Manufacture of batteries**: the analysis could not determine the end use of the batteries purchased. As a precautionary measure, the substantial contribution requirement was therefore deemed not to have been met.
- **4.1 - Production of electricity using photovoltaic solar technology:** the analysis confirmed that energy is generated from plants using photovoltaic solar technology; the criterion of substantial contribution is therefore met.
- **6.4 - Handling of personal mobility devices, cycle-logistics:** the analy-

[6] *Annex I of the Disclosures Delegated Act, para. 1.1.2.2 point (c))*

sis confirmed that the propulsion of the considered personal mobility devices comes from zero-emission engines and/or physical activity and that the devices can be used on public infrastructure dedicated to bicycles or pedestrians. Thus, the marketing of physically propelled bicycles, electric bicycles and electric scooters falls under this description. The criterion of substantial contribution is therefore fulfilled.

- **6.5 - Transport by motorcycles, passenger cars and light commercial vehicles:** the analysis confirmed that around 59% of the vehicles added to the car fleet in the course of 2024 and belonging to category M1 meet the conditions imposed by EU Regulation 2019/631 to limit emissions to 50 gCO_2/km [7]. The criterion of substantial contribution is therefore fulfilled.
- **7.3 - Installation, maintenance and repair of energy efficiency devices:** the analysis confirmed that the activities aimed at energy efficiency in buildings comply with the substantial contribution criterion of d) [8] and e) [9].
- **7.7 - Purchase and Ownership of Buildings:** the Group's analysis shows that in relation to the rental of buildings, in the absence of sufficient evidence regarding the year of construction of the buildings and their energy class, the Group considers the substantial contribution criterion not met.

For the assessment of alignment, activities eligible for the transition to a circular economy objective must also comply with the activity-specific criteria of substantial contribution:

- **4.1 - Provision of data-driven IT/OT (information technology/operational technology) solutions:** the analysis carried out made it possible to highlight the alignment of some of the software marketed by the subsidiaries Zeliatech and V-Valley with the substantial contribution requirements set out in point 1 [10].
- **5.2 - Sale of spare parts:** the analysis carried out failed to ascertain the minimum composition of recycled materials within the packaging of 65% or alternatively the design aimed at making the packaging reusable. Consequently, as a matter of prudence, the criterion of substantial contribution was deemed not to have been met.
- **5.4 - Sale of Second-hand Products:** the analysis carried out failed to ascertain the minimum composition of recycled materials within the packaging of 65% or alternatively the design aimed at making the packaging reusable. Consequently, as a matter of prudence, the criterion of substantial contribution was deemed not to have been met.

DNSH - DO NOT SIGNIFICANT HARM

The Esprinet Group has implemented a Do Not Significant Harm (DNSH) criteria identification and assessment activity to ensure that economic activities identified as eligible under one objective do not cause significant harm to other environmental objectives.

As stated in the Delegated Acts, there are specific requirements for each activity eligible for the climate change mitigation objective in order to ensure that these economic activities do not cause significant damage to other environmental objectives.

With reference to Activity **3.4 "Manufacture of batteries"**, the DNSH criteria for the objectives 'Transition to a circular economy', 'Sustainable use and protection of water and marine resources', 'Pollution prevention and reduction' and 'Protection and restoration of biodiversity and ecosystems' are not considered to be met. In the absence of sufficient specific information to assess compliance, it was decided to adopt a precautionary approach

Concerning activity **4.1 "Generation of electricity by means of photovoltaic solar technology"**, the DNSH criterion related to the objective "Transition to a circular economy" is considered not to be met, as the activity does not include an assessment on the availability of equipment and components of high durability and recyclability, nor on the ease of dismantling and upgrading. In addition, in the absence of sufficient specific information to assess compliance, it was decided to adopt a precautionary approach to the criterion relating to the objective 'Protection and restoration of biodiversity and ecosystems'.

In relation to activity **6.4 "Management of personal mobility devices, cycling"**, the DNSH criterion on the objective "Transition to a circular economy" is considered to be fulfilled. Measures are in place to manage waste in accordance with the waste hierarchy. In addition, the company is subject to the WEEE charge and, in compliance with Legislative Decree No. 49/2014, the take-back of the product against a new purchase is guaranteed at the consumer's request.

With regard to activity **6.5 "Transport by motorcycles, cars and light commercial vehicles"**, adopting a conservative and prudential approach, in the absence of sufficient evidence for a complete assessment of compliance with the criterion relating to the objective 'Transition to a Circular Economy', the activity is considered non-aligned. On the contrary, the DNSH criterion concerning the objective "Pollution prevention and reduction" is deemed to be fulfilled, since the parameters and characteristics under consideration in terms of conformity, type approval, emissions and efficiency are required by the European Union for all newly registered M1 and N1 category vehicles.

Concerning activity **7.3 "Installation, maintenance and repair of energy efficiency devices"**, the DNSH criterion related to the objective of "Pollution prevention and reduction" is deemed to be met. The business operates in the European Union and is therefore subject to compliance with all relevant European regulations, including Regulation (EC) No 1907/2006 (REACH), Regulation (EU) 2019/1021 on persistent organic pollutants, Regulation (EU) 2017/852 on mercury, Regulation (EC) No 1005/2009 on substances that deplete the ozone layer, Directive 2011/65/EU on hazardous substances in electrical and electronic equipment and Regulation (EC) No 1272/2008.

As stated in the Delegated Acts, there are specific requirements for each activity eligible for the circular economy target to ensure that these economic activities do not significantly harm other environmental objectives:

With reference to activity **4.1 "Provision of data-driven IT/OT (information technology/operational technology) solutions"**, the DNSH criterion related to the objective 'Pollution prevention and control' is deemed to be met, with reference to compliance with Directive 2009/125/EC. On the other hand, with regard to the objective 'Sustainable use and protection of water and marine resources', there is no analysis of the risks of environmental degradation related to the preservation of water quality and the prevention

[7] for M1 and N1 category vehicles, both of which fall within the scope of Regulation (EC) No 715/2007:
i) until 31 December 2025, the specific CO2 emissions, as defined in Article 3, paragraph 1, letter h) of Regulation (EU) 2019/631, are less than 50 gCO2/km (low- and zero-emission light-duty vehicles);
ii) from 1 January 2026, the specific CO2 emissions, as defined in Article 3, paragraph 1, letter h) of Regulation (EU) 2019/631, are zero.

[8] installation and replacement of energy-efficient light sources.

[9] installation, replacement, maintenance and repair of heating, ventilation and air conditioning and water heating systems, including equipment for district heating services, with high-efficiency technologies.

[10] 1. The business manufactures, develops, installs and deploys one or more of the following data-based IT/OT solutions offering the capabilities listed below, maintains, repairs them, or provides professional services, including technical consultancy for their design or monitoring. These solutions include sensors, data collection and communication equipment, data archives (edge or cloud) and software. If these capabilities are part of a wider software or IT/OT offering, only the specific software additions implementing the capabilities are considered.

of water stress, nor is there a management plan for the use and protection of water. Consequently, it is not possible to confirm compliance with Directives 2011/92/EU and 2000/60/EC on environmental impact assessment and water management and to ensure alignment of the activity with the relevant criterion.

With regard to activity **5.2 "Sale of spare parts"**, the DNSH criteria relating to the objectives 'Sustainable use and protection of water and marine resources' and 'Mitigation of climate change' are considered not to be met, as adequate information is not available to carry out a full assessment. However, the criterion related to the objective "Prevention and reduction of pollution" is deemed to be met, as the activity operates in the European Union and is therefore subject to compliance with all relevant European regulations. These include Regulation (EC) No 1907/2006 (REACH), Regulation (EU) 2019/1021 on persistent organic pollutants, Regulation (EU) 2017/852 on mercury, Regulation (EC) No 1005/2009 on substances that deplete the ozone layer, Directive 2011/65/EU on hazardous substances in electrical and electronic equipment and Regulation (EC) No 1272/2008.

With reference to activity **5.4 "Sale of second-hand goods"**, the DNSH criteria relating to the objectives 'Climate change mitigation' and 'Sustainable use and protection of water and marine resources' are not considered to be met, as no specific information is available to assess compliance. The DNSH criterion on "Pollution Prevention and Control" is met with reference to the Regulations in Appendix C of the Delegated Act. Consequently, the activity cannot be considered to comply with this objective.

A physical climate risk assessment was carried out during the year (refer to the description in ESRS E1), but in the absence of an adaptation plan as described in *Appendix A of Annex 1 of the Climate Delegated Act and the Environmental Delegated Act*, no activity, including activity 7.7 'Acquisition and Ownership of Buildings', can be considered as meeting the climate change adaptation criteria. As a result, the Group's activities are not aligned with the criteria of climate change adaptation and circular economy.

MINIMUM SAFEGUARD GUARANTEES

The Group conducted a direct analysis, across its entire perimeter, of its degree of compliance with the principles enshrined in Article 18 of the Regulation, which sets out the minimum safeguards. These measures are aimed at ensuring that economic activities are carried out with respect for human rights and labour rights, in line with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. These principles include those defined by the eight core conventions of the International Labour Organisation (ILO) and the International Bill of Human Rights.

To this end, the Group examined the elements indicated in the documents referred to in Article 18, also making use of the guidelines provided by the Platform on Sustainable Finance and the indications contained in the FAQs published in Commission Notice 2023/C 211/01. The analysis focused on the level of control and management of topics related to human rights, protection of consumer interests, anti-corruption, competition and taxation.

The Group has equipped itself with instruments aimed at promoting compliance with minimum safeguards, both within and outside the organisation. These include:

- **Code of Ethics:** defines the principles and values that guide the Group in conducting business ethically and in compliance with current regulations. Through the Code, the Group promotes moral and social responsibility towards all both internal and external stakeholders.
- **Supplier Code of Conduct:** a document defining the guidelines to be followed by contractors, consultants, professionals, typical suppliers and any subcontractors of Group Companies. The Code of Conduct forms an integral part of all contracts and agreements entered into by Group companies and provides for a commitment on the part of the recipients to respect the fundamental rights of their employees, the legal requirements concerning health and safety and the applicable environmental protection regulations. The Code of Conduct also addresses topics related to business principles, such as corruption, intellectual property, antitrust and conflict of interest, among others.
- **231 Organisational Model:** a set of protocols, which regulate and define the company structure and the management of its sensitive processes pursuant to Legislative Decree no. 231/01, the Group is committed to regulating and deepening the management of human rights topics and corporate governance. This includes, in particular, the whistleblowing procedure for reporting potential conduct that violates the Code of Ethics, the Code of Ethics itself, the identification of the SB (Supervisory Body) and the set of specific procedures for sensitive areas at risk of offences.
- **Guidelines for the Internal Control System (RMICS):** a document that includes rules, behaviours, policies and procedures aimed at managing business risks, ensuring the efficiency of processes, the reliability of financial information and compliance with the law. The Company integrates mandatory control activities with management policy choices, including the organisation and control systems required by current legislation.
- **Enterprise Risk Management (ERM):** a framework adopted by the Group to identify, prevent and mitigate risks that could impact both internal and external stakeholders.

It is also specified that the Group is committed to the annual monitoring of the Gross Annual Salary of its employees, with particular reference to the salary difference between men and women. Quantitative information on this is provided in this document and updated annually.

With regard to the topic of diversity within the Board of Directors, the Esprinet Group's current Board, elected in April 2024, is composed of 11 members, 5 of whom are female and 6 of whom are male, demonstrating the Group's focus on diversity.

For more on the subject of reports in 2024 concerning incidents of discrimination and human rights violations and in the areas of corruption and taxation, refer to ESRS S1-17 in this document.

In addition, adherence to the minimum safeguards was also verified by the Group's suppliers. On the basis of the above, Esprinet, taking a conservative and prudential approach, does not consider the current practices in place on the supply chain, both with regard to CapEx and turnover, to be sufficient to consider the assets identified as eligible as aligned with the minimum safeguards criteria.

KPI CALCULATION METHODOLOGY - ACCOUNTING POLICY

The Annexes to the Disclosure Delegated Act require calculating the percentage of Turnover, CapEx and OpEx associated with eligible assets and aligned with the European Taxonomy. To meet this regulatory requirement, the Group identified its eligible activities and, once it had assessed which of them were in line with the alignment criteria, calculated the three KPIs required by the Regulation.

The following paragraphs present in detail the analyses performed to meet the disclosure requirements of the Disclosure Delegated Act, detailing the methodologies applied and the accounting items considered for the calculation of the three KPIs.

TURNOVER

In line with the Disclosure Delegated Act, the Group considered the following values for the calculation of the Turnover Ratio:

- **denominator:** net turnover from the provision of services after deduction of sales discounts and value-added taxes directly related to turnover. In order to avoid any possible double counting, intercompany items have been elided and do not contribute to the determination of the KPI. Consequently, the denominator (4,141,562 thousand euros) of the KPI corresponds to the item "Revenues", presented in Note 33 - Revenues in the Group's consolidated financial statements - and is in line with the provisions of IAS 1, para.82(a);)
- **numerator:** the share of net turnover (taken into account for the calculation of the denominator) associated with activities eligible and aligned with the European Taxonomy. For this assessment, the approach adopted involved identifying, through the Management Income Statement of the Group Companies in the perimeter, the revenue components that can be associated with the activities under analysis. In this regard, it is specified that for the calculation of the numerator of the KPI, the Group considered the net turnover associated with the Companies performing the activity 4.1 CCM - Production of electrical energy by means of photovoltaic solar technology, the activity 6.4 CCM - Management of personal mobility devices, cyclo-logistics, the activity 5.2 CE - Sale of spare parts, and 5.4 CE - Sale of second-hand products.

CAPEX

For the calculation of the denominator of the CapEx KPI, the Group considered the additions incurred in the reporting period relating to tangible assets (plant and machinery, commercial industrial equipment and other assets, and assets under construction), intangible assets (concessions, licences, trademarks and similar rights, intellectual property rights and assets under construction and advances) and Right of Use Assets (RoU of buildings, cars and equipment), including additions arising from business combinations during the year. The approach used for the extraction of the above-mentioned figures involved a detailed analysis of management reports showing the investments made during the year by all the companies within the scope of consolidation.

In line with the Disclosure Delegated Act, the Group considered the following values for the calculation of the CapEx ratio:

- **denominator:** In calculating the denominator, the Group considered tangible assets accounted for in accordance with IAS 16 - note 1 to the annual financial report -, intangible assets - excluding goodwill - accounted for in accordance with IAS 38 - note 3 to the annual financial report - and leases accounted for in accordance with IFRS 16 - note 4 to the annual financial report. This analysis returned a total value for the year 2024 of: 56,756 thousand euros.
- **numerator:** for the purpose of determining the numerator, CapEx relating to both assets and processes associated with eligible economic activities (Annex I of the Disclosure Delegated Act, para. 1.1.2.2 point (a)) either to the purchase of outputs from taxonomy eligible and aligned economic activities and individual measures that enable activities to reduce their emission profile (Annex I of the Disclosure Delegated Act, para. 1.1.2.2 point (c)). In this regard, the Group included the following values in the numerator of the KPI:
  - for activity **3.4 CCM - Manufacture of Batteries** - the additions to tangible assets related to plants governed by IAS16.
  - for activity **6.4 CCM - Management of personal mobility devices, cycling** - increases in tangible assets and rights to use real estate, governed by IAS 16 and IFRS16. It is specified that the CapEx associated with the activity in question were estimated based on an allocation driver based on the percentage weight of revenues attributable to the same activity on total consolidated net revenues.
  - for activity **6.5 CCM - Transportation by Motorcycles, Passenger Cars and Light Commercial Vehicles** with reference to vehicles belonging to category M1, N1, both of which fall within the scope of Regulation (EC) No 715/2007 of the European Parliament and of the Council, or L (two- or three-wheelers and quadricycles) - increases in tangible assets related to passenger cars and Rights to Use of Passenger Cars, governed by IAS16 and IFRS16.
  - for activity **7.3 CCM - Installation, Maintenance and Repair of Energy** Efficiency Equipment which includes individual renovation measures consisting of the installation, maintenance or repair of energy efficiency equipment - additions to tangible assets related to equipment covered by IAS16.
  - for activity **7.7 CCM - Purchase and Ownership of Buildings** - increases in tangible assets related to buildings and Rights to Use Buildings, governed by IAS16 and IFRS16.
  - for activity **4.1 CE - Provision of data-based IT/OT (information technology/operating technology) solutions** - increases in tangible assets related to and rights to use real estate, governed by IAS16 and IFRS16. It is specified that the CapEx associated with the activity in question were estimated based on an allocation driver based on the percentage weight of revenues attributable to the same activity on total consolidated net revenues.
  - For activity **5.2 CE - Sale of parts** - increases in tangible assets and rights to use real estate, which are governed by IAS16 and IFRS16. It is specified that the CapEx associated with the activity in question were estimated based on an allocation driver based on the percentage weight of revenues attributable to the same activity on total consolidated net revenues.
  - For activity **5.4 CE - Sale of Second-hand Goods** - increases in tangible assets and rights to use real estate, which are governed by IAS16 and IFRS16. It is specified that the CapEx associated with the activity in question were estimated based on an allocation driver based on the percentage weight of revenues attributable to the same activity on total consolidated net revenues.

OPEX

In line with the Disclosure Delegated Act, the Group considered the following values for the calculation of the OpEx ratio:

- **denominator:** For the calculation of the denominator, a detailed analysis of the Group's consolidated chart of accounts was carried out, identifying the items that could be associated with the cost categories expressly mentioned in the Disclosure Delegated Act.

  Specifically:

  - Short-term leases, whereby all items in the chart of accounts relating to leases accounted for in the Income Statement were considered, as they relate to contracts with a duration of less than 12 months and therefore represent exemptions from accounting under IFRS 16;
  - Costs related to maintenance and repairs, incurred during operation, on buildings and IT equipment. Costs related to employees involved in maintenance and repair activities and also maintenance commissioned to third-party companies were taken into account for this category;

[11] *Clarification provided by the answer to question 12 of the document "Draft Commission notice on the interpretation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of eligible economic activities and assets" published by the European Commission on 02.02.2022.*

- Costs associated with the 'day-to-day servicing of assets'[11], i.e. costs related to the cleaning of facilities.
- Non-capitalised R&D costs relating to internal and external projects have not been taken into account, since the group does not perform pure R&D activities, and for reasons of prudence has excluded EDP developments on IT software from the calculation basis.

The result of these analyses resulted in a value of 6,078 thousand euros, which represents 3.4% of the Group's total operating expenses. As envisaged by the Disclosure Delegated Act and made explicit by the European Commission's clarifications[12], therefore, the KPI for OpEx is to be considered non-material.

- **Numerator:** following the guidance of the Disclosure Delegated Act (para. 1.1.3.2. of Annex I) and the clarifications provided by the European Commission mentioned above (it was decided not to provide an indication of the value of the numerator of the KPI in question, since the denominator is 3.4% of the Group's total operating expenses. The low value of the aforementioned ratio is an expression of the reduced materiality of the cost categories required for the Denominator by the European Taxonomy - which tend to reward asset-intensive business models - compared to a business model that sees personnel costs and marketing/distribution/sales costs as the most representative expressions of its operating costs.

Summary KPI Taxonomy 2024 vs 2023

k/000 euro	Turnover		CapEX	
	2024	2023	2024	2023
Manufacture of batteries	-	-	0.04	-
Production of electricity using photovoltaic solar technology	17	-	-	-
Management of personal mobility devices, cycle	18,109	21,492	219	119
Transportation by motorcycle, passenger cars and light commercial vehicles	-	-	1,323	1,552
Installation, maintenance and repair of energy efficiency devices	-	-	85	100
Installation, maintenance and repair of electric vehicle charging stations in buildings	-	-	-	5
On-site installation, maintenance and repair of renewable energy technologies	-	-	-	655
Purchase and ownership of buildings	-	-	43,471	8,539
Provision data-driven IT/OT solutions	137	-	2	-
Sales of spare parts	1,699	-	21	-
Circular Economy	1,375	944	17	5
Total eligible for taxonomy	**21,337**	**22,436**	**45,138**	**11,535**
Total not eligible for taxonomy	**4,120,225**	**3,962,726**	**11,618**	**16,280**
Consolidated statement	**4,141,562**	**3,985,162**	**56,756**	**27,815**
KPI Eligible by objective	**0.52%**	**0.56%**	**79.53%**	**39.46%**
KPI Aligned by objective	**-%**	**-%**	**-%**	**-%**

[12] Clarification provided by the answer to question 13 of 'Draft Commission notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (second Commission Notice), 19 December 2022.

TABLE 1 - SHARE OF TURNOVER DERIVED FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY ALIGNED ECONOMIC ACTIVITIES - 2024 DISCLOSURE

FY 2024	Year			Substantial contribution criteria						DNSH ('do no significant harm') criteria									
Economic activities	Code	Turnover	2024 share of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguard guarantees	Share of Turnover taxonomy aligned (A.1.) or eligible (A.2.), year 2023	Enabling activity category	Transition activity category
		k€	%	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	A	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy aligned)																			
Turnover of environmentally sustainable activities (taxonomy aligned) (A.1)		-	0%	0%	0%	0%	0%	0%	0%								%		
of which enabling		-	0%														0%	A	
of which transitional		-	0%														0%		T
A.2 Taxonomy eligible but not environmentally sustainable activities (activities not taxonomy aligned)																			
Power generation by photovoltaic solar technology	4.1 (CCM)	17	0.00%														-		
Management of personal mobility devices, cycling	6.4 (CCM)	18,109	0.44%														0.54%		
Second-hand products for sale	5.4 (CE)	1,375	0.03%														0.02%		
Provision of data-driven IT/OT solutions	4.1 (CE)	137	0.01%														-		
Sales of spare parts	5.2 (CE)	1,699	0.04%														-		
Turnover from taxonomy eligible but not environmentally sustainable activities (activities not taxonomy aligned) (A.2)		21,337	0.52%														0.56%		
A. Turnover of taxonomy eligible activities (A.1+A.2)		21,337	0.52%														0.56%		
B. ACTIVITIES NOT TAXONOMY ELIGIBLE																			
Turnover of activities not taxonomy eligible		4,120,225	99.48%																
Total (A+B)		4,141,562	100%																

Share of Turnover/Total Turnover

	Taxonomy aligned by objective	Taxonomy eligible by objective
CCM	0%	0.44%
CCA	0%	0%
WTR	0%	0%
CE	0%	0.08%
PPC	0%	0%
BIO	0%	0%

TABLE 2 - SHARE OF CAPITAL EXPENDITURE FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY ALIGNED ECONOMIC ACTIVITIES - 2024 DISCLOSURE

FY 2024	Year			Substantial contribution criteria						DNSH ('do no significant harm') criteria									
Economic activities	Code	CapEx	2024 share of CapEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguard guarantees	Share of CapEx taxonomy aligned (A.1.) or eligible (A.2.), year 2023	Enabling activity category	Transition activity category
		k€	%	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	A	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy aligned)																			
CapEx of environmentally sustainable activities (taxonomy aligned) (A.1)		-	0%	0%	0%	0%	0%	0%	0%								%		
of which enabling		-	0%														0%	A	
of which transitional		-	0%														0%		T
A.2 Taxonomy eligible but not environmentally sustainable activities (activities not taxonomy aligned)																			
Manufacture of batteries	3.4 (CCM)	0.04	0.00%														-		
Management of personal mobility devices, cycling	6.4 (CCM)	219	0.39%														0.43%		
Transport by motorcycles, cars and light commercial vehicles	6.5 (CCM)	1,323	2.33%														5.58%		
Installation, maintenance and repair of energy efficiency devices	7.3 (CCM)	85	0.15%														0.36%		
Purchase and ownership of real estate	7.7 (CCM)	43,471	76.59%														30.7%		
Provision of data-driven IT/OT (information technology/operational technology) solutions	4.1 (CE)	2	0.00%														-		
Sale of spare parts	5.2 (CE)	21	0.04%														-		
Second-hand products for sale	5.4 (CE)	17	0.03%														0.02%		
CapEx from taxonomy eligible but not environmentally sustainable activities (activities not taxonomy aligned) (A.2)		45,138.04	79.53%														39.46%		
A. CapEx of taxonomy eligible activities (A.1+A.2)		45,138.04	79.53%														39.46%		
B. ACTIVITIES NOT TAXONOMY ELIGIBLE																			
CapEx of activities not taxonomy eligible		11,617.96	20.47%																
Total (A+B)		56,756	100%																

Share of CapEx/Total CapEx

	Taxonomy aligned by objective	Taxonomy eligible by objective
CCM	0%	79.46%
CCA	0%	0%
WTR	0%	0%
CE	0%	0.07%
PPC	0%	0%
BIO	0%	0%

TABLE 3 - SHARE OF OPERATING EXPENDITURE FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY ALIGNED ECONOMIC ACTIVITIES - 2024 DISCLOSURE

FY 2024	Year			Substantial contribution criteria						DNSH ('do no significant harm') criteria									
Economic activities	Code	OpEx	2024 share of OpEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguard guarantees	Share of OpEx taxonomy aligned (A.1.) or eligible (A.2.), year 2023	Enabling activity category	Transition activity category
		k€	%	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	A	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy aligned)																			
OpEx of environmentally sustainable activities (taxonomy aligned) (A.1)		-	0%	0%	0%	0%	0%	0%	0%								0%		
of which enabling		-	0%														0%	A	
of which transitional		-	0%														0%		T
A.2 Taxonomy eligible but not environmentally sustainable activities (activities not taxonomy aligned)																			
OpEx from taxonomy eligible but not environmentally sustainable activities (activities not taxonomy aligned) (A.2)		-	0%														0%		
A. OpEx of taxonomy eligible activities (A.1+A.2)		-	0%														0%		
B. ACTIVITIES NOT TAXONOMY ELIGIBLE																			
OpEx of activities not taxonomy eligible		180,716	N/A[13]																
Total (A+B)		180,716	100%																

Share of OpEx/Total OpEx

	Taxonomy aligned by objective	Taxonomy eligible by objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

[13] Based on what is stated in para. 1.1.3. of the Delegated Regulation, the Group considers the denominator value of the KPI relating to OpEx as required under the Regulation not to be material to the business model. For this reason, the Group did not carry out the analysis for the calculation of the numerator of the KPI for OpEx.

TABLE 4 - NUCLEAR AND FOSSIL GAS ACTIVITIES - COMPLEMENTARY DELEGATED ACT 2022/1214

Line	Activities related to nuclear energy	
1	The company carries out, finances or has exposures to research, development, demonstration and implementation of innovative power generation plants that produce energy from nuclear processes with a minimum amount of fuel cycle waste.	No
2	The company carries out, finances or has exposures to the construction and safe operation of new nuclear power plants for the generation of electricity or process heat, including for district heating purposes or for industrial processes such as hydrogen production, and improvements in their safety with the help of the best available technology.	No
3	The company carries out, finances or has exposures to the safe operation of existing nuclear power plants that generate electricity or process heat, including for district heating or industrial processes such as the production of hydrogen from nuclear energy, and improvements to their safety.	No
	Fossil gas activities	
4	The company carries out, finances or has exposures to the construction or operation of power generation plants using gaseous fossil fuels.	No
5	The company carries out, finances or has exposures to the construction, upgrading and operation of combined heat/cool and power generation plants using gaseous fossil fuels.	No
6	The company carries out, finances or has exposures to the construction, upgrading and operation of heat generation plants that produce heat/cooling using gaseous fossil fuels.	No

3 SOCIAL INFORMATION

3.1 Human Resources

Topic	Sub-topic	Sub-sub-topic	SDGs
S1 Own workforce	Working conditions	Working time	4 Quality Education, 5 Gender Equality
		Social dialogue	
		Work-life balance	
		Health and safety	
	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	8 Decent Work and Economic Growth, 10 Reduced Inequalities
		Training and skills development	
		Employment and inclusion of people with disabilities	
		Diversity	

STRATEGY

Stakeholder interests and opinions

ESRS | ESRS 2 SBM-2

The Esprinet Group considers its stakeholders as a set of internal and external players, each one bearing distinctive interests and perspectives. Among these, the workforce plays a key role, as it is a key element in the achievement of corporate objectives and the orientation of strategic decisions.

The Group recognises that the active involvement of employees is essential not only for the effective implementation of its vision, but also for the evolution of corporate policies. To this end, Esprinet considers constant dialogue with its employees and also employee representatives to be strategic, incorporating their opinions and input into key decision-making stages. Furthermore, the Group promotes an open and transparent communication environment through structured engagement initiatives that foster continuous discussion and direct participation.

For a more detailed overview of the Group's own workforce engagement activities, refer to the paragraph on *Stakeholders: interests and expectations*.

Material impacts, risks and opportunities and their interaction with the strategy and business model

ESRS | ESRS 2 SBM-3

Impacts	
Working time	Failure to comply with current legislation on working conditions and working hours could result in a violation of rights and stressful conditions for employees.
Work-life balance	Esprinet supports the creation and maintenance of a quality working environment with the aim of increasing the well-being of its employees, with a focus on work-life balance.
Social dialogue	Esprinet supports a working environment based on collaboration, dialogue and listening to all stakeholders.
Health and safety	Esprinet's potential occupational health and safety impact is mainly related to load handling/ unloading operations within warehouses.
Training and skills development	Esprinet supports and delivers technical and professional training activities to its employees, promoting their personal and professional skills development.
Gender equality and equal pay for work of equal value	Esprinet fosters an inclusive working environment, based on respect for diversity and equal opportunities, which can cause discrimination among employees, negatively impacting their opportunities for personal and professional development.
Employment and inclusion of people with disabilities	
Diversity	

Risks/opportunities

Working time	Risk arising from possible violations of workers' human rights or non-compliance with social standards within its operations that could lead to litigation.
Health and safety	Risk related to the consequences of possible accidents and/or injuries at work (business interruption - litigation - reputation).
Training and skills development	Risk of loss of talent in key positions and consequent loss of specialised know-how.
Gender equality and equal pay for work of equal value	Risks due to potential incidents of discrimination among Group employees and workers, in the absence of adequate measures and protocols to protect diversity and equal opportunities.
Diversity	
Employment and inclusion of people with disabilities	

The Group has identified some actual and potential positive and negative impacts and possible risks and opportunities inherent in its workforce.

The Esprinet Group actively promotes a quality working environment, fostering the well-being of employees and the right balance between private and professional life. Dialogue and listening to stakeholders are key tools for improving the business climate and strengthening internal collaboration. Furthermore, the company invests in technical and professional training, contributing to the development of skills and the growth of people within the organisation.

The analysis highlighted some negative impacts that may undermine workers' welfare and rights. Non-compliance with working time regulations, combined with excessive stress, can lead to worsening working conditions. In addition, loading and unloading in warehouses can be a risk factor with possible repercussions on the physical health of employees. The absence of adequate diversity and equal opportunities policies can foster discriminatory phenomena, hindering the personal and professional growth of workers and compromising the cohesion and effectiveness of the organisation.

Risks with potential economic, operational and reputational impacts for the Esprinet Group have been identified. Failure to respect human rights or social standards could compromise the company's reputation and expose the Group to litigation with legal and economic consequences. Similarly, an increase in work-related accidents could reduce operations, generate legal costs and damage the company's image.

The loss of talent in key roles represents a further risk, with possible repercussions on competitiveness and the continuity of the company's competencies, although mitigated by investment in training. Finally, inadequate measures to protect diversity and equal opportunities could foster instances of discrimination, with negative impacts on the corporate climate and brand perception.

No significant generalised or systemic negative impacts have been identified, as Esprinet operates in a European context, where the risk of child and forced labour is extremely limited, and the environment and working conditions are regulated by local legislation. Furthermore, there are no major negative impacts associated with individual incidents.

Since transition plans to reduce environmental impacts and achieve climate neutrality have not yet been defined, no significant impacts on the workforce are expected at present.

For more information on the process of identifying material impacts, risks and opportunities, refer to the chapter *Material impacts, risks and opportunities and their interaction with the strategy and business model/paragraph Material topics (IRO).*

MANAGING IMPACTS - RISKS - OPPORTUNITIES

Policies related to own workforce

ESRS | ESRS S1-1

HR management

Human resources are considered of **primary importance** in pursuing Group objectives. The Esprinet Group's HR management and development model mainly aims to **motivate and enhance all employees** by improving their skills, according to the business development strategy.

To **manage the impacts, risks and opportunities** related to these topics, **Esprinet has adopted** specific **corporate policies** and operational tools, including the Code of Ethics, Multi-Site Corporate Policy and the ISO 45001 management system.

The aforementioned policies have been updated during the reporting period, following corporate developments, with a greater focus on the Group's ESG strategy. These policies are publicly available on the website and the Group provides ongoing training on the implementation of these commitments, in order to effectively prevent and counter fraudulent and unlawful behaviour or behaviour that is otherwise contrary to these policies.

Code of Ethics

The management of human resources is coordinated and directed by the parent company Esprinet S.p.A. and operatively carried out by the individual countries through specific procedures also described in the Organisational, Management and Control Model pursuant to Legislative Decree No. 231/01, the Criminal Risk Control, Management and Organisation Model and the Crime Prevention Manual, the principles of which are recalled in the Code of Ethics and from which it can be inferred that the Group Companies undertake as follows:

- To respect fundamental human rights
- To prevent child exploitation
- Not to use forced or bonded labour
- Not to use workers without a regular residence permit

In particular, the Group conducts internal audits to verify identify, prevent, mitigate and account for how the organisation addresses its actual and potential negative impacts.

The adoption of the Code of Ethics also attaches great importance to human resources, considering them a primary value for the achievement of the company's objectives, through the continuous promotion of a high standard of in-house professionalism; full and constant compliance with the regulations in force in the countries in which it operates; and the conformity of its activities to the principles of consistency, transparency and contextual provision for control.

The Group protects and promotes the value of human resources, encouraging their **professional growth**, undertaking to avoid discrimination of any kind and guaranteeing **equal opportunities** and offering working conditions that are respectful of personal dignity and **safe and healthy working environments**, in respect of current rules and worker rights. The Group does not permit the conduct of employment relations not governed by agreed and formalised contracts and does not resort to or support the use of forced labour.

The Group implements measures to promote the improvement of workers' **health and safety** in all work-related aspects and ensures that this objective is constantly pursued. The Group takes all appropriate measures to ensure the safety and health of workers, including occupational risk prevention, information and training, and constantly updates these measures.

Multi-Site Corporate Policy

The Esprinet Group is committed to providing **safe and healthy working conditions** to prevent work-related injuries and illnesses. Group companies work to eliminate hazards and **reduce risks** associated with the specifics of their processes; they also promote the development of opportunities to improve staff working conditions. Esprinet is committed to ensuring the training, information, consultation and participation of workers and their representatives.

This policy is established by senior management and appropriate to the context of the organisation and its strategic objectives; reviewed annually to establish its appropriateness; revised as necessary; and available to the public, stakeholders and all staff by publication on the Esprinet Group's website and corporate intranet. Compliance with the above-mentioned commitments is ensured by achieving and maintaining Multi-site Security certification according to UNI EN ISO 45001:2023.

ISO 45001 Management System

To ensure control of health and safety risks for workers and stakeholders, the company management has adopted a structured management system in line with the principles of ISO 45001. Actions taken include integrating safety management into business processes, setting specific targets and monitoring performance.

The company promotes staff awareness of the importance of safety through the dissemination of the key concepts of the management system and the aims of the company policy. In addition, regular system reviews are carried out to verify its effectiveness.

With regard to legislative compliance in the field of health and safety at work, the compulsory figures required by current regulations are defined, with compliance audits conducted by Internal Audit.

To this end, the Group adopts a management system that defines policies, objectives, activities, roles and responsibilities on health and safety. This ensures the principle of continuous improvement aimed at consolidating the safety culture at all levels. The ISO 45001 management system is adopted for the companies Esprinet S.p.A., V-Valley S.r.l., Esprinet Iberica S.L.U., V-Valley Advanced Solutions España S.A and Zeliatech Srl.

Processes for involving own workforce and employee representatives on impacts

ESRS | ESRS S1-2

Employee engagement is a pillar of the Esprinet Group's strategy, which aims to promote a collaborative and stimulating working environment through numerous engagement initiatives. These include surveys, team building events and internal employer branding communities are of particular importance. These activities foster active participation and the sharing of ideas, strengthen the sense of belonging, and enhance the direct contribution of employees, whose perspectives influence the Group's decisions and activities.

Engagement activities are carried out with respect for human rights, as enshrined in the Code of Ethics and company policies, and with a commitment to fair and safe working conditions. The Human Resources Department is responsible for engagement with its employees, including through the key figure in charge of supervising and implementing these activities, who is the Talent Acquisition & Engagement Manager.

Listening tools with employees

For Esprinet, listening policies are central to building HR strategies for the future, which is why we promote initiatives that allow all Group employees to share their ideas and propose new initiatives.

THE ROLE OF SURVEYS IN EMPLOYEE FEEDBACK

Surveys, conducted annually at Group level, are an essential tool for collecting feedback directly from employees, thus enabling areas for improvement to be identified and targeted actions to be taken to optimise the working environment.

The Great Place to Work survey represents the main opportunity to listen to the entire company population, to analyse the internal climate and to obtain feedback on work experience, staff engagement and satisfaction. The Esprinet Group achieved significant results through this survey and obtained the renewal of the **Great Place to Work certification** for 2025 **in all countries** in which it operates.

A further tool for analysing the level of employee satisfaction and involvement is the **Employee Engagement Survey**. This survey covers the Group's locations in Italy, Spain, Portugal and Morocco and explores key areas such as customer focus, internal collaboration and communication, professional development, diversity and inclusion **(DEIB)**, work-life balance and organisational process efficiency.

COMMUNICATION CHANNELS

The Group's internal communication is articulated through multiple tools, each designed to meet specific information needs and to foster the active involvement of employees. Among the main channels, the **newsletter** is a means to summarise and share the main initiatives promoted by the HR area. This also includes the social ambassador project, which aims to raise awareness and involve employees in the promotion of human resources activities.

The **quarterly Town Halls** for the Italy group and the Iberica group will continue in 2024, moments of direct discussion with employees managed by the Group CEO with the possibility for all employees to ask questions on any topic, even anonymously.

COMMUNITIES

The Group has undertaken numerous initiatives to improve the level of employee engagement, creating opportunities for discussion and promoting extra-work activities on a variety of topics. In this context, a number of communities have been created, each designed to respond to the interests and passions of employees, thus favouring moments of aggregation and the sharing of experiences.

In Italy, the **Sport and Music communities** play a particularly active role. In the field of music, the Corporate Band stands out, providing an important opportunity for entertainment and aggregation for the entire organisation. The Group's performances, which were attended by more than 600 people, help to strengthen employees' sense of belonging and involvement.

On the sports front, the company promotes numerous events combining **inclusion and solidarity**. Among them, the Run for Inclusion in Italy and the corporate and solidarity runs in Spain, organised in the cities of Madrid, Saragossa and Barcelona, stand out for their ability to involve large groups of employees. A further moment of active participation is the Mundialito, a corporate table football tournament involving more than 700 participants from all Group locations, promoting networking and collaboration between colleagues from different countries.

At the international level, **Community Travel** was established to promote travel and cultural experiences, while in Spain **Community Games** emerged, focusing on recreational and sports activities. In Portugal, **Community Food**, dedicated to gastronomic culture, is being developed.

In addition, the **Community DEIB** project was launched in 2025, with the intention of making inclusiveness a core value of the corporate culture, involving all parts of the organisation in the development of **Diversity, Equity, Inclusion** and **Belonging** initiatives. In cooperation with the Leadership Team of 12 managers, strategic guidelines were defined that will guide the activities of the Ambassadors and the Community. The programme included the training of 8 Ambassadors for the Italian Group and 8 for the Iberian Group through **DEI Storytelling**, and the launch of the **DEI Delivery Lab**, which enabled the identification and planning of concrete actions to be shared between the different countries.

Numerous meetings were held in 2024, including brainstorming with the Corporate HR team, focus groups with the Leadership Team and interviews with the General Manager. At the end of February 2025, the Leadership Team reviewed the proposed projects to officially launch the **DEIB Community**, with the opening of registration and the first launch event. This will be accompanied by **Continuous Learning Courses** and **DEIB Change Management** moments, aimed at stimulating networking, engagement and implementation of validated projects. A special event is also being organised with motivational speeches, experiential workshops, theatre activities and immersive simulations in virtual reality, with the participation of experts in **diversity** and **change management**.

Processes to remedy negative impacts and channels for the own workforce to raise concerns

ESRS | ESRS S1-3

Esprinet adopts processes to mitigate the negative impacts of its activities, while ensuring an ethical and transparent working environment. Among these, **reporting channels** are an essential tool for employees to raise concerns in a safe and confidential manner. In this context, the Esprinet Group has activated the **whistleblowing channel**, which allows employees and collaborators to report cases of possible violations, i.e. conduct, acts and omissions that consist of unlawful conduct relevant under Legislative Decree no. 231/01 or violations of the Esprinet Group's Code of Ethics. The possibility of reporting is extended to all persons working within the company, including employees, consultants, external collaborators, shareholders, volunteers and trainees. Reports can be made through written or oral channels made available to staff.

In order to facilitate access to the system, the reporting procedure is available directly on the Group's website. In addition to the digital channel, a dedicated telephone service is available, which is not subject to registration.

The Group adopts a strict whistleblower protection policy. Any retaliatory or discriminatory conduct towards them, as well as any failures in the verification and analysis of reports by management bodies or persons acting on behalf of Group companies, shall be subject to sanctions in accordance with the provisions of the disciplinary system adopted.

Actions on material impacts on own workforce and approaches for managing material risks and pursuing material opportunities in relation to own workforce, as well as effectiveness of such actions

ESRS | ESRS S1-4

The Esprinet Group has adopted a series of actions to prevent, mitigate and remedy negative impacts, while generating positive impacts in relation to its employees. The actions of Group companies, as well as their effectiveness, are reported below.

Working hours and work-life balance

With the aim of providing its employees with a work-life balance, Esprinet has adopted policies on flexible working hours, smart working and other measures that meet the needs of each country.

FLEXIBILITY & SMART WORKING

The smart working policies adopted by Esprinet vary by country, providing flexibility and a better balance between professional and personal life. In Italy, all employees can take advantage of 10 smart working days per month, with an additional five days per year basket. In Spain, on the other hand, the model provides for 8 smart working days per month, accompanied by a basket of 10 extra days per year. In Italy, employees who do not use smart working (especially those in the Esprivillage and Logistics Departments) enjoy a day off on their birthday. In Spain and Portugal, all employees benefit from a day off on their birthday.

Furthermore, in Italy, all venues are closed on Fridays, with the exception of the logistics and Esprivillage Departments, with the introduction of Friday off during the summer months from June to September. In Spain, however, there is an early closure on Fridays throughout the year, except for the last days of the month, when activities take place normally.

Flexibility policies are also characterised by an approach aimed at ensuring better management of working time. In Italy, employees clock in just once a day, simplifying attendance management. In Spain, working hours are reduced during July and August, allowing for a better balance between work and personal life during the summer period. At group level, hourly flexibility is provided for entry, exit and lunch breaks, allowing employees to adapt their timetable to their individual needs, while respecting the company's requirements.

With a view to increasing attention to the topic of maternity, a specific solution has been introduced for the entire Group for pregnant women, who can now choose to work exclusively remotely from the 6th month of pregnancy.

Health and safety

The Esprinet Group guarantees working conditions that respect individual dignity and a safe and healthy working environment, in full compliance with current legislation on the prevention of accidents at work and worker protection. The Group conducts a risk assessment, in accordance with Legislative Decree 81/08 and formalised in the Risk Assessment Document (DVR), where health and safety risks are assessed and identified, and identifies legal and labour risks starting with the regulations applicable to relations with employees and collaborators.

As part of worker health and safety management, there are no formal joint committees between management and workers; however, an annual 'Management Review' is carried out in compliance with Article 35 of Legislative Decree 81/08, in which the employer, worker safety representatives, prevention and protection service managers and the quality, environment and safety management system manager are present. During the internal audits carried out as part of the Integrated Management System audit programmes, a consolidation in safety procedures was revealed, due to the increased experience of operational staff. As far as internal audits are concerned, some non-conformities were detected, but all of low risk, without any particular criticality.

The health and well-being of employees are at the heart of the company's initiatives, with the aim of creating a safe working environment conducive to maintaining a state of well-being. Esprinet offers a wide range of services designed to care for the body and mind, emphasising prevention and psychological support.

In 2023, a **physiotherapy service** was introduced for logistics employees for the prevention and treatment of musculoskeletal problems. In a parallel fashion, Esprinet launched a series of awareness-raising webinars on the prevention of men's and women's diseases between June and September 2024, reinforced by its collaboration with a researcher specialising in women's cancers.

To support day-to-day health, the Esprinet Group has also introduced an in-house drug delivery service to facilitate access to necessary treatments.

In addition, Esprinet launched an initiative in January 2024 to encourage **healthy and conscious eatingby** providing employees with fridges with healthy lunchtime options. This programme will be expanded in 2025 with the introduction of nutrition webinars and a food counselling service, thanks to the collaboration with Foodbar and the support of nutritionists.

Employee welfare & well-being

The Group believes corporate welfare a key strategic element and, given the strong appreciation on the part of all employees, in 2024 the **Esprinet4you** programme was again designed. The aim has been to build initiatives that can truly contribute to improving employees' quality of life.

WELFARE

As regards the Group in Italy, the "welfare" amount was confirmed for all employees; this can be spent on a dedicated platform and additional "bonuses" have also been consolidated for weddings and civil unions, births and adoptions, and in support of disability and caregivers. In the Iberian group, an extraordinary welfare bonus was awarded with the same rationale.

In 2025, Esprinet will introduce the First Home Bonus, an initiative designed to help employees buy their first home, offering a dedicated financial contribution to those taking this important step in their lives.

PARENTHOOD

The maternity leave allowance is supplemented by 100% for the first two months of optional leave, also applicable to those who start their leave in 2024, regardless of the date of birth of the child. For paternity leave, the number of paid days has been increased from 10 to 20 for births on or after 1 January 2024, with the possibility of taking the additional 10 days within the first 12 months of the child's life.

The Group has also implemented several joint projects to support employees and their families, such as Family Day, a sports day open to families, 100% smart working for pregnant employees from the sixth month and a Welcome Back Interview programme, which consists of an interview upon return from maternity or paternity leave, in the event of prolonged absence.

The Esprinet Group provided training on parenting through partnerships with a number of associations. Through the partnership with the Alice Foundation in 2024, topics related to the physiology of children's emotional, relational and sexual development at different stages of growth were addressed, promoting positive parenting concepts. In Spain, the collaboration with Vivofacil focused on the use of digital devices in childhood, through informative webinars for parents.

In 2025, the Back to Work initiative will be launched, designed to support employees returning to the company after an extended period of absence, with a focus on new parents returning from leave. The programme includes a group meeting, a workshop with Alice Onlus to facilitate the resumption of work, and an individual interview with the HR Business Partner for a gradual and effective reintegration.

PSYCHOLOGICAL HELP DESK

Just as for 2023, the psychological help desk was continued in Italy, an initiative that allowed all employees to access psychological support with expert staff. This initiative highlighted a topic of fundamental importance, namely mental health, which was also pursued thanks to dedicated courses such as that on Mindfulness and that relating to stress management. In Spain, "Esprinet te cuida", a psychological and medical consulting service, has been launched for employees and their families. This service provides specialised psychological treatment sessions. In addition, physiotherapy for warehouse and technical assistance personnel resumed.

From May 2024, the offer was expanded to include new support: the Care Manager for family needs, psychological counselling for stress and crisis, pedagogical support for parents of children aged 0-18, specialists for learning disorders (SLDs and SENs), sleep counselling and nutritional support.

EMPLOYMENT AND INCLUSION OF PEOPLE WITH DISABILITIES

Employment and inclusion of people with disabilities are key elements in promoting a corporate culture based on diversity and equal opportunities. An inclusive working environment not only meets principles of social responsibility, but also generates added value by improving the organisational climate.

FOR-TE PROJECT

The FOR-TE project, launched in 2019, aims to create an opportunity for people with disabilities to enter the world of work, while at the same time offering a service to Esprinet Group customers that saves them time and costs and makes them feel part of a project with an important social impact.

FOR-TE is the first delivery service in Italy carried out entirely by people with intellectual disabilities. With FOR-TE, the Esprinet Group has achieved the perfect integration of a social project into its core business, demonstrating that sustainability is no longer just an ancillary activity, but a real source of value creation.

In its fifth year of activity, the FOR-TE project employs 19 people, working at the Esprivillage in Cesano Boscone and at the Esprivillage in Cinisello Balsamo - two of the Esprinet shops located throughout Italy. In 2024, the service reached the milestone of 4,323 deliveries.

The Esprinet Group, with the intention of creating shared value, has also given its customers the opportunity to participate in this virtuous circle by supporting the FOR-TE cooperative with a donation, directly at the end of the order. The intention is to make customers feel part of an extended social project. The amount of the collected donations is doubled by Esprinet through a donation of equal value to the same association.

Product Data Sheet project

Starting in 2022, the Group, building on the social awareness it has acquired over the past few years, has launched a challenging project with a focus on the employment of people with disabilities.

With the aim of relieving the product marketing structures of operational work, leaving space for strategic activities, the product data sheet project continued in 2024. In cooperation with the social cooperative INTEC of the L'Impronta Group, five people with frailty were placed in employment. In 2024, the team, dedicated to compiling the product sheets published on the Esprinet website, completed 10,500 sheets of 150 different brands.

In light of the good, precise and punctual work and the added value of integrating a social project into the Group's core business, the company will continue the project into 2025. The product sheet project is a reconfirmation that sustainability leads to the creation of value by contributing to the economic well-being and growth of communities.

DOWN SARAGOSSA FOUNDATION AND ONCE FOUNDATION

In the desire to bring people with intellectual disabilities closer to the world of work, the Esprinet Group collaborates with the Foundations Down Saragossa and ONCE. The Foundation Down Saragossa was founded in 1991 and is made up of people with intellectual disabilities or developmental disorders, their families, professionals, volunteers and collaborators. The Foundation's vision is to work for disability from within society itself, involving the social, private and institutional sectors in an interdisciplinary way, in all their spheres: educational, health, social, sporting, employment, scientific, legal and entrepreneurial. The Foundation's approach fits in with the Group's intention to contribute to the integration of people with intellectual disabilities in the working sphere with a view to achieving autonomy and social integration. The ONCE Foundation for Cooperation and Social Inclusion of People with Disabilities was established in February 1988 as an instrument of cooperation and solidarity of blind people, later extending its activities to people with all kinds of disabilities. The Esprinet Group joins the ONCE Foundation in contributing to the full social inclusion of people with disabilities and to make the principle of equal opportunities and non-discrimination effective, promoting full employment integration. In 2023, the Esprinet Group created an internship scheme for students with disabilities, selected by the Foundations, who had the opportunity to learn about the company's operations and facilities. The activity provided an insight into the personal and professional skills of the young people and assessed their level of employability for job placement. The experience led to 3 people working permanently in the company, 2 of whom are still currently employed.

ADECCO FOUNDATION

In 2024, a collaboration was started with the ADECCO Foundation within the UNIDOS programme, with the aim of supporting the training of young people with disabilities in vocational training schools in Saragossa. As part of this initiative, a student from the Computer Science and Telecommunications basic training cycle was accepted as a trainee to enable him to complete his academic training.

Emotional orientation and gender identity

Esprinet is actively committed to promoting inclusion and respect in the workplace, recognising that such values are only successful when they involve all diversity. In September 2023, Esprinet Iberica took an important step towards greater inclusivity by joining REDI (Red Empresarial por la Diversidad e Inclusión LGTBI), an ecosystem of more than 240 companies in Spain committed to creating safe and respectful work environments for all people, regardless of sexual orientation, gender identity and gender expression. In January 2024, Esprinet Italia also joined Parks - Liberi e Uguali, a non-profit association that supports companies in understanding and implementing good practices in the LGBTQIA+ sphere to develop business potential through respect for gender orientation and identity.

In 2024, Esprinet planned to deliver thematic webinars in on-line mode, addressing material topics such as LGBTQIA+ in the workplace, gender identity, the intersectional nature of differences, allies and alliances.

Training courses, both on-line and in-person, dedicated to inclusion topics, with a focus on inclusive language, cognitive bias and de-biasing techniques, were implemented in all countries.

Intergenerational inclusion

The Esprinet Group strongly believes in the importance of investing in future generations and is actively involved in initiatives aiming to foster employment and entrepreneurship.

In fact, the Group joins the school-work experience or PCTO (School-Work) programmes in collaboration with some schools in the areas in which it operates, seeking to pursue the following objectives:

- Allowing students and professionals to meet and develop transversal skills for career guidance;
- Creating a link between school and work: these days represent a valuable first connection between Esprinet and young people who will soon enter the world of work.

In 2024, Italy's School-Work programme involved 29 students from four local high schools (Vimercate, Monza and Merate) in a 10-day immersive experience, which took place between January and May 2024. More than 20 company tutors were trained to support the students, who had the opportunity to work in 15 company structures, including Staff, Sales and Product Marketing.

In Spain, the 'Aprendiendo a Emprender con Ibercaja' programme saw the participation of 90 primary school students from the Cristo Re (Christ the King) College in Saragossa, who visited Esprinet Iberica's offices and logistics centre. In addition, career guidance webinars were organised to support upper secondary school students in preparing for the world of work, including topics such as CV writing and interview management.

In 2025, the **Generational Board** was set up in Italy, Spain and Portugal with the aim of promoting dialogue and collaboration between generations. After conducting 89 interviews, 13 members were selected in Italy, 10 in Spain and 4 in Portugal. Starting in 2025, this board will actively contribute to the innovation of HR projects, training and the definition of initiatives, with the aim of improving engagement, retention and synergy between the different generations.

The value of training

Again for 2024, the Esprinet Group supported and provided training activities that promote the professional and personal growth of all employees and that encourage upskilling and reskilling of key knowledge. After the launch, in 2021, of the new Reskill training approach based on a digital environment oriented towards self-development and knowledge sharing, 2024 was a year characterised by the introduction of new content in the Group's training landscape, consistently with the specific needs of the different Business Units and of the different countries (Italy, Spain, Portugal and Morocco), and by the consolidation of already present matters as an integral part of its corporate strategy. The costs incurred for training during the reporting period amounted to 360,172 euros.

FLEX TRAINING WEEK

Another significant initiative is Flex Training Week, a programme of extra-professional courses offered during working hours. The first edition, held in March 2024, saw the delivery of 400 hours of training, with the participation of 370 employees supported by 12 internal and external trainers. Courses on offer included armouring, yoga, photography and healthy eating, alongside ongoing yoga and Zumba sessions. A second edition is already planned for 2025, which will introduce new courses, including Sewing, Country Dancing, Make-up and Nordic Walking.

Skills development

Esprinet builds **development paths aimed** at bringing out and enhancing the potential of its talents, through various strategic initiatives:

Internal mobility

Temporary international job rotation

Graduate programme

Talent acquisition

INTERNAL MOBILITY

Internal mobility is a strategic element to enhance talent, improve employee engagement and optimise resource management. In this direction, Esprinet introduced a new portal dedicated to internal mobility, integrated with the Success Factors platform, both nationally and internationally. This initiative aims to simplify and optimise employee mobility processes within the group, focusing on three key areas: facilitating internal mobility, supporting international transfers and offering an advanced reporting system to monitor staff movements.

TEMPORARY INTERNATIONAL JOB ROTATION

Esprinet's International Job Rotation programme is an opportunity for employees to develop their skills, learn new working methods, and improve their knowledge of foreign languages. The initiative demonstrated strong engagement, with 100% of participants still active in the company, many of whom actively participate in the proposed initiatives. From a development point of view, job rotations favour intra-group synergy, the implementation of shared methods and tools, and the realisation of strategies for European vendors.

The first edition of the programme, which ran in 2023/2024, involved 28 candidates, of which 15 from Italy, 12 from Spain and 1 from Portugal, with 12 international rotations, 7 in Italy and 5 in Spain, of which 1 was permanent. By 2025, 6 new job rotations are planned, 3 in Italy and 3 in Iberia.

GRADUATE PROGRAMME

Esprinet's International Graduate Program is a development path dedicated to high-potential young talents, selected from the external market, with the aim of improving employer branding and training the company's future managers. The programme, which lasts approximately one and a half years, includes on-the-job training, with shadowing in different company areas, focusing on Marketing and Sales. The experience also includes a 6-month international assignment to develop a global vision and strengthen synergies between the different countries of the Group. At the end of the course, participants are placed in company departments according to their personal inclinations and experience. In 2025, Esprinet will launch an Internal Graduate Programme to enhance the young talent already in the company.

TALENT ACQUISITION

In 2024, Esprinet continued to work on Talent Acquisition as a corporate value and driver for the future, with the aim of better managing and optimising the recruitment process and improving the candidate's customer experience. The Group worked with an external partner to create a new Employee Value Proposition, thanks to which the new Enabling your Value, together! pay off was identified, the strengths as an employer and the areas of improvement on which to make greater investments in order to increasingly become an Employer of Choice were identified.

In Italy, 162 searches were managed (142 in 2023), of which 22 completed through internal resources, with job posting or job rotation. This year, new hires were mainly concentrated in the Marketing and Staff areas. Compared to last year, the hiring of people with an average seniority of between two and three years continued, but several specialised figures were also added, in line with the company's strategic projects.

In the Iberica group, on the other hand, 129 selections were handled, up from the previous year (93 in 2023), of which 15 were closed by internal job posting. In general, the profiles included in Spain, Portugal and Morocco were for the most part for marketing and commercial roles (with sales specialists, business developers and brand managers as the job titles more in demand) in some cases specialised figures from the technological segment, with fewer entries in the staff area.

TALENT BLOSSOM: TALENT ENHANCEMENT

In a dynamic and competitive business environment, the ability to attract, enhance and develop talent is a strategic success factor. Talent Blossom was created with the aim of promoting a shared culture of talent management.

The activities are divided into several phases: from the definition of **Talent Personas** to the mapping of key competences and the introduction of innovative **assessment** and **performance management**models based on 360° feedback.

An innovative aspect of the project was the use of an **art residency**, involving a visual artist and a cross-Departmental team in creative brainstorming. The result was a digital output on talent, realised through artificial intelligence. In a parallel fashion, focus groups in Italy and Spain explored the concept of talent and future challenges, contributing to the construction of a common vision and language.

Benchmarking innovative **people management** models guided the creation of career paths and succession plans, with an approach oriented towards both horizontal and vertical growth. The project will culminate in a Go Live event, dedicated to the dissemination of the **Talent Manifesto**, which will mark the beginning of a new culture in talent management and development within the Group.

The Group has also obtained the following certifications in the area of social responsibility:

EDGE Certification -
Workplace Equity, Diversity and Gender Equality

'Great Place to Work'
certification

'Top Employer'
certification

These numerous initiatives testify to the Esprinet Group's commitment to creating an inclusive and stimulating working environment that promotes the personal and professional development of its employees.

METRICS AND TARGETS

Objectives related to managing material negative impacts, enhancing positive impacts and managing material risks and opportunities

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Esprinet is actively dedicated to promoting the well-being, safety and inclusion of its employees, taking concrete measures to ensure a safe, fair and professionally oriented working environment.

Protecting the health and safety of workers

The company places the **health and safety of its workers** at the centre of its priorities. Esprinet aims to maintain an **ISO 45001-certified** management system for the companies Esprinet S.p.A., V-Valley S.r.l., Esprinet Iberica S.L.U., V-Valley Advanced Solutions España S.A,, Zeliatech S.r.l. by committing to prevent accidents with serious consequences in the three-year period 2025-2027.

Protecting diversity, equal opportunities, and promoting inclusion

Esprinet promotes **equal opportunities and enhances the value of female staff**, collaborating with **VALUE D** to support the professional growth of female managers and encourage their presence in roles of greater responsibility.

Inclusiveness is considered a distinctive value of the corporate culture. For this reason, Esprinet launched the **Community Diversity, Equity, Inclusion, and Belonging (DEIB)** project, with the aim of developing concrete initiatives that meet the needs of employees.

Esprinet is committed to fostering a **constant and transparent dialogue** with all employees, through surveys and moments of open discussion, to ensure that their needs are actively listened to and to create a more participative working environment.

The Group aims to maintain **Great Place to Work** and **EDGE** certification in Italy, Spain, Portugal and Morocco in the three-year period 2025-2027.

Esprinet's commitment to an inclusive work environment also extends to disability protection, and for this reason it will continue to integrate people with disabilities into the workforce by involving them in activities functional to the Esprinet Group's business such as delivery (Project FOR-TE), filling out product sheets (Product Data Sheet project) in Italy and the DOWN project in Spain.

Esprinet also encourages **integration between different generations**, and aims to create a plan that facilitates mutual knowledge and exchange of experiences between employees, turning differences into opportunities for professional growth.

The Esprinet Group aims to encourage corporate volunteering among its employees and along the entire value chain. The aim is to renew the Esprinet4Others programme, which allows workers to actively contribute to the local community through volunteer hours in support of non-profit organisations. In the future, the Group would also like to involve some of its business partners in this initiative. The goal is to maintain a higher number of 500 volunteer hours per year, in the three-year period 2025-2027. During the reporting period, 592 hours had already been realised.

In addition, Esprinet is committed to fostering technological literacy and digital security education. To this end, collaboration will continue with the Milan Polytechnic through the Scholarship project, which offers financial support to deserving students in the Electronic Engineering course, and with the TechCamp@PoliMI programme, a university orientation course dedicated to high school students. New partnerships with NGOs are also being explored to support technology literacy projects, thus expanding the social impact of the Group's initiatives.

Incentivising continuous employee training and protecting company meritocracy

Esprinet invests in **continuous employee training**, with programmes aimed at fostering skills development and professional growth within the organisation. Esprinet aims to ensure that **100% of new hires in Italy, Spain and Portugal** participate in a structured **onboarding** programme by 2027.

Another key aspect is the facilitation of **internal and international mobility of employees**. To this end, Esprinet will keep the international job rotation programme active, with the aim of exceeding **five international job rotations in the three-year period 2025-2027**.

Characteristics of the company's employees

ESRS | ESRS S1-6

Employees - Esprinet people

As at 31 December 2024, the Esprinet Group had 1,808 employees, a slight increase over 2023. The female component on the same date was 52.8%. As far as geographical distribution is concerned, Italy and Spain represent the areas with the highest concentration of Group employees.

The gender information on the composition of employees refers to male/female genders. The data presented were processed on the basis of the available master data. To date, however, no communications have been received from employees declaring that they do not identify themselves in these genders or that they have expressed the wish not to communicate the gender in which they identify themselves, regardless of their personal data and biological sex. The figures in the tables below were calculated on the basis of the headcount at the end of the period ('Head Count').

Employees	2024			2023		
	Women	Men	Total	Women	Men	Total
Total employees at period end/by gender	**955**	**853**	**1,808**	**945**	**831**	**1,776**
Total number of employees by gender/geographical area						
Italy	523	518	1,041	512	513	1,025
Spain	391	300	691	389	285	674
Other* (Portugal, Morocco, China, France, Germany)	41	35	76	44	33	77
Total	**955**	**853**	**1,808**	**945**	**831**	**1,776**

** The category 'Other' includes companies in countries with 50 or more employees representing at least 10% of the total number of employees.*

The total number of the Esprinet Group's 1,808 employees as at 31 December 2024 is predominantly employed through permanent contracts (96.3%). It is specified that, during the two-year period 2023-2024, Esprinet did not make use of variable-hour employees (on-call contracts or casual employees).

	2024			2023		
	Women	Men	Total	Women	Men	Total
Total number of employees by gender/contract type						
permanent	921	821	1,742	904	803	1,707
fixed-term	34	32	66	41	28	69
Total	**955**	**853**	**1,808**	**945**	**831**	**1,776**
Total number of permanent employees by gender/ geographical area						
Italy	497	493	990	484	491	975
Spain	387	297	684	379	280	659
Other* (Portugal, Morocco, China, France, Germany)	37	31	68	41	32	73
Total	**921**	**821**	**1,742**	**904**	**803**	**1,707**
Total number of fixed-term employees by gender/ geographical area						
Italy	26	25	51	28	22	50
Spain	4	3	7	10	5	15
Other* (Portugal, Morocco, China, France, Germany)	4	4	8	3	1	4
Total	**34**	**32**	**66**	**41**	**28**	**69**

In 2024, full-time employees account for 93.2%, while 6.8% are part-time contracts.

	2024			2023		
	Women	Men	Total	Women	Men	Total
Total number of employees by employment type/gender						
Full-time	855	830	1,685	843	813	1,656
Part-time	100	23	123	102	18	120
Total	**955**	**853**	**1,808**	**945**	**831**	**1,776**
Total number of full-time employees by gender/ geographical area						
Italy	493	517	1,010	480	511	991
Spain	321	278	599	319	269	588
Other* (Portugal, Morocco, China, France, Germany)	41	35	76	44	33	77
Total	**855**	**830**	**1,685**	**843**	**813**	**1,656**
Total number of part-time employees by gender/ geographical area						
Italy	30	1	31	32	2	34
Spain	70	22	92	70	16	86
Other* (Portugal, Morocco, China, France, Germany)	-	-	-	-	-	-
Total	**100**	**23**	**123**	**102**	**18**	**120**

Recruitment and turnover

In 2024, there was a significant increase in recruitment, with a total of 487 new hires, compared to 217 the previous year. In particular, with a strong focus on the entry of young talent, as evidenced by the considerable increase in recruitment in the age group up to 29. The overall turnover for the year stood at 1.8%, reflecting a growth dynamic in the workforce.

Turnover	2024			2023		
	Women	Men	Total	Women	Men	Total
Recruitment						
Up to 29 years old	70	65	135	38	41	79
30 to 50 years old	130	129	259	53	70	123
Over 50 years old	31	62	93	7	8	15
Total	**231**	**256**	**487**	**98**	**119**	**217**
Terminations						
Up to 29 years old	54	49	103	38	31	69
30 to 50 years old	127	124	251	105	100	205
Over 50 years old	40	61	101	18	30	48
Total	**221**	**234**	**455**	**161**	**161**	**322**
Reason for termination						
Voluntary redundancy	71	87	158	76	75	151
Retirement	1	4	5	-	2	2
Dismissal	19	22	41	46	46	92
Death in service	1	-	1	2	-	2
Other (e.g. end of fixed-term contracts)	129	121	250	37	38	75
Total	**221**	**234**	**455**	**161**	**161**	**322**
Turnover						
Positive turnover - recruitment	24.4%	30.8%	27.4%			
Negative turnover - terminations	23.4%	28.2%	25.6%			
Overall turnover	**1.1%**	**2.6%**	**1.8%**			

Increases and decreases

The following table details the changes in incoming and outgoing personnel by individual company.

	Headcount as at 31/12/2023	Increases	Decreases	Headcount as at 31/12/2024
Esprinet S.p.A. [(1)]	914	78	284	708
V-Valley S.r.l. [(2)]	-	207	14	193
Bludis S.r.l.	43	3	2	44
Celly Pacific Ltd	2	-	2	-
Dacom S.p.A.	31	4	6	29
idMAINT S.r.l.	13	-	-	13
Erredi Deutschland GmbH	1	-	1	-
Erredi France SARL	1	-	1	-
Sifar Group S.r.l.	24	5	3	26
Zeliatech S.r.l. [(3)]	-	33	5	28
Italian Subgroup	**1,029**	**330**	**318**	**1,041**
Esprinet Iberica S.L.U.	439	106	89	456
Esprinet Portugal L.d.A.	55	19	18	56
V-Valley Advanced Solutions España, S.A.	197	27	22	202
V-Valley Advanced Solutions Portugal, Unipessoal, Lda	-	-	-	-
Lidera Network S.L.	38	2	7	33
Optima Locistic S.L.U.	-	-	-	-
GTI Software & Networking SARLAU	18	3	1	20
Iberian Subgroup	**747**	**157**	**137**	**767**
Total Group	**1,776**	**487**	**455**	**1,808**

[(1)] of which 199 decreases related to the contributions on 01/02/2024 and 01/06/2024 of business units to the subsidiaries Zeliatech S.r.l. and V-Valley S.r.l.
[(2)] of which 178 increases related to the transfer on 01/06/2024 of the business unit from the parent company Esprinet S.p.A.
[(3)] of which 21 increases related to the transfer on 01/02/2024 of the business unit from the parent company Esprinet S.p.A.

Characteristics of non-employees in own workforce

ESRS | ESRS S1-7

Other workers

The figure for other workers refers to non-employees, whom the Esprinet Group uses on a continuous basis to perform certain activities. It refers in particular to the workers of the cooperatives 4Logistix S.r.l. and the social cooperatives FOR-TE and Intec, as well as to temporary workers. In detail, the total number of non-employed workers is 216, of whom 137 are representatives of 4Logistix S.r.l. for the performance of tasks related to the handling of goods in the warehouse.

Non-employees	2024			2023		
	Women	Men	Total	Women	Men	Total
Total number of non-employees at the end of the period/ by gender						
Contracted workers	5	13	18	3	11	14
Apprentices	16	20	36	9	16	25
4Logistix S.r.l.	46	91	137	45	86	131
Cooperatives	3	22	25	-	25	25
Total	**70**	**146**	**216**	**57**	**138**	**195**

Collective bargaining coverage and social dialogue

ESRS | ESRS S1-8

Collective bargaining and social dialogue

100% of the Esprinet Group's employees are covered by national collective bargaining agreements applicable according to the sector of activity and place of work.

In the Esprinet Group, **94% of employees are covered by labour representatives**, a figure that shows a strong commitment to the protection of rights and active participation in company policies.

Diversity metrics

ESRS | ESRS S1-9

Diversity in Esprinet

The female gender represents 52.8% of the Esprinet Group's total workforce as at 31 December 2024. Within this figure, the percentage of women classifiable (in Italy and abroad) in a position comparable to that of executives (management) is 27.6% of the total number of executives. Among white-collar and middle management and similar roles, the proportion of women in the total is 53.6%.

Employee diversity	2024			2023		
	Women	Men	Total	Women	Men	Total
Employees by category/gender						
Executives	8	21	29	8	19	27
Executives - Clerks	913	791	1,704	890	771	1,661
Workers	34	41	75	47	41	88
Total	**955**	**853**	**1,808**	**945**	**831**	**1,776**
Employees by category/gender %						
Executives	0.4%	1.2%	1.6%	0.5%	1.1%	1.5%
Executives - Clerks	50.5%	43.7%	94.3%	50.1%	43.4%	93.5%
Workers	1.9%	2.3%	4.1%	2.6%	2.3%	5.0%
Total	**52.8%**	**47.2%**	**100.0%**	**53.2%**	**46.8%**	**100.0%**
Employees by age bracket/gender						
Up to 29 years old	104	99	203	105	104	209
30 to 50 years old	637	496	1,133	660	499	1,159
Over 50 years old	214	258	472	180	228	408
Total	**955**	**853**	**1,808**	**945**	**831**	**1,776**
Up to 29 years old	5.8%	5.5%	11.2%	5.9%	5.9%	11.8%
30 to 50 years old	35.2%	27.4%	62.7%	37.2%	28.1%	65.3%
Over 50 years old	11.8%	14.3%	26.1%	10.1%	12.8%	23.0%
Total	**52.8%**	**47.2%**	**100.0%**	**53.2%**	**46.8%**	**100.0%**

Employees per company

	Executives	Clerks and middle management	Workers	Total	Average (1)
		31/12/2024			
Esprinet S.p.A.	20	688	-	708	712
V-Valley S.r.l.	3	190	-	193	186
Bludis S.r.l.	1	43	-	44	44
Celly Pacific Ltd	-	-	-	-	1
Dacom S.p.A.	2	26	1	29	30
idMAINT S.r.l.	-	13	-	13	13
Erredi Deutschland GmbH	-	-	-	-	1
Erredi France SARL	-	-	-	-	1
Sifar Group S.r.l.	2	16	8	26	25
Zeliatech S.r.l.	1	27	-	28	25
Italian Subgroup	**29**	**1,003**	**9**	**1,041**	**1,038**
Esprinet Iberica S.L.U.	-	390	66	456	448
Esprinet Portugal L.d.A.	-	56	-	56	56
V-Valley Advanced Solutions España, S.A.	-	202	-	202	200
V-Valley Advanced Solutions Portugal, Unipessoal, Lda	-	-	-	-	-
Lidera Network S.L.	-	33	-	33	36
Optima Locistic S.L.U.	-	-	-	-	-
GTI Software & Networking SARLAU	-	20	-	20	19
Iberian Subgroup	**-**	**701**	**66**	**767**	**759**
Esprinet Group	**29**	**1,704**	**75**	**1,808**	**1,797**
		31/12/2023			
Esprinet S.p.A.	23	891	-	914	910
V-Valley S.r.l.	-	-	-	-	-
Bludis S.r.l.	1	42	-	43	41
Celly Pacific Ltd	-	2	-	2	3
Dacom S.p.A.	1	27	3	31	32
idMAINT S.r.l.	-	13	-	13	13
Erredi Deutschland GmbH	-	1	-	1	2
Erredi France SARL	-	1	-	1	1
4 Side S.r.l.	-	-	-	-	-
Sifar Group S.r.l.	2	14	8	24	12
Zeliatech S.r.l.	-	-	-	-	-
Italian Subgroup	**27**	**991**	**11**	**1,029**	**1,014**
Esprinet Iberica S.L.U.	-	363	76	439	492
Esprinet Portugal L.d.A.	-	55	-	55	53
Erredi Iberica S.L.	-	-	-	-	-
V-Valley Advanced Solutions España, S.A.	-	197	-	197	197
V-Valley Advanced Solutions Portugal, Unipessoal, Lda	-	-	-	-	-
Lidera Network S.L.	-	37	1	38	19
Optima Locistic S.L.U.	-	-	-	-	-
GTI Software & Networking SARLAU	-	18	-	18	16
Iberian Subgroup	**-**	**670**	**77**	**747**	**777**
Esprinet Group	**27**	**1,661**	**88**	**1,776**	**1,791**

(1) Equal to the *average between the balance as at 31/12/2024 and the balance as at 31/12/2023 and, in the event of a transfer, represented in the transferee company.*

	31/12/2024												
	Italy								Iberian peninsula (Spain and Portugal)				
	Esprinet S.p.A.	V-Valley S.r.l.	Celly Pacific Limited	Dacom S.p.A.	idMAINT	Bludis S.r.l	Sifar Group S.r.l.	Zeliatech S.r.l	Esprinet Iberica S.L.U.	Esprinet Portugal L.d.A.	V-Valley Advanced Solutions España, S.A.	Group	%
Men	336	90	-	13	13	27	23	16	190	24	121	833	46.1%
Women	372	103	-	16	-	17	3	12	266	32	134	975	53.9%
Total	**708**	**193**	**-**	**29**	**13**	**44**	**26**	**28**	**456**	**56**	**255**	**1,808**	**100%**
University degree	263	79	-	13	4	17	2	18	171	27	141	735	40.7%
Upper Secondary School	409	111	-	14	7	26	24	10	194	25	79	899	49.7%
Upper Secondary School	36	3	-	2	2	1	-	-	91	4	35	174	9.6%
Total	**708**	**193**	**-**	**29**	**13**	**44**	**26**	**28**	**456**	**56**	**255**	**1,808**	**100%**

People with disabilities

ESRS | **ESRS S1-12**

For 2024, in addition to the forms of employment or exemption envisaged by the regulations in force in the various countries in which the Group operates, Esprinet S.p.A. renewed or signed agreements with the Provinces of Milan and Monza and Brianza in Italy for the employment of people with disabilities at some of the Company's offices. In detail, with reference to the FOR-TE project, 19 disabled workers were employed at the Esprivillage in Cesano Boscone and Cinisello Balsamo. In addition, five people with disabilities were included in the project product sheets.

With regard to Spain, the Esprinet Group, in order to fulfil its obligations regarding the reserve quota for staff with disabilities in Spain, requested, obtained and renewed with the Directorate General of the State Public Service a declaration of exceptional nature. This declaration allows the adoption of alternative measures, including the conclusion of service contracts with Special Employment Centres. In this context, agreements were made with two companies: one specialising in industrial cleaning services at the Saragossa warehouse and the other involved in supporting some laboratory services activities. These companies, both public and private, aim to offer paid employment opportunities to people with disabilities, facilitating their integration into the ordinary labour market.

People with disabilities	2024			2023		
	Women	Men	Total	Women	Men	Total
Employees with disabilities	23	20	43	23	20	43
% Employees with disabilities/Total employees	2.4%	2.3%		2.4%	2.4%	

Training and skills development metrics

ESRS | ESRS S1-13

Employee training	2024			2023		
	Women	Men	Total	Women	Men	Total
Average training hours						
Executives	36	27	30	16	11	13
Executives - Clerks	30	23	27	33	24	29
Workers	2	5	4	4	12	8
Total	**29**	**23**	**26**	**31**	**23**	**27**

Training is an essential element in the development of skills and the professional growth of people, contributing to the continuous improvement of company performance. By investing in targeted training courses, it is possible to ensure constant updating, adapting skills to the changing environment and business needs. In 2024, an average of 26 hours of training per employee was delivered.

In 2024, a total of 47,085 hours was delivered, of which 29,288 in the Italy Group and 17,797 in the Spain Group.

Technical training (hard skills) accounted for the largest component, with around **34,000 hours delivered** on tools and skills that are fundamental to business activities, both in sales and back-office. The courses covered both the services offered by Esprinet, such as logistics, financial and digital services and tools such as AS400, in order to understand their processes and dynamics and thus better support the end customer while pursuing the value of customer centricity, and training on essential tools such as Excel, Artificial Intelligence and other operational tools.

Training on **managerial and soft skills** was significantly strengthened, with **2,587 hours of courses** aimed at all company levels. Particular emphasis was placed on the development of **people management and leadership skills**, with pilot programmes launched in 2024 and set to be further consolidated in 2025, in order to respond increasingly effectively to the organisation's managerial needs.

With a view to enhancing the concepts of diversity and inclusion, which are the foundations of Esprinet's culture, in 2024 in both the Italian and Iberian Group, the path dedicated to **Diversity, Equity, Inclusion & Belonging (DEIB)** was further pursued, with **2,382 hours of training** aimed at promoting an inclusive and aware workplace. The topics addressed by these courses include parenting, disability, care giving, maternity and paternity, in order to support employee by providing tools and sharing opportunities with experts and colleagues, regarding life experiences that have repercussions on their work-life balance.

Significant attention was paid to training on **compliance and security** topics, with **4,907 hours dedicated** to courses on **anti-corruption, security, Legislative Decree no. 231 and internal regulations**, in order to ensure constant regulatory updates and promote a corporate culture based on ethics and responsibility.

Finally, there were **1,452 hours of privacy and cybersecurity training** delivered during 2024, thanks to the implementation of the Cyberguru cybersecurity training platform, aimed at raising employee awareness of best practices for data protection and cybersecurity.

Skills development

In 2024, performance evaluation metrics are not available, as the Esprinet Group is currently in the process of transitioning to a new performance review system. This platform will enable the collection of structured data, providing a detailed analysis of the corporate population and identifying areas for improvement through around 25 key indicators. Once operational, the new system will integrate these elements, supporting strategic decisions on promotions, internal mobility and people development.

In 2024, the approach to performance was qualitative in nature, based on meetings with managers to gather feedback and identify areas for action.

Health and safety metrics

ESRS | ESRS S1-14

The health and safety of workers is central to Esprinet. In this context, the Group is committed to ensuring a safe and healthy working environment for all employees, promoting a corporate culture in which prevention and protection are integrated into every operational activity. 88% of the Group's employees are covered by the ISO 45001 health and safety management system.

Accidents

Accidents at work affected a limited number of Esprinet Group employees during the two-year period under review. No fatal or serious accidents occurred in 2024. The accident frequency index, calculated in relation to hours worked during 2024, is up from 2023. It should also be noted that no major accidents were recorded during the reporting period under review.

Accidents at work - Employees	Unit	2024	2023
Accidents at work			
Fatal accidents		-	-
Serious injuries		-	2
Other incidents		19	13
Total accidents recorded		**19**	**15**
of which: Incidents during travel		9	5
Total hours worked	**h**	**2,945,035**	**2,792,419**
Days of absence due to injury	No	331	890
Accident indices			
Accident Frequency Index (No. of accidents/hours worked x 1,000,000)		6.5	5.4
Fatal		-	-
Serious injuries		-	0.7
Other incidents		6.5	4.7
Accident Severity Index (accident absence days/hours worked x 1,000)		0.1	0.3

In 2024, the Esprinet Group recorded no cases of occupational disease among its employees or non-employee workers working at its sites. Consequently, there were no days of absence related to occupational diseases. In addition, there were no cases of occupational diseases among former Group employees.

Work-life balance metrics

ESRS | ESRS S1-15

Family leave

All Esprinet Group employees are entitled to take family leave in accordance with current legislation. The table below shows the data of employees who took family leave. In 2024, 88 employees took such leave, of whom 57 were women and 31 men.

	2024			2023		
Family leave (HC)	**Women**	**Men**	**Total**	**Women**	**Men**	**Total**
Number of employees entitled to family leave/by gender	**955**	**853**	**1,808**	**945**	**831**	**1,776**
Number of employees who took family leave/by gender	**57**	**31**	**88**	**52**	**28**	**80**
Percentage of employees who took family leave out of eligible employees	6.0%	3.6%	4.9%	9.3%	6.3%	7.9%
Percentage of employees who took family leave out of total employees	6.0%	3.6%	4.9%	9.3%	6.3%	7.9%

Remuneration metrics (pay gap and total remuneration)

ESRS | ESRS S1-16

Esprinet implements a fair remuneration policy, aimed at ensuring that all employees, regardless of gender, receive a salary for their work and have access to the same pay. The annual total remuneration rates referring to 2024 and the representation of the gender pay gap over the two-year reporting period are presented below.

Gender pay gap

For the first year, the Esprinet Group reports on the gender pay gap, which shows a 21% difference in average pay between male and female employees. The Esprinet Group is committed to DEIB, with a focus on gender and wage equality, through initiatives aimed at reducing inequalities and promoting a fair and inclusive working environment.

The gender pay gap is determined by comparing the gross average hourly earnings of men and women, expressed as a percentage of men's average earnings, including all employees present at the end of the year. Gross remuneration is calculated by adding up the total remuneration paid in 2024, including basic salary and additional components such as bonuses, benefits, overtime and other ancillary remuneration. The total amount was then divided by the total number of hours worked in order to obtain a fair and representative comparison of wage differences.

Gender pay gap (%)	2024	2023
Gender pay gap	21%	23%

Pay gap by professional category	2024	2023
Executives	32%	31%
Executives-Clerks	17%	20%
Workers	13%	5%

Annual total remuneration ratio

In 2024, the ratio of the annual total remuneration of the highest paid person to the median annual total remuneration of all employees (excluding the aforementioned person) is 17.0. In 2023, this ratio is 23.

Incidents, complaints and serious human rights impacts

ESRS | ESRS S1-17

During the reporting period, no incidents of discrimination, including harassment, occurred within the Esprinet Group, nor were any cases reported through the company channels set up to allow workers to raise concerns. Therefore, no fines, penalties or compensation were paid for damages resulting from human rights incidents or complaints during the reporting period.

3.2 Workers in the value chain

Topic	Sub-topic	Sub-sub-topic	SDGs
S2 Workers in the value chain	Working conditions	Working hours	5 Gender equality; 8 Decent work and economic growth
		Adequate wages	
		Social dialogue	
		Health and safety	
	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	
		Training and skills development	
		Employment and inclusion people with disabilities	
		Diversity	
	Other work-related rights	Forced labour	
		Child labour	
	Civil and political rights of communities	Freedom of association	

STRATEGY

Stakeholder interests and opinions

ESRS | ESRS 2 SBM-2

The Esprinet Group considers its stakeholders as a set of internal and external players, each one bearing distinctive interests and perspectives. Among them, workers in the value chain are of considerable importance, guiding the company's strategy towards an ever closer monitoring of the supply chain and the adoption of more responsible and sustainable practices.

The Group recognises that the active involvement of workers throughout the value chain is essential not only for the effective implementation of its vision, but also for the very survival of the business.

For a more detailed view of employee engagement activities in the value chain implemented by the Group, refer to the section *Stakeholders: interests and expectations*.

Material impacts, risks and opportunities and their interaction with the strategy and business model

ESRS | ESRS 2 SBM-3

Impacts

Working time Adequate wages Social dialogue Freedom of association, including the existence of work councils Training and skills development	Working conditions related to the production chain (in particular for the production of raw materials, critical materials, components/products) may be characterised by potential negative impacts on human rights and other personal rights (working hours - inadequate wages - social dialogue - freedom of association - training and skills development) also taking into account the geographical areas in which they are located.
Health and safety	Working conditions related to the production chain (in particular for the production of raw materials, critical materials, components/products) may be characterised by potential negative impacts on occupational health and safety management and attention to occupational health and safety conditions) also taking into account the geographical areas in which they are located.
Gender equality and equal pay for work of equal value Employment and inclusion of people with disabilities Diversity	The working environment of the production chain (in particular for the production of raw materials, critical materials, components/products) may be characterised by non-inclusive policies and a lack of respect for diversity and equal opportunities, leading to potential discrimination and unfair behaviour towards human resources.
Child labour Forced labour	Working conditions related to the production chain (in particular for the production of raw materials, critical materials, components/products) may be characterised by potential negative impacts on human rights and other personal rights (child labour and forced labour) also taking into account the geographical areas in which they are located.

Risks/opportunities

Health and safety	Risk related to the consequences of possible accidents and/or injuries at work in the Supply Chain (business interruption - litigation - reputation).
Child labour Forced labour	Risk arising from possible incidents of child labour and forced labour among the employees of partner companies (business interruption - litigation - reputation).
Working hours Adequate wages	Risk arising from possible exploitation of workers throughout the work value chain (disruption of operations - litigation - reputation).
Gender equality and equal pay for work of equal value Diversity Employment and inclusion of people with disabilities	Risks due to the occurrence of incidents of discrimination among workers in the value chain, due to inadequate measures and protocols for the protection of diversity and equal opportunities (business interruption - litigation - reputation).

The Group has identified and assessed the material impacts, risks and opportunities arising from its strategy and business model and its relationships with stakeholders in the value chain.

Esprinet is engaged in assessing and monitoring its supply chain, but a detailed mapping of all tiers (direct and indirect suppliers) and players involved in the supply chain, including the geographical area, is not currently available.

The analysis revealed a number of negative impacts along the Esprinet Group's value chain, with particular reference to raw material suppliers and blue collars responsible for product processing steps. These workers are often located in areas with limited monitoring of compliance with human rights and international standards regarding working conditions. In some contexts, there are violations of fundamental labour rights, including the use of child labour and forced labour.

Working conditions in these areas are often not in line with the principles of decent work, with practices including excessive hours, inadequate wages and the absence of protection mechanisms for workers. Weak social protection systems and a lack of effective controls can also result in precarious working conditions with high health and safety risks for employees. Moreover, the right to freedom of association and collective bargaining is denied in some contexts, limiting the ability of workers to organise and negotiate fairer working conditions.

At the same time, the absence of effective policies to promote diversity, equity and inclusion can foster discrimination and marginalisation, negatively affecting the working climate and opportunities for professional growth throughout the entire value chain.

As already reported, there is to date no detailed mapping of all players involved in the Group's value chain. For this reason, it is not possible to perform a localised impact and risk-opportunity analysis and to distinguish workers in the value chain with particular characteristics, operating in specific contexts or performing certain activities, who would be more exposed than others. Nevertheless, in the evaluations carried out and in the prioritisation of impacts and risks, consideration is given to the general origin of the Group's main suppliers, as well as of the workers involved in the extraction and procurement of raw materials and the manufacture of products.

The actual and potential impacts on workers in the value chain are closely linked to the strategy and business model; in fact, both direct and indirect human capital, is recognised as a fundamental element of corporate business. Awareness of these potential negative impacts steers the company's strategy towards the adoption of more sustainable and responsible practices and deeper monitoring of the value chain. Addressing these impacts not only improves working conditions throughout the value chain, but also strengthens the company's reputation by promoting a concrete commitment to respect human rights and the enhancement of human resources.

For more information on the process of identifying material impacts, risks and opportunities, refer to the chapter *Material impacts, risks and opportunities and their interaction with the strategy and business model/paragraph Material topics (IRO)*.

MANAGING IMPACTS - RISKS - OPPORTUNITIES

Worker-related policies in the value chain

ESRS | ESRS S2-1

The Esprinet Group has adopted a **Code of Conduct for responsible supply chain management**, with the aim of ensuring transparent and ethically correct business relations. The Code of Conduct is inspired by recognised international instruments, including the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. Compliance with these principles is an essential condition for establishing business relations with Esprinet.

This policy places particular emphasis on respect for human rights, including the prohibition of child, forced or compulsory labour and the use of illegal labour. Esprinet also promotes active involvement with its suppliers, who are required to comply with the Code as an integral part of their contracts. Violations may lead to termination of the contractual relationship.

The Esprinet Group's suppliers undertake, by signing the Code of Conduct, to respect the fundamental rights of their employees, such as **equal opportunities, respect for personal dignity**, privacy and the rights of each individual, **guarantee of the** mandatory national **minimum wage** in force, respect for the **working hours** established by the applicable regulations, the right **of free association** of employees, **prohibition of child labour**, prohibition of the use of drugs and the consumption of alcohol during work, **prohibition of forced labour**, prohibition of using illegal labour. In addition, suppliers undertake to comply with the legal requirements concerning health and safety in the workplace applied in the territorial contexts in which they operate, to disseminate and consolidate a safety culture, developing risk awareness, promoting responsible behaviour by all collaborators and working to preserve, especially through preventive actions, the health and safety of personnel.

The Group values the adoption by its suppliers of ethical standards of conduct and the attainment of quality management system certifications, social certifications and certifications related to workers' health and safety.

It is worth mentioning that 70% of Esprinet's purchases are concentrated in 10 large international players with specific social and management policies for their workforce and their value chain.

The Group communicates and disseminates the Code of Conduct through its official channels, ensuring transparency and awareness among those involved. Any amendments or updates to the Code are approved by the Boards of Directors and are implemented in accordance with regulatory and organisational developments.

The responsibility for implementing and monitoring the Code lies with the Supervisory Bodies of the Group Companies. The Esprinet Group has established mechanisms for reporting violations and handling remedies for adverse human rights impacts, in accordance with the EU Whistleblowing Directive 2019/1937.

Employee engagement processes in the value chain regarding impacts

ESRS | ESRS S2-2

Building on stable and long-lasting relationships with customers and suppliers, the Esprinet Group has consolidated dialogue on ESG topics in the supply chain. Through internal and external training sessions, in collaboration with key suppliers, it promoted the topic of environmental and social responsibility, in terms of risks but also business opportunities, to seek areas of collaboration on sustainability topics.

Currently, the Esprinet Group has not adopted a structured process for the direct involvement of supply chain workers. An assessment of how to effectively involve them in impacts is underway, including the possibility of including them in target setting and performance monitoring.

Processes to remedy negative impacts and channels for workers in the value chain to raise concerns

ESRS | ESRS S2-3

The approach to handling concerns and complaints within the value chain is based on the principles outlined in the Code of Conduct. These principles allow reports to be addressed and resolved in a timely manner.

Recipients of the Code of Conduct have the obligation to report to the Supervisory Body and the possibility of reporting offences and irregularities learned in the work context in compliance with and implementation of the Whistleblowing Directive (EU 2019/1937). Group companies have implemented the **whistleblowing** channel for this purpose, which is available to all external stakeholders, including employees in the value chain. Violation of the rules contained in the Code of Conduct may lead, in the most serious cases, to termination of the contractual relationship.

The Esprinet Group appreciates and attaches great value to supplier-led initiatives to define behavioural principles and monitor their correct implementation along its supply chain.

In fact, in the event that the supplier has adopted its own Code of Ethics whose provisions are in line with the provisions of this document, its acquisition is envisaged as an alternative to signing the Code of Conduct.

Actions on material impacts on workers in the value chain and approaches for the management of material risks and the achievement of material opportunities for workers in the value chain, as well as the effectiveness of such actions

ESRS | ESRS S2-4

The supplier qualification process

During the qualification phase of its suppliers, with reference to social aspects, the Esprinet Group verifies compliance with regulatory requirements, concerning information on compliance with Italian and European Union laws in relation to the activity carried out, and reputational requirements, in order to ascertain that their ethical and social conduct is compatible with the law and the reference market. During the qualification process, it is therefore necessary for the Department requesting the supplier's qualification to obtain from the supplier, reports/certificates of compliance with what is required.

DIRECT ENGAGEMENT OF SUPPLIERS

The Esprinet Group is engaged in engagement and audit activities with its suppliers. In addition, non-EU suppliers and those involved in the supply of own-brand products are regularly monitored to ensure transparency and compliance with company standards. This qualification system mitigates operational and reputational risks, helping to build a more responsible, reliable and sustainable supply chain in the long run.

METRICS AND TARGETS

Objectives related to managing material negative impacts, enhancing positive impacts and managing material risks and opportunities

ESRS | ESRS S2-5

As mentioned earlier, the Group has initiated a supplier assessment activity, aimed at an in-depth analysis of its supply chain. For suppliers of goods, the Group is conducting an analysis to map the supply chains and social sustainability initiatives implemented by each. In a second step, the Esprinet Group, with the help of an external provider, will assign an ESG risk profile to each supplier. In addition, internal elements, such as the presence of certifications and the possible existence of legal cases in the social and governance spheres, will be taken into account. The objective is to identify and manage potential risks related to human rights, working conditions and compliance with safety standards, taking into account variables such as sector, geographical location and the strategic role of suppliers for the Group.

The analysis will make it possible to strengthen supply chain monitoring and to develop targeted actions to foster sustainability in the supply chain.

3.3 Consumers and end users

Topic	Sub-topic	Sub-sub-topic	SDGs
S4 Consumers and end-users	Information-related impacts for consumers and/or end-users	Privacy	9 Industry, innovation and infrastructure
	Personal safety of consumers and/or end users	Health and safety	
	Social inclusion of consumers and/or end-users	Access to products and services	

STRATEGY

Stakeholder interests and opinions

ESRS | ESRS 2 SBM-2

The Esprinet Group regards **customer guidance** as a core value and aims to build tailor-made pathways according to each individual's needs. By listening carefully to customers and working together, the company strives to achieve concrete and satisfying results.

The Group recognises that the active involvement of its customers is essential not only for the effective implementation of its vision, but also for the very survival of the business.

For a more detailed view of the consumer and end-user engagement activities implemented by the Group, refer to the section *Stakeholders: interests and expectations*.

Material impacts, risks and opportunities and their interaction with the strategy and business model

ESRS | ESRS 2 SBM-3

Impacts

Privacy	Impacts related to the potential loss and breach of sensitive data/privacy and cybersecurity could result from cyber attacks not mitigated by adequate preventive measures.
Access to products and services	Esprinet's business model is focused on the strategy of expanding and facilitating the distribution and use of technology, acting as an enabler of digitisation.
Access to products and services	Among other products, Esprinet also markets electric bicycles and scooters, tools that promote sustainable mobility, as they are an alternative to combustion vehicles (in town centres).

Risks/opportunities

Health and safety	Risks arising from failure to control the quality and safety of products, which could lead to possible damage in terms of consumer health and safety.
Access to products and services	Opportunities related to the diffusion of electronic products on the market.
Access to products and services	Opportunities related to the growing popularity of non-combustion personal mobility products (bicycles, e-bikes, electric scooters).

The Group has analysed the material impacts, risks and opportunities affecting consumers and end-users, as well as their connection to the company's strategy and business model. Among the company's constituent values is 'Customer Orientation - Be Responsive', in which the will to build the perfect path to satisfy all customer needs is made explicit.

The Group's strategy, geared towards facilitating the distribution and use of technology, allows Esprinet to present itself as an **enabler of digitisation**, seeking to generate a positive impact on consumers and end users. The company vision sees technology as enriching everyday life. For this reason, efforts are being made to expand and facilitate its distribution and use, with the aim of making life easier for people and organisations. Particular reference is also made to the distribution of products such as electric scooters, bicycles and e-bikes, with a consequent positive impact in terms of sustainable mobility and dissemination of good practices to protect the environment.

Without appropriate preventive measures, possible cyber attacks could result in the loss and breach of sensitive customer data.

The impacts identified also guide future decisions, helping to improve security measures and strengthen customer confidence in the brand. In the current context, the relationship between the material risks and opportunities arising from consumer-related impacts and dependencies guides the Esprinet Group's decision-making and strategy process.

The Group evidences one significant risk and two opportunities, closely related to the impacts described above and to its core business activity: on the one hand, there is the risk related to the health and safety of the products marketed due to their defects, which could harm the end user, with economic repercussions for the Group in terms of reputation and legal disputes. On the other, it identifies the opportunity linked to the growing spread of electronic products on the market, an opportunity to expand its offer and attract new customers, again with particular reference to products dedicated to personal mobility without combustion, whose spread is favoured by the stringent national and international regulations in this regard.

In describing the main types of consumers and/or end-users who are or could be negatively affected, a significant risk related to the **health and safety of marketed products** has been identified. The risk is spread over all end-users; however, some types may be impacted more by possible defects due to the inherent vulnerability of the users.

No significant risks were identified from impacts and dependencies in relation to specific groups of consumers and/or end-users (e.g. certain age groups). Furthermore, no material impacts resulting from particular consumer and/or end-user characteristics were identified. In particular, there was no evidence of significant impacts on consumers and/or end-users who may be more vulnerable to exploitative sales or marketing practices. Similarly, no material impacts were found in the area of systematic discrimination in access to specific services or in the marketing of certain products.

For more information on the process of identifying material impacts, risks and opportunities, refer to the chapter *Material impacts, risks and opportunities and their interaction with the strategy and business model/paragraph Material topics (IRO)*.

MANAGING IMPACTS - RISKS - OPPORTUNITIES

Consumer and end-user related policies

ESRS | ESRS S4-1

The Esprinet Group is committed to adopting policies aimed at ensuring the compliance of its products and providing its stakeholders with accurate, true and fair information.

Multi-Site Corporate Policy

The Group's **Multi-Site Corporate Policy** is based on an unwavering commitment not only to products and services that meet high standards of **quality and security**, but also to the protection of its customers' sensitive information and data.

ISO 9001 Quality Management System

To guarantee the quality of the products supplied, the company management integrates the management system into the company processes, promoting the process approach and the **PDCA (Plan, Do, Check, Act)** methodology. **Quality objectives** and improvement programmes are established, ensuring that the management system achieves the expected results. Staff are made aware of the importance of complying with customer and applicable regulatory requirements, operating effectively and efficiently. In addition, periodic reviews of the management system are carried out at which any corrective or improvement actions are defined.

The quality management system makes explicit policies, objectives, activities, roles and responsibilities on the subject. This ensures the principle of continuous improvement aimed at consolidating quality at all levels. The ISO 9001 management system is adopted for the companies Esprinet S.p.A., V-Valley S.r.l., Esprinet Iberica S.L.U., V-Valley Advanced Solutions España S.A and Zeliatech Srl.

Information & Cybersecurity Policy

The Group has adopted an **Information & Cybersecurity Policy** with the aim of protecting sensitive customer data from any cyber threats and breaches of privacy. The company is committed to ensuring that all information collected is treated in accordance with current **data protection** regulations, such as the GDPR, and to adopting best practices to protect IT systems from external attacks. In the event of security breaches, the Group has implemented procedures for handling incidents in a timely manner, limiting damage and communicating transparently with the affected customers and, where appropriate, with the relevant authorities.

The Esprinet Group's Information & Cybersecurity Policy applies to all Group companies and covers the resources involved in the management of corporate information. Responsibility for the implementation of the policy lies with top management, supported by the CIO, the Risk Manager and the Head of Internal Audit. The policy is based on international standards such as ISO/IEC 27001, the NIST Cybersecurity Framework and the GDPR Regulation (EU 2016/679). In defining it, the Group considered the interests of employees, customers, suppliers and partners, taking a risk-based approach to ensuring data protection. The document is made available to authorised personnel through the corporate information system and is communicated to stakeholders, including suppliers and partners, with periodic training programmes to ensure its correct application.

Consumer and end-user involvement processes regarding impacts

ESRS | ESRS S4-2

2024 Customer Satisfaction Project

The Esprinet Group seeks to be the point of reference among the communities of manufacturers, resellers and users, in the conviction that technology should be a common good and contributing every day to make it more and more available. It plays the role of enabler of the technology ecosystem with a deep vocation for environmental and social sustainability. In order to foster tech-democracy and accompany people and companies along their digitisation journey, Esprinet brings a comprehensive offer of consultancy, IT security, services and products for sale or rent through an extensive network of professional resellers. The Esprinet Group is more than a distributor of products: it is a service hub that enables the use of technology.

Aiming to empower and simplify the lives of people and businesses, it offers traditional wholesale services (bulk breaking and credit) and multiple value-added solutions including a turnkey e-commerce platform, in-shop management of retail outlets and specialised payment and financing solutions for retailers.

In 2024, the Esprinet Group consolidated its goal of making customer satisfaction the main focus of its strategy, as a fundamental component of corporate culture.

'Customer Satisfaction' is the degree of satisfaction perceived by customers with respect to products, services and interactions with the company and is a crucial indicator for measuring the ability to meet customer expectations.

This indicator is of crucial importance to the Esprinet Group for these reasons:

- **Loyalty:** satisfied customers are more likely to return and recommend products/services;
- **Long-term value:** a better customer experience translates into increased corporate reputation and profitability;
- **Customer-driven innovation:** customer feedback inspires to develop more innovative and competitive solutions.

Therefore, also for 2024, in order to measure the level of 'Customer Satisfaction', the Esprinet Group carried out the customer listening survey. This initiative is part of the activities belonging to the TIB project - TOGETHER IS BETTER: together we improve! - which is the umbrella concept for all actions taken in pursuit of customer satisfaction.

The annual survey assessed the Esprinet Group's performance in various areas and collected the needs and opinions of 2,724 customer contacts, which resulted in a Customer Satisfaction indicator of 72.1%.

The annual customer survey on the Group's performance for 2024 was held from 7 January to 7 February 2025.

Esprinet's listening to its customers is continuous through the 'Customer Listening' channel, which allows customers to give their opinion or make reports on topics of any nature. Reports are sent to top management and a contact person for each structure, as well as being archived in CRM, so that there is a solid database of reports.

All reports are analysed and the person in charge provides a response, committing to feedback within a few hours, so as to demonstrate commitment to listening and finding solutions. This channel has received numerous reports over the last few years both expressing satisfaction with the work and suggesting improvements.

Active listening
Dedicated channels to collect customer feedback in an ongoing and structured manner

Analysis and action
Every piece of data collected is analysed and transformed into initiatives aimed at improving

Involvement and action
All areas of the company work together to put the customer at the centre of their activities

Processes to remedy negative impacts and channels for consumers and end-users to express concerns

ESRS | ESRS S4-3

Management of non-conformity reports

The attention to the customer and the willingness to receive any type of report concerning the service is the result of a policy aimed at considering the relationship with the customer as a fundamental tool for improving the management system.

The Esprinet Group has implemented a structured system for handling reports and improvement requests from consumers and end users, ensuring an effective process for identifying and resolving non-conformities. The perspectives of consumers and end-users are collected through an electronic complaint management system called e-ticket, available on the websites of the various Group companies in the customer areas. This tool allows users to report complaints, enquiries and inaccuracies on product sheets.

The system ensures continuous management of requests, tracking every stage of their processing until resolution. The process is supervised by Internal Audit, which monitors all the files registered in the Team Mate+ tool. This tool ensures the traceability of all reports, including the origin, priority, responsibilities and status of corrective actions.

The procedure 'Keeping track of non-conformities, requests for improvement, corrective actions' does not contain specific initiatives aimed at analysing the perspectives of vulnerable or marginalised consumers, but rather provides for a general process of handling reports and requests for improvement, aimed at identifying critical issues and implementing corrective actions.

Data breach management

The Esprinet Group has implemented a structured data breach management process, ensuring a timely and effective approach to risk management and communication to data subjects. In the event of a data breach, the data breach management committee, composed of the Data Protection Officer (DPO), the Risk Manager and the IT Manager, assesses the incident and determines the measures to be taken, including possible communication to end users if the risk to their rights and freedoms is significant.

Engagement with stakeholders takes place at the stage of analysing the impact of the breach, with direct communication or mitigation measures aimed at reducing potential harm. The procedure also provides for a periodic evaluation of recorded cases, conducted by the DPO with the support of Internal Audit, to improve the effectiveness of the process and adopt more advanced prevention strategies. The risk analysis also takes into account the specific vulnerability of certain categories of users, ensuring a proactive approach to protecting their data.

The system adopted makes it possible to trace each stage of the process and to guarantee regulatory compliance, ensuring that any critical issues are handled with the utmost transparency and in accordance with the company's best practices. The process is already fully operational and subject to continuous monitoring to ensure constant improvement of security measures and personal data protection.

Actions on material impacts on consumers and end-users and approaches to manage material risks and achieve material opportunities in relation to consumers and end-users, and the effectiveness of these actions

ESRS | ESRS S4-4

Access to products and services

The transfer of the product to the customer takes place in accordance with the methods and procedures set out in the contract or indicated in the purchase order, using couriers that guarantee the traceability of the delivery. Electronic documents transferred to customers via transmission networks are handled in such a way as to ensure their protection in terms of security and confidentiality. This process ensures traceability of product release information. The activities are carried out under the supervision of the outgoing logistics office, according to documented practices and procedures, available in logistics and in the company's documentation. Operations in Italy are managed through third-party cargo handling companies.

Actions implemented on non-conformity reports

Esprinet has always set as its main objectives **respect for the safety and quality of its products**, with maximum protection and guarantee for the user. In fact, all **own-brand** products are tested and approved in accordance with European regulations for the safety and health of users.

In 2024, Esprinet decided to carry out a voluntary recall of a Celly-branded headset hat. Although there was no evidence that the presence of certain substances in the product would affect the health or safety of consumers, as a precautionary measure, every measure was taken to prevent any possible risk.

With regard to non-conformities of products exclusively marketed by Esprinet Group companies, the **Customer Relationship Management (CRM)** system does not provide for direct management of non-conformity reports from end consumers. When there are problems, CRM **identifies the customers involved** and passes on the relevant information to them, leaving them responsible for notifying the end users of any anomalies. The traceability of interventions therefore depends on the management systems adopted by customers and the presence of serial codes on products. For these types of products, it is the vendor that is responsible for communicating any conformity defects or recall initiatives.

Actions implemented for own-brand product compliance

Esprinet has implemented a structured procedure to ensure the compliance of own-brand products, with a focus on quality, safety and compliance with applicable regulations. The process covers the entire life cycle of the product, from the development phase to its validation and commercialisation, ensuring constant monitoring of material impacts on consumers and end users.

Esprinet has defined actions to prevent, mitigate and remedy negative impacts on consumers and end-users through a rigorous system of technical and regulatory audits, including design validation, quality control and CE certification, which is mandatory for certain product categories.

In the event of major non-conformities in products placed on the market, immediate corrective actions are planned, which may include product modifications, supply blocking or withdrawal from the market, with a structured process of root cause analysis and prevention of future errors.

In order to ensure that its business practices do not cause or contribute to negative impacts on consumers, Esprinet adopts an approach based on documentary checks and hands-on testing of products, which are recorded in special data sheets and compliance checks.

The effectiveness of the actions taken is monitored and evaluated periodically, with product reviews and market analyses to verify compliance with safety and quality standards. Reports of non-compliance are handled through internal information flows and can be reported to the Supervisory Body.

The corporate departments involved in managing impacts on consumers and end users include Quality Control, Product Management, the Marketing Department and the Group Internal Audit Manager, each with specific responsibilities for ensuring product quality and compliance.

To ensure respect for consumer rights and transparency in processes, Esprinet complies with international regulations and standards, such as EU Regulation 2021/821, ISO 9001 certification and the Consumer Code.

Actions implemented for data breach cases

During 2024, in Esprinet Italia, following the personal data breach notification of 14.12.23, the Italian Data Protection Authority examined the facts and found no breaches of the obligations laid down in Articles 33 and 34 of Regulation (EU) 2016/679. Accordingly, by executive determination of 14.10.24, the case was dismissed pursuant to Articles 19, paragraph 5 and 11, paragraph 1, letter b) of the Authority Regulation No. 1/2019.

Esprinet Iberica reported a Data Breach case notified to the Spanish Data

Protection Authority. The violation occurred after an excel file containing personal customer data was sent by e-mail to an uncontrolled internal recipient list. The event was analysed and requested to be communicated to the Spanish Authority due to the fact that it entailed certain risks for those concerned. The Spanish Authority examined the facts and found no violations of the obligations set out in Articles 33 and 34 of Regulation (EU) 2016/679. Consequently, the case was dismissed.

Esprinet enabler of the energy transition and sustainable mobility

Esprinet sees itself as a true enabler of what is known as the Double Transition, a transformation that combines environmental sustainability goals with digital innovation. This vision translates into initiatives aimed at encouraging the adoption of technologies that reduce environmental impact, improve energy efficiency and foster greater social inclusiveness. Zeliatech, established in February 2024, is a European distributor of green technology that promotes environmental sustainability and the ecological and digital transition through specialised products, solutions and expertise. The company leads the energy and technology transition towards a more sustainable future, focusing on an innovative distribution model that creates synergies for responsible and efficient resource management. From customised photovoltaic solutions to cutting-edge e-mobility projects, the company is at the forefront of innovation in the field of green energy. While operating as a distributor, in line with other Group companies, Zeliatech integrates an environmental objective into its core business.

Ambassador Committee

The activities conducted to improve customer satisfaction and the customer experience include the Esprinet Group's Ambassador Committee, with the aim of transforming customer feedback into concrete actions to improve the overall customer experience, involving all the various corporate structures.

To achieve this, each country has such a committee, composed of the heads of the main corporate structures, which meets monthly to analyse the needs that have arisen and to define intervention strategies.

During these meetings, the committee reviews the feedback collected through surveys and the Customer Listening channel in order to understand customer needs and identify areas for improvement so as to implement targeted initiatives.

At a corporate level, a central committee coordinates and harmonises topics and priorities identified at local level, ensuring a unified strategic vision and effective management of initiatives on a global scale.

For the construction of the new B2B site, the Esprinet Group adopted a structured approach based on the pillars of listening and analysis. The numerous reports and comments received over the last few years through direct customer listening, the customer listening channel and indirect listening to internal users have made it possible to intercept needs, expectations and areas for improvement on which to work.

From the integration of these listening dimensions (direct and indirect) were extracted the user requirements, which represent the core of the design and will be the basis for the development of the new site in 2025.

METRICS AND TARGETS

Objectives related to managing material negative impacts, enhancing positive impacts and managing material risks and opportunities

ESRS | ESRS S4-5

The main objective is to **strengthen the offer of products on the market that promote energy transition and sustainable mobility**. To achieve this, it is crucial to develop innovative solutions in the field of sustainable micro-mobility. Another key action in this direction is the growth of the business of Zeliatech, Europe's first tech green distributor. Its mission is to support and expand the **double transition** (digital and green) market, in which technology plays a central role as an enabler of both changes. Through innovation and strategic expansion, Zeliatech aims to become a benchmark for the provision of sustainable technology solutions.

4 GOVERNANCE INFORMATION

4.1 Business conduct

Topic	Sub-topic	Sub-sub-topic	SDGs
G1 Corporate conduct	Corporate culture		16 Peace, justice and strong institutions
	Protection of whistleblowers		
	Management of relations with suppliers, including payment practices		
	Active and passive corruption	Incidents	

GOVERNANCE

The role of the administrative, management and supervisory bodies

ESRS G1 | GOV-1

Refer to Chapter 1.2 *Governance/section Administrative, Management and Control Bodies*, where the role of the administrative, management and control bodies and their competences are listed.

MANAGING IMPACTS - RISKS - OPPORTUNITIES

Description of processes to identify and assess material impacts, risks and opportunities

ESRS | ESRS 2 IRO-1

Impacts

Corporate culture	Esprinet aims to protect and promote the value of its human resources by consolidating its corporate culture, ensuring dignity, equal opportunities, security and professional growth for its employees.
Management of relations with suppliers, including payment practices	Fair and timely payment practices and supplier engagement/monitoring activities can foster economic development (in general, but also with regard to the local economy) and sustainable business models.
	The Group's commitment to take measures to ensure transparent relations with its suppliers generates a positive impact in terms of expanding the culture of environmental and social responsibility throughout the supply chain.

Risks/opportunities

Protection of whistleblowers	Risk due to lack of protection of persons using the whistleblowing channel to make reports
Management of relations with suppliers, including payment practices	Failure to meet suppliers' payment terms could lead to the severance of relations with suppliers and the consequent disruption of the value chain.
Active and passive corruption	Risk resulting from possible bribery and/or corruption, contrary to national and European legislation.

The double materiality analysis concerning ESRS G1 Business Conduct led to the identification of material impacts and risks for the Esprinet Group.

The Esprinet Group has identified a positive impact from strengthening its corporate culture. The objectives in this area are to protect and enhance human resources, with the aim of guaranteeing dignity, equal opportunities, security and professional development for its employees.

With regard to relations with suppliers, the Esprinet Group is committed to fair and timely payment practices, guaranteeing the continuity of their business and contributing to the overall stability of the supply chain. In addition, strengthening relationships with local suppliers contributes to strengthening the local economy, fostering job creation and improving the well-being of communities.

In the absence of adequate whistleblower protection measures, reputational risks could arise with potential negative consequences for the Group's economic stability.

Another risk is the failure to meet agreed payment deadlines with suppliers. Such non-compliance could jeopardise business relationships, leading to the termination of supplies and disruption of the value chain, with negative impacts on operational efficiency and business continuity.

Finally, the risk of active and passive corruption can lead to financial penalties, operational restrictions, loss of business opportunities and reputational damage, with direct impacts on the Group's economic stability. Non-compliance with national and European regulations can also undermine the trust of customers and investors, affecting the competitiveness and sustainability of the business.

For more information on the process of identifying material impacts, risks and opportunities, refer to the chapter *Material impacts, risks and opportunities and their interaction with the strategy and business model/paragraph Material topics (IRO)*.

Policies on corporate culture and conduct

ESRS **ESRS G1-1**

The policies on corporate culture and conduct focus on fundamental principles that guide every aspect of the Esprinet Group's activities, promoting ethical and responsible behaviour.

Corporate culture

The Esprinet Group develops and promotes its corporate culture through a clear definition of its vision, mission and core values. Esprinet is committed to simplifying the lives of people and organisations by facilitating distribution and access to technology. The Group's mission is to create value for stakeholders, shareholders and employees, through an innovative distribution model and shared strategic growth.

The company values, which include customer orientation, creativity, responsibility, courage, excellence, listening, collaboration and reliability, underpin stakeholder relations and internal management. These principles guide interactions with customers, suppliers and employees, ensuring an ethical, transparent and inclusive environment.

The Group also promotes its corporate culture through Corporate Governance, which governs the management and direction of the company with the aim of ensuring credibility in the markets and social responsibility towards stakeholders.

Organisational, Management and Control Model

The **Organisation, Management and Control Model** (231 Model) pursuant to Legislative Decree no. 231/2001, adopted to prevent the perpetration of corporate offences, is a crucial pillar of this culture, establishing rules and procedures to prevent unlawful behaviour within the organisation, and ensuring that all operations are conducted in compliance with applicable laws. An integral part of 231 Model is the **Code of Ethics** that guides the behaviour of all recipients, clearly defining the Group's values and principles. The Model is established by top management and appropriate to the context of the organisation and its strategic objectives. This Model is inspired by the Confindustria Guidelines and complies with the standards of the Corporate Governance Code for Listed Companies.

The Organisation, Management and Control Model is disseminated internally and includes training sessions for employees and other recipients.

Anti-Corruption Policy

The Esprinet Group's **Anti-Corruption Policy** defines principles and measures to prevent and fight corruption, ensuring integrity and transparency in business activities. The Policy, adopted by all companies of the Esprinet Group, extends to employees, collaborators, directors, members of the Board of Statutory Auditors, proxies and any person performing activities on behalf of the company. The ultimate responsibility for the implementation of the Anti-Corruption Policy lies with Top Management, supported by the Risk Manager, the Control and Risks Committee and Internal Audit. The Anti-Corruption Policy makes reference to national and international anti-corruption regulations, including the Legislative Decree 231/2001 for Italy, the Spanish Criminal Code (Organic Law 10/1995) for Spain, the Portuguese Criminal Code (Decree-Law no. 48/95) for Portugal and the Moroccan Criminal Code (Dahir 1-59-413 of 26 November 1962) for Morocco. The Policy is available in a controlled electronic format on the company information system and accessible to all authorised personnel. Employees and other recipients are required to read, understand and apply it. In addition, the policy is subject to periodic review according to regulatory changes.

Whistleblowing

The Esprinet Group has implemented a **whistleblowing system** in compliance with current legislation, aimed at identifying, reporting and investigating unlawful conduct or conduct in conflict with the Code of Ethics and the Organisational Model pursuant to Legislative Decree no. 231/01.

Reports can be submitted through a dedicated digital platform or via a telephone number, ensuring the highest level of confidentiality for the reporter. The system ensures that reports are analysed by a managing body composed of the Chairman/Single Member of the Supervisory Body and the Head of Internal Audit (RIA), who act independently and impartially. Esprinet adopts strict protection measures for whistleblowers, in compliance with Legislative Decree no. 24/2023, ensuring the absence of retaliation and discrimination against whistleblowers. In addition, in case of need, there is also the possibility of making reports to external channels, such as the ANAC, in compliance with the regulations in force.

The company undertakes to promptly investigate each report, conducting the necessary checks and taking any necessary disciplinary or corrective action, with a system to monitor the effectiveness of the reports received and the measures taken.

This policy applies to all Group companies and is designed to prevent fraudulent and unlawful conduct, as well as to regulate the handling of reports. The Chief Risk Officer (CRO) is responsible for defining the policy guidelines, in accordance with Legislative Decree No. 231/01, the GDPR (Regulation (EU) 2016/679) and Legislative Decree No. 24/2023 on whistleblowing. The document is made available in controlled electronic form to all authorised personnel and posted on the company notice board.

UN Global Compact

Esprinet has joined the **UN Global Compact**, pledging to respect the ten fundamental principles concerning human rights, working conditions, environmental protection and the fight against corruption. This reflects a firm commitment to a responsible and sustainable approach to conducting business, integrating these principles into company policies and daily practices. By adhering to the UN Global Compact, Esprinet aims to operate with transparency, promote respect for fundamental rights and contribute to the improvement of the communities in which it is present, aiming to minimise environmental impact and promote ethical practices in all its operations.

Code of Conduct

The Esprinet Group is committed to establishing business relations with suppliers and partners based on transparency, fairness and ethics, promoting quality, safety, respect for the environment and regulatory compliance, with the aim of consolidating value for stakeholders. Therefore, the Group has defined a **Code of Conduct** to guide relations along its supply chain. The Recipients, in the performance of the activities that substantiate the relationship with the Group Companies, must therefore abide by the provisions of the Code and be guarantors also for the conduct of the subcontractors activated in the performance of the service carried out in the name of or on behalf of the Group Companies. Suppliers' compliance with the principles contained in the Code is an essential requirement for establishing a business relationship with the Group Companies and, at the same time, non-compliance, even partial, with the principles set out may result in the termination of the existing relationship.

Management of relations with suppliers

ESRS | ESRS G1-2

Management of payment practices

The Esprinet Group has not adopted a specific policy to prevent late payments, particularly to SMEs, but has drawn up a specific procedure to define the decision-making processes, responsibilities, operating methods and controls to be implemented in carrying out registration, settlement and payment activities for its suppliers.

Financial planning for the payment of suppliers involves several corporate departments, with bi-weekly meetings between accounting, treasury and supplier managers to define the necessary budgets and ensure the correct allocation of resources. Payments are scheduled according to schedules by supplier type and geographic area, taking into account bank credit times. The process includes cross-checks between the management system, the list of payments to be made according to due dates, supplier statements and an internal report shared daily with the treasury department.

Once validated, payments are executed via remote banking, respecting the agreed value date, with exceptions due to holidays or specific agreements. In order to reduce the risk of defaults, automated payments are closely monitored and only stopped in extraordinary situations, such as repeated behaviour by the supplier not in line with established agreements. In addition, Esprinet is implementing a certification process that requires suppliers to send certified account statements in order to ensure greater transparency and alignment between company accounting records and supplier information.

This payment management strategy optimises cash flow, ensures that deadlines are met and reduces the risk of errors or misalignments in payment processes.

Supply chain management

The Esprinet Group intends to establish business relations with its suppliers and business partners that are characterised by transparency, fairness and ethical negotiations. The development of transparent and long-lasting relations with suppliers, attention to quality, safety and respect for the environment, and compliance with current regulations represent objectives to be pursued with a view to consolidating the value generated and distributed to stakeholders. Therefore, in compliance with Legislative Decree 231/01 and consistent with its Code of Ethics, Esprinet has defined a **Supplier Code of Conduct** aimed at guiding relations throughout the value chain. The aim is to cooperate sustainably with its suppliers and to manage the supply chain responsibly to ensure that the company and its customers are consistently supplied with products that provide satisfactory value for money.

In this context, the Group initiated a supplier assessment activity aimed at an in-depth analysis of the composition of its supply chain. The initiative aims to identify potential risk factors related to variables such as industry, geography and the strategic importance of suppliers to the Group. The analysis will strengthen supply chain monitoring and develop targeted actions to foster the resilience and sustainability of the entire supply ecosystem.

Esprinet's supplier base was divided into two macro categories: suppliers of goods and suppliers of services. For **goods suppliers**, the Group selected the ten most relevant vendors based on turnover, which account for more than two thirds of the total expenditure on goods. For these vendors, the Esprinet Group is finalising a sustainability assessment, aimed at mapping the sustainability performance of each.

With regard to **service providers**, suppliers with an expenditure of more than 5,000 euros were considered, excluding public administrations. The suppliers were divided into the following categories: Transport and Logistics Services (28% of expenditure), Banking and Financial Services (20%), Other Services (16%), Technology and Telecommunications (10%), Real Estate and Construction (10%), Trade and Sales (8%), Consultancy Services (5%), Manufacturing (2%) and Energy and Environmental Services (1%).

The Esprinet Group mapped the ESG risk profile for each supplier, based on an assessment of country risk and industry risk. On the basis of this first phase of supplier profiling and classification, the Group will be able to define the most appropriate procedures for the subsequent evaluation and management of service providers, also making use of monitoring tools, such as, for instance, self-assessment questionnaires.

The aim of this process is to ensure transparency, responsibility and traceability throughout the supply chain, reducing the risk of non-compliant behaviour and aiming to strengthen the integrity and sustainability of relationships with business partners. It is specified that, when assessing its suppliers, the Group does not carry out specific audits on environmental and social topics; however, during the selection phase, all new suppliers are asked whether they have environmental management systems compliant with ISO 14001.

Prevention and detection of active and passive corruption

ESRS | ESRS G1-3

The Esprinet Group communicates its commitment to the prevention, detection and management of episodes of active and passive corruption through a structured system of policies, controls and training (see in this regard what is reported in the previous paragraph **Policies on corporate culture and conduct**). This system is designed to ensure compliance with current legislation and promote a corporate culture based on integrity and transparency.

Prevention tools and policies

In the context of compliance with these principles, persons performing activities for or on behalf of Group companies undertake not to admit or engage in any form of corruption, including payments or other forms of benefits conferred in a personal capacity to directors or employees or referents of customers/suppliers or to managers, officials or employees of the Public Administration or their relatives, aimed at improperly influencing company decisions or aimed at acquiring favourable treatment in the conduct of any activity connected to the Group and/or any of its associated/controlled companies or in any case referable to it.

In order to be able to guarantee the above, all Group companies have adopted an Anti-corruption Policy as well as an Organisational, Management and Control Model in accordance with Legislative Decree no. 231/01 and a Criminal Risk Control, Management and Organisation Model - Crime Prevention Manual.

As far as the supply chain is concerned, the Code of Conduct, signed by suppliers, stipulates an absolute ban on any bribery, including bribery of private individuals. The recipients undertake not to allow or engage in any form of corruption, avoiding payments or the granting of personal benefits to directors, employees or representatives of Group companies with the intention of improperly influencing company decisions.

The Esprinet Group has also adopted a Policy for the prevention of fraud and violations of the Code of Ethics and for the management of 'whistleblowing' reports, with the aim of summarising the principles established to effectively prevent and counter fraudulent and unlawful conduct.

The management and verification of the justification of the circumstances represented in the report are entrusted to the Internal Audit Manager and to the Chairman/ Sole Member of the Supervisory Body, who do so in compliance with the principles of impartiality and confidentiality, carrying out any activity deemed appropriate.

These persons report periodically to the Board of Directors (BoD) and to the Control and Risks Committee (CRC) on the cases established and the measures taken.

MAIN RISKS GENERATED OR INCURRED

In the area of anti-corruption, the risk assessment is set out in the Organisation, Management and Control Model in accordance with Legislative Decree no. 231/01, in the Criminal Risk Control, Management and Organisation Model and in the Crime Prevention Manual. The main risks considered here are:

- corruption between private individuals;
- bribery towards the Public Administration, in view of the participation of Group companies in public tenders (even if indirectly through Temporary Company Groupings or in outsourcing).

It should be noted that the outputs of the above-mentioned assessment do not reveal the presence of significant risks for the Group, as the assessment parameters do not reach high criticality levels in any case.

RISK MANAGEMENT

Risk management takes place through monitoring by the Supervisory Bodies of the individual companies and through the acceptance of the Code of Ethics by employees at the hiring stage and the Code of Conduct for suppliers at the contracting stage, as well as through the supplier qualification procedure mentioned above. Company employees are also trained on the contents of Legislative Decree 231/01 or corresponding national regulations. Finally, as far as participation in public tenders is concerned, Esprinet S.p.A. applies the special 'Procedure for the acquisition/management of tenders'.

Esprinet ensures that the investigation committee is completely independent of the management chain responsible for the prevention and detection of active and passive corruption. Designated investigators work in a separate unit and report directly to the board of directors or an external control body, thus ensuring the objectivity of investigations and the absence of conflicts of interest. This separation allows for an impartial examination of the matters under investigation, enhancing the credibility and effectiveness of the investigative process.

Active and passive anti-corruption training

Esprinet ensures effective dissemination of its compliance policies, making them accessible and understandable to all stakeholders.

The members of the Boards of Directors of the various Group companies are aware of the anti-corruption policies and procedures as they are responsible for the approval of the respective organisation, management and control models in accordance with Legislative Decree no. 231/01 or equivalent documents. Suppliers, in the qualification phase, if they do not demonstrate that they adopt a document comparable in values to the one adopted by the Esprinet Group, are obliged to read and accept the rules and principles contained in the Code of Conduct. Furthermore, the Code of Ethics, together with the respective Organisational, Management and Control Model in accordance with Legislative Decree no. 231/01, the Criminal Risk Control, Management and Organisation Model and the Crime Prevention Manual, was shared with all employees of the company for which it was issued, as in the case of: Esprinet S.p.A., Esprinet Iberica S.L.U., V-Valley Advanced Solutions España, S.A., Esprinet Portugal Lda, Dacom S.p.A., V-Valley Srl and Zeliatech S.r.l. Communication took place via a special section of the company intranet and/or e-mail. All new recruits are asked to take note of the documentation within specific 'welcome communities' on the intranet, including the above-mentioned communication.

In particular, a structured anti-corruption training programme was implemented as part of the 231 Organisational Model and the Anti-corruption and Compliance System, with the aim of ensuring full coverage of corporate departments at risk. Training is compulsory for all newcomers to the company and on the occasion of any updates to the model. During the reporting period, **1,903 hours of** remote **training** were delivered to **1,597 recipients** (including employees and other workers), ensuring the highest level of dissemination and awareness of active and passive corruption topics. The percentage of functions-at-risk covered by the training programmes is 100%.

METRICS AND TARGETS

Cases of active or passive corruption

ESRS | ESRS G1-4

During the reporting period, as in previous periods, there were no incidents of corruption or bribery involving Esprinet Group directors or employees. In particular, there were no convictions or penalties for violations of anti-corruption and anti-money laundering regulations. Furthermore, there were no confirmed incidents of corruption, nor were there any disciplinary measures or dismissals related to these topics. Similarly, there are no reported cases where contracts with business partners have been terminated or not renewed for such violations. Finally, there are no public legal proceedings pending or concluded against the Esprinet Group or its employees for corruption-related matters. These results confirm the effectiveness of the prevention measures taken by the company and its ongoing commitment to promoting a culture of integrity, transparency and regulatory compliance.

Payment practices

ESRS | ESRS G1-6

The payment terms are defined by the Esprinet Group so as to ensure maximum flexibility and adaptability to specific market conditions. They vary according to the different Group companies, the markets and countries in which the company operates, and the characteristics of individual suppliers. In addition, terms can be negotiated as part of contractual agreements in order to respond effectively to operational needs and industry dynamics.

The standard payment terms applied by the Group during 2024 were 57 days. 60% of payments are made within these deadlines.

The methodology adopted for the analysis of payment terms is based on a selected sample of suppliers of goods and services with an annual purchase volume of more than 1 million euros. Intra-group suppliers, credit notes and employee expense reports were excluded from the analysis in order to ensure a focus on the most relevant business transactions. Average invoice payment time was 62 days. The average number of days between due date and actual payment is calculated as the difference between the due dates and the payment dates of all invoices paid in the year.

The Esprinet Group has no ongoing legal proceedings for late payments.

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ESRS E1-2	Policies related to climate change mitigation and adaptation	2 Environmental disclosure / 2.1 Climate change / Managing impacts - risks - opportunities / Climate change mitigation and adaptation policies
ESRS 2 MDR-P	Policies adopted to manage material sustainability matters	2 Environmental disclosure / 2.1 Climate change / Managing impacts - risks - opportunities / Climate change mitigation and adaptation policies
ESRS E1-3	Actions and resources in relation to climate change policies	2 Environmental Information / 2.1 Climate Change / Managing Impacts - Risks - Opportunities / Climate change policy actions and resources
ESRS 2 MDR-A	Actions and resources in relation to material sustainability matters	2 Environmental Information / 2.1 Climate Change / Managing Impacts - Risks - Opportunities / Climate change policy actions and resources
ESRS E1-4	Targets related to climate change mitigation and adaptation	2 Environmental information / 2.1 Climate change / Metrics / Climate change mitigation and adaptation targets
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	2 Environmental information / 2.1 Climate change / Metrics / Climate change mitigation and adaptation targets
ESRS E1-5	Energy consumption and mix	2 Environmental information / 2.1 Climate change / Metrics / Energy consumption and energy mix
ESRS E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	2 Environmental information / 2.1 Climate Change / Metrics / GHG emissions
ESRS E1-7	GHG removals and GHG mitigation projects financed through carbon credits	2 Environmental Information / 2.1 Climate Change / Metrics / GHG removal and offsetting projects
ESRS E1-8	Internal carbon pricing	2 Environmental Information / 2.1 Climate Change / Metrics / Internal carbon price
ESRS E2 - Pollution		
E2.IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	2 Environmental disclosure / 2.2 Pollution / Managing impacts - risks - opportunities / The process of identifying and assessing material impacts, risks and opportunities
ESRS E2-1	Policies related to pollution	2 Environmental Information / 2.2 Pollution / Managing Impacts - Risks - Opportunities / Pollution-related policies
ESRS 2 MDR-P	Policies adopted to manage material sustainability matters	2 Environmental Information / 2.2 Pollution / Managing Impacts - Risks - Opportunities / Pollution-related policies
ESRS E2-2	Actions and resources related to pollution	2 Environmental disclosure / 2.2 Pollution / Managing impacts - risks - opportunities / Pollution-related actions and resources
ESRS 2 MDR-A	Actions and resources in relation to material sustainability matters	2 Environmental disclosure / 2.2 Pollution / Managing impacts - risks - opportunities / Pollution-related actions and resources
ESRS E2-3	Targets related to pollution	2 Environmental information / 2.2 Pollution / Metrics and targets / Pollution-related targets
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	2 Environmental information / 2.2 Pollution / Metrics and targets / Pollution-related targets
ESRS E3 - Water and marine resources		
ESRS E3.IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	2 Environmental disclosure / 2.3 Water and marine resources / Managing impacts - risks - opportunities / The process of identifying and assessing material impacts, risks and opportunities
ESRS E3-1	Policies related to water and marine resources	2 Environmental Information / 2.3 Water and marine resources / Managing Impacts - Risks - Opportunities / Policies related to water and marine resources
ESRS 2 MDR-P	Policies adopted to manage material sustainability matters	2 Environmental Information / 2.3 Water and marine resources / Managing Impacts - Risks - Opportunities / Policies related to water and marine resources
ESRS E3-2	Actions and resources related to water and marine resources	2 Environmental Information / 2.3 Water and marine resources / Managing Impacts - Risks - Opportunities / Actions and resources related to water and marine resources

ESRS standard	Disclosure	Chapter references
ESRS 2 MDR-A	Actions and resources in relation to material sustainability matters	2 Environmental Information / 2.3 Water and marine resources / Managing Impacts - Risks - Opportunities / Actions and resources related to water and marine resources
ESRS E3-3	Targets related to water and marine resources	2 Environmental Information / 2.3 Water and marine resources / Metrics and targets / Targets for water and marine resources
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	2 Environmental Information / 2.3 Water and marine resources / Metrics and targets / Targets for water and marine resources
ESRS E5 - Resource use and circular economy		
ESRS E5.IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	2 Environmental disclosure / 2.4 Resource use and circular economy / Managing impacts - risks - opportunities / The process of identifying and assessing material impacts, risks and opportunities
ESRS E5-1	Policies related to resource use and circular economy	2 Environmental disclosure / 2.4 Resource use and circular economy / Managing impacts - risks - opportunities / Policies related to resource use and circular economy
ESRS 2 MDR-P	Policies adopted to manage material sustainability matters	2 Environmental disclosure / 2.4 Resource use and circular economy / Managing impacts - risks - opportunities / Policies related to resource use and circular economy
ESRS E5-2	Actions and resources related to resource use and circular economy	2 Environmental disclosure / 2.4 Resource use and the circular economy / Managing impacts - risks - opportunities / Actions and resources related to resource use and the circular economy
ESRS 2 MDR-A	Actions and resources in relation to material sustainability matters	2 Environmental disclosure / 2.4 Resource use and the circular economy / Managing impacts - risks - opportunities / Actions and resources related to resource use and the circular economy
ESRS E5-3	Targets related to resource use and circular economy	2 Environmental Information / 2.4 Resource use and circular economy / Metrics and targets / Resource use and circular economy targets
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	2 Environmental Information / 2.4 Resource use and circular economy / Metrics and targets / Resource use and circular economy targets
ESRS E5-4	Resource inflows	2 Environmental Reporting / 2.4 Resource use and circular economy / Metrics and targets / Incoming resource flows
ESRS E5-5	Resource outflows	2 Environmental Information / 2.4 Resource use and circular economy / Metrics and targets / Outgoing resource flows
Social information		
ESRS S1 - Own Workforce		
ESRS S1.SBM-2	Interests and views of stakeholders	3 Social information / 3.1 Human resources / Strategy / Stakeholder interests and opinions
ESRS S1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3 Social information / 3.1 Human resources / Strategy / Material impacts, risks and opportunities and their interaction with the strategy and business model
ESRS S1-1	Policies related to own workforce	3 Social information / 3.1 Human resources / Managing impacts - risks - opportunities / Policies related to own workforce
ESRS 2 MDR-P	Policies adopted to manage material sustainability matters	3 Social information / 3.1 Human resources / Managing impacts - risks - opportunities / Policies related to own workforce
ESRS S1-2	Processes for engaging with own workforce and workers' representatives about impacts	3 Social Reporting / 3.1 Human resources / Managing Impacts - Risks - Opportunities / Processes for involving own workforce and employee representatives on impacts
ESRS S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	3 Social information / 3.1 Human resources / Managing impacts - risks - opportunities / Processes to remedy negative impacts and channels for the own workforce to raise concerns

ESRS standard	Disclosure	Chapter references
ESRS S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	3 Social information / 3.1 Human resources / Managing impacts - risks - opportunities / Actions on material impacts on own workforce and approaches for managing material risks and pursuing material opportunities in relation to own workforce, as well as effectiveness of such actions
ESRS 2 MDR-A	Actions and resources in relation to material sustainability matters	3 Social information / 3.1 Human resources / Managing impacts - risks - opportunities / Actions on material impacts on own workforce and approaches for managing material risks and pursuing material opportunities in relation to own workforce, as well as effectiveness of such actions
ESRS S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3 Social information / 3.1 Human resources / Metrics and targets / Objectives related to managing material negative impacts, enhancing positive impacts and managing material risks and opportunities
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	3 Social information / 3.1 Human resources / Metrics and targets / Objectives related to managing material negative impacts, enhancing positive impacts and managing material risks and opportunities
ESRS S1-6	Characteristics of the undertaking's employees	3 Social information / 3.1 Human resources / Metrics and targets / Characteristics of the company's employees
ESRS S1-7	Characteristics of non-employees in the undertaking's own workforce	3 Social information / 3.1 Human resources / Metrics and targets / Characteristics of non-employees in own workforce
ESRS S1-8	Collective bargaining coverage and social dialogue	3 Social information / 3.1 Human resources / Metrics and targets / Collective bargaining coverage and social dialogue
ESRS S1-9	Diversity metrics	3 Social information / 3.1 Human resources / Metrics and targets / Diversity metrics
ESRS S1-12	Persons with disabilities	3 Social information / 3.1 Human resources / Metrics and targets / People with disabilities
ESRS S1-13	Training and skills development metrics	3 Social information / 3.1 Human resources / Metrics and targets / Training and skills development metrics
ESRS S1-14	Health and safety metrics	3 Social information / 3.1 Human resources / Metrics and targets / Health and safety metrics
ESRS S1-15	Work-life balance metrics	3 Social information / 3.1 Human resources / Metrics and targets / Work-life balance metrics
ESRS S1-16	Remuneration metrics (pay gap and total remuneration)	3 Social information / 3.1 Human resources / Metrics and targets / Remuneration metrics (pay gap and total remuneration)
ESRS S1-17	Incidents, complaints and severe human rights impacts	3 Social information / 3.1 Human resources / Metrics and targets / Incidents, complaints and serious human rights impacts
ESRS S2 - Workers in the value chain		
ESRS S2.SBM-2	Interests and views of stakeholder	3 Social information / 3.2 Workers in the value chain / Strategy / Stakeholder interests and opinions
ESRS S2.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3 Social information / 3.2 Employees in the value chain / Strategy / Material impacts, risks and opportunities and their interaction with the strategy and business model
ESRS S2-1	Policies related to value chain workers	3 Social information / 3.2 Workers in the value chain / Managing impacts - risks - opportunities / Worker-related policies in the value chain
ESRS 2 MDR-P	Policies adopted to manage material sustainability matters	3 Social information / 3.2 Workers in the value chain / Managing impacts - risks - opportunities / Worker-related policies in the value chain
ESRS S2-2	Processes for engaging with value chain workers about impacts	3 Social information / 3.2 Workers in the value chain / Management of impacts - risks - opportunities / Employee engagement processes in the value chain regarding impacts
ESRS S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	3 Social information / 3.2 Workers in the value chain / Management of impacts - risks - opportunities / Processes to remedy negative impacts and channels for workers in the value chain to raise concerns

ESRS standard	Disclosure	Chapter references
ESRS S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	3 Social information / 3.2 Workers in the value chain / Management of impacts - risks - opportunities / Actions on material impacts on workers in the value chain and approaches for the management of material risks and the achievement of material opportunities for workers in the value chain, as well as the effectiveness of such actions
ESRS 2 MDR-A	Actions and resources in relation to material sustainability matters	3 Social information / 3.2 Workers in the value chain / Management of impacts - risks - opportunities / Actions on material impacts on workers in the value chain and approaches for the management of material risks and the achievement of material opportunities for workers in the value chain, as well as the effectiveness of such actions
ESRS S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3 Social information / 3.2 Workers in the value chain / Metrics and targets / Objectives related to managing material negative impacts, enhancing positive impacts and managing material risks and opportunities
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	3 Social information / 3.2 Workers in the value chain / Metrics and targets / Objectives related to managing material negative impacts, enhancing positive impacts and managing material risks and opportunities
ESRS Social - S4 – Consumers and end-users		
ESRS S4.SBM-2	Interests and views of stakeholders	3 Social information / 3.3 Consumers and end-users / Strategy / Stakeholder interests and opinions
ESRS S4.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3 Social information / 3.3 Consumers and end-users / Strategy / Material impacts, risks and opportunities and their interaction with the strategy and business model
ESRS S4-1	Policies related to consumers and end-users	3 Social information / 3.3 Consumers and end-users / Managing impacts - risks - opportunities / Consumer and end-user related policies
ESRS 2 MDR-P	Policies adopted to manage material sustainability matters	3 Social information / 3.3 Consumers and end-users / Managing impacts - risks - opportunities / Consumer and end-user related policies
ESRS S4-2	Processes for engaging with consumers and end-users about impacts	3 Social information / 3.3 Consumers and end-users / Managing impacts - risks - opportunities / Consumer and end-user involvement processes regarding impacts
ESRS S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	3 Social informations / 3.3 Consumers and end-users / Managing impacts - risks - opportunities / Processes to remedy negative impacts and channels for consumers and end-users to express concerns
ESRS S4-4	Taking action on material impacts on consumers and end- users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	3 Social information / 3.3 Consumers and end-users / Managing impacts - risks - opportunities / Actions on material impacts on consumers and end-users and approaches to manage material risks and achieve material opportunities in relation to consumers and end-users, and the effectiveness of these actions
ESRS 2 MDR-A	Actions and resources in relation to material sustainability matters	3 Social information / 3.3 Consumers and end-users / Managing impacts - risks - opportunities / Actions on material impacts on consumers and end-users and approaches to manage material risks and achieve material opportunities in relation to consumers and end-users, and the effectiveness of these actions
ESRS S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3 Social information / 3.3 Consumers and end-users / Metrics and targets / Objectives related to managing material negative impacts, enhancing positive impacts and managing material risks and opportunities
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	3 Social information / 3.3 Consumers and end-users / Metrics and targets / Objectives related to managing material negative impacts, enhancing positive impacts and managing material risks and opportunities

ESRS standard	Disclosure	Chapter references
Governance information		
ESRS G1 - Corporate conduct		
ESRS G1.GOV-1	The role of the administrative, management and supervisory bodies	4 Governance information / 4.1 Business Conduct / Governance / Role of the administration, management and control bodies
ESRS G1.IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	4 Governance information / 4.1 Business Conduct / Managing impacts - risks - opportunities / Description of processes to identify and assess material impacts, risks and opportunities
ESRS G1-1	Business conduct policies and corporate culture	4 Governance information / 4.1 Business Conduct / Managing impacts - risks - opportunities / Policies on corporate culture and conduct
ESRS 2 MDR-P	Policies adopted to manage material sustainability matters	4 Governance information / 4.1 Business Conduct / Managing impacts - risks - opportunities / Policies on corporate culture and conduct
ESRS G1-2	Management of relationships with suppliers	4 Governance information / 4.1 Business Conduct / Managing impacts - risks - opportunities / Management of relations with suppliers
ESRS 2 MDR-A	Actions and resources in relation to material sustainability matters	4 Governance information / 4.1 Business Conduct / Managing impacts - risks - opportunities / Management of relations with suppliers
ESRS G1-3	Prevention and detection of corruption and bribery	4 Governance information / 4.1 Business Conduct / Managing impacts - risks - opportunities / Prevention and detection of active and passive corruption
ESRS G1-4	Incidents of corruption or bribery	4 Governance information / 4.1 Business Conduct / Metrics and targets / Cases of active or passive corruption
ESRS G1-6	Payment practices	4 Governance information / 4.1 Business Conduct / Metrics and targets / Payment practices

ANNEX 2

Disclosure Requirement	Data Point		SFDR reference	Third pillar reference	Reference to reference index regulation	EU climate law reference	Section
ESRS 2 GOV-1	21-d	Board's gender diversity	x		x		1 General information / 1.2 Governance / The role of the administration, management and control bodies
ESRS 2 GOV-1	21-e	Percentage of board members who are independent			x		1 General information / 1.2 Governance / The role of the administration, management and control bodies
ESRS 2 GOV-4	30	Statement on due diligence	x				1 General information / 1.2 Governance / The due diligence process of sustainability topics
ESRS 2 SBM-1	40-d-i	Involvement in activities related to fossil fuel activities	x	x	x		Not relevant
ESRS 2 SBM-1	40-d-ii	ESRS 2 SBM-1 Involvement in activities related to chemical production	x		x		Not relevant
ESRS 2 SBM-1	40-d--iii	Involvement in activities related to controversial weapons	x		x		Not relevant
ESRS 2 SBM-1	40-d-iv	Involvement in activities related to cultivation and production of tobacco			x		Not relevant
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				x	2 Environmental Information / 2.1 Climate Change / Strategy / Climate change mitigation transition plan
ESRS E1-1	16-g	Undertakings excluded from Paris-aligned Benchmarks		x	x		Not relevant
ESRS E1-4	34	GHG emission reduction targets	x	x	x		2 Environmental information / 2.1 Climate change / Metrics / Climate change mitigation and adaptation targets
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x				2 Environmental information / 2.1 Climate change / Metrics / Energy consumption and energy mix
ESRS E1-5	37	Energy consumption and mix	x				2 Environmental information / 2.1 Climate change / Metrics / Energy consumption and energy mix
ESRS E1-5	da 40 a 43	Energy intensity associated with activities in high climate impact sectors	x				2 Environmental information / 2.1 Climate change / Metrics / Energy consumption and energy mix
ESRS E1-6	44	Gross scope 1, 2, 3 emissions and total GHG emissions	x	x	x		2 Environmental information / 2.1 Climate Change / Metrics / GHG emissions

Disclosure Requirement	Data Point		SFDR reference	Third pillar reference	Reference to reference index regulation	EU climate law reference	Section
ESRS E1-6	From 53 to 55	Gross GHG emissions intensity	x	x	x		2 Environmental information / 2.1 Climate Change / Metrics / GHG emissions
ESRS E1-7	56	GHG removals and carbon credits				x	2 Environmental Information / 2.1 Climate Change / Metrics / GHG removal and offsetting projects
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			x		Phase-in
ESRS E1-9	66-a; 66-c	Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk		x			Phase-in
ESRS E1-9	67-c	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		x			Phase-in
ESRS E1-9	69	Degree of exposure of the portfolio to climate- related opportunities			x		Phase-in
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E- PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	x				Not relevant
ESRS E3-1	9	Water and marine resources	x				2 Environmental Information / 2.3 Water and marine resources / Managing Impacts - Risks - Opportunities / Policies related to water and marine resources
ESRS E3-1	13	Dedicated policy	x				2 Environmental Information / 2.3 Water and marine resources / Managing Impacts - Risks - Opportunities / Policies related to water and marine resources
ESRS E3-1	14	Sustainable oceans and seas	x				Not relevant
ESRS E3-4	28-c	Total water recycled and reused	x				Not relevant
ESRS E3-4	29	Total water consumption in m 3 per net revenue on own operations	X				Not relevant
ESRS 2 SBM-3 - E4	16-a-i		x				Not relevant
ESRS 2 SBM-3 - E4	16-b		x				Not relevant

Disclosure Requirement	Data Point		SFDR reference	Third pillar reference	Reference to reference index regulation	EU climate law reference	Section
ESRS 2 SBM-3 - E4	16-c		x				Not relevant
ESRS E4-2	24-b	Sustainable land / agriculture practices or policies	x				Not relevant
ESRS E4-2	24-c	Sustainable oceans / seas practices or policies	x				Not relevant
ESRS E4-2	24-d	Policies to address deforestation	x				Not relevant
ESRS E5-5	37-d	Non-recycled waste	x				2 Environmental Information / 2.4 Resource use and circular economy / Metrics and targets / Outgoing resource flows
ESRS E5-5	39	Hazardous waste and radioactive waste	x				2 Environmental Information / 2.4 Resource use and circular economy / Metrics and targets / Outgoing resource flows
ESRS 2 - SBM3 - S1	14-f	Risk of incidents of forced labour	x				3 Social information / 3.1 Human resources / Strategy / Stakeholder interests and opinions
ESRS 2 - SBM3 - S1	14-g	Risk of incidents of child labour	x				3 Social information / 3.1 Human resources / Strategy / Stakeholder interests and opinions
ESRS S1-1	20	Human rights policy commitments	x				3 Social information / 3.1 Human resources / Managing impacts - risks - opportunities / Policies related to own workforce
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			x		3 Social information / 3.1 Human resources / Managing impacts - risks - opportunities / Policies related to own workforce
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	x				3 Social information / 3.1 Human resources / Managing impacts - risks - opportunities / Policies related to own workforce
ESRS S1-1	23	Workplace accident prevention policy or management system	x				3 Social information / 3.1 Human resources / Managing impacts - risks - opportunities / Policies related to own workforce
ESRS S1-3	32-c	Grievance/complaints handling mechanisms	x				3 Social information / 3.1 Human resources / Managing impacts - risks - opportunities / Processes to remedy negative impacts and channels for the own workforce to raise concerns

Disclosure Requirement	Data Point		SFDR reference	Third pillar reference	Reference to reference index regulation	EU climate law reference	Section
ESRS S1-14	88-b; 88-c	Number of fatalities and number and rate of work-related accidents	x		x		3 Social information / 3.1 Human resources / Metrics and targets / Health and safety metrics
ESRS S1-14	88-e	Number of days lost to injuries, accidents, fatalities or illness	x				3 Social information / 3.1 Human resources / Metrics and targets / Health and safety metrics
ESRS S1-16	97-a	Unadjusted gender pay gap	x		x		3 Social information / 3.1 Human resources / Metrics and targets / Remuneration metrics (pay gap and total remuneration)
ESRS S1-16	97-b	Excessive CEO pay ratio	x				3 Social information / 3.1 Human resources / Metrics and targets / Remuneration metrics (pay gap and total remuneration)
ESRS S1-17	103-a	Incidents of discrimination	x				3 Social information / 3.1 Human resources / Metrics and targets / Incidents, complaints and serious human rights impacts
ESRS S1-17	104-a	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	x		x		3 Social information / 3.1 Human resources / Metrics and targets / Incidents, complaints and serious human rights impacts
ESRS 2 SBM-3 - S2	11-b	Significant risk of child labour or forced labour in the value chain	x				3 Social information / 3.2 Workers in the value chain / Strategy / Stakeholder interests and opinions
ESRS S2-1	17	Human rights policy commitments	x				3 Social information / 3.2 Workers in the value chain / Managing impacts - risks - opportunities / Worker-related policies in the value chain
ESRS S2-1	18	Policies related to value chain workers	x				3 Social information / 3.2 Workers in the value chain / Managing impacts - risks - opportunities / Worker-related policies in the value chain
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	x		x		3 Social information / 3.2 Workers in the value chain / Managing impacts - risks - opportunities / Worker-related policies in the value chain
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			x		3 Social information / 3.2 Workers in the value chain / Managing impacts - risks - opportunities / Worker-related policies in the value chain

Disclosure Requirement	Data Point		SFDR reference	Third pillar reference	Reference to reference index regulation	EU climate law reference	Section
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and down-stream value chain	x				3 Social information / 3.2 Workers in the value chain / Management of impacts - risks - opportunities / Actions on material impacts on workers in the value chain and approaches for the management of material risks and the achievement of material opportunities for workers in the value chain, as well as the effectiveness of such actions
ESRS S3-1	16	Human rights policy commitments	x				Not relevant
ESRS S3-1	17	Non- respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	x		x		Not relevant
ESRS S3-4	36	Human rights issues and incidents	x				Not relevant
ESRS S4-1	16	Policies related to consumers and end-users	x				3 Social information / 3.3 Consumers and end-users / Managing impacts - risks - opportunities / Consumer and end-user related policies
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x		x		3 Social information / 3.3 Consumers and end-users / Managing impacts - risks - opportunities / Consumer and end-user related policies
ESRS S4-4	35	Human rights issues and incidents	x				3 Social information / 3.3 Consumers and end-users / Managing impacts - risks - opportunities / Actions on material impacts on consumers and end-users and approaches to manage material risks and achieve material opportunities in relation to consumers and end-users, and the effectiveness of these actions
ESRS G1-1	10-b	United Nations Convention against Corruption	x				4 Governance information / 4.1 Business Conduct / Managing impacts - risks - opportunities / Policies on corporate culture and conduct
ESRS G1-1	10-d	Protection of whistle-blowers	x				4 Governance information / 4.1 Business Conduct / Managing impacts - risks - opportunities / Policies on corporate culture and conduct
ESRS G1-4	24-a	Fines for violation of anti-corruption and anti-bribery laws	x		x		4 Governance information / 4.1 Business Conduct / Metrics and targets / Cases of active or passive corruption

Disclosure Requirement	Data Point		SFDR reference	Third pillar reference	Reference to reference index regulation	EU climate law reference	Section
ESRS G1-4	24-b	Standards of anti-corruption and anti-bribery	x				4 Governance information / 4.1 Business Conduct / Metrics and targets / Cases of active or passive corruption

OTHER SIGNIFICANT INFORMATION

1. Research and development activities

The research and development activities of Edp and Web departments are related to the definition and planning of new processes and services referred to the IT platform used by the Group, which is at customers and suppliers disposal for information communication as well as for the management of sales and purchase orders. These costs were entirely recorded in the income statement, mainly among the costs of the respective departments.

2. Number and value of own shares

At the date of the close of this Financial Report, Esprinet S.p.A. holds 974,915 own ordinary shares, equal to 1.93% of share capital, of which 690,000 to fulfil the obligations stemming from the '2024-2026 Long-Term Incentive Plan', approved by the Shareholders' Meeting on 24 April 2024.

The remaining shares held could, together with any additional own shares in circulation that can be purchased by the Group, be subject to subsequent cancellation with the aim of recognising further remuneration to its shareholders with respect to the distribution of dividend income.

3. Relationships with related parties

The related parties of the Esprinet Group have been defined as per IAS 24.

Group operations with related parties were carried out in compliance with current laws and according to mutual economic advantage.

Any products sold to individuals were sold under the same conditions as those usually applied to employees.

The following table details operations occurred between Group companies and companies where Esprinet S.p.A. directors and shareholders play important roles, as well as Group key managers and their close family.

euro/000	Type	2024				2023			
		Sales	Cost	Receiv.	Payab	Sales	Cost	Receiv.	Payab.
Sales									
Key managers and family	Sales of goods	7	-	5	-	12	-	5	-
Subtotal		**7**	**-**	**5**	**-**	**12**	**-**	**5**	**-**
Cost of Sales									
Smart Res S.p.A.	Cost of goods	-	-	-	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Overheads and administrative costs									
Key managers	Overheads	-	(3)	-	-	-	(3)	-	-
Subtotal		**-**	**(3)**	**-**	**-**	**-**	**(3)**	**-**	**-**
Total		**7**	**(3)**	**5**	**-**	**12**	**(3)**	**5**	**-**

Sales relate to consumer electronics products sold under normal market conditions.

Relationships with key managers result from the recognition of the payments for services rendered by the same, the quantification of which can be found under *'Emoluments to the board members, statutory auditors and key managers'* in the 'Notes to the consolidated financial statements'.

In the case of CONSOB Regulation No. 17221 of 12/03/2010 and subsequent amendments and supplements, please note that Esprinet S.p.A. approved and implemented the management procedure regarding operations with related parties, further details of which may be found in the *'Esprinet S.p.A Corporate Governance Report'*.

This procedure is also available at www.esprinet.com, under 'Investors'.

4. Relationships with subsidiaries subject to management and coordination

Esprinet S.p.A. manages and coordinates its subsidiaries resident in Italy.

These activities consists in setting general and operational strategic policies for the Group, drafting general policies regarding human and financial resources management, defining and adapting:

- the corporate governance and internal control model;
- the Group Management and Organisational Model pursuant to Italian Legislative Decree 231/01;
- the System Security Planning Paper (SSPP) pursuant to Italian Legislative Decree 196/03;
- the Code of Ethics;
- administrative-accounting procedures regarding financial reports.

In particular, Group co-ordination involves the centralised management of administrative, corporate and cash services, which, in addition to enabling the subsidiaries to achieve economies of scale, also enable them to focus their internal resources on managing the core business.

Starting from year 2010, Esprinet S.p.A. and V-Valley S.r.l. have opted for the tax regime as established in the 'National consolidated tax regime', as per Art. 117 et seq. of Italian Presidential Decree 917/86 (TUIR - Italian Income Tax Code), which enables Corporate Income Tax (IRES) to be determined on the tax base resulting from the algebraic sum of the positive and negative tax bases of the single companies.

This option was renewed in 2022 for the three-year period 2022-2024.

The option for the 'National consolidated tax regime', as per Art. 117 et seq. of Italian Presidential Decree 917/86 (TUIR), as from the year 2024 and for the three-year period 2024-2026, was also exercised between the company Esprinet S.p.A. and the subsidiaries Dacom S.p.a., Zeliatech S.r.l., idMAINT S.r.l..

5. Shares of the parent company Esprinet S.p.A held by board members, statutory auditors and key managers

Name	Office	No. Of shares at 31/12/23 or at appointment date	. Of shares assigned in execution of LTIP 2021-2023	No. of shares purchased	No. of shares sold	No. Of shares at 31/12/24 or at appointment date
Maurizio Rota [1]	Chairman	4,982,067	-	339,139	-	5,321,206
Maurizio Rota	Chairman	78,551	-		-	78,551
Alessandro Cattani [1]	Chief Executive Officer	1,245,516	-	84,786	-	1,330,302
Alessandro Cattani	Chief Executive Officer	78,551	15,943	-	-	94,494
Marco Monti [2]	Deputy Chairman	2,744,023	-	-	-	2,744,023
Luigi Monti [2]	Director	2,744,024	-	-	-	2,744,024
Total Board of Directors		**11,872,732**	**15.943**	**423,925**	**-**	**12,312,600**
Giovanni Testa	Chief Operating Officer	35,840	7,440	-	-	43,280
Total Chief Operating Officer		**35,840**	**7,440**	**-**	**-**	**43,280**

[1] Indirect owner through Axopa S.r.l.
[2] Indirect owner through Montinvest S.r.l.

In compliance with Art. 84-quater, paragraph 4, of the Issuers' Regulation, the above table shows the shareholdings held in the Company by members of the Board of Directors and Board of Statutory Auditors, the Chief Operating Officer and other executives with strategic responsibilities, as well as spouses who are not legally separated and minor children, directly or through subsidiaries, trust companies or intermediaries, as resulting from the shareholders' register, communications received and other information acquired from the members of the administration and control bodies, general managers and executives with strategic responsibilities.

No shareholdings of the subsidiaries are held by members of the management and control bodies, the general manager and other executives with strategic responsibilities.

It is specified that:

- the Directors Angelo Miglietta, Emanuela Prandelli, Renata Maria Ricotti and Angela Sanarico, Angela Maria Cossellu and Emanuela Teresa Basso Petrino do not directly or indirectly hold shares in the Company and/or its subsidiaries;
- the director Riccardo Rota holds, indirectly through Axopa S.r.l., the bare ownership of 2,660,603 shares of the Company in usufruct to Maurizio Rota;
- the Standing Auditors Silvia Muzi (Chair), Maurizio Dallocchio and Riccardo Garbagnati do not directly or indirectly hold shares in the Company and/or its subsidiaries;
- the Directors in office during the period 1 January 2024 - 24 April 2024 Lorenza Morandini and Chiara Mauri, did not hold, directly or indirectly, any shares in the Company and/or its subsidiaries;
- the Standing Auditor Maria Luisa Mosconi in office during the period from 1 January 2024 to 15 November 2024, did not hold, directly or indirectly, any shares in the Company and/or its subsidiaries.

6. Atypical and/or unusual transactions

The management does not believe that any transactions were atypical or unusual according to the definition provided by CONSOB in communication No. DEM 6064293 of 28 July 2006.

7. Additional information required by Bank of Italy and CONSOB

Pursuant to document no. 2 of 6 February 2009 and the following specifications of 3 March 2010, requiring the drafters of financial reports to supply adequate disclosure on several themes, the relevant sections in which the requirements applicable to the Group are met are shown below:

1. Disclosure on going concern, *'Notes to the consolidated financial statements'* - paragraph *'Accounting principles and valuation criteria'*;
2. Disclosure on financial risks, *'Directors' Report on Operations'* - paragraph *'Main risks and uncertainties'* - and *'Notes to the consolidated financial statements'* - section *'Disclosure on risks and financial instruments'*;
3. Disclosure on impairment testing of assets, *'Notes to the consolidated financial statements'* - paragraph *'Comments on items in the statement of financial position' item 'Goodwill'*;
4. Disclosure on uncertainties when using estimates, *'Notes to the consolidated financial statements'* - paragraph *'Main accounting estimates'*;
5. Disclosure on financial payables type clauses, *'Notes to the consolidated financial statements'* - paragraph *'Loans and loan covenants'*;
6. Disclosure on 'fair value hierarchy', *'Notes to the consolidated financial statements'* - paragraph *'Financial instruments pursuant to IFRS 9: risk classes and fair value'*.

The information required by CONSOB communication No. DEM/11012984 of 24 February 2011 'Request for information pursuant to Art. 114, paragraph 5, of Italian Legislative Decree No. 58 of 24 February 1998, regarding compensation for advance termination of employment' can be found in the *'Corporate Governance Report'*.

Disclosure required by CONSOB communication No. 3907 of 19 January 2015 can be found in the relevant sections of the *'Notes to the consolidated financial statements'*.

8. Share incentive plans

Within the scope of share incentive policies aimed at strengthening the loyalty of executives deemed essential for the purpose of achieving the Group operating targets, on 24 April 2024 Esprinet S.p.A. Shareholders' Meeting approved a new Compensation Plan ('Long-Term Incentive Plan') for the benefit of the members of the Board of Directors and executives of Group companies, as proposed by the Remuneration Committee. Such plan will apply for the 2024-2026 three-year period with the purpose of granting a maximum of 690,000 rights of free stock grants of Esprinet S.p.A. ordinary shares.

The conditions for the exercise of the LTIP relate to the achievement, in the 2024-2026 three-year period, of:

- economic-financial performance and ESG performance targets;
- profitability targets of the Esprinet share;
- profitability targets of the Esprinet share with respect to a predefined panel of securities;

and are all conditional on the beneficiary remaining in the Group until the date of presentation of the consolidated financial statements for the year 2026.

On 27 May 2024, in execution of the aforementioned decision of the Shareholders' Meeting, the identified beneficiaries were assigned 690,000 rights free of charge.

Further information can be found in the *'Notes to the consolidated financial statements'* – paragraph *'Personnel costs'*.

9. Reconciliation of equity and Group result and corresponding values of the parent company

In compliance with CONSOB communication No. DEM/6064293 of 28 July 2006 the reconciliation between Group equity and result of the period together with the relative data of the parent company, Esprinet S.p.A., is illustrated in the table below:

(euro/000)	Net income		Equity	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Esprinet S.p.A. separate financial statements	**(15,152)**	**(29,039)**	**196,998**	**211,770**
Consolidation adjustments:				
Net equity and result for the year of consolidated companies net of minority interests	25,420	17,364	335,911	254,999
Esprinet S.p.A. 's investments in consolidated subsidiaries carryng amount	-	-	(167,344)	(115,381)
Goodwill from Esprinet Iberica S.L.U. business combination	-	-	1,039	1,039
Goodwill from Dacom S.p.A. business combination	-	-	113	113
Goodwill from Sifar Group S.r.l. business combination	-	-	4,466	8,059
Goodwill from Bludis Srl business combination	-	-	5,881	5,881
Deletion of non-realised (profit)/loss on inventory, net of fiscal effect	56	(56)	(37)	(93)
Investments in subsidiaries write-down deletion	11,197	-	11,352	155
Other movements	-	(144)	868	868
Consolidated net equity and net result	**21,521**	**(11,875)**	**389,247**	**367,410**

10. Other information

The System Security Planning Paper (SSPP) - as initially foreseen by Italian Legislative Decree 196/2003, integrated by the Italian Legislative Decree No. 5/2012 (Simplification Decree) - continues to be drawn up and applied by the companies of the Group localised in Italy.

PROPOSAL OF APPROVAL OF THE FINANCIAL STATEMENTS AND ALLOCATION OF THE 2024 RESULT FOR THE YEAR

Shareholders,

After presenting the separate financial statements of Esprinet S.p.A. and the Group consolidated financial statements as at 31 December 2024, together with the Directors' Report on Operations, we hereby submit to you our proposal for the allocation of the result for the year of Esprinet S.p.A..

In seeking your approval for our operations, by consenting to our Draft Financial Statements, as well as to our Directors' Report on Operations and the Notes to the financial statements, we propose to cover the loss for the year of 15,152,032.22 euro entirely by using the Extraordinary Reserve.

Dividend distribution

The Board of Directors resolved to propose to the Shareholders' Meeting to distribute a dividend of 0.40 euro per share. This dividend of 0.40 euro per share implies a pay-out ratio of more than 90%. The Board of Directors also proposes that the dividend actually approved by the Shareholders' Meeting be paid as of 7 May 2025 (with ex-dividend date no. 18 on 5 May 2025 and record date on 6 May 2025).

Vimercate, 11 March 2025

On behalf of the Board of Directors
The Chair
Maurizio Rota

2024 CONSOLIDATED FINANCIAL STATEMENTS
OF THE ESPRINET GROUP

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Consolidated statement of financial position

The table below shows the consolidated statement of financial position drawn up according to IFRS principles, together with the information required pursuant to CONSOB Resolution No. 15519 of 27 July 2006:

(euro/000)	Notes	31/12/2024	related parties*	31/12/2023	related parties*
ASSETS					
Non-current assets					
Property, plant and equipment	**1**	27,001		28,098	
Right-of-use assets	**4**	135,461		104,624	
Goodwill	**2**	112,917		116,510	
Intangible assets	**3**	13,152		11,053	
Deferred income tax assets	**6**	11,200		11,243	
Receivables and other non-current assets	**9**	2,353	-	2,340	-
		302,084	**-**	**273,868**	**-**
Current assets					
Inventory	**10**	637,127		514,770	
Trade receivables	**11**	764,264	5	698,602	5
Income tax assets	**12**	3,767		4,684	
Other assets	**13**	98,127	-	82,530	-
Financial assets held for trading	**15**	103		113	
Cash and cash equivalents	**17**	216,250		260,883	
		1,719,638	**5**	**1,561,582**	**5**
Total assets		**2,021,722**	**5**	**1,835,450**	**5**
EQUITY					
Share capital	**19**	7,861		7,861	
Reserves	**20**	359,865		371,424	
Group net income	**21**	21,521		(11,875)	
Group net equity		**389,247**		**367,410**	
Non-controlling interests		**-**		**-**	
Total equity		**389,247**		**367,410**	
LIABILITIES					
Non-current liabilities					
Borrowings	**22**	30,762		65,702	
Lease liabilities	**31**	131,084		99,154	
Deferred income tax liabilities	**24**	21,654		18,923	
Retirement benefit obligations	**25**	5,347		5,340	
Debts for investments in subsidiaries	**49**	600		600	
Provisions and other liabilities	**26**	16,698		24,091	
		206,145		**213,810**	
Current liabilities					
Trade payables	**27**	1,266,182	-	1,109,260	-
Short-term financial liabilities	**28**	87,799		72,246	
Lease liabilities	**36**	12,633		11,896	
Income tax liabilities	**29**	1,980		931	
Derivative financial liabilities	**30**	-		18	
Debts for investments in subsidiaries	**51**	-		5,764	
Provisions and other liabilities	**32**	57,736	-	54,115	-
		1,426,330	**-**	**1,254,230**	**-**
TOTAL LIABILITIES		**1,632,475**	**-**	**1,468,040**	**-**
Total equity and liabilities		**2,021,722**	**-**	**1,835,450**	**-**

* For further details on related parties, please see the 'Relationships with related parties' section in the 'Directors' Report on Operations'.

Consolidated separate income statement

Below is the consolidated income statement, showing items by *'function'*, drawn up in accordance with the IFRS, along with the additional information required under CONSOB Resolution No. 15519 of 27 July 2006:

(euro/000)	Notes	2024	non - recurring	related parties*	2023	non - recurring	related parties*
Sales from contracts with customers	**33**	**4,141,562**	**-**	**7**	**3,985,162**	**-**	**12**
Cost of sales		(3,914,620)	-	-	(3,766,721)	-	-
Gross profit	**35**	**226,942**	**-**		**218,441**	**-**	
Sales and marketing costs	**37**	(75,609)	-	-	(74,122)	-	-
Overheads and administrative costs	**38**	(105,817)	-	(3)	(102,317)	(2,892)	(3)
Impairment loss/reversal of financial assets	**39**	710	-		(27,990)	(27,172)	
Operating result (EBIT)		**46,226**	**-**		**14,012**	**(30,064)**	
Finance costs - net	**42**	(17,360)	-	-	(19,118)	(6,946)	-
Result before income taxes		**28,866**	**-**		**(5,106)**	**(37,010)**	
Income tax expenses	**45**	(7,345)	-	-	(6,769)	889	-
Net result		**21,521**	**-**		**(11,875)**	**(36,121)**	
- of which attributable to non-controlling interests		-				-	
- of which attributable to Group		21,521	-		(11,875)	(36,121)	
Earnings per share - basic (euro)	**46**	0.44			-0.24		
Earnings per share - diluted (euro)	**46**	0.43			-0.24		

* Emoluments to key managers excluded.

Consolidated statement of comprehensive income

(euro/000)	2024	2023
Net result	**21,521**	**(11,875)**
Other comprehensive income:		
- Changes in translation adjustment reserve	45	(1)
Other comprehensive income not to be reclassified in the separate income statement		
- Changes in 'TFR' equity reserve	(27)	(79)
- Taxes on changes in 'TFR' equity reserve	6	19
Other comprehensive income	**24**	**(61)**
Total comprehensive income	**21,545**	**(11,936)**
- of which attributable to Group	21,545	(11,936)
- of which attributable to non-controlling interests	-	-

For details on the Changes in 'TFR' equity reserve and its related tax impact, please refer to the commentary notes 25) Retirement benefit obligations and 6) Deferred income tax assets.

Consolidated statement of changes in shareholders' equity

(euro/000)	Share capital	Reserves	Own shares	Profit for the period	Total net equity	Minority interest	Group net equity
Balance at 31 December 2022	**7,861**	**367,340**	**(13,330)**	**47,346**	**409,217**	**-**	**409,217**
Total comprehensive income/(loss)	-	(61)	-	(11,875)	**(11,936)**	-	**(11,936)**
Allocation of last year net income/(loss)	-	47,346	-	(47,346)	**-**	-	**-**
Dividend payment	-	(26,679)	-	-	**(26,679)**	-	**(26,679)**
Transactions with owners	**-**	**20,667**	**-**	**(47,346)**	**(26,679)**	**-**	**(26,679)**
Currently active Share plans	-	(3,160)	-	-	**(3,160)**	-	**(3,160)**
Other variations	-	(32)	-	-	**(32)**	-	**(32)**
Balance at 31 December 2023	**7,861**	**384,754**	**(13,330)**	**(11,875)**	**367,410**	**-**	**367,410**
Balance at 31 December 2023	**7,861**	**384,754**	**(13,330)**	**(11,875)**	**367,410**	**-**	**367,410**
Total comprehensive income/(loss)	-	24	-	21,521	**21,545**	-	**21,545**
Allocation of last year net income/(loss)	-	(11,875)	-	11,875	**-**	-	**-**
Transactions with owners	**-**	**(11,875)**	**-**	**11,875**	**-**	**-**	**-**
Grant of share under share plans	-	(185)	231	-	**46**	-	**46**
Equity plans in progress	-	413	-	-	**413**	-	**413**
Other variations	-	(167)	-	-	**(167)**	-	**(167)**
Balance at 31 December 2024	**7,861**	**372,964**	**(13,099)**	**21,521**	**389,247**	**-**	**389,247**

For details on the changes that occurred during the year, please refer to the commentary notes 20) Reserves and 21) Group net income.

Consolidated cash flow statement [17]

(euro/000)	2024	2023
Cash flow provided by (used in) operating activities (D=A+B+C)	**2,775**	**168,036**
Cash flow generated from operations (A)	**68,736**	**52,587**
Operating income (EBIT)	46,226	14,012
Depreciation, amortisation and other fixed assets write-downs	23,301	20,065
Net changes in provisions for risks and charges	(1,059)	658
Provision for taxes in instalment	-	21,574
Net changes in retirement benefit obligations	(191)	(562)
Stock option/grant costs	459	(3,160)
Cash flow provided by (used in) changes in working capital (B)	**(48,322)**	**134,451**
Inventory	(122,357)	162,959
Trade receivables	(65,662)	12,383
Other current assets	(14,298)	(19,612)
Trade payables	156,287	(7,447)
Other current liabilities	(2,292)	(13,832)
Other cash flow provided by (used in) operating activities (C)	**(17,639)**	**(19,002)**
Interests paid	(11,546)	(11,586)
Received interests	1,281	1,122
Foreign exchange (losses)/gains	(2,144)	328
Income taxes paid	(5,230)	(8,866)
Cash flow provided by (used in) investing activities (E)	**(5,606)**	**(19,948)**
Net investments in property, plant and equipment	(5,978)	(13,393)
Net investments in intangible assets	385	(89)
Net investments in other non current assets	(13)	17
Subisidiaries business combination	-	(6,483)
Cash flow provided by (used in) financing activities (F)	**(41,802)**	**(59,390)**
Medium/long term borrowing	-	38,000
Repayment/renegotiation of medium/long-term borrowings	(45,891)	(45,275)
Leasing liabilities remboursement	(12,520)	(12,024)
Net change in financial liabilities	22,745	(14,474)
Net change in financial assets and derivative instruments	(372)	4,580
Deferred price acquisition	(5,764)	(2,401)
Dividend payments	-	(27,796)
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	**(44,633)**	**88,698**
Cash and cash equivalents at year-beginning	**260,883**	**172,185**
Net increase/(decrease) in cash and cash equivalents	**(44,633)**	**88,698**
Cash and cash equivalents at year-end	**216,250**	**260,883**

[17] *Effects of relationships with related parties are omitted as non-significant.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Esprinet S.p.A. (hereafter 'Esprinet' or the 'parent company') and its subsidiaries (jointly the 'Esprinet Group' or the 'Group') operate on the Italian, Spain and Portuguese markets in the 'business-to-business' (B2B) distribution of Information Technology (IT) products and consumer electronics.

Esprinet S.p.A. has its registered and administrative offices in Italy in via Energy Park 20 in Vimercate (Monza e Brianza). The ordinary shares of Esprinet S.p.A. (ticker: PRT.MI) have been listed on the STAR Milan (Euronext STAR Milan) segment of the EXM (Euronext Milan) market of the Italian Stock Exchange since 27 July 2001.

With regard to the information required by Art. 2427 (22-quinquies) of the Italian Civil Code, it should be noted that the consolidated financial statements in question represent the largest group of which Esprinet S.p.A. is a part.

2. Accounting principles and valuation criteria

The accounting principles applied in the preparation of these consolidated financial statements are set out below. Unless otherwise stated, these principles have been consistently applied to all the years presented.

2.1 ACCOUNTING PRINCIPLES

The consolidated financial statements of the Esprinet Group as at 31 December 2024 have been drawn up in compliance with the International Financial Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Union, as well as the measures issued in accordance with Art. 9 of Italian Legislative Decree No. 38/2005.

The IFRS also includes all valid International Accounting Standards ("IAS") and all interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously known as the Standing Interpretations Committee ("SIC").

The financial statements have been drawn up using the historical cost, except for the assessment of some financial instruments, where the fair value criteria are applied, and also the going concern presumption.

Business continuity

These consolidated financial statements have been prepared on a going concern basis as there is a reasonable expectation that the Esprinet Group will continue to operate in the future (at least in the foreseeable future and in any case over a period of at least 12 months).

The 2024 macroeconomic context essentially continued from a geopolitical point of view; in fact, there were continued political and economic tensions, triggered by the ongoing conflicts (between Russia and Ukraine and the one between Israel and Palestine, with the potential risk of it also spreading to neighbouring countries/regions such as Lebanon and Iran). Both of the aforementioned conflicts are unlikely to be resolved by the end of 2025.

In the same period, the cost of borrowing remained high, despite the fact that the main global central banks (including the European Central Bank) began to adopt less restrictive monetary policies, specifically with rate cuts between June and December 2024 by the ECB, as a result of favourable downward trends in inflationary phenomena.

As a result of the aforementioned easing of monetary policy, the cost of borrowing is expected to fall in the 2025/2026 two-year period.

The downward tensions caused by the ongoing conflicts, which as mentioned above seem far from being resolved, are to a certain extent offset by the drop in the inflation rate and the expected decrease in the cost of borrowing which, accompanied by the increase in wages in progress and expected over the next two years, should boost household consumption and cause a recovery in business investments (also thanks to the input of the programmes included in the Next Generation EU). This context is expected to translate into an increase (moderate in Italy, more robust in Spain and Portugal) in GDP in 2025/2026.

The aforementioned geopolitical tensions and the consequent economic implications have had a generally marginal impact on the Esprinet Group, as it is not present on the markets of the countries currently directly involved in the ongoing conflicts nor maintains significant commercial relations with partners residing in these countries.

Finally, the Group's solid financial structure, the actions to contain costs and, above all, the levels of invested working capital, the context of the distribution of IT products and services improved in the second half of 2024 and expected to improve even more in 2025, suggest that the situation is transitory and manageable.

Therefore, at the current state of play, based on the information available and taking account of the financial situation, as well as the following main factors:

- the main external risks to which the Group is exposed;
- the recovery in the general macroeconomic situation in the European market;
- the recovery of the IT&CE product distribution market;
- changes in environmental and business conditions and competitive dynamics;
- changes in the legislative and regulatory frameworks;
- the actual and potential outcomes of ongoing disputes;
- financial risks;

we can conclude that there are no doubts surrounding the existence of the going concern assumption for the Group.

2.2 PRESENTATION OF FINANCIAL STATEMENTS AND ESEF REGULATION

These consolidated financial statements are drawn up in compliance with the EU Delegated Regulation 2019/815 (ESEF Regulation - European Single Electronic Format) which governs the single communication format for the annual financial reports of issuers whose securities are listed on the regulated markets of the European Union.

The presentation formats of the equity and financial position and income and cash-flow statements have the following characteristics:

- statement of equity and financial position: current and non-current assets and current and non-current liabilities are reported separately;
- the income statement is presented in two separate statements: a separate income statement and a statement of comprehensive income;

- separate income statement: costs have been analysed by function;
- statement of cash flows: drawn up as per the indirect method set out in IAS 7.

In addition, pursuant to Consob Resolution No. 15519 of 28 July 2006, income and expenses arising from non-recurring transactions are separately identified in the income statement; similarly, the balances of credit/debit positions and transactions with related parties are shown separately in the financial statements.

The choices made in terms of the presentation of the statement of accounts derive from the conviction that these contribute to an improvement in the quality of the information provided.

Figures in this document are expressed in thousands of euro, unless otherwise indicated. Furthermore, in some cases the tables might have some inaccuracies due to the rounding-up to thousands.

2.3 CONSOLIDATION CRITERIA AND METHODS

The consolidated financial statements are prepared on the basis of the accounts of the parent company and its direct and/or indirect subsidiaries or associated companies, as approved by their respective Boards of Directors [18].

Wherever necessary, the accounts of subsidiaries were suitably adjusted to ensure consistency with the accounting standards used by the parent company and all relate to financial years that have the same closing date as the parent company.

The table below lists companies included in the consolidation scope as at 31 December 2024, all consolidated on a line-by-line basis.

Company name	Head Office	Share capital (euro) *	Group Interest	Shareholder	Interest held
Holding company:					
Esprinet S.p.A.	Vimercate (MB)	7,860,651			
Subsidiaries directly controlled:					
Celly Pacific LTD **	Honk Kong (China)	935	100.00%	Esprinet S.p.A.	100.00%
Esprinet Iberica S.L.U.	Saragossa (Spain)	55,203,010	100.00%	Esprinet S.p.A.	100.00%
Bludis S.r.l	Rome (RM)	600,000	100.00%	Esprinet S.p.A.	100.00%
V-Valley S.r.l.	Vimercate (MB)	500,000	100.00%	Esprinet S.p.A.	100.00%
Dacom S.p.A.	Vimercate (MB)	3,600,000	100.00%	Esprinet S.p.A.	100.00%
idMAINT S.r.l.	Vimercate (MB)	42,000	100.00%	Esprinet S.p.A.	100.00%
Sifar Group S.r.l	Milan (MI)	100,000	100.00%	Esprinet S.p.A.	100.00%
Zeliatech S.r.l	Vimercate (MB)	500,000	100.00%	Esprinet S.p.A.	100.00%
Subsidiaries indirectly controlled:					
Esprinet Portugal Lda	Porto (Portugal)	1,750,000	100.00%	Esprinet Iberica S.L.U.	95.00%
				Esprinet S.p.A.	5.00%
Erredi Deutschland GmbH **	Eschborn (Germany)	50,000	100.00%	idMAINT S.r.l.	100.00%
Erredi France SARL**	Roissy-en-France (France)	50,000	100.00%	idMAINT S.r.l.	100.00%
V-Valley Advanced Solutions España, S.A. ***	Madrid (Spain)	1,202,000	100.00%	Esprinet Iberica S.L.U.	90.42%
Lidera Network S.L.	Madrid (Spain)	3,606	100.00%	V-Valley Advanced Solutions España, S.A.	100.00%
Optima Logistics S.L.U.	Madrid (Spain)	3,005	100.00%	V-Valley Advanced Solutions España, S.A.	100.00%
V-Valley Advanced Solutions Portugal, Unipessoal, Lda	Sacavém (Portugal)	10,000	100.00%	V-Valley Advanced Solutions España, S.A.	100.00%
GTI Software & Networking SARLAU	Casablanca (Morocco)	707,252	100.00%	V-Valley Advanced Solutions España, S.A.	100.00%

(*) Share capital values, with reference to the companies publishing financial statements in a currency other than euro, are displayed at historical value.
(**) Company soon to be terminated, therefore inactive as of December 31, 2024.
(***) 100% by virtue of 9.58% of treasury shares held by V-Valley Advanced Solutions España, S.A.

[18] With the exception of Celly Pacific LTD, Erredi Deutschland GmbH, Erredi France SARL as they do not have said Body.

The most significant consolidation criteria adopted when preparing the Group's consolidated financial statements are presented below.

Subsidiaries

Subsidiaries are entities where the Group is exposed, or has rights, to variable returns and has the capacity of influencing them, pursuant to IFRS 10, paragraph 6. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.They are de-consolidated from the date that control ceases.

Any effects of transactions between Group companies on the Group's assets and profits, unrealised gains and losses and dividends included, are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the transferred asset.

Changes in a parent's ownership in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners).

Business combinations

The acquisition method is used to account for the acquisition of subsidiaries by the Group and is explained as follow.

The cost of an acquisition is the aggregate of the acquisition-date fair value of the consideration transferred and of the amount of any non-controlling interest (or 'NCI') in the acquiree. A non-controlling interest can be measured at fair value or at the NCI's proportionate share of net assets of the acquiree (option available on a transaction by transaction basis). Acquisition costs are expensed and classified as administrative expenses.

In the case of business combination achieved in stages, on the date that control is obtained the fair values of the acquired entity's assets and liabilities, including goodwill, are measured; any resulting adjustments to previously recognised assets and liabilities are recognised in profit or loss.

Contingent consideration is measured at the acquisition date fair value.

Goodwill is measured as the difference between the cost of an acquisition and the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If the sum of the consideration and non-controlling interests is less than the fair value of the net assets of the acquired subsidiary, the difference is recognised directly in the income statement.

In financial years up to and including 2009, business combinations were accounted for using the purchase method. Costs directly attributable to the acquisition were included in the cost of the acquisition. Minority interests consisted of the share of the net assets of the acquired entity. Business combinations carried out in several stages were accounted for at separate times.

Intercompany dividends

Dividends distributed among Group companies are eliminated from the consolidated income statement.

2.4 CHANGES TO THE GROUP'S CONSOLIDATION AREA

In 2024, two business unit transfer transactions were carried out by the parent company Esprinet S.p.A. in favour of the wholly-owned subsidiaries Zeliatech S.r.l. and V.Valley S.r.l. These transactions, which, however, did not change the Group's overall values, are highlighted in the "Significant events of the period" indicated in the Report on Operations, to which reference is made for further details.

2.5 AMENDMENTS OF ACCOUNTING STANDARDS

No reclassification or changes in the critical accounting estimates regarding previous periods, pursuant to IAS 8, have been made in this Annual Report.

2.6 SUMMARY OF SIGNIFICANT VALUATION CRITERIA AND ACCOUNTING POLICIES

Non-current assets

Intangible assets and goodwill

Intangible assets are assets that have no identifiable physical nature, that are controlled by the company and that are able to generate future income.

They include goodwill, when it is acquired for a consideration.

Intangible assets with a defined useful life are systematically amortised over their useful life, taken as the estimate of the period that the assets shall be used by the Group. In particular, the item *"Industrial patent and other intellectual property rights"* is amortised over three years, while the Customer Relationship recorded under the item "Other intangible assets" is amortised over 13 years.

Goodwill and other intangible assets with indefinite useful lives are not amortised on a straight-line basis, but are subject to an annual impairment test. The Impairment test is described below in the section entitled *'Impairment of assets'.* The increased carrying amount of an intangible asset with defined or indefinite useful life attributable to a reversal of an impairment loss does not exceed the book value that would have been determined (net of amortisation) had no impairment loss been recognised for the asset in prior years. Such recovery is recognised in the income statement unless the asset is recorded at a revalued amount, in which case the recovery is treated as a revaluation increase.

Property, plant and equipment

Property, plant and equipment are shown in the financial statements at purchase or production cost, or at their conveyance value, including any directly attributable incidental costs and costs deemed necessary to make them operable.

Ordinary maintenance and repair costs are charged to the income statement for the year in which they are incurred. Extraordinary maintenance costs leading to a significant and tangible increase in the productivity or useful life of an asset are added to the value of the asset concerned and amortised over a period representing its remaining useful life.

Costs for leasehold improvements are entered under their relevant tangible assets category.

Individual components of a facility that have different useful lives are recognised separately, so that each component may be depreciated at a rate consistent with its useful life.

Fixed assets are systematically depreciated every year, in line with depreciation schedules drawn up to reflect the remaining usefulness of the assets concerned. The value reported in the statement of financial position is shown net of accumulated depreciation according to the remaining possible use of the asset.

The depreciation rates applied for each asset category are detailed as follows:

	Economic - technical rate
Security systems	25%
Generic plants	from 3% to 20%
Other specific plants	15%
Conditioning plants	from 3% to 14,3%
Telephone systems and equipment	from 10% to 20%
Communication and telesignal plants	25%
Industrial and commercial equipment	from 7,1% to 15%
Electronic office machines	from 20% to 25%
Furniture and fittings	from 10% to 25%
Other assets	from 10% to 19%

If there are indications of a decline in value, assets are subjected to an impairment test. The Impairment test is described below in the section entitled *'Impairment of non-financial assets'*. When the reasons for a write-down no longer apply, the asset's cost may be reinstated. Reversals of impairment losses may not exceed the book value that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised in previous years.

This reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case it is treated as a revaluation increase.

Leasing transactions

Assets acquired through leases are recognised in accordance with IFRS 16, among fixed assets through the recognition of an asset representing the right of use of the underlying asset for the duration of the contract (Right of Use), recording a liability against future lease payments under *'Lease liabilities'* as a balancing entry.

Subsequent to initial recognition, the right of use is amortised in accordance with IAS 16, while the carrying amount of the lease liability increases due to the interest accrued in each period and decreases due to payments made.

Interest expenses on the lease liability and amortisation of the right to use the asset are recognised separately in the income statement. Future lease payments contractually due are discounted using the interest rate implicit in the relevant contract; where this is not easily and reliably determinable, the lessee's incremental borrowing rate is used.

The standard also requires that on the occurrence of specified events (for example, a change in the terms of the lease contract, a change in future lease payments resulting from a change in an index or rate used to determine such payments) the financial liability for the lease shall be remeasured with an adjustment for the right to use the asset.

The standard also establishes two exemptions for application in relation to assets considered to be of 'low value' and short-term leasing contracts whose sales/costs are recognised on a straight-line basis in the income statement over the term of the leasing contract.

Impairment of non-financial assets

IAS 36 requires the testing of property, plant and equipment and intangible assets for impairment when there are indications that impairment has occurred. In the case of goodwill and other assets with indefinite lives this test must be conducted at least annually.

In the case of goodwill, the Group carries out the impairment tests required by IAS 36 to all cash generating units, that is the smallest identifiable group of assets generating cash inflows form other assets or group of assets ('Cash Generating Unit') to which a goodwill value has been allocated. The recoverability of a carrying amount is tested by comparing the carrying amount recorded in the financial statements with the greater of fair value net of disposal costs, when there is an active market, and the value in use of the asset. Value in use is the present value of future cash flows expected to be derived from a Cash Generating Unit (CGU) and from its disposal at the end of its useful life. Expected future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the cost of money in relation to the investment period and the risks specific to the asset. An impairment loss is recognised in the income statement when the carrying value of the asset, or of the related CGU to which it is allocated, is higher than its recoverable value. CGUs have been identified within the Group's organisational and business structure as homogeneous groups of assets that generate cash inflows independently through the continued use of the assets included in each group.

Deferred income tax assets

Deferred income tax assets are recorded at face value. They are entered in the books when their recovery is deemed probable. See also the comment under item *'Income taxes'*.

Financial assets (non-current and current)

Upon their initial recognition, financial assets are entered at fair value and then classified in one of the following categories:

a) financial assets measured at amortised cost;
b) financial assets measured at fair value with impact on overall profitability (and therefore on the equity reserve named 'Fair value measurement reserve');
c) financial assets measured at fair value with impact on the income statement.

Financial assets are classified on the basis of the business model adopted by the Group in managing their cash flows and on the basis of the contractual characteristics of the cash flows obtainable from the asset. The business models identified are as follows:

- Hold to collect: financial assets for which the following requirements are met are classified in this category, (i) the asset is held under a business model whose objective is to hold the asset for the purpose of collecting contractual cash flows; and (ii) the contractual terms of the asset provide for cash flows represented only by payments of principal and interest on the amount of principal to be repaid.
  These assets fall within the category of assets measured at amortised cost. These are mainly trade and other receivables, as described in the 'Trade and other receivables' section. Receivables, with the exception of trade receivables that do not contain a significant financial component, are initially recognised in the financial statements at their fair value; when subse-

quently measured, they are measured at amortised cost using the effective interest rate. Trade receivables that do not contain a significant financial component are instead recognised at the price defined for the related transaction (determined in accordance with IFRS 15 Sales from Contracts with Customers). At subsequent measurement, assets in this category are measured at amortised cost, using the effective interest rate. The effects of this measurement are recognised among the financial components of income. These assets are also subject to the impairment model as defined in the 'Trade and other receivables' section.

- Hold to collect and sell: this category includes financial assets whose business model provides both the possibility of collecting contractual cash flows and the possibility of realising capital gains on disposal. These assets fall under the category of assets measured at fair value with the effects attributed to OCI. In this case, changes in the fair value of the asset are recognised in equity as other components of comprehensive income. The cumulative amount of changes in fair value, recognised in the equity reserve which includes the other components of comprehensive income, is reversed to the income statement when the asset is derecognised. Interest income calculated using the effective interest rate, exchange rate differences and write-downs is recognised in the income statement. It should be noted that as at 31 December 2024, there were no financial assets recognised at fair value through OCI.
- Hold to sell: this category includes financial assets that are not classified in any of the above categories (i.e. residual category). These assets are recognised at fair value both at initial recognition and at subsequent measurement. Profits and losses arising from changes in fair value are recognised in the consolidated income statement in the period in which they are recognised. This category mainly includes receivables subject to mass and recurring selling.

See also the 'Trade and other receivables' section.

Purchases and disposals of financial assets are accounted for on the settlement date.

In the case of financial assets measured at fair value, if they are traded on an active market, the fair value is defined, at each reporting date, in terms of the quoted market price or the dealers' price ('bid price' for asset held or liability to be issued, 'asking price' for an asset to be acquired or a liability held), without any deduction for transaction costs. If the market for a financial instrument is not active, the fair value is established by using a valuation technique. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis or other valuation models.

Financial assets are removed from the balance sheet when the right to receive the cash flows deriving from the instrument has expired and the Group has substantially transferred all the risks and benefits relating to the instrument itself and the related control.

Derecognition of financial assets

A financial asset (or, when applicable, part of a financial asset or part of a group of similar financial assets) is derecognised in the first instance (e.g., written-off from the Group's statement of equity and financial position) when:

- the rights to receive cash flows from the asset have ceased; or
- the Group has transferred to a third party the right to receive cash flows from the asset or has assumed a contractual obligation to pay them in full and without delay and: (i) transferred substantially all the risks and benefits of ownership of the financial asset; or (ii) neither transferred nor retained substantially all the risks and benefits of the asset, but transferred control of it.

If the Group has transferred the rights to receive the cash flows from an asset or entered into an agreement under which it retains the contractual rights to receive cash flows from the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients (pass-through), the Group assesses whether and to what extent it has retained the risks and benefits of ownership. If the Group has neither transferred nor retained substantially all risks and benefits or has not lost control over it, the asset continues to be recognised in the Group's financial statements to the extent of its continuing involvement in the asset. In this case, the Group also recognised an associated liability. The transferred asset and the associated liability are measured so as to reflect the rights and obligations that are still pertaining to the Group.

When the Group's residual involvement is a guarantee on the transferred asset, it is measured based on the amount related to the asset and the maximum amount of the consideration received that the Group might have to refund, whichever lower.

Current assets

Inventory

Stock is taken at the lower of acquisition cost and realisable value, as obtained from market trends, whilst taking into account the features peculiar to the target sector of the Group concerned, which sells mainly IT products and consumer electronics that rapidly become obsolete.

The configuration of cost adopted when measuring stock is based on the FIFO method of accounting.

Purchase cost considers additional expenses as well as any discounts and allowances granted by vendors, in accordance with the sector's standard business practice, in relation to predetermined sales targets being achieved and marketing activities being adequately developed in order to promote the brands being distributed and to develop the sales channels utilised. Cost includes 'price protections' on inventories granted by suppliers on the purchasing prices.

Obsolete and surplus stock and stock characterised by slow turnover is written down to reflect the chances of selling it.

Trade and other receivables

Trade and other receivables, unless otherwise specified, are entered at their nominal value, which is equivalent to the value determined by using the amortised cost method if the receivable is non-interest-bearing and has a short payment period, but no longer than twelve months, as almost all Group receivables are. This is due to the fact that the impact of the discounting logic is negligible, also given that the Group is not operating in systems characterised by hyperinflation and therefore by high interest rates.

If scenarios change and in case of receivables that do not feature the aforementioned characteristics, the Group would account them based on the amortised cost method.

On initial recognition they are measured at fair value, except for trade receivables that do not include a significant financial component as described in the 'Financial assets (non-current and current)' section.

The value of receivables is reduced, where impairment losses occur, to their realisable value.

Impairments are carried out on the basis of expected loss ('Expected Credit Loss model'), by applying a simplified approach. Therefore, the Group does not monitor changes in credit risk, but entirely recognises the expected loss at each reporting date. In particular, expected losses are determined by considering the solvency of individual creditors, the insurance coverage and the level of credit risk, based on the available information and accumulated historical experience.

Transactions involving the assignment of receivables without recourse, for which substantially all risks and benefits are transferred to the assignee, result in the derecognition of receivables from the Assets, since the requirements of IFRS 9 are met.

On the other hand, transactions involving the assignment of receivables with recourse continue to be recorded as Assets since not all risks and benefits have been transferred to the assignee.

The need to manage credit risk, working capital and, consequently, cash flows also requires the systematic execution of operations such as the assignment of such receivables to financial operators either definitively (without recourse) or temporarily (with recourse).

For the Esprinet Group, these transactions take the form of contractually agreed revolving factoring programmes to factoring companies or banks, and securitisation programmes for loans.

The receivables that are the subject of the aforementioned factoring programs are measured, as defined in the Financial assets section, at *fair value through profit and loss*.

Impairments carried out in accordance with IFRS9 are recognised in the consolidated income statement and are represented under the *'Impairment loss/reversal of financial assets'* item.

Tax assets

Tax assets are stated at fair value; they include all those assets that are taxable by the Tax Authorities or that can be financially compensated in the short term. See also the comment under item *'Income taxes'*.

Cash and cash equivalents

Cash and cash equivalents includes all liquid funds and deposits in bank accounts that are immediately available, as well as other liquidity with a duration of less than three months.

The liquid funds in euro are stated at their face value, while liquid funds in other currencies are stated at the current exchange rate at the end of the year.

Equity

Own shares

Own shares are deducted from equity. In the case of any subsequent sale, the difference between the cost of own shares and the selling price is recognised in equity.

Current and non-current liabilities

Financial debt

Financial liabilities are recognised in the statement of equity and financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially stated at fair value, to which any eventual costs related to the transaction are added. Afterwards, financial debt is stated at the amortised cost using the actual interest rate for the discount calculation.

Financial liabilities are removed from the income statement once the obligation specified in the contract has been fulfilled, cancelled or expired. The difference between the carrying amount of the financial liability which is paid off or transferred to another party and the sum paid is reported in the income statement.

In the case of financial liabilities measured at fair value, if they are traded on an active market, the fair value is defined, at each reporting date, in terms of the quoted market price or the dealers' price ('bid price' for asset held or liability to be issued, 'asking price' for an asset to be acquired or a liability held), without any deduction for transaction costs. If the market for a financial instrument is not active, the fair value is established by using a valuation technique. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis or other valuation models.

Provisions for risks and charges

Provisions are made when there is the probable existence of an obligation, be it actual, legal or implicit, due to past events and the amount of the obligation can be reliably estimated. The provisions are stated at the value that represents the best estimate of the amount that the company would reasonably pay for settling the obligation or transferring it to third parties at year-end. Where there is a significant financial effect over time and the payment date of the obligations can be reasonably estimated, the provisions are discounted; the increase in the provisions linked to the passing of time is stated in the income statement under the item *'Finance costs - net'*. Risks for which a liability is only possible are disclosed in a separate contingent liability disclosure section and no provision is made.

Staff post-employment benefits

Staff post-employment benefits are defined on the basis of plans which even though not yet official are called either 'fixed contribution' or 'defined benefit' plans, depending on their characteristics.

In the 'fixed contribution' plans the obligation of the company, limited to the payment of contributions to the State or entity or a distinct legal authority (fund), is calculated on the basis of the contributions owed. Until the 2007 Financial Law and relative enforcing decrees came into force, the uncertainty regarding payment times meant that staff severance indemnity (TFR) was likened to a defined benefit plan.

Following the reform, the allocation of accruing staff severance indemnity quotas to the pension fund or to INPS, the Italian Social Security body, resulted in the transformation of the plan into a fixed contribution plan, where the company's obligation is exclusively the payment of the contributions either to the fund or to INPS.

Liabilities relating to past staff severance indemnity still represent a defined benefit plan calculated by independent actuaries using an actuarial-type method.

Since 2013 actuarial profits and losses, deriving from changes to actuarial hypotheses, are reported in an appropriate equity reserve figure as required by the IAS 19R.

Pursuant to IAS 19, the above-mentioned reform has made it necessary to recalculate the value of the past staff severance indemnity provision due to the exclusion of the actuarial hypotheses linked to salary increases and the revision of financial-type hypotheses. This effect (curtailment) has been reported in the 2007 separate income statement in reduction of personnel costs.

Trade payables, other debts, other liabilities

Trade payables, other debts and other liabilities are initially reported at their fair value net of any costs linked to the transaction.

Subsequently, they are recorded at amortised cost, which, since it is not considered necessary to carry out any discounting and separate entry in the income statement of the explicit or unbundled interest expense as it is not material in view of the expected payment time, coincides with the face value.

Provisions for presumed debt are liabilities paid for goods or services which have been received or supplied but not yet paid and include amounts due to staff or other subjects.

The degree of uncertainty regarding the timing or amount of the allocations for 'Other debt/liability' is rather less than that of the provisions.

Income statement

Sales and expenses

On the basis of the five-stage model introduced by IFRS 15, the Group proceeds with the recognition of sales after identifying the contracts with its customers and the related services to be satisfied (transfer of goods/services), determining the consideration to which it believes it is entitled in exchange for the satisfaction of each of these services, and evaluating the manner in which these services are satisfied (performance at a given time versus fulfilment over time).

Specifically, sales are recognised only if the following requirements are met:

a) the parties to the contract have approved the contract and have undertaken to fulfil their respective obligations; there is therefore an agreement between the parties which creates rights and obligations due irrespective of the form in which such an agreement is expressed;
b) the Group may identify the rights of each party with respect to the goods or services to be transferred;
c) the Group can identify the terms of payment for the goods or services to be transferred;
d) the contract has commercial substance; and
e) it is likely that the Group will receive the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

When the above requirements are met, the Group recognises sales as described below.

Sales from sales are recognised when control of the goods subject to the transaction is transferred to the buyer or when the goods are delivered and the customer acquires the ability to decide on the use of the goods and to substantially reap all of the benefits.

Sales are stated net of returns, discount, allowances and bonuses treated as variable components of the agreed consideration.

Sales from the provision of services are recognised on completion of the service.

It should be noted that the payment times granted to the Group's customers do not exceed 12 months; therefore the Group does not record adjustments to the transaction price to consider components of a financial nature.

Costs are recognised when related to goods and services sold or used in the period or proportionally when their useful future life cannot be determined.

The purchase cost of products is reported net of any discounts granted by vendors for 'protection' provided in respect of price-list reductions and product replacements. Credits arising from any such allowances are recorded by using the accrual method of accounting, based on information from the vendors concerned.

Discounts granted for immediate cash payments of invoices payable upon presentation are used to reduce the cost of the products purchased, since – as is standard practice in the sector in which the Group operates – the commercial component is considered predominant.

Dividends

Dividends are recognised at the date of approval of the decision by the Shareholders' Meeting of the disbursing company.

Earnings per share

BASIC

Basic earnings per share are calculated by dividing the Group's year-end profit by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the company and held as own shares.

DILUTED

The diluted profit per share is calculated by dividing the Group's year-end profit by the weighted average of ordinary shares in circulation during the accounting period, excluding any own shares. For the purposes of the calculation of the diluted profit per share, the weighted average of the shares in circulation is modified by assuming the exercising by all owners of rights that potentially having diluting effects, while the net result of the Group is adjusted to take into account any effects, net of taxes, of the exercising of said rights. The result per diluted share is not calculated in the case of losses, in that any diluting effect would determine an improvement in the result per share.

Stock grants

Labour costs include stock options and/or stock grants awarded to managers in as much as they represent actual remuneration accruing at the closing date of the financial statements.

The cost is calculated in reference to the fair value of the assignment awarded to the employee.

The portion belonging to the period is calculated pro rata temporis over the vesting period.

The fair value of assigned stock grants is measured by the 'Black-Scholes' method and is stated in the form of a counterparty in the 'Reserves'.

Income taxes

Current income taxes are calculated with an estimate of taxable income for each Group company. The forecast payable is stated in the item *'Current income tax liabilities'* but, if surplus accounts have been paid, the receivable is stated in the item *'Current income tax assets'.* Tax payables and receivables for current taxation are stated at the value that it is expected to pay to or to recover from the Tax Authorities when applying the rates and current tax law or laws which have been substantially approved at the end of the period.

Deferred and advance income taxes are calculated using the 'liability method' on the temporary differences between the values of assets and liabilities stated on the statement of financial position and the corresponding values recognised for tax purposes. The statement of assets for advanced taxation is made when their recovery is probable.

Deferred and advance taxation are not stated if they are linked to the initial statement of an asset or liability in a different transaction by a business combination and that does not have an impact on the results and taxable income, at the time of the operation, the transactions must not give rise to taxable and deductible temporary differences of equal amount.

Assets for advanced taxation and liabilities for deferred taxation are stated in the fixed assets and liabilities and are off-set for each single company if they are taxes that can be off-set. If the balance of this off-set is positive, it is stated in the item *'Deferred income tax assets'*; if it is negative, it is stated in the item *'Deferred income tax liabilities'*.

Foreign currency translation, transactions and balances

FUNCTIONAL AND PRESENTATION CURRENCY

Items included in this financial statement are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

The consolidated financial statements are presented in euro, which is the Group's functional and presentation currency.

CURRENCY TRANSACTIONS AND TRANSLATION CRITERIA

Foreign currency transactions are entered under functional currency using the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities in foreign currency are converted into euro by applying the current exchange rate at the end of the period and the effect is stated in the separate income statement. Non-monetary assets and liabilities in foreign currency valued at cost are stated at the initial exchange rate; when they are valued at fair value or their recoverable or sale value, the current exchange rate is used on the date that the evaluation is made.

Exchange rate	Punctual at 31.12.2024	Average 2024	Punctual at 31.12.2023	Average 2023
Hong Kong Dollar (HKD)	8.07	8.45	8.63	8.47
Dirham (MAD)	10.51	10.76	10.93	10.96
US Dollar (USD)	1.04	1.08	1.11	1.08

Derivative instruments

Derivative financial instruments, including embedded derivatives, are accounted for according to the provisions of IFRS 9. At the date of execution, they are initially recorded at fair value as 'fair value through profit and loss' financial assets when the fair value is positive or as 'fair value through profit and loss' financial liabilities when the fair value is negative.

Derivatives are classified as hedging instruments when the relationship between the derivative and the underlying instrument is documented and the effectiveness of the hedge is both high and regularly verified.

When a derivative covers the risk of variation of cash flow of the underlying instrument (cash flow hedge; e.g. to cover the variability of cash flow of assets/liabilities due to changes in interest rates), the variation in the fair value of the derivative is initially stated in the shareholders' equity (and, consequently, in the statement of comprehensive income) and subsequently reversed to the separate income statement when the economic effects of the hedged item manifest.

If the hedging instrument expires or is sold, terminated or exercised (replacement excluded), or if the entity revokes the designation of the hedging relationship, the cumulative gain or loss on the hedging instrument recognised directly in equity from the period when the hedge was effective shall remain separately recognised in equity until the forecast transaction occurs, when it is reversed in the consolidated income statement.

If derivatives hedge the risk of changes in the fair value of assets and liabilities recorded in the balance sheet ('fair value hedge'), both changes in the fair value of the hedging instrument and changes in the hedged item are recognised in the consolidated income statement.

Variations of fair value derivatives that do not fulfil the requirements necessary to be defined as hedging instruments are stated in the income statement.

Other information

Please note that the information required by Consob regarding significant transactions and balances with related parties has been entered separately in the financial statements, solely when significant and can also be found in the appropriate section *'Relationships with related parties'*.

2.7 MAIN ACCOUNTING ESTIMATES

2.7.1 Introduction

The IT and consumer electronics distribution sector presents some significant specific features, as it is to some extent independent of geographic constraints, especially as regards commercial relations with suppliers of products or vendors.

This is particularly evident in the conditions and formation of the so-called back-end profit margin, which results from the difference between the purchase price of the products and the sales price to the final consumer or reseller according to the terms of each supplier (with respect of the distributor's main function, which naturally remains that of brokering the flow of products between supplier/producer and reseller/retailer).

Purchase conditions typically provide for a basic discount on end-users'/resellers' price lists and a series of additional conditions that vary from vendor to vendor in terms of function and terminology but which can normally be summarised in the following categories:

- bonuses/rebates for attaining targets ('sell-in', 'sell-out', number of clients, logistic efficiency, etc.);
- development, co-marketing funds and other incentives;
- cash discounts (also called 'prompt payment discounts').

The Group further benefits from current agreements with almost all the vendors in the form of specific contractual protections concerning the value of unsold stock, the aim of which is to neutralise the financial risk associated with variations in list prices of products ordered ('price protection') or already present in the distributor's warehouses ('stock protection'), within certain limits.

In the first case, the protection is generally recognised through the invoicing of products ordered and not yet sent at the new price; in the second case, the vendor usually accords a credit equal to the reduction in price of the products.

As for the cash discounts, these are generally recognised following respect of the contractually fixed payment terms and provide an incentive to pay punctually.

These conditions allow for deferred payments in all cases with respect to the issue of the relative invoice or sending of the merchandise.

In line with what happens for the financial discounts offered to some selected groups of customers, which are accounted for as reduced sales, the cash discounts are accounted for in the form of reduced purchase costs.

It is not possible within the sector to establish mid-norm payment terms policies regarding payment to suppliers as there is a considerable variety of conditions according to supplier. In particular, payment terms range from a minimum of 7 to a maximum of 120 days, and only occasionally a cash payment is required. In some cases, the payment terms set out in the invoice are the object of further agreed deferrals, for each shipment or on the basis of clearly-defined commercial programmes set up by the suppliers.

In the cases in which the above-mentioned deferrals carry an additional charge, the interest rate applied is not explicit, except in rare cases. Further, often it happens that implicit deferral terms – sometimes applied through a reduction in the contractually agreed cash discounts – have no connection with the current financial market rates, thus revealing how the commercial item takes precedence over the strictly financial item compensating for the delay between the date the debt arises and its effective payment.

This element is also suborned by the relatively brief duration, on average, of the deferral period, even when extended, which never, except in rare cases, exceeds 90 days.

2.7.2 Critical accounting estimates and assumptions

The preparation of the financial statements and the related notes has required the use of estimates and assumptions both in the measurement of certain assets and liabilities and in the valuation of contingent assets and liabilities.

Estimates and assumptions have been made based on historical experience and other factors, including expectations of future events, the manifestation of which are deemed reasonable.

Estimates and assumptions are revised on a regular basis, and the impact of such revision is immediately recognised in the income statement in the period of the change, if the change affects that period only, or in the period of the change and future periods if the change affects both.

The assumptions regarding future performance are characterised by uncertainties, exacerbated in the particular context by socio-political, economic and health conditions. This means that we cannot rule out a situation in which different results materialise in the next financial year with respect to those forecast, which are obviously not estimable or foreseeable at present, which could call for significant adjustments to the carrying amounts of the associated items.

The financial statement items mainly affected by these situations of uncertainty are certain sales, some sales reversals, the provisions for risks and charges, the allowances for doubtful accounts, depreciations and amortisation, employee benefits, income taxes, goodwill, rights of use and related lease liabilities.

The critical valuation processes and the estimates and assumptions deemed likely to produce significant effects on the financial situation of the Esprinet Group, should the future events set out not take place in whole or in part, are summarised below.

Right of use and financial liabilities for leasing

The initial recognition of a right of use and the related lease liabilities in relation to leasing contracts of assets depends on various elements of estimation relating, mainly, to the duration of the non-cancellable period of the contract, the interest rate implicit in the lease, the costs of dismantling/replacement/restoration of the asset at the end of the contract.

At the effective date the lessee shall measure the lease liability at the current value of lease payments due in the non-cancellable period.

The non-cancellable period is in turn dependent on assessments of the probability of the lessee exercising the renewal or interruption options and, if the right to early termination is also under the control of the lessor, in relation to the possible costs for that party too resulting from the interruption.

Payments due for the lease shall be discounted using the interest rate implicit in the lease if this can be easily determined. If this is not possible, the lessee must use their marginal borrowing rate.

The interest rate that causes the current value of the lease payments due and the unsecured residual value to be equal to the sum of the fair value of the underlying asset and any initial direct costs of the lessor.

The marginal borrowing rate is the interest rate that the lessee would have to pay for a loan, with a similar duration and with similar security, necessary to obtain a value similar to the right-of-use asset in a similar economic environment.

In order to determine the non-cancellable period of each contract, particularly with regard to real estate, the contractual terms were analysed and assumptions were made in relation to possible renewal periods connected with the location of the same, the possibility of moving to other areas, the costs associated with such transactions.

The leasing contracts in place do not show the implicit borrowing rate for which the marginal loan rate applicable to the Group has been determined, separately for clusters of contracts with a similar duration. In order to quantify the marginal lending rate, assessments were made in relation to the spread applicable to the Group based on the Parent Company's rating, the free risk lending rates applicable in the countries where the Group operates, the guarantees from which these loans would be supported and the materiality with respect to the Group's level of debt.

The above assessments are based on assumptions and analyses that are by their nature complex and changeable over time, which could therefore lead to subsequent amendments, in the event of a change in the non-cancellable period of the contract, or to the quantification of different rates in subsequent periods for new contracts to which they apply.

Goodwill

For purposes of verifying loss of goodwill value entered in the books, the 'value in use' of the Cash Generating Units ('CGUs') to which a goodwill value has been attributed has been calculated.

The CGUs have been identified within the Group's organisational and business structure as homogeneous groups of assets that generate cash inflows independently, through the continued use of the assets included in each group.

The use value has been calculated by the discounting back of expected cash-flows for each CGU as well as of the value expected from its disposal at the end of its useful life.

The 'Discounted Cash Flow Model' (DCF) has been used for this purpose, which requires that future financial flows be discounted at a rate adjusted to the specific risks of each single CGU.

The determination of the recoverable amount for each Cash Generating Unit ('CGU'), in terms of value in use, is based on assumptions – sometimes complex – that by their nature involve the Directors' judgement, in particular with reference to future cash flow forecasts, relating both to the period of the Group's business plan for 2025-2029E and beyond said period.

'Fair value' of derivatives

Their conditions fully comply with IFRS 9 regarding 'hedge accounting' (formal designation and documentation of the hedging relationship; hedge expected to be highly effective and reliably measured; forecast transaction highly probable and affecting profit or loss, insignificant effect of the credit risk of both counterparties in relation to the derivative value, constant hedge ratio over time) and as a consequence, the derivative contracts were subject to such accounting rules which specifically provides for the recognition under a shareholders' reserve of the related fair value (limited to the effective portion) at the inception date. Subsequent changes in fair value of the expected future cash flows on the hedge item from inception of the hedge (due to changes in the interest rate curve) have been similarly recognised directly in equity (always within limits of being an effective hedge) and, consequently, shown in the statement of comprehensive income.

Stock grant

For the purposes of the present statement of accounts, it has been necessary to include in the books the economic/equity effects associated with the stock grant plans in favour of some managers of Esprinet S.p.A., the operation of which is better illustrated in the paragraphs *'Share incentive plans'* and *'Share capital'*.

The cost of these plans has been specifically determined with reference to the fair value of the rights assigned to the single beneficiaries at assignment date.

Bearing in mind the unusual and manifold operating conditions – in part governed by the consolidated financial results of the Group and in part by the permanence of the beneficiary in the Group until the vesting date of the plans – this fair value has been measured using the 'Black-Scholes' method, taking expected volatility, presumed dividend yield and the risk-free interest rate into account.

Sales recognition

For purposes of recognising sales on sales and services, insufficient information regarding haulers' actual consignment dates means that dates are usually estimated by the Group on the basis of historical experience of average delivery times which differ according to the geographical location of the destination.

For sale recognition purposes for services, the actual moment the service is rendered is considered.

Sales adjustments and credit notes to be issued toward customers

The Group usually estimates amounts to be recognised to customers as discounts for targets achievement, in order to promote the sales development also through temporary promotions, for different kind of incentives.

The Group has developed a series of procedures and checks to minimise potential errors in evaluations and estimates of the credit notes to be issued.

However, in light of the significant judgements and estimates made, the large number and variety of customers dealings and the complexity of calculation, the possibility of differences between the estimated amounts and those actually received cannot be excluded.

Costs adjustments and credit notes due from vendors

Bearing in mind the unusual practices of the sector regarding the way purchase and sale conditions are defined and, ultimately, the way the trading margin is formed and stated, estimates are usually effected by the Group, especially where the occurrence of events might provoke significant financial effects.

Estimates of the sums of credit notes due from vendors to suppliers as rebates for the achieving of targets and incentives of various kinds, reimbursements for joint marketing activities, contractual stock protection, etc. at the drafting date of this document are referred to in particular.

The Group has developed a series of procedures and checks to minimise possible errors in evaluations and estimates of the credit notes due.

However, in light of the significant judgements and estimates made, the large number and variety of vendors dealings and the complexity of calculation, the possibility of differences between the estimated amounts and those actually received cannot be excluded.

Depreciation and amortisation of assets

Property, plant and equipment and intangible assets with a defined useful life are systematically depreciated throughout their useful life.

Useful life is defined as the period in which the activities will be used by the Company.

This is estimated on the basis of experience with similar assets, market conditions and other events likely to exercise any influence on the useful life including, just as an example, significant technological changes.

As a result, the actual economic life may differ from the estimated useful life.

The validity of the expected useful life in terms of its asset category is regularly checked by the Group. This revision may result in variations to the periods of depreciation and amortisation quotas in future accounting periods.

Bad debt provision

For purposes of calculating the presumed degree of encashment of receivables, the Group makes forecasts concerning the expected degree of solvency of the other parties ('Expected Credit Loss model') taking into account available information, collateral to contain credit risk and considering accumulated historical experience.

For loans that are planned to be transferred to third parties as part of securitisation programmes or to be sold to factoring companies or banks, the fair value through profit and loss is measured. The actual realisable value of receivables may differ from that estimated because of uncertainties regarding the conditions underlying the appraisal of solvency made.

Any deterioration in the economic and financial situation may further worsen the financial conditions of the Group's debtors with respect to that already taken into consideration when quantifying the provision entered in the financial statements.

Stock obsolescence provision

The Group usually effects forecasts regarding the realisable value of obsolete, surplus or slow-moving stocks.

This estimate is mainly based on historical experience and takes into consideration the unique characteristics of the respective stock sectors.

The value of encashment of the stocks may differ from that estimated because of the uncertainty affecting the conditions underlying the estimates made.

Any deterioration in the economic and financial situation or breakthrough technological evolution may further worsen the market conditions with respect to that already taken into consideration when quantifying the provision entered in the financial statements.

Provision for risks and charges and contingent liabilities

The Group makes provision for risks and charges on the basis of assumptions referred essentially to sums that might reasonably be paid to meet obligations for payment relating to past events.

This estimate is the result of a complex process involving legal and tax consultants as well as subjective judgement on the part of the Group's management. The sums actually paid to extinguish or transfer the obligations for payment to third parties may also differ significantly from those estimated for purposes of provision. If a financial outlay becomes possible but the amount cannot be determined, this fact is disclosed in the notes to the financial statements.

Benefits to employees

Liabilities arising from benefits to employees subsequent to the employment noted in the statement of accounts are calculated by the application of actuarial methods as per IAS 19.

These methods have required the identification of several employment possibilities and estimates of a demographic (probability of death, disability, leaving the labour market, etc.) and financial nature (technical rate of discounting back, inflation rate, rate of increase in remuneration, rate of increase of severance indemnity).

The validity of the estimates made depends essentially on the stability of the regulations used as a reference point, the progress of market interest rates, the progress of the remuneration dynamics and eliminations, and also on the frequency of access to advances on the part of employees.

Income taxes

Current income taxes are calculated on the basis of the estimate of liable earnings, by applying the current fiscal rates pertaining on the date of the drafting of the financial statements.

Deferred and advance taxes are determined by the temporary differences arising between the values of the assets and liabilities reported and the corresponding values recognised for tax purposes, using those tax rates considered possible upon encashment of the asset or extinguishment of the liability. Deferred tax assets are registered when the associated recovery is deemed probable; this probability depends upon the effective existence of taxable results in the future enabling deductible temporary differences to be used.

The future taxable results have been estimated by taking into consideration the budget results and the plans consistent with those used to effect impairment tests. The fact that deferred tax assets refer to temporary tax differences/losses, a significant amount of which may be recovered over a very long time-span, compatible therefore with a situation where overcoming the crisis and economic recovery might extend beyond the time-frame implicit in the aforementioned plans, has also been taken into account.

Climate Change Effects

As a multinational group, the Esprinet Group is exposed to the risks associated with climate change, which include both the transition risks that relate to the economic, social and legislative issues that companies and markets face in adapting to an economy inspired by the principles of sustainability, and the physical risks that arise from the economic impacts generated by the increase in climate change events.

As of 1 January 2024, the Esprinet Group is subject to the reporting requirements of the Corporate Sustainability Reporting Directive (CSRD), implemented in Italy by Legislative Decree 125/2024, which require the integration of sustainability reporting in the Report on Operations.

In preparing the consolidated financial statements for 2024, management took the consequences of climate change into account, where possible, in the context of defining the Group's sustainability objectives, and assessed the potential effects on the value and useful life of assets recognised in the financial statements, as well as the valuation of expected credit losses, as having no financial impact.

2.8 RECENTLY ISSUED ACCOUNTING STANDARDS

New or revised accounting standards and interpretations adopted by the Group

The accounting standards adopted in the preparation of the consolidated financial statements as at 31 December 2024 are consistent with those used in the consolidated financial statements as at 31 December 2023, except for the accounting standards and amendments described below and applied with effect from 1 January 2024 as per mandatory requirements, after being endorsed by the competent authorities.

The main changes are as follows:

- *Amendments to IFRS 16 - Lease liability in a sale and leaseback* - Issued by the IASB on 22 September 2022, the document provides some clarifications regarding the valuation of lease and leaseback transactions which consequently also meet IFRS 15 criteria for the accounting of the sale. The amendments apply to financial statements for years starting on 1 January 2024.
- *Amendments to IAS 1 - Presentation of financial statements: classification of liabilities as current or non-current* – Issued by IASB on 23 January 2020, the document requires a liability to be classified as current or non-current according to the existing rights at the reporting date. In addition, it establishes that the classification is not impacted by expectations about whether an entity will exercise its right to defer the settlement of the liability. Lastly, it is clarified that this settlement refers to the transfer of cash, equities, other assets or services to the counterparty. The amendments apply to financial statements for years starting on 1 January 2024.
- *Amendments to IAS 1- Presentation of financial statements: Non-Current Liabilities with Covenants* – Issued by the IASB on 31 October 2022, the document clarifies the necessary conditions to be met within twelve months from the reference year that may affect the classification of a liability, especially in cases where it is subject to Covenants. The amendments apply to financial statements for years starting on 1 January 2024.
- *Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangement*s – Issued by the IASB on 25 May 2023, the document provides for the addition of disclosure obligations relating to financial agreements with suppliers. The amendments apply to financial statements for years starting on 1 January 2024.

These amendments had no significant impacts on the Group's consolidated financial statements.

The following are the standards and interpretations issued but not yet in force and/or approved at the date of this report. The Group intends to adopt these standards once they become effective:

Standards issued and endorsed but not yet in force and/or endorsed and not applied in force and/or endorsed and not adopted early by the Group

- *Amendments to IAS 21 – The effect of changes in foreign exchange rates: Lack of exchangeability* – Issued by the IASB on 15 August 2023, this document provides for methods to determine whether a currency is convertible and, if not, determine the exchange rate to be used and the accounting reporting obligations. The amendments apply to financial statements for years starting on 1 January 2025. Earlier application is permitted.

Standards issued but not yet endorsed by the European Union

- *Amendments to IFRS 9 and IFRS7 – Classification and measurement of financial Instruments* - Issued by the IASB on 30 May 2024, the document addresses some issues regarding the classification and measurement of financial instruments required by IFRS 9, making the requirements more understandable and consistent. These include the classification of financial assets with environmental, social and corporate governance (ESG) characteristics and the settlement of liabilities through electronic payment systems. These amendments highlight additional reporting requirements to improve transparency regarding investments in Equity instruments at fair value through other comprehensive income and financial instruments with specific characteristics, for example linked to ESG objectives. The amendments apply to financial statements for years starting on 1 January 2026. Earlier application is permitted.
- *IFRS 18 - Presentation and Disclosure in Financial Statements* - Issued by the IASB on 9 April 2024, the document provides for the improvement of the financial statements' presentation with a focus on the income statement. The new key concepts introduced concern the structure of the income statement with the inclusion of new lines, the information required in the financial statements for 'management-defined performance measures' and improved principles of aggregation and disaggregation. The amendments apply to financial statements for years starting on 1 January 2027. Earlier application is permitted.
- *IFRS 19 - Subsidiaries without Public Accountability: Disclosures* - Issued by the IASB on 9 May 2024, the document aims to simplify the obligations in terms of financial information to be reported in the explanatory notes for a wide range of companies controlled by groups which apply international accounting standards, thus favouring the transition to these standards. The amendments apply to financial statements for years starting on 1 January 2027. Earlier application is permitted.
- *Annual Improvements to IFRS Accounting Standards - Volume 11* - Issued by the IASB on 18 July 2024, the document contains amendments to five standards as a result of the IASB Annual Improvements Project. The purpose of this project is to make necessary, but not urgent, changes to the IFRS accounting standards. The standards amended are: *IFRS 1 — First-time Adoption of International Financial Reporting Standards, IFRS 7 — Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 — Financial Instruments; IFRS 10 — Consolidated Financial Statements; and IAS 7 — Statement of Cash Flows*. The amendments are effective as of 1 January 2026 and earlier application is permitted.
- *Amendments to IFRS 9 - Financial Instruments and IFRS 7 - Financial Instruments: Disclosures*: Issued by the IASB on 18 December 2024, the document contains some disclosure enhancements to help companies report the financial effects of Contracts Referencing Nature-dependent Electricity, often structured as Power Purchase Agreements (PPA). The amendments are effective as of 1 January 2026. Earlier application is permitted.

The Group will adopt these new standards, amendments and interpretations, based on the application date indicated, and will evaluate their potential impacts, when these standards, amendments and interpretations are endorsed by the European Union.

3. Business combinations

There are no reported business combinations during 2024.

4. Segment information

4.1 INTRODUCTION

An operating segment is a component of the Group:

a) that engages in business activities from which it may earn sales and incur expenses (including sales and expenses relating to transactions with other components of the same Group);
b) whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance;
c) for which financial information is separately available.

The Esprinet Group is organised in the geographical business areas of Italy and the Iberian peninsula (operating segments) where it performs the 'business-to-business' (B2B) distribution of Information Technology (IT) products and consumer electronics.

The B2B IT and consumer electronics distribution is aimed at professional resellers, including large-scale distributors/retailers, and regards traditional IT products (desktop PCs, PC notebooks, printers, photocopiers, servers, standard software, etc.), advanced products (datacentres, networking, cybersecurity software, cloud solutions, support services), consumables (cartridges, tapes, toners, magnetic media), networking products (modems, routers, switches), tablets, mobile telephone devices (smartphones) and related accessories, and state-of-the-art digital and entertainment products such as cameras, video cameras, videogames, LCD TVs and MP3 readers.

A 'geographical segment' is involved in investments and transactions aimed at providing products or services within a particular economic environment that is subject to risks and returns that are different from those achievable in other geographical segments.

The organisation by geographical areas represents the main form of management and analysis of Group results by the CODMs (Chief Operating Decision Makers).

4.2 SEPARATE INCOME STATEMENT BY OPERATING SEGMENTS

The separate income statement, statement of equity and financial position and other significant information regarding each of the Esprinet Group's operating segments are as follows.

Separate income statement and other significant information by operating segments

(euro/000)	2024			
	Italy	Iberian Pen.	Elim. and other	Group
	Distr. IT & CE B2B	Distr. It & CE B2B		
Sales to third parties	2,623,103	1,518,460	-	4,141,562
Intersegment sales	29,482	-	(29,482)	-
Sales from contracts with customers	**2,652,585**	**1,518,460**	**(29,482)**	**4,141,562**
Cost of sales	(2,506,957)	(1,437,233)	29,570	(3,914,620)
Gross profit	**145,628**	**81,227**	**88**	**226,942**
Gross Profit %	*5.49%*	*5.35%*		*5.48%*
Sales and marketing costs	(52,107)	(23,502)	-	(75,609)
Overheads and admin. costs	(75,009)	(30,811)	3	(105,817)
Impairment loss/reversal of financial assets	581	129	-	710
Operating result (EBIT)	**19,093**	**27,043**	**91**	**46,226**
EBIT %	*0.72%*	*1.78%*		*1.12%*
Finance costs - net				(17,360)
Result before income tax				**28,866**
Income tax expenses				(7,345)
Net result				**21,521**
- of which attributable to non-controlling interests				-
- of which attributable to Group				21,521
Depreciation and amortisation	**17,822**	**4,983**	**496**	**23,301**
Other non-cash items	**3,853**	**69**	**-**	**3,922**
Investments	**6,581**	**398**	**-**	**6,979**
Total assets	**1,333,777**	**790,665**	**(102,720)**	**2,021,722**

(euro/000)	2023			
	Italy	Iberian Pen.	Elim. and other	Group
	Distr. IT & CE B2B	Distr. It & CE B2B		
Sales to third parties	2,494,133	1,491,029	-	3,985,162
Intersegment sales	28,412	-	(28,412)	-
Sales from contracts with customers	**2,522,545**	**1,491,029**	**(28,412)**	**3,985,162**
Cost of sales	(2,381,529)	(1,413,525)	28,333	(3,766,721)
Gross profit	**141,016**	**77,504**	**(79)**	**218,441**
Gross profit %	*5.59%*	*5.20%*		*5.48%*
Sales and marketing costs	(52,306)	(21,819)	3	(74,122)
Overheads and admin. costs	(70,236)	(32,078)	(3)	(102,317)
Impairment loss/reversal of financial assets	(27,419)	(571)	-	(27,990)
Operating result (EBIT)	**(8,945)**	**23,036**	**(79)**	**14,012**
EBIT %	*-0.35%*	*1.54%*		*0.35%*
Finance costs - net				(19,118)
Result before income tax				**(5,106)**
Income tax expenses				(6,769)
Net result				**(11,875)**
- of which attributable to non-controlling interests				-
- of which attributable to Group				(11,875)
Depreciation and amortisation	**14,577**	**4,949**	**539**	**20,065**
Other non-cash items	**4,786**	**589**	**-**	**5,375**
Investments	**12,776**	**968**	**-**	**13,744**
Total assets	**1,214,606**	**700,693**	**(79,849)**	**1,835,450**

Statement of equity and financial position by operating segments

(euro/000)	31/12/2024			
	Italy	Iberian Pen.	Elim. and other	Group
	Distr. IT & CE B2B	Distr. IT & CE B2B		
ASSETS				
Non-current assets				
Property, plant and equipment	24,169	2,832	-	27,001
Right-of-use assets	118,417	17,044	-	135,461
Goodwill	29,731	82,147	1,039	112,917
Intangible assets	7,412	5,740	-	13,152
Investments in others	75,637	-	(75,637)	-
Deferred income tax assets	5,080	6,105	15	11,200
Receivables and other non-current assets	1,798	555	-	2,353
	262,244	**114,423**	**(74,583)**	**302,084**
Current assets				
Inventory	471,260	165,920	(53)	637,127
Trade receivables	415,958	348,306	-	764,264
Income tax assets	3,662	105	-	3,767
Other assets	89,680	36,531	(28,084)	98,127
Financial assets held for trading	-	103	-	103
Cash and cash equivalents	90,973	125,277	-	216,250
	1,071,533	**676,242**	**(28,137)**	**1,719,638**
Total assets	**1,333,777**	**790,665**	**(102,720)**	**2,021,722**
EQUITY				
Share capital	7,861	54,693	(54,693)	7,861
Reserves	219,766	160,042	(19,943)	359,865
Group net income	2,332	19,161	28	21,521
Group net equity	**229,959**	**233,896**	**(74,608)**	**389,247**
Non-controlling interests	**-**	**29**	**(29)**	**-**
Total equity	**229,959**	**233,925**	**(74,637)**	**389,247**
LIABILITIES				
Non-current liabilities				
Borrowings	18,834	11,928	-	30,762
Lease liabilities	115,934	15,150	-	131,084
Deferred income tax liabilities	5,471	16,183	-	21,654
Retirement benefit obligations	5,347	-	-	5,347
Debts for investments in subsidiaries	600	-	-	600
Provisions and other liabilities	16,488	210	-	16,698
	162,674	**43,471**	**-**	**206,145**
Current liabilities				
Trade payables	806,829	459,353	-	1,266,182
Short-term financial liabilities	93,165	14,892	(20,258)	87,799
Lease liabilities	9,441	3,192	-	12,633
Income tax liabilities	601	1,379	-	1,980
Provisions and other liabilities	31,108	34,453	(7,825)	57,736
	941,144	**513,269**	**(28,083)**	**1,426,330**
TOTAL LIABILITIES	**1,103,818**	**556,740**	**(28,083)**	**1,632,475**
Total equity and liabilities	**1,333,777**	**790,665**	**(102,720)**	**2,021,722**

(euro/000)	31/12/2023			
	Italy	Iberian Pen.	Elim. and other	Group
	Distr. IT & CE B2B	Distr. IT & CE B2B		
ASSETS				
Non-current assets				
Property, plant and equipment	24,745	3,353	-	28,098
Right-of-use assets	84,909	19,715	-	104,624
Goodwill	33,324	82,147	1,039	116,510
Intangible assets	4,630	6,423	-	11,053
Investments in others	75,675	-	(75,675)	-
Deferred income tax assets	5,712	5,481	50	11,243
Receivables and other non-current assets	1,834	506	-	2,340
	230,829	**117,625**	**(74,586)**	**273,868**
Current assets				
Inventory	372,098	142,817	(145)	514,770
Trade receivables	401,034	297,568	-	698,602
Income tax assets	4,554	130	-	4,684
Other assets	80,378	7,270	(5,118)	82,530
Financial assets held for trading	-	113	-	113
Cash and cash equivalents	125,713	135,170	-	260,883
	983,777	**583,068**	**(5,263)**	**1,561,582**
Total assets	**1,214,606**	**700,693**	**(79,849)**	**1,835,450**
EQUITY				
Share capital	7,861	54,693	(54,693)	7,861
Reserves	247,014	144,079	(19,669)	371,424
Group net income	(27,532)	15,969	(312)	(11,875)
Group net equity	**227,343**	**214,741**	**(74,674)**	**367,410**
Non-controlling interests	**-**	**58**	**(58)**	**-**
Total equity	**227,343**	**214,799**	**(74,732)**	**367,410**
LIABILITIES				
Non-current liabilities				
Borrowings	39,574	26,128	-	65,702
Lease liabilities	81,478	17,676	-	99,154
Deferred income tax liabilities	4,244	14,679	-	18,923
Retirement benefit obligations	5,340	-	-	5,340
Debts for investments in subsidiaries	600	-	-	600
Provisions and other liabilities	23,121	970	-	24,091
	154,357	**59,453**	**-**	**213,810**
Current liabilities				
Trade payables	743,079	366,181	-	1,109,260
Short-term financial liabilities	49,459	22,787	-	72,246
Lease liabilities	8,582	3,314	-	11,896
Income tax liabilities	439	492	-	931
Derivative financial liabilities	-	18	-	18
Debts for investments in subsidiaries	5,764	-	-	5,764
Provisions and other liabilities	25,583	33,649	(5,117)	54,115
	832,906	**426,441**	**(5,117)**	**1,254,230**
TOTAL LIABILITIES	**987,263**	**485,894**	**(5,117)**	**1,468,040**
Total equity and liabilities	**1,214,606**	**700,693**	**(79,849)**	**1,835,450**

4.3 OTHER INFORMATION

The Group's operating segments can be identified by the geographical markets where the Group operates: Italy and Iberian peninsula.

The "Iberian Peninsula" operating segment is identified with the subsidiaries resident therein and the Moroccan sub-subsidiary GTI Software & Networking SARLAU.

The "Italy" operating segment corresponds to the parent company Esprinet S.p.A., to its subsidiaries resident therein, to the foreign sub-subsidiaries of idMAINT S.r.l. as mere sales promoters serving Dacom S.p.A., and to the marginal Chinese subsidiary Celly Pacific Ltd.

Intra-segment operations are identified in terms of the counterparty and the accounting rules are the same as those used in the case of transactions with third parties and described in the chapter *'Summary of significant valuation criteria and accounting policies'* to which reference should be made.

Details of the Group's sales from external customers by product family and geographical area, with quotas effected in the country where the parent company is headquartered highlighted, can be found under the 'Sales' section. Geographical segment breakdown depends in particular on the customers' country of residence.

The Group is not dependent on any major customers despite one of them being considered a single entity under IFRS 8.34 that accounts for more than 10% of the sales, even though it consists of more than one legal entity.

5. Disclosure on risks and financial instruments

5.1 DEFINITION OF FINANCIAL RISKS

The international accounting principle IFRS 7 requires entities to provide disclosures in their financial statements that enable users to evaluate:

- the significance of financial instruments for the entity's equity and financial position and performances;
- the nature and extent of risks arising from financial instruments to which the entity is exposed during the year and at the reporting date, and how the entity managed those risks.

The criteria contained in this IFRS integrate and/or replace the criteria for the recognition, measurement and disclosure of financial assets and financial liabilities contained in IAS 32 "Financial Instruments: Disclosure and Presentation" and IFRS 9 "Financial Instruments: Recognition and Measurement". Disclosures as per IFRS 7 and IFRS 13 are therefore reported in this section. Accounting principles regarding financial instruments used in preparing the consolidated financial statements can be found in the section *'Accounting principles and valuation criteria'* whereas the definition of financial risks, the degree of the Group's exposure to the various identified categories of risk, such as:

a) credit risk;

b) liquidity risk;
c) market risk (currency risk, interest rate risk, other price risks);
and the relevant risk management policies have been analysed in depth under *'Main risks and uncertainties facing the Group and Esprinet S.p.A.'* in the 'Directors' Report on Operations'.

5.2 FINANCIAL INSTRUMENTS PURSUANT TO IFRS 9: RISK CLASSES AND FAIR VALUE

The following table illustrates together the financial instrument items in the statement of financial position and the financial assets and liabilities categories in accordance with accounting standard IFRS 9:

Assets	31/12/2024				31/12/2023			
(euro/000)	Carrying amount	Financial assets FVTPL (1)	Financial assets amortized cost	Out of scope IFRS 9	Carrying amount	Financial assets FVTPL (1)	Financial assets amortized cost	Out of scope IFRS 9
Guarantee deposits	*2,353*		*2,353*		*2,340*		*2,340*	
Rec.and other non-curr. Assets	2,353	-	2,353	-	2,340	-	2,340	-
Non-current assets	**2,353**	**-**	**2,353**	**-**	**2,340**	**-**	**2,340**	**-**
Trade receivables	764,264	158,166	606,098		698,602	103,861	594,741	
Receivables from factors	*133*		*133*		*249*		*249*	
Customer financial receivables	*10,154*		*10,154*		*9,656*		*9,656*	
Other tax receivables	*60,248*			*60,248*	*51,900*			*51,900*
Receivables from suppliers	*19,331*		*19,331*		*12,632*		*12,632*	
Receivables from insurances	*1,894*		*1,894*		*679*		*679*	
Receivables from employees	*1*		*1*		*-*		*-*	
Receivables from others	*810*		*810*		*1,075*		*1,075*	
Pre-payments	*5,556*			*5,556*	*6,339*			*6,339*
Rec.and other curr. Assets	98,127	-	32,323	65,804	82,530	-	24,291	58,239
Financial assets held for trading	103	103			113	113		
Cash and cash equivalents	216,250		216,250		260,883		260,883	
Current assets	**1,078,744**	**158,269**	**854,671**	**65,804**	**1.042.128**	**103,974**	**879.915**	**58.239**

(1) 'FVTPL': Fair Value Through Profit and Loss includes derivatives at fair value through profit and loss.

Liabilities	31/12/2024				31/12/2023			
(euro/000)	Carrying amount	Financial liabilities FVTPL [1]	Financial liabilities amortized cost	Out of scope IFRS 9	Carrying amount	Financial liabilities FVTPL [1]	Financial liabilities amortized cost	Out of scope IFRS 9
Borrowings	30,762		30,762		65,702		65,702	
Lease liabilities	131,084		131,084		99,154		99,154	
Debts for investments in subsidiaries	600		600		600		600	
Provisions of pensions	*1,736*			*1,736*	*1,795*			*1,795*
Other provisions	*231*			*231*	*1,298*			*1,298*
Long term tax payable in instalments	*14,475*			*14,475*	*20,809*			*20,809*
Cash incentive liabilities	*256*		*256*		*189*		*189*	
Provis. and other non-curr. Liab	16,698	-	256	16,442	24,091	-	189	23,902
Non-current liabilities	**179,144**	**-**	**162,702**	**16,442**	**189,547**	**-**	**165,645**	**23,902**
Trade payables	1,266,182		1,266,182		1,109,260		1,109,260	
Short-term financial liabilities	87,799		87,799		72,246		72,246	
Lease liabilities	12,633		12,633		11,896		11,896	
Derivate financial liabilities	-	-			18	18		
Debts for investments in subsidiaries	-		-		5,764		5,764	
Social security liabilities	*5,981*		*5,981*		*5,491*		*5,491*	
Other tax liabilities	*32,484*			*32,484*	*29,865*			*29,865*
Payables to others	*18,726*		*18,726*		*18,260*		*18,260*	
Accrued expenses	*340*		*340*		*257*		*257*	
Deferred income	*205*			*205*	*242*			*242*
Provisions and other liabilities	57,736	-	25,047	32,689	54,115	-	24,008	30,107
Current liabilities	**1,424,350**	**-**	**1,391,661**	**32,689**	**1,253,299**	**18**	**1,223,174**	**30,107**

[1] 'FVTPL': Fair Value Through Profit and Loss includes derivatives at fair value through profit and loss.

For further details about the contents of individual balance sheet items please see the analyses provided in the specific sections in the section *'Notes to statement of financial position items'.* As can be seen in the previous table, the statement of financial position classifications provide an almost immediate distinction between classes of financial instruments, as per their different valuation methods and exposure to financial risk:

- financial instruments measured at amortised cost:
  - cash and cash equivalents and financial receivables;
  - receivables from insurance companies;
  - trade receivables (except for component measured at fair value);
  - receivables from employees;
  - receivables from suppliers;
  - other receivables;
  - trade payables;
  - financial payables;
  - lease liabilities;
  - financial payables for investments in subsidiaries;
  - sundry payables.
- financial instruments measured at fair value since initial recognition:
  - derivative financial assets;
  - financial assets held for trading;
  - derivative financial liabilities;
  - trade receivables (portion not measured at amortised cost).

The level of risk related to the various types of receivables is very low, although differentiated, in relation to cash and cash equivalents, financial receivables, receivables from insurance companies, financial assets held for trading and derivative assets given the high standing of the counterparties (financial receivables from customers also fall within this cluster as they are due from the Public Administration).

Credit risk is less limited, albeit still very low, and is related to receivables from employees, possible receivables from associated companies and receivables from suppliers given, respectively, working relationship, management connection and continuity of supply.As regards other receivables, the risk is due to the existence of contractual guarantees.

Trade receivables, albeit resulting from a structured process of customer selection and credit recognition and then of credit monitoring, are instead subject to a higher credit risk. This risk is mitigated by recourse to traditional insurance contracts with leading international insurance companies, without-recourse factoring schemes and, for the remainder, through specific guarantees (bank guarantees typically).

It should be noted that no significant financial effects have ever arisen from insolvency problems.

The risk of material damage, resulting from the Group being unable to fulfil the payment commitments undertaken in a timely manner (liquidity risk), is very high in relation to trade payables, financial payables and derivative financial liabilities, due to a presumably lower contractual strength vis-à-vis suppliers, with the risk of non-supply, and financial institutions due to the greater rigidity implicit in the existence of covenants on medium-long term financial payables.

This risk is lower in relation to sundry payables and payables for the purchase of equity investments as these liabilities do not normally compromise future relations.

Lease liabilities feature an intermediate risk level as the theoretical risk remains with respect to the exclusion from possession and use of the leased assets.

The fair value measurement of financial assets and liabilities reported in the statement of financial position as provided for by IFRS 9 and governed by IFRS 7 and IFRS 13, grouped by category, and the methods and the assumptions applied in determining them, are as follows:

Assets	31/12/2024						31\/12/2023					
		Fair value						Fair value				
(euro/000)	Carrying amount	Trade receiv.	Financial receiv	Receiv. from others	Receiv. from insurance	Receiv. From employees	Carrying amount	Trade receiv.	Financial receiv	Receiv. from others	Receiv. from insurance	Receiv. From employees
Guarantee deposits	*2,353*		*-*	*2,284*			*2,340*		*-*	*2,289*		
Rec.and other non-curr. Assets	2,353	-	-	2,284	-	-	2,340	-	-	2,289	-	-
Non - current assets	**2,353**	**-**	**-**	**2,284**	**-**	**-**	**2,340**	**-**	**-**	**2,289**	**-**	**-**
Trade receivables	*764,264*	*764,264*					*698,602*	*698,602*				
Receiv. from factors	*133*		*133*				*249*		*249*			
Customer financial receivables	*10,154*		*10,154*				*9,656*		*9,656*			
Receiv. from suppliers	*19,331*			*19,331*			*12,632*			*12,632*		
Receiv. from insurances	*1,894*				*1,894*		*679*				*679*	
Receiv. from employees	*1*					*1*	*-*					*-*
Receiv. from others	*810*			*810*			*1,075*			*1,075*		
Rec.and other curr. Assets	32,323	-	10,287	20,141	1,894	1	24,291	-	9,905	13,707	679	-
Financial assets held for trading	103		103				113		113			
Cash and cash equivalents	216,250		216,250				260,883		260,883			
Current assets	**1,012,940**	**764,264**	**226,640**	**20,141**	**1,894**	**1**	**983,889**	**698,602**	**270,901**	**13,707**	**679**	**-**

Liabilities	31/12/2024					31/12/2023				
		Fair value					Fair value			
(euro/000)	Carrying amount	Trade payables	Financial payables	FVTPL derivate	Other payables	Carrying amount	Trade payables	Financial payables	FVTPL derivate	Other payables
Borrowings	30,762		29,481			65,702		58,315		
Debts for investments in subsidiaries	600		603			600		605		
Cash incentive liabilities	*256*				*256*	*189*				*189*
Provis. and other non-curr. Liab.	256	-	-	-	256	189	-	-	-	189
Non-current liabilities	**31,618**	**-**	**30,084**	**-**	**256**	**66,491**	**-**	**58,920**	**-**	**189**
Trade payables	1,266,182	1,266,182				1,109,260	1,109,260			
Short-term financial liabilities	87,799		87,554			72,246		71,928		
Derivate financial liabilities	-			-		18			18	
Debts for investments in subsidiaries	-		-			5,764		5,671		
Social security liabilities	*5,981*				*5,981*	*5,491*				*5,491*
Payables to others	*18,726*				*18,726*	*18,260*				*18,260*
Accrued expenses	*340*				*340*	*257*				*257*
Provis. and other Liab.	25,047	-	-	-	25,047	24,008	-	-	-	24,008
Current liabilities	**1,379,028**	**1,266,182**	**87,554**	**-**	**25,047**	**1,211,296**	**1,109,260**	**77,599**	**18**	**24,008**

IFRS 13 identifies a hierarchy of assessment techniques based on three levels:

- Level 1: the data used in the assessments is represented by prices quoted on markets where assets and liabilities identical to those being assessed are traded;
- Level 2: the data used in the assessments, other than listed prices referred to in Level 1, are observable for the financial asset or liability, both directly (prices) and indirectly (derived from prices);
- Level 3: non-observable data; where observable data is not available and, therefore, there is little or no market activity for the assets and liabilities being assessed.

Assets and liabilities recorded in the financial statements at fair value, as specified in greater detail below, corresponds to a level 2 in the hierarchy with the exception of "Financial assets held for trading", which correspond to a level 1, and "Trade receivables" (portion not measured at amortised cost), which corresponds to level 3.

Given their short-term maturity, the gross carrying value of current assets and liabilities (excluding items specially measured) is deemed a reasonable approximation of their fair value.

The fair value of non-current assets and financial payables, including debts for investment in subsidiaries, was estimated by discounting expected future cash flows from principal and interest, according to the terms and the maturity dates of each agreement, and using the interest curve at the balance sheet date, as adjusted for the effects of DVA (Debit Value Adjustment) and the CVA (Credit Value Adjustment).

The interest rates used were obtained from the 'Forward' and the 'Spot' Curves as at 31 December, as published by financial providers, the second plus any spread provided for by the agreement (such spread was not taken into account in applying the market interest curve for discounting cash flows). Since all inputs entered in the valuation model were based on observable market data instruments are classified at hierarchy level 2.

As shown in the previous tables, no reclassifications among hierarchic levels were made. Please refer to the paragraphs '5.5 Hedge accounting' and '5.6. Non-Hedging derivatives' for more information relating to the existing derivative instruments.

Disclosures regarding net gains or losses, interest income and expenses, fee income and expenses arising from financial instruments have been already provided in the table dedicated to finance costs under *'42) Finance costs - net'*.

Adjustments to the value of financial assets, estimated following a precise assessment of the solvency of each debtor, were shown under the item *"Impairment loss/reversal of financial assets"* in the separate income statement. These adjustments totalled 0.7 million euro (-28.0 million euro in 2023).

5.3 ADDITIONAL INFORMATION ABOUT FINANCIAL ASSETS

During the year, as in the previous year, it was not necessary to make any changes in the method of accounting for financial assets (not recognising the initial recognition at fair value and subsequent recognition at cost of certain balance sheet items, as required by international accounting standards).

As already highlighted in the section 'Trade and other receivables' the value of receivables is constantly reduced by the established impairment losses.

This transaction is effected by specially allocating a bad debt provision that directly reduces the carrying amount of the financial assets written down.

The following table illustrates the change in the bad debt provision relating to trade receivables:

(euro/000)	Starting provision	Additions	Uses	Acquisitions	Final provision
2024 Financial year	7,735	1,753	(3,052)	-	6,436
2023 Financial year	4,616	5,147	(2,391)	363	7,735

The Group usually transfers financial assets. These operations involve giving factoring companies trade receivables, for both discounting-back and without-recourse factoring schemes, as well as presenting promissory notes (known by their Italian acronym as RIBA) to banks as credit operations on realisation under usual reserves.

The year 2024 saw the continuation of the trade receivables securitisation programme structured by UniCredit Bank AG, launched in July 2015 and renewed uninterruptedly every three years, with the latest renewal in July 2024, under which trade receivables are assigned without recourse on a revolving basis to a 'special purpose vehicle' established under Law No. 130/1999.

In the case of factoring of receivables with recourse and advances of trade bills, the Group continues to recognise all of these assets, the carrying amount of which continues to be posted in the financial statements, under 'trade receivables' with an offsetting entry under the current financial liabilities as 'other financing payables' and 'payables to banks'.

As at 31 December 2024, the receivables transferred with recourse against which portfolio advances were obtained subject to collection amounted to 1.2 million euro (0.8 million at 31 December 2023); on the other hand, advances of trade bills amounted to 1.9 million euro (3.6 million euro as at 31 December 2023).

The financial assets' gross carrying amount is the Group's maximum exposure to credit risk.

Below is an analysis of the status of trade receivables due from customers and the seniority of those that have not suffered lasting losses in value:

(euro/000)	31/12/2024	Receivables impaired	Receivables past due not impaired	Receivables not past due not impaired
Gross trade receivables	764,264	114,578	153,574	496,112
Bad debt provision	(6,436)	(6,436)		
Net trade receivables	**757,828**	**108,142**	**153,574**	**496,112**

(euro/000)	31/12/2023	Receivables impaired	Receivables past due not impaired	Receivables not past due not impaired
Gross trade receivables	706,337	126,570	132,897	446,870
Bad debt provision	(7,735)	(7,735)	-	-
Net trade receivables	**698,602**	**118,835**	**132,897**	**446,870**

(euro/000)	Total	Past due over 90 days	Past due 60 - 90 days	Past due 30 - 60 days	Past due under 30 days
Receiv. past due not impaired at 31/12/2024	153,574	9,748	10,581	12,012	121,233
Receiv. past due not impaired at 31/12/2023	132,897	16,127	3,309	9,137	104,324

Due to its historical experience and to its policy of not accepting orders from insolvent customers unless paid in advance, the Group does not believe that premises for allocating provisions for doubtful receivables for amounts not yet overdue exist with the exception of receivables falling within the 'hold to collect' cluster. This cluster concerns receivables assigned to third parties on the basis of binding programmes for which the cashable value has been taken into account by such third parties.

There are no financial assets which would otherwise be past due or impaired whose terms have been re-negotiated, except for some re-entry plans agreed with customers for not-material amounts.

The following instruments are usually used by the Group to limit its credit risk (the percentages refer to trade receivables as at 31 December 2024):

- traditional credit insurance (covering about 95% of the face value of the insured receivables provided they are within the limit of the credit line given by the insurance company) covering about 57% of the total amount of trade receivables;
- without-recourse factoring with leading factoring companies covering about 22% of the receivables (the amount refers to receivables existing at the closing date of the financial year but subject to revolving credit at the times and with the methods of the schemes);
- real guarantees (bank guarantees and property mortgages) for about 1% of receivables.

No financial or non-financial assets were obtained by the Group during the period by taking possession of collateral it holds as security or calling on other credit enhancements (e.g. guarantees). Nor did the Group hold collateral (of financial or non-financial assets) it was permitted to sell or re-pledge in the absence of default by the owner of the collateral.

Given that, except for the adjustment of the value of receivables arisen following unsuccessful attempt to claim a VAT refund by the parent company Esprinet S.p.A. with regard to some customers whose behaviour gave rise to the disputed positions by the Revenue Agency for the 2013-2017 tax periods, no other financial assets regulated by IFRS 7 and IFRS 13 have been impaired in the current or previous financial year. The changes in the related bad debt provision are shown below, together with two summary tables providing information on their status and the seniority of receivables overdue:

(euro/000)	Starting provision	Additions	Uses	Acquisitions	Final provision
2024 Financial year	4,297	-	-	-	4,297
2023 Financial year	-	4,297	-	-	4,297

(euro/000)	31/12/2024				31/12/2023			
	Carrying amount	Receiv. Impaired	Receiv. past due not impaired	Receiv. not past due not impaired	Carrying amount	Receiv. Impaired	Receiv. past due not impaired	Receiv. not past due not impaired
Guarantee deposits	*2,353*			*2,353*	*2,340*			*2,340*
Rec.and other non-curr. Assets	2,353	-	-	2,353	2,340	-	-	2,340
Non-current assets	**2,353**	**-**	**-**	**2,353**	**2,340**	**-**	**-**	**2,340**
Receivables from factors	*133*		*5*	*128*	*249*			*249*
Customer financial receivables	*10,154*			*10,154*	*9,656*			*9,656*
Receivables from suppliers	*19,331*		*16,011*	*3,320*	*12,632*		*5,055*	*7,577*
Receivables from insurances	*1,894*		*1,894*		*679*		*679*	
Receivables from employees	*1*			*1*	*-*		*-*	*-*
Receivables from others	*5,107*	*4,297*	*73*	*737*	*5,372*	*4,297*	*73*	*1,002*
Rec.and other curr. Assets	36,620	4,297	17,983	14,340	28,588	4,297	5,807	18,484
Financial assets held for trading	103			103	113			113
Cash and cash equivalents	216,250		216,250		260,883		260,883	
Gross Current assets	**252,973**	**4,297**	**234,233**	**14,443**	**289,584**	**4,297**	**266,690**	**18,597**
Bad debts provision	(4,297)	(4,297)			(4,297)	(4,297)		
Net Current assets	**248,676**	**-**	**234,233**	**14,443**	**285,287**	**-**	**266,690**	**18,597**

(euro/000)	Total	Past due over 90 days	Past due 60 - 90 days	Past due 30 - 60 days	Past due under 30 days
Receivables from suppliers	16,011	5,063	368	315	10,265
Receivables from factors	5	-	-	-	5
Receivables from insurance companies	1,894	1,523	122	92	157
Receivables from others	73	73	-	-	-
Receiv. past due not impaired at 31/12/2024	**17,983**	**6,659**	**490**	**407**	**10,427**
Receivables from suppliers	5,055	1,540	95	2,426	994
Receivables from insurance companies	679	339	72	98	170
Receivables from others	73	73	-	-	-
Receiv. past due not impaired at 31/12/2023	**5,807**	**1,952**	**167**	**2,524**	**1,164**

5.4 ADDITIONAL INFORMATION ABOUT FINANCIAL LIABILITIES

Amounts detailed in the following maturity analysis are the contractual undiscounted cash flows, including interests to be paid and excluding the effects of netting agreements:

(euro/000)	Carrying amount 31/12/2024	Future cash flow	in 6 months	6-12 months	1-2 years	2-5 years	after 5 years
Borrowings	30,762	32,650	474	429	21,613	10,134	-
Lease liabilities	131,084	155,903	-	-	17,614	48,912	89,377
Debts for investments in subsidiaries	600	600	-	-	-	600	-
Cash incentive liabilities	*256*	*256*	-	-	*174*	*82*	-
Provis. and other non-curr. Liab.	256	256	-	-	174	82	-
Non-current liabilities	**162,702**	**189,409**	**474**	**429**	**39,401**	**59,728**	**89,377**
Trade payables	1,266,182	1,269,465	1,266,806	624	1,143	885	7
Short-term financial liabilities	87,799	88,499	62,931	25,568	-	-	-
Lease liabilities	12,633	17,181	8,251	8,930	-	-	-
Social security liabilities	*5,981*	*5,981*	*5,981*	-	-	-	-
Payables to others	*18,726*	*18,726*	*18,726*	-	-	-	-
Accrued expenses	*340*	*340*	*340*	-	-	-	-
Provisions and other liabilities	25,047	25,047	25,047	-	-	-	-
Current liabilites	**1,391,661**	**1,400,192**	**1,363,035**	**35,122**	**1,143**	**885**	**7**

(euro/000)	Carrying amount 31/12/2023	Future cash flow	in 6 months	6-12 months	1-2 years	2-5 years	after 5 years
Borrowings	65,702	69,917	1,042	942	39,486	28,447	-
Lease liabilities	99,154	113,391	-	-	14,145	38,266	60,980
Debts for investments in subsidiaries	600	600	-	-	-	600	-
Cash incentive liabilities	*189*	*189*	*35*	-	*132*	*22*	-
Provis. and other non-curr. Liab.	189	189	35	-	132	22	-
Non-current liabilities	**165,645**	**184,097**	**1,077**	**942**	**53,763**	**67,335**	**60,980**
Trade payables	1,109,260	1,114,353	1,110,006	746	1,363	2,238	-
Short-term financial liabilities	72,246	72,593	49,744	22,849	-	-	-
Lease liabilities	11,896	15,035	7,601	7,434	-	-	-
Derivate financial liabilities	18	18	18	-	-	-	-
Debts for investments in subsidiaries	5,764	5,764	5,764	-	-	-	-
Social security liabilities	*5,491*	*5,491*	*5,491*	-	-	-	-
Payables to others	*18,260*	*18,260*	*18,260*	-	-	-	-
Accrued expenses	*257*	*257*	*257*	-	-	-	-
Provisions and other liabilities	24,008	24,008	24,008	-	-	-	-
Current liabilites	**1,223,192**	**1,231,771**	**1,197,141**	**31,029**	**1,363**	**2,238**	**-**

The above tables can be understood more easily if the following are considered:

- when a counter-party has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which the Group can be required to pay;
- the amounts shown relate to contractual undiscounted cash flows gross of interests to be paid;
- the amount of floating rate loans has been estimated by reference to the conditions existing at the reporting date (i.e. the interest rate curve at the end of the year).

The Group companies maintain medium-long term loan contracts, as well as a short-term Revolving Credit Facility, that contain standard acceleration clauses in case certain financial covenants are not met when checked against data from the consolidated and audited financial statements.

The details relating to the outstanding loans and related covenants can be found in the following paragraph *'Net financial indebtedness and loans covenants'.*

As at 31 December 2024, all covenants to which the above-mentioned loans are subject, including the Revolving Credit Facility, according to management estimates (as the same must be verified in the consolidated financial statements certified by the independent auditors), were respected.

With the exception of what has been reported above and of the non-compliance as at 31 December for the years 2023, 2018, 2017 and 2016, again without producing any consequences, with part of the financial ratios provided for in the loan agreements in place on those dates, the Group has never been in a non-compliant or default situation with regard to the clauses concerning the nominal principal, interest, amortisation plan or repayment of loans payable.

Lastly, up to now the Group has not issued any instruments containing both a liability and an equity component.

5.5 HEDGE ACCOUNTING

Introduction

The Esprinet Group enters into derivative contracts in order to hedge certain loan agreements against fluctuating interest rates by means of a cash flow hedging strategy.

The aim of these transactions hedging against interest rate risk is to fix the funding cost of medium/long-term floating-rate loans by entering into derivative contracts enabling receipt of a floating rate in return for payment of a fixed rate.

Hedging operations are therefore reported in the financial statements according to the instructions of the IFRS 9 accounting principle regarding 'hedge accounting' and in order to verify the hedge effectiveness, the Group periodically carries out effectiveness tests.

Derivative instruments as at balance sheet date

At the end of the year, the Group did not have any hedging derivatives in place.

Instruments terminated during the year

During the year, the Group did not extinguish any hedging derivatives in place.

5.6 NON-HEDGING DERIVATIVES

Derivative instruments as at balance sheet date

At the end of the year, the Group did not have any non-hedging derivatives in place.

Instruments terminated during the year

During the year was the expiry of the forward currency purchase contracts, in place as at 31 December 2023, to hedge cash flows from short-term fluctuations in the differential between the euro and the US dollar or pound sterling in relation to purchases from suppliers of software, providers of services and suppliers of products, in certain companies belonging to the Iberian Subgroup (Esprinet Iberica S.L.U. and V-Valley Advanced Solutions España, S.A.).

These purchase transactions did not meet all the requirements for hedge accounting treatment, so changes in the fair value of these contracts are recognised directly in the consolidated income statement.

Movements in derivative instruments extinguished during the year relating to the direct recognition in the income statement of changes in fair value and any proceeds received are shown below:

(euro/000)	Year	FV contracts 31/12/a.p. [1, 2]	(Expenses)/ Income	Variation FV	FV contracts 31/12/a.c. [2, 3]
Interest Rate Cap	2024	18	-	(18)	-
Interest Rate Cap	2023	24	(42)	18	18

[1] Previous year in reference to 2023.
[2] (Assets)/liabilities.
[3] Current year.

5.7 SENSITIVITY ANALYSES

Since the Group is exposed to a limited currency risk it has decided not to effect sensitivity analyses regarding this type of risk (for more details see section *'Main risks and uncertainties facing the Group and Esprinet S.p.A.'* in the 'Directors' Report on Operations').

A sensitivity analysis regarding the interest rate risk was performed in order to show how Group profit or loss and equity would have been affected by changes in the interest rate curve that were reasonably possible during the period. For this purpose, having considered the 2024 market interest rate trend and the estimates on rates in the immediate future, a forward shift of spot/forward interest rate curves +/-100 basis points was simulated.

The following tables show the results of the simulation (net of tax effects); each item includes both the current and non-current portion:

SCENARIO 1: INCREASE OF +100 BASIS POINTS

(euro/000)	31/12/2024		31/12/2023	
	Net equity	Profit/(loss)	Net equity	Profit/(loss)
Cash and cash equivalents	622	622	591	591
Debts for investments in subsidiaries	-	-	17	17
Financial liabilities	(1,527)	(1,527)	(1,659)	(1,659)
Total	**(905)**	**(905)**	**(1,051)**	**(1,051)**

SCENARIO 2: DECREASE OF -100 BASIS POINTS

(euro/000)	31/12/2024		31/12/2023	
	Net equity	Profit/(loss)	Net equity	Profit/(loss)
Cash and cash equivalents	(505)	(505)	(514)	(514)
Debts for investments in subsidiaries	-	-	(17)	(17)
Financial liabilities	1,527	1,527	1,659	1,659
Total	**1,022**	**1,022**	**1,128**	**1,128**

6. Notes to statement of financial position items

NON-CURRENT ASSETS

1) Property, plant and equipment

The changes that occurred during the year are as follows:

(euro/000)	Plant and machinery	Ind. & Comm. Equipment & other assets	Assets under construction & Advances	Total
Historical cost	26,220	48,835	1,504	76,559
Accumulated depreciation	(15,601)	(32,860)	-	(48,461)
Balance at 31/12/2023	**10,619**	**15,975**	**1,504**	**28,098**
Business combination acquisition - historical cost	-	-	-	-
Business combination acquisition - accumulated depreciation	-	-	-	-
Historical cost increase	3,889	2,745	80	6,714
Historical cost decrease	-	(1,638)	-	(1,638)
Historical cost reclassification	315	1,099	(1,414)	-
Increase in accumulated depreciation	(2,046)	(5,029)	-	(7,075)
Decrease in accumulated depreciation	-	902	-	902
Total changes	**2,158**	**(1,921)**	**(1,334)**	**(1,097)**
Historical cost	30,424	51,041	170	81,635
Accumulated depreciation	(17,647)	(36,987)	-	(54,634)
Balance at 31/12/2024	**12,777**	**14,054**	**170**	**27,001**

The items "Plant and machinery" and "Industrial equipment and other assets" show increases, mainly attributable to the parent company, for the upgrading of the technology and plant park, in relation to the new Italian warehouse in Tortona, leased in 2024.

The decreases mainly relate to the disposal of electronic machines attributable to the parent company.

There are no other temporarily unused property, plant and equipment intended for sale.

The amortisation rates applied to each asset category are unchanged compared with those as at 31 December 2023.

The following is the breakdown of the item *'Industrial and commercial equipment and other assets'*:

(euro/000)	31/12/2024	31/12/2023	Var.
Electronic machines	9,178	11,649	(2,471)
Furniture and fittings	1,241	1,199	42
Industrial and commercial equipment	1,689	1,834	(145)
Other assets	1,908	1,210	698
Vehicles	38	83	(45)
Total	**14,054**	**15,975**	**(1,921)**

4) Right-of-use-assets

(euro/000)	31/12/2024	31/12/2023	Var.
Right-of-use assets	135,461	104,624	30,837

The changes in the year are shown below:

(euro/000)	Rental Property	Cars	Ind. & Comm. Equipment & other assets	Total
Historical cost	150,474	6,532	777	157,783
Accumulated depreciation	(48,645)	(4,019)	(495)	(53,159)
Balance at 31/12/2023	**101,829**	**2,513**	**282**	**104,624**
Business combination acquisition - historical cost	-	-	-	-
Business combination acquisition - accumulated depreciation	-	-	-	-
Historical cost increase	43,471	1,323	-	44,794
Historical cost decrease	(1,028)	(1,493)	-	(2,521)
Increase in accumulated depreciation	(12,601)	(1,250)	(106)	(13,957)
Decrease in accumulated depreciation	1,028	1,493	-	2,521
Total changes	**30,870**	**73**	**(106)**	**30,837**
Historical cost	192,917	6,362	777	200,056
Accumulated depreciation	(60,218)	(3,776)	(601)	(64,595)
Balance at 31/12/2024	**132,699**	**2,586**	**176**	**135,461**

In the Group, the contracts that fall within the scope of IFRS 16 refer to the use of:

- office and operating buildings;
- company vehicles;
- industrial and commercial equipment and other assets.

The increases in historical cost that occurred during the year relating to properties are essentially attributable to the new lease contract signed in August 2024 for the new logistics hub in Tortona, to the renewals of the contracts of some Cash & Carries and the change in rents to take into account the inflationary change of the year.

The historical cost increases relating to vehicles derive from the recurring partial annual renewal of the car fleet.

The decreases, on the other hand, relate to reductions in rents or spaces used as well as to the amortisation for the period determined on the basis of the residual duration of each individual contract .

2) Goodwill

(euro/000)	31/12/2024	31/12/2023	Var.
Goodwill	112,917	116,510	(3,593)

All goodwill items recorded under assets identify the excess of the price paid for obtaining control or another business unit, as shown in the following table over the fair value of the acquisition-date net amounts.

Goodwill amounted to 112.9 million euro and, compared to 31 December 2023, showed a decrease of 3.6 million euro as a result of the final determination, within 12 months of the transaction, of the goodwill generated by the acquisition, in August 2023, of the Italian company Sifar Group S.r.l.. This reduction resulted from the partial allocation of the price to 'Customer Relationship' and 'Brand' intangible assets.

Disclosure on impairment testing of assets: goodwill

SCOPE OF APPLICATION

IAS 36 requires that the existence of impairment losses on property, plant and equipment and intangible assets with a finite useful life be assessed when there are indications that such a problem may exist.

In the case of goodwill and other intangible assets with indefinite useful life, this test, so-called 'impairment test', must be carried out at least annually and whenever triggering events occur, i.e. extraordinary negative events implying the asset may be impaired.

Goodwill does not generate cash flows independently of other assets or group of assets so, in compliance with the international accounting standards, it is not an 'individual asset' and may not be tested for impairment separately from the group of assets it relates to. Consequently, goodwill must be allocated to a 'Cash Generating Unit' (CGU), or a group of CGUs, since the maximum aggregation limit coincides with the notion of 'segment' contained in IFRS 8.

CASH-GENERATING UNITS: IDENTIFICATION AND ALLOCATION OF GOODWILL

The following table shows the values of individual goodwill broken down by individual business combination that originated them and by legal entity that combined or incorporated them:

(euro/000)	Entity	Goodwill original value
Assotrade S.p.A.	Esprinet S.p.A.	5,500
Pisani S.p.A.	Esprinet S.p.A.	3,878
Esprilog S.r.l.	Esprinet S.p.A.	2,115
Celly S.p.A. [1]	Esprinet S.p.A.	1,853
4 Side S.r.l.	Esprinet S.p.A.	121
Dacom S.p.A	Esprinet S.p.A.	113
Bludis S.r.l.	Esprinet S.p.A.	5,882
Sifar Group S.r.l.	Esprinet S.p.A.	4,466
Mosaico S.r.l. [2]	V-Valley S.r.l.	5,804
Memory Set S.a.u. e UMD S.a.u. [3]	Esprinet Iberica S.L.U.	58,561
Esprinet Iberica S.L.U. [4]	Esprinet Iberica S.L.U.	1,040
Vinzeo S.a.u.	Esprinet Iberica S.L.U.	5,097
V-Valley Iberian S.L.U.	Esprinet Iberica S.L.U.	4,447
GTI Group	Esprinet Iberica S.L.U.	13,671
Lidera Network S.L.	V-Valley Advanced Solutions España, S.A.	369
Total by business combination		**112,917**
Esprinet S.p.A.		23,928
V-Valley S.r.l.		5,804
Esprinet Iberica S.L.U.		82,816
V-Valley Advanced Solutions España, S.A.		369
Total by entity		**112,917**

[1] Value net of the write-down carried out in 2020 for 2.3 million euro.
[2] Aggregation carried out by Esprinet S.p.A., which in the 2024 financial year transferred goodwill as part of a business unit contribution.
[3] Value net of write-down carried out in 2011 amounting to 17.8 million euro.
[4] Transaction costs sustained for the UMD and Memory Set business combinations.

Allocation of goodwill to each CGUs, identified as homogeneous groups of assets that generate cash inflows independently through the continued use of the assets included in each group, was made by charging the above mentioned goodwill to the relevant CGUs, that is, to the elementary units, which received the businesses purchased in strictly operational terms.

The following table summarises the goodwill allocations to the 2 CGUs (Cash Generating Units) identified, in accordance with the combination of the operating segments used for Segment Information purposes required by the international accounting standards. The same table also shows the relationships between the operating segments and the legally autonomous entities which form the Group:

(euro/000)	31/12/2024	31/12/2023	Var.		
Esprinet S.p.A.	23,928	33,325	(9,397)	CGU 1	Distribution B2B of Information Technology and Consumer Electronics (Italy)
V-Valley S.r.l.	5,804	-	5,804	CGU 1	Distribution B2B of Information Technology and Consumer Electronics (Italy)
Esprinet Iberica S.L.U.	82,816	83,185	(369)	CGU 2	Distribution B2B of Information Technology and Consumer Electronics (Iberian Peninsula)
V-Valley Advanced Solutions España, S.A.	369	-	369	CGU 2	Distribution B2B of Information Technology and Consumer Electronics (Iberian Peninsula)
Total	**112,917**	**116,510**	**(3,593)**		

This allocation reflects the organisational and business structure of the Group, who operates in the core business of IT business-to-business distribution (i.e. exclusively for business customers made up of resellers, who in turn refer to end-users, both private and company) in Italy and the Iberian peninsula (Spain and Portugal). These markets are managed by two substantially independent organisational and operating structures and, on the other hand, a 'corporate' structure where coordination and strategy are responsible for activities that contribute to the 'core' of the reseller 'value chain' (sales, purchasing, product marketing, logistics).

The process followed in the goodwill impairment test as at 31 December 2024 as described above and the results of this test are detailed below.

A) VALUATION FRAMEWORK

The valuation framework and the main procedural approaches to the notions of value and the criteria and methodologies used in valuation are summarised below.

In determining the recoverable value of the individual CGUs, the term 'value in use' has been used. The recoverable amount thus determined was compared with the carrying amount.

The value in use is defined as the present value, at the date of the test, of the future cash flows (inflows and outflows) expected to be derived from the continuing use of assets, which are part of the tested CGU.

For the purpose to determine the value in use, the Discounted Cash Flow (DCF) model was used as generally accepted financial method, which requires an appropriate discount rate to estimate the discounting back of future cash flows. An 'asset side' approach was used, which presupposes discounting unlevered cash flows generated by operations gross of financial components, since the cash flows are calculated net of notional taxes by applying an estimated tax rate to the operating result (EBIT).

For CGU 1, which is located in Italy, the nominal tax rates under Italian tax law were applied: IRES (24%) and IRAP (3.9%).

For CGU 2, located in the Iberian Peninsula, the nominal 25% tax rate under Spanish tax law was applied as the contribution to the weighted average 'tax rate' of the Portuguese and Moroccan activities is not significant and was therefore omitted.

Disclosures required by the international accounting standards regarding the main methods chosen for the calculation of the recoverable amount are as follows.

Basis for estimates of future cash flows

The financial valuations for the purpose of calculating the "value in use" are based on five-year plans, approved by the Board of Directors of the parent company Esprinet S.p.A. on 11 March 2025, formulated starting from a management budget prepared for internal purposes for the year 2025 and extrapolating from this, through the application of forecasting techniques aimed at treating fixed and variable costs differently, the results for the 2026-2029 period.

As required by the IAS 36 accounting principle, paragraph 50, estimated cash flows exclude financial expenses, as per the 'asset side' approach already described, and are expressed in nominal terms.

Through this method, cash flows were defined as the "normal" flow profile, assumed as the profile with the highest degree of probability of occurrence ("probabilistic approach"), while drawing up the economic development plan over the 2025E-2029E period, and therefore able to fully represent management's best estimates regarding the evolution of the results of each activity.

The application of standard IFRS 16 ('Leases') also made provision for the consideration, in the construction of forecast plans, of the replacement of operating leases and rentals with depreciation and interest.

From the perspective of determining 'value in use' through a method based on the discounting of cash flows, in order to preserve the principle of 'valuation neutrality' (excluding tax effects), this has led to several adjustments to the forecast cash flows.

In particular, in order to ensure the operational sustainability of the plans, it was assumed that, when the main lease contracts expired, new contracts would be signed under the same conditions, which would result in a flow of notional investments corresponding to the 'Right of Use' value of the restored assets. Thanks to this measure, it has been possible to correctly capture the reinvestment needs required to guarantee the cash generation foreseen by the plan.

Forecasting methods

For the purposes of estimates, strict reference was made to the current conditions of use of each individual CGU, i.e. regardless of the flows obtainable from any incremental investments and/or restructuring that represent a discontinuity with respect to normal business operations.

Flows discounted or weighted for probability

In the preparation of the forecast plans used in the 'DCF-Discounted Cash Flow' models, the expected trends in sales and gross product margins were defined on the basis of data and information on the distribution sector and consumption of consensus technology from sources commonly considered reliable (Sirmi, IDC, Euromonitor), assuming different trends for the CGUs according to competitive positioning, strategies and environmental conditions.

The verification of the operational sustainability of the forecasting plans focused on the maintenance of 'business models' and competitive advantages for each CGU, including on the basis of the best external evidence regarding the prospects of each segment/market and the performance historically achieved.

The financial sustainability of the plans is based on an analysis of the intrinsic consistency between expected cash flows over the plan horizon and prospective investment needs in working capital and fixed assets, taking into account cash reserves.

Discount rate

The discount rate used is representative of the return required by the suppliers of both risk and debt capital and takes into account risks specific to the activities relating to each single CGU. This rate corresponds to a notion of capital cost in the meaning of Weighted Average Cost of Capital (WACC) and is unique for the valuation of the Terminal Value and the discounting of flows over the explicit forecast period.

In particular, for the purpose of determining the Levered Cost of Equity, the median Beta Unlevered Coefficient of a sample of comparable companies, listed on regulated markets, operating internationally, was calculated, which was subsequently 're-levered' on the basis of a target financial structure for each of the CGUs assuming that it coincided with the average financial structure of the sample. In this way the condition of independence of the discount rate from the current financial structure has been achieved. The sample of comparable companies used for the two CGUs consists of the following companies:

Entity	Country
AB S.A.	Poland
Action S.A.	Poland
ALSO Holding AG	Switzerland
Arrow Electronics, Inc.	USA
ASBISc Enterprises Plc	Cyprus
Datatec Limited	South Africa
Exclusive Networks S.A.	France
Logicom Public Ltd	Cyprus
Sesa	Italy
TD SYNNEX Corporation	USA

The main components of the discount rate are as follows:

- the gross cost of own capital, determined by the sum of the "Risk Free Rate", equal to the average rate of return in the last quarter of 2024 of the 10-year benchmark government bond of Italy (CGU1) and Spain (CGU), the "Market Risk Premium" and the "Additional Risk Premium" estimated on the basis of databases commonly used by analysts and investors;
- the Beta Levered coefficient, determined on the basis of the periodic average of the sample of comparable companies;
- the gross marginal cost of the debt, obtained as the sum of the Base Rate, equal to the average reference rate in the last quarter of 2024 of the 10-year IRS, and a credit spread estimated on the basis of databases commonly used by analysts and investors;
- the tax rate, equal to the nominal corporate income tax rate of the countries where the CGUs are domiciled for tax purposes (Italy and Spain).

The IAS 36, paragraph 55, requires that the discount rate be calculated before tax ('pre-tax') but allows for the discounting of flows to be carried out using an estimated rate net of the tax effect ('post-tax'), provided that the expected flows are also expressed net of the tax effect.

Nevertheless, the WACC calculated in the post-tax version has also been converted into the pre-tax equivalent defined as pre-tax WACC that leads to the same result when discounting back pre-tax cash flows. For further details see the table below.

Terminal Value

The Terminal Value recorded at the end of the explicit forecasting period was calculated on the basis of the 'Perpetuity Method' (last year's unlimited cash flow capitalisation model), assuming long-term sustainable cash flow growth from year 5 onwards at a constant rate ('g').

This rate is equal, hypothetically, to the inflation rate expected for 2029 (source: International Monetary Fund) in Italy and Spain (both at 2.00%) as regards CGU1 and CGU2.

B) BASIC ASSUMPTION / CRITICAL VARIABLES

The following table describes the main basic assumptions used to calculate the recoverable value for each CGU with reference to the technical methods underlying the 'DCF Model':

	Italy IT&CE "B2B" CGU 1	Spain IT&CE "B2B" CGU 2
Future cash flow expected:		
Forecast horizon	5 years	5 years
"g" (long-term growth rate))	2.00%	2.00%
Discount rates:		
Risk capital cost	11.86%	11.40%
Marginal gross cost of capital debt	4.16%	4.16%
Tax rate	24.00%	25.00%
Target financial structure (D/D+E)	0.14	0.14
Target financial structure (E/D+E)	0.86	0.86
WACC post-tax	10.65%	10.20%
WACC pre-tax	13.98%	13.71%

With reference to the key assumptions used in the cash flow forecast and for the 'value in use' calculation we point out that the CGU values are particularly sensitive to the following parameters:

- tassi di crescita desale growth rates;
- gross product margin / fixed costs contribution margin;
- operating leverage;
- cash flow discount rates;
- growth rate 'g' applied to the cash flow of the last defined year utilised for the Terminal Value calculation.

C) INDICATORS OF LOSS OF VALUES AND 'IMPAIRMENT TEST'

The presence was assessed for each CGU, and in the case the actual implication was examined, of factors indicating impairment ("triggering events") that may be both of an external and internal nature with respect to the Group. In particular, the following were examined:

- eventuany deterioration in the macroeconomic and macro-financial conditions;
- any deterioration in the economic environment and market of operations;
- any operating discontinuity;
- any discontinuity in cost factors;
- any unfavourable trend in market rates or in other rates of return on capital such as to affect the discount rate used in calculating value in use;
- any verification of negative operating events;
- any reduction in the value of the Stock Market capitalisation with respect to reported Equity.

With regard to external conditions and the operating results achieved, there are no trigger events since, despite the changing macro-economic, macro-financial and geopolitical contexts, the markets in which the two CGUs operate in the second half of the year both saw a positive turnaround that allowed them to close the year slightly up on the previous year, with the two CGUs significantly outperforming the markets.

The performance of the two CGUs made it possible to meet the economic targets communicated to the financial community.

With regard to the trend in rates of return on risk capital and debt capital, possible further reductions are envisaged for the future, with doubts on the part of analysts only as to the extent and timing of the cuts, while the opposite scenarios of a new rise in rates and, even more extreme, of a rise such as to absorb the bps of coverage that emerged in the sensitivity analyses carried out with respect to the determination of the value in use of the two CGUs, appear absolutely remote.

As far as market value is concerned, as at 31 December 2024, the stock market valuation of Esprinet shares (218.0 million euro) was lower than the Group's Shareholders' Equity (389.2 million euro). Historically, the market underestimates the value of the Group as the stock market price:

- refers to minority securities and therefore does not value the 'control' of the company;
- suffers from an asymmetry of information in prospective terms with regard to the actions and economic and financial development plans, both short and medium to long-term, adopted by management;
- suffers from information asymmetry in relation to developments since the last publication of financial results;
- is particularly susceptible to fluctuations given the consistently low liquidity characterising trading in the stock (in this sense, it is evident how the stock rose by more than 10% in the period following the publication of the half-year results while, following the publication of the results for the third quarter, it fell by almost 25%);
- like the other securities related to small-mid sized companies listed in the STAR segment to which the Esprinet stock belongs, is further penalised by exogenous factors such as, in recent years, the increased interest by investors in Exchange Trade Funds ("ETF").

These limitations can also be inferred from the 'target prices' expressed in the share studies on the Esprinet share, which, over the entire year and still at the date of this financial report, express a value well above the market price.

These considerations led to the conclusion that the determination of the 'recoverable' value through value in use better captures the economic and financial fundamentals of the two CGUs and that, therefore, none of the indicators analysed could be evocative of an impairment of any of the CGUs.

D) VALUE ADJUSTMENTS AND 'SENSITIVITY ANALYSIS'

The impairment tests carried out did not highlight the need to write down any of the values of goodwill recorded as at 31 December 2024, which are therefore confirmed.

Below are the parameters that the WACC and 'g' variables should have assumed in order for there to be a correspondence between the recoverable value and the carrying amount:

Key variables for: Enterprise Value = Carrying Amount	Italy IT&CE "B2B" CGU 1	Spain IT&CE "B2B" CGU 2
"g" (long-term growth rate)	-10.67%	8.73%
WACC post-tax	11.84%	12.22%

In addition to the estimated average flows used to determine value in use, for information purposes only as required by IAS 36 and on the basis of the indications contained in joint Bank of Italy/CONSOB/ISVAP document No. 4 of 3 March 2010, sensitivity analyses were also carried out on the following key variables:

- the long term growth rate 'g' in order to obtain the cash flows beyond plan horizon;
- the cash flow discount rate;
- the forecast EBITDA for the plan horizon.

The variation ranges compared to the "unique scenario" taken into account are as follows:

- 'g' decreased by -50% and equal to zero;
- WACC higher than +100 bps and +200 bps;
- EBITDA lower than -10% and -20%.

As a result of these analyses, for both CGUs, in certain scenarios resulting from the different combinations of the key assumptions varied as above, the recoverable value is partially lower than the net book value, even to the point of reaching, for CGU 1 alone and in extreme scenarios, complete zeroing of the net book value.

3) Intangible assets

The following table highlights the changes occurred during the year:

(euro/000)	Start-up and expansion costs	Industrial and other patent rights	Licences, concessions, brand names and similar rights	Assets under construction and advances	Other intagible assets	Total
Historical cost	3	14,353	1,971	-	10,401	26,728
Accumulated depreciation	(3)	(12,891)	(377)	-	(2,404)	(15,675)
Balance at 31/12/2023	**-**	**1,462**	**1,594**	**-**	**7,997**	**11,053**
Business combination acquisition - historical cost	-	-	2,058	-	2,925	4,983
Business combination acquisition - accumulated depreciation	-	-	(86)	-	(145)	(231)
Historical cost increase	-	265	-	-	-	265
Historical cost decrease	-	(1,146)	-	-	-	(1,146)
Increase in accumulated depreciation	-	(641)	(388)	-	(1,240)	(2,269)
Decrease in accumulated depreciation	-	497	-	-	-	497
Total changes	**-**	**(1,025)**	**1,584**	**-**	**1,540**	**2,099**
Historical cost	3	13,472	4,029	-	13,326	30,830
Accumulated depreciation	(3)	(13,035)	(851)	-	(3,789)	(17,678)
Balance at 31/12/2024	**-**	**437**	**3,178**	**-**	**9,537**	**13,152**

The item *"Business combination acquisition"* refers for 2.8 million euro to the recognition of the separable "Customer Relationship" intangible asset and for 1.9 million euro to the capital gain on the brand value, both of which emerged in relation to the acquisition of Sifar S.r.l., following the restatement within 12 months of the transaction, as permitted by IFRS 3, of the goodwill provisionally determined in August 2023.

The item *'Industrial and other patent rights'* highlights increases relative to the software licences for the long-term renewal and upgrade of the IT operating system.

The amortisation rates applied to each asset category are unchanged compared with those as at 31 December 2023.

6) Deferred income tax assets

(euro/000)	31/12/2024	31/12/2023	Var.
Deferred income tax assets	11,200	11,243	(43)

The balance of this item is represented by temporary differences between carrying amounts and values recognised for tax purposes that the Group expects to recover in future years following the realisation of taxable profits.

The recoverability is supported by the estimated net income based on the forecast plans derived from the 2025-29E economic-financial projections of the Esprinet Group, approved by the Esprinet S.p.A. Board of Directors on 11 March 2025.

The following table shows the composition of the item in question:

(euro/000)	31/12/2024			31/12/2023		
	Temporary differences	Fiscal effect (taxe rate %)	Amount	Temporary differences	Fiscal effect (taxe rate %)	Amount
Deferred income tax:						
Tax losses carried forward	10,255	24%-25%-20%	2,283	9,568	24%-25%-21%	2,197
Risk provision	415	24%-25%-27,9%	104	1,473	24%-25%	363
Exceeding amortisation	373	24%-28,8%-27,9%	96	238	24%-28,8%	62
Goodwills' amortisation	18,402	27,9%-25%	4,614	15,220	27,9%-25%	3,815
Bad debt provision	3,685	24%-25%-21,5%	885	8,420	24%-25%	2,022
IFRS 16 - Leases	2,643	24%-25%	650	2,484	24%-25%	610
Inventory obsolescence provision	4,139	27,9%-21,5%	1,149	3,208	27,9%-22,5%	885
Change in inventory/deletion of intercompany margin	54	27.90%	15	179	27.90%	50
Director's fees not paid	326	24%-25%	78	256	24%-25%	62
Agent suppl. indemnity provision	378	27.90%	105	500	27.90%	140
Provision sales returns	2,211	27,9%-25%-21,5%	602	1,589	27,9%-25%-22,5%	423
Other	2,461	24%-25%-27,9%-10%-28,8%	619	2,399	24%-25%-27,9%-10%	614
Deferred income tax assets			**11,200**			**11,243**

Deferred tax assets arising from the application of IFRS 16 were accounted for in compliance with the provisions of the revised IAS 12.

The item 'Other' refers mainly to the deferred income tax assets arising from the temporary differences on the estimated exchange losses, on the actuarial valuation of the staff severance indemnity (TFR) and on the adjustments deriving from the application of international accounting standards not expressly indicated.

The time-related allocation of the expected use of the deferred tax asset is as follows:

(euro/000)		Within 1 year	1-5 year	After 5 year	Total
Deferred income tax assets	31/12/2024	1,662	4,171	5,367	**11,200**
	31/12/2023	2,016	4,756	4,471	**11,243**

9) Receivables and other non-current assets

(euro/000)	31/12/2024	31/12/2023	Var.
Guarantee deposits receivables	2,353	2,340	13
Receivables and other non-current assets	**2,353**	**2,340**	**13**

The item *Guarantee deposits receivables* refers mainly to guarantee deposits for utilities and for existing lease contracts.

CURRENT ASSETS

10) Inventory

(euro/000)	31/12/2024	31/12/2023	Var.
Finished products and goods	642,140	518,782	123,358
Provision for obsolescence	(5,013)	(4,012)	(1,001)
Inventory	**637,127**	**514,770**	**122,357**

At 637.1 million euro, inventories increased by 122.4 million euro compared to the stock as at 31 December 2023. The change was influenced by an increase of approximately 41.3 million euro in products en route from suppliers or to customers (142.0 million euro in total as at 31 December 2024 and 100.7 million euro as at 31 December 2023) and by an increase in both purchase volumes and stock turnover days in the last quarter. However, the longer turnaround times were more than compensated for by the extensions granted by suppliers to support these supplies.

The 5.0 million euro allocated to the *Provision for obsolescence* is intended to address the risks associated with the presumed lower realisable value of obsolete and slow-moving stock.

The change in the provision during the period was as follows:

(euro/000)	31/12/2024	31/12/2023	Var.
Provision for obsolescence: year beginning	**4,012**	**4,586**	**(574)**
Uses/Releases	(3,159)	(2,705)	(454)
Accruals	4,160	1,936	2,224
Acquisition in business combination	-	195	(195)
Provision for obsolescence: period-end	**5,013**	**4,012**	**1,001**

The item *'Accruals'* is the management's best estimate of the recoverability of the inventory value as at 31 December 2024.

11) Trade receivables

(euro/000)	31/12/2024	31/12/2023	Var.
Trade receivables - gross	770,700	706,337	64,363
Bad debt provision	(6,436)	(7,735)	1,299
Trade receivables - net	**764,264**	**698,602**	**65,662**

Trade receivables arise from normal sales transactions engaged in by the Group in the context of ordinary marketing activities. These transactions are entered into almost entirely with customers resident in the countries where the Group operates, are almost all in euro and are short-term.

Trade receivables - gross include 0.7 million euro (1.2 million euro in 2023) of receivables assigned with recourse to factoring companies, adjusted by credit notes to be issued to customers for a value of 90.9 million euro (80.3 million euro at the end of 2023) and include 158.2 million euro of receivables measured at fair value (103.9 million euro as at 31 December 2023).

The change in gross receivables is determined not only by the overall volumes of turnover and their trend over time, in turn also determined by seasonal factors, but also by the impact of the revolving programmes for the disinvestment of trade receivables (i.e. about 429.6 million euro as at 31 December 2024 compared to 393.1 million euro in 2023), with the average collection days remaining substantially unchanged.

The receivables are adjusted to their presumed realisable value through the recognition of an appropriate bad debt provision, which is replenished by allocations determined on the basis of an analytical valuation process for each individual customer, in relation to the related past due receivables and outstanding commercial disputes, taking into account insurance coverage (for further information, please refer to the *'Disclosure on risks and financial instruments'* section). The change in the provision is represented below:

(euro/000)	31/12/2024	31/12/2023	Var.
Bad debt provision: year-beginning	**7,735**	**4,616**	**3,119**
Uses/Releases	(3,052)	(2,391)	(661)
Accruals	1,753	5,147	(3,394)
Acquisition in business combination	-	363	(363)
Bad debt provision: period-end	**6,436**	**7,735**	**(1,299)**

The item *'Accruals'* is the management's best estimate of the recoverability of the inventory value as at 31 December 2024.

12) Income tax assets

(euro/000)	31/12/2024	31/12/2023	Var.
Income tax assets	3,767	4,684	(917)

Income tax assets refer to the prevalence of IRES and IRAP advances calculated on the income of the previous year but, exceeding the current taxes accrued in 2024 by the parent company Esprinet S.p.A. (3.4 million euro), by Sifar Group S.r.l. (42 thousand euro), by Dacom S.p.A. (116 thousand euro), idMAINT S.r.l. (65 thousand euro). The remainder of the balance (105 thousand euro) essentially refers to the prevalence of advance payments calculated on previous year's income but in excess of current taxes accrued in 2024 for the Spanish subgroup subsidiaries Lidera Network S.L (24 thousand euro) and V-Valley Advanced Solutions Portugal Unipessoal Lda (78 thousand euro), as well as receivables due from the Portuguese and Spanish tax authorities pending recovery.

13) Other assets

(euro/000)	31/12/2024	31/12/2023	Var.
Receivables from associates companies (A)	**-**	**-**	**-**
Witholding tax assets	1	1	-
VAT receivables	13,468	6,748	6,720
Other tax assets	46,779	45,151	1,628
Other receivables from Tax authorities (B)	**60,248**	**51,900**	**8,348**
Receivables from factoring companies	133	249	(116)
Other financial receivables	10,154	9,656	498
Receivables from insurance companies	1,894	679	1,215
Receivables from suppliers	19,331	12,632	6,699
Receivables from employees	1	-	1
Receivables from others	810	1,075	(265)
Other receivables (C)	**32,323**	**24,291**	**8,032**
Prepayments (D)	**5,556**	**6,339**	**(783)**
Other assets (E= A+B+C+D)	**98,127**	**82,530**	**15,597**

VAT receivables refer to VAT receivables accrued for about 7.9 million euro by parent company Esprinet S.p.A., 3.9 million euro by the Italian subsidiaries V-Valley S.r.l. and Sifar Group S.r.l., and for approximately 1.7 million euro by the subsidiaries of the Iberian Subgroup.

Other tax assets refer almost entirely to the receivable of the parent company Esprinet S.p.A. from the tax authorities following the payment, made on a provisional basis, of tax collection files relating to indirect taxes in relation to which disputes are in progress, details of which are provided in the section *'Developments in Group disputes'* under the notes to item '26) *Non-current provisions and other liabilities'*.

Receivables from factoring companies, referring entirely to the parent company, relate to the residual amount still uncollected of 'non-recourse' assignments of trade receivables made at the end of December 2024. At the time this report was drafted, the receivables due had been collected in full.

Other financial receivables, referring entirely to the parent company, refer to a guarantee deposit provided to the buyer of the receivables assigned in the securitisation transaction executed by the Group to cover any dilution that may occur in the course of this activity or in the months following the transaction closing.

Receivables from insurance companies include the insurance compensation – after deductibles – recognised by the insurance companies for claims of various kinds not yet paid, but which are reasonably expected to be collected within the next fiscal year.

Receivables from suppliers, as at 31 December 2024, refer to credit notes received exceeding the amount owed at the end of December for a mismatch between the timing of their quantification and the payment of suppliers. They also include receivables from suppliers for advance payments requested by suppliers before purchase orders are executed, as well as receivables from hauliers for advance VAT payments and customs duties pertaining to imports.

Prepayments are costs (mainly maintenance and assistance fees, interest expenses on loans not drawn down) whose accrual is deferred with respect to that of the cash movement.

15) Financial assets held for trading

(euro/000)	31/12/2024	31/12/2023	Var.
Financial assets held for trading	103	113	(10)

The balance relating to *"Financial assets held for trading"* refers to securities traded on the equity market held as at 31 December 2024 by the subsidiary Lidera Network S.L.

17) Cash and cash equivalents

(euro/000)	31/12/2024	31/12/2023	Var.
Bank and postal deposit	216,227	260,857	(44,630)
Cash	23	23	-
Cheques	-	3	(3)
Total cash and cash equivalents	**216,250**	**260,883**	**(44,633)**

Cash and cash equivalents are almost entirely made up of bank balances, all immediately available. They are partly temporary in nature as they originate from the normal short-term financial cycle of collections/payments which sees payments from customers concentrated at the end and middle of each month, whereas financial outflows linked to payments to suppliers have a more linear trend.

The market value of the cash and cash equivalents corresponds to their carrying amount.

EQUITY

(euro/000)	31/12/2024	31/12/2023	Var.
Share Capital (A)	**7,861**	**7,861**	**-**
Reserves and profit carried over (B)	372,964	384,754	(11,790)
Own shares (C)	(13,099)	(13,330)	231
Total reserves (D=B+C)	**359,865**	**371,424**	**(11,559)**
Net income for the year (E)	**21,521**	**(11,875)**	**33,396**
Net equity (F=A+D+E)	**389,247**	**367,410**	**21,837**
Non-controlling interests (G)	-	-	-
Total equity (H=F+G)	**389,247**	**367,410**	**21,837**

The main changes in equity items are explained in the following notes:

19) Share capital

The *Share capital* of Esprinet S.p.A., fully subscribed and paid-in as at 31 December 2024, is 7,860,651 euro and comprises 50,417,417 shares without indication of face value. The number of shares remaining with respect to the cancellations that took place in 2020 and 2022, as envisaged by the resolutions of the relevant Shareholders' Meetings, for a total of 1,986,923 shares.

20) Reserves

Reserves and retained earnings

The value of *Reserves and profit carried over* decreased by 11.8 million euro, mainly due to the allocation of the result from the previous year.

Reserves also includes the value of the Esprinet stock grant rights to Group Directors and executives in relation to the 2024-2026 Share incentive plan approved by the Esprinet S.p.A. Shareholders' Meeting on 24 April 2024.

The value of said rights was recognised in the income statement under the costs of employees and the costs of the directors, and was quantified on the basis of the elements described in detail in the section "Share incentive plans" in the following chapter "8. Notes to income statement items" to which reference should be made.

For more details, please refer to the *Consolidated statement of changes in shareholders' equity*.

Own shares on hand

The amount refers to the total purchase price of 974,915 Esprinet S.p.A. shares owned by the Company, of which 690,000 shares in service of the 2024-2026 Share incentive plan.

The change with respect to 1,011,318 securities held as at 31 December 2023 derives from the delivery to the beneficiaries of the 2021-2023 Long-Term Incentive Plan of the 36,403 shares vested.

21) Group net income

The net result for the period, pertaining entirely to the Group, showed a profit of 21.5 million euro (loss of 11.9 million euro in the previous year). Net earnings per share amounted to €0.44 (compared to a loss of €0.24 in the previous fiscal year).

NON-CURRENT LIABILITIES

22) Borrowings

(euro/000)	31/12/2024	31/12/2023	Var.
Borrowings	27,616	65,702	(38,086)
Other financing payables	3,146	-	3,146
Non - current financial liabilities	**30,762**	**65,702**	**(34,940)**

Payables to banks are represented by the valuation at the amortised cost of the portion of the medium-long term loans granted by the Group companies falling due beyond next year.

The change compared with the previous year is due to the effect of the reclassification to current payables of the instalments falling due within 12 months, in accordance with the loan amortisation plans.

Other financing payables are attributable to the parent company Esprinet S.p.A. and represented by the portion due beyond the subsequent year of a debt that arose during the year to a financial company for the purchase of supplies of products for resale.

Details relating to the outstanding loans can be found in the *'Net financial indebtedness and loan covenants'* paragraph.

31) Lease liabilities (non-current)

(euro/000)	31/12/2024	31/12/2023	Var.
Lease liabilities (non-current)	131,084	99,154	31,930

The liability is related to the Rights of use existing at the reference balance sheet dates.

The change can be detailed as follows:

(euro/000)	31/12/2024	31/12/2023	Var.
Lease liabilities (non-current)	**99,154**	**101,661**	**(2,507)**
Acquisition in business combination	-	491	(491)
Increase from subscribed contracts	42,626	1,770	40,856
Termination/modification of contracts	1,649	6,401	(4,752)
Reclassification non current liabilities	(12,345)	(11,169)	(1,176)
Lease liabilities (non-current)	**131,084**	**99,154**	**31,930**

The following table analyses the maturity dates of the financial liabilities booked as at 31 December 2024:

(euro/000)	Within 5 year	After 5 year	31/12/2024
Lease liabilities (non current)	65,234	65,850	131,084

With reference to the application of IFRS 16 as from the financial statements as at 31 December 2019, the Group did not apply the standard to leases of intangible assets.

It should also be noted that the Group analyses the lease contracts with regards to the lease term, defining the 'non-cancellable' period for each of them, together with the effects of extension and early termination clauses whose exercise was deemed reasonably certain. Specifically, for buildings, this valuation considered the specific facts and circumstances of each activity. With regard to the other categories of assets, mainly company vehicles, the Group generally considered it unlikely that any extension or early termination clauses would be exercised in view of the Group's usual practice.

Lastly, liabilities related to rights of use are measured considering the variable payments due for the leases linked to indices or rates (e.g. ISTAT index), where contractually provided for.

The increases for the year are mainly attributable to the parent company, in connection with the lease contract signed in August 2024 for the new logistics hub in Tortona.

24) Deferred income tax liabilities

(euro/000)	31/12/2024	31/12/2023	Var.
Deferred income tax liabilities	21,654	18,923	2,731

The balance of this item depends on higher taxes that the Group has to pay in the next operating years due to temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding values recognised for tax purposes.

The following table shows the composition of the item in question:

(euro/000)	31/12/2024			31/12/2023		
	Temporary differences	Fiscal effect (tax rate)	Amount	Temporary differences	Fiscal effect (tax rate)	Amount
Deferred income tax liabilities						
Goodwills' amortisation	70,814	27,9%-25%	18,060	63,729	27,9%-25%	16,274
Customer Relationship and brand surplus value	6,557	27.90%	1,829	2,703	27.90%	754
Customer Relationship	5,703	25.00%	1,426	6,355	25.00%	1,589
Other	1,277	24%-27,9%-25%	339	1,206	24%-27,9%-25%	306
Deferred income tax liabilities			**21,654**			**18,923**

The item Other mainly refers to deferred taxes that derive from the temporary differences originating on the inclusion of accessory charges in the value of inventories.

The time-related allocation of deferred income tax liabilities is as follows:

(euro/000)		Within 1 year	1-5 year	After 5 year	Total
Deferred income tax liabilities	31/12/2024	754	1,648	19,252	**21,654**
	31/12/2023	565	1,036	17,322	**18,923**

25) Retirement benefit obligations

Retirement benefit obligations reflect the staff severance indemnities ('TFR') and other benefits accruing to salaried staff at the close of the period, assessed in accordance with actuarial criteria, pursuant to IAS 19.

The entire provision amount is attributable to the Italian companies, since a similar system does not exist in Spain.

Changes occurred during the year are shown in the tables below:

(euro/000)	31/12/2024	31/12/2023	Var.
Balance at year-beginning	**5,340**	**5,354**	**(14)**
Acquisition in business combination	-	281	(281)
Service cost	221	181	40
Interest cost	169	191	(22)
Actuarial (gain)/loss	27	78	(51)
Pensions paid	(410)	(747)	337
Changes	-	2	(2)
Retirement benefit obligations	**5,347**	**5,340**	**7**

The values recognised in the income statement during the year were as follows:

(euro/000)	31/12/2024	31/12/2023	Var.
Amounts booked under personnel costs	221	181	40
Amounts booked under financial costs	169	191	(22)
Total	**390**	**372**	**18**

The change in the 'Actuarial (gain)/loss' compared with last year is essentially due to the misalignment between the forward-looking assumptions used in the valuation as at 31 December 2023 and the actual development of the provision as at 31 December 2024 (members, payments made, benefit revaluation). The discount rate used reflects the market returns, at the financial statements date, of a panel of primary company bonds with a maturity date connected with the employee average residual employment in the Group's companies (higher than 10 years) [19].

[19] *Please note that the iBoxx Eurozone Corporates AA7-10 index has been used as the reference parameter. For the choice of the annual inflation rate, reference was made to the Update Note to the DEF (NADEF 2024), which shows the value of the consumption deflator for the years 2024, 2025 and 2026, respectively equal to 1.9%, 1.9% and 1.8%. Based on the above and the current inflationary trend, it was deemed appropriate to use a constant inflation rate equal to 2.0% for the year 2024 and subsequent years.*

The 'Projected Unit Credit Method' was used to account for employee benefits, based on demographic assumptions and on the following economic-financial assumptions:

A) Demographic assumptions

- the values for the Italian population reported by ISTAT (Italian Central Statistics Institute) in reference to 2002, indicated separately according to gender;
- the results adopted in the INPS (Italian National Social Security Institute) model for projections up to 2010, indicated separately according to gender. These probabilities were calculated starting from the pension distribution by age and gender existing on 1 January 1987 with effect from 1984, 1985, 1986 referring to the credit segment personnel;
- attainment of first requirement for pension eligibility valid for the General Compulsory Insurance Scheme in the case of a generic worker;
- for the purposes of estimating the probability of terminating employment for reasons other than death, an annual 6% frequency was considered based on available statistical series for the Group companies;
- an annual rate of 3% has been assumed.

B) Economic-financial assumptions

	31/12/2024	31/12/2023
Cost of living increase [(1)]	2.00%	2.00%
Discouting rate [(2)]	3.18%	3.09%
Remuneration increase	3.50%	Inflation + 1,5%
Staff severance indemnity (TFR) - annual rate increase [(3)]	3.00%	3.00%

[(1)] Based on the current inflation trend, it is considered appropriate to use a constant rate of 2%.
[(2)] IBoxx Eurozone Corporates AA 7-10 index has been used for the calculation.
[(3)] 3.0% from 2024.

Sensitivity analysis

Pursuant to IAS 19 Revised, a sensitivity analysis of changes in main actuarial hypothesis used in the calculation model is required.

The scenario described in the previous paragraphs was considered as the baseline scenario and from that the most significant assumptions were increased and decreased, i.e. the average annual discount rate, the average inflation rate and the turnover rate, respectively, by half, one quarter and two percentage points. The outputs thus obtained are summarised as follows:

(euro)		Sensitivity analysis
		Esprinet Group
Past Service Liability		
Annual discount rate	*0.50%*	5,158,812
	-0.50%	5,547,847
Annual inflation rate	*0.25%*	5,398,596
	-0.25%	5,297,045
Annual turnover rate	*2.00%*	5,354,350
	-2.00%	5,338,414

As required by IAS 19 Revised, the estimated expected payments (in nominal value) for the next few years are as follows:

(euro)	Future Cash Flow
Year	Esprinet Group
0 - 1	439,851
1 - 2	417,339
2 - 3	493,877
3 - 4	496,432
4 - 5	525,754
5 - 6	469,665
6 - 7	523,454
7 - 8	511,018
8 - 9	434,677
9 - 10	474,032
Over 10	5,343,139

49) Debts for investments in subsidiaries (non-current)

(euro/000)	31/12/2024	31/12/2023	Var.
Debts for investments in subsidiaries (non-current)	600	600	-

The item *Debts for investments in subsidiaries (non-current)* refers on both dates to the consideration to be paid, falling due after the next year, for the purchase in January 2021 by the parent company Esprinet S.p.A. of the companies Dacom S.p.A. (0.5 million euro) and idMAINT S.r.l. (0.1 million euro).

26) Non-current provisions and other liabilities

(euro/000)	31/12/2024	31/12/2023	Var.
Long-term liabilities for cash incentives	256	189	67
Long term Tax payables in installments	14,475	20,809	(6,334)
Provisions for pensions and similar obligations	1,736	1,795	(59)
Other provisions	231	1,298	(1,067)
Non-current provisions and other liabilities	**16,698**	**24,091**	**(7,393)**

The item *Long-term liabilities for cash incentives* as at 31 December 2024 refers to the portion of the variable consideration payable to beneficiaries from the second year onwards with respect to that of accrual conditional, among others, on the beneficiary's employment with the Group until the payment date.

The item *Tax payables in instalments* refers to the portion due beyond 12 months after 31 December 2024 of the debt which arose following the signing of agreements with the Revenue Agency in the second quarter of 2023, by the parent company Esprinet S.p.A., aimed at settling VAT disputes relating to the tax periods from 2013 to 2017.

The item *Provisions for pensions* includes the supplementary customer indemnity provision payable to agents based on current regulations governing the subject. The changes in the period in this provision were as follows:

(euro/000)	31/12/2024	31/12/2023	Var.
Provisions for pensions: year-beginning	**1,795**	**1,879**	**(84)**
Uses/Releases	(235)	(234)	(1)
Accruals	176	148	28
Acquisition in business combination	-	2	(2)
Provisions for pensions: period-end	**1,736**	**1,795**	**(59)**

The amount entered under *Other* provisions is intended to cover risks relating to current legal and tax-related disputes. Changes occurred in the period are as below:

(euro/000)	31/12/2024	31/12/2023	Var.
Other provisions: year-beginning	**1,298**	**560**	**738**
Uses/Releases	(1,186)	(250)	(936)
Accruals	119	988	(869)
Acquisition in business combination	-	-	-
Other provisions: period-end	**231**	**1,298**	**(1,067)**

Developments in Group disputes

The main disputes involving the Group are provided below, along with developments in 2024 (and thereafter, until the date this financial report was drafted), for which the Group has conducted the pertinent risk assessments, with the support of its legal and/or tax consultants, and, where deemed appropriate, recognised the ensuing allocations to the provision for risks.

The following list summarises the development of the main tax disputes in progress for which it has not been considered that the elements for making provisions exist, since the risk of each is assessed as unlikely.

Esprinet S.p.A. Indirect taxes for the years 2011-2013

Esprinet S.p.A. has a number of tax disputes pending, all before the Supreme Court of Cassation, against judgments originating from assessment notices served to the Company in previous years in relation to the years 2011 to 2013.

In particular, the Tax Authorities, following access to and verification at customers of Esprinet S.p.A. who had submitted declarations of intent to the Company to obtain the non-application of value added tax (VAT) in the invoice, had found that some of them did not meet the tax legislation requirements for requesting the non-application of VAT. Although Esprinet S.p.A. had, within the limits of what was objectively possible for a supplier, collected documents and verified the statements of the customers in question, the Tax Authorities had deemed the checks carried out by the Company to be inadequate and had therefore disputed the latter's the failure to apply VAT on the invoice, in addition to penalties and interest.

The following table summarises the years concerned, the total amounts requested by the Tax Authorities and paid by the Company, as well as the status of the dispute:

Year	Amounts requested and paid pending judgment (*)	Status of the dispute
2011	2.5 million euro	Pending in the Supreme Court of Cassation
2012	5.1 million euro	Pending in the Supreme Court of Cassation
2013	n/a	Settled in favour of Esprinet
2013 bis	37.1 million euro	Pending in the Supreme Court of Cassation

(*) Total amounts requested by the Tax Authorities, and paid in full as at 31 December 2024, by way of higher tax, penalties and interest. The amounts paid, totalling 44.7 million euro, are classified under the item 'Other tax receivables'.

With reference to the dispute relating to the year 2013, the proceedings ended favourably for the Company with a ruling of the Supreme Court of Cassation of 19 January 2024 published on 9 April 2024.

For the remaining three proceedings currently pending before the Supreme Court of Cassation, relating to the same disputes referring to the judgement of 2013 favourably settled by the Supreme Court of Cassation and displayed in the table above, in agreement with its consultants, the Company deems the risk of losing to be merely possible. Since the Company has already proceeded in previous years and, regarding the dispute relating to the year '2013 bis', by 30 June 2024, to fully pay the amounts requested by the Tax Authorities, it should be noted that also in the unlikely and not expected event of a negative outcome of the pending disputes, there would be no further financial impacts (i.e. no further cash outflow), but they would have a negative economic impact, related to the recognition in the income statement of the expenses due to losing the case.

Monclick S.r.l. Direct taxes for the year 2012

On 20 July 2016, the company received an assessment notice through which the Revenue Agency requested the recovery of direct taxes for 82 thousand euro, plus penalties and interest. The deduction or non-taxation of income components relating to 2012 (the year in which the company was still part of the Esprinet Group) has been contested.

In the dispute initiated with the Revenue Agency, the company was the winner in 2017 before the Provincial Tax Commission of Milan, which was unsuccessful in 2018 before the Lombardy Regional Tax Commission, and on 16 July 2019 filed an appeal with the Supreme Court of Cassation.

As envisaged by the administrative procedure, payments for a total of 162 thousand euro were made during the course of the judicial procedure, recorded in the income statement in 2018.

Edslan S.r.l. Registration tax for the year 2016

On 4 July 2017, the company, merged by incorporation into Esprinet S.p.A. in 2018, received an assessment notice through which the Revenue Agency requested the recovery of the registration tax for 182 thousand euro, as well as penalties and interest. The determination of the business unit acquired on 8 June 2016 by the selling company Edslan S.p.A. (now I-Trading S.r.l.) has been contested.

In the dispute initiated with the Revenue Agency, the company was the winner both in 2018 before the Provincial Tax Commission of Milan and in 2020 before the Regional Tax Commission. The Revenue Agency filed an appeal before the Supreme Court of Cassation against which the company filed a counter-appeal on 8 January 2021. The date of the hearing for the discussion of the case has not yet been set.

The Group's policies regarding the management of legal and tax-related disputes can be found under *'Main risks and uncertainties facing the Group and Esprinet S.p.A.'* in the 'Directors' Report on Operations'.

CURRENT LIABILITIES

27) Trade payables

(euro/000)	31/12/2024	31/12/2023	Var.
Trade payables - gross	1,418,086	1,242,221	175,865
Credit notes to be received	(151,904)	(132,961)	(18,943)
Trade payables	**1,266,182**	**1,109,260**	**156,922**

The balance of *Trade payables*, compared to 31 December 2023, is largely influenced by the overall volumes of purchases and their trend over time, which in turn also depend on seasonal factors of the distribution business.

The item 'Credit notes to be received' refers mainly to the rebates for the achievement of commercial targets, to various incentives, to reimbursement of joint marketing activities with suppliers and to stocks contractual protections.

There are no trade payables with collaterals on corporate assets nor with a residual duration longer than 5 years.

28) Short-term financial liabilities

(euro/000)	31/12/2024	31/12/2023	Var.
Bank loans and overdrafts	43,915	56,927	(13,012)
Other financing payables	43,884	15,319	28,565
Short - term financial liabilities	**87,799**	**72,246**	**15,553**

Bank loans and overdrafts refer to the valuation at the amortised cost of the short-term financing lines and the portion falling due within next year of the medium-long term loans granted to the Group companies (38.1 million euro as principal as at 31 December 2024 and 45.9 million euro, also as principal, as at 31 December 2023).

The change compared to the previous financial year mainly depends on the repayment of the portions of medium/long-term loans according to the amortisation plans with the related reclassification from non-current financial payables of the instalments due within the 12 months following 31 December 2024.

Details relating to the outstanding medium/long-term loans can be found in the following *'Net financial indebtedness and loans covenants'* paragraph, to which reference should be made.

Other financing payables refer for 34.7 million euro to advances obtained from factoring companies within the scope of with-recourse operations customary for the Group companies and to the collections received in the name and on behalf of customers sold with the non-recourse formula. They also include, for 8.2 million euro, the portion due within 12 months of a payable underwritten during the year by the parent company Esprinet S.p.A. with a financial company for the purchase of supplies of products for resale, and, for 1.0 million euro, the portion of the payable to qualified investors that arose for the subscription during the year of *"Euro Commercial Paper"* in reference to the programme approved and started by the parent company Esprinet S.p.A. in June 2023.

The change in the payable is closely related not only to the underwriting of financial debts as mentioned above, but also to the volume of advances obtained from factoring companies and to a different timing in the financial settlement of assignments made.

36) Lease liabilities (current)

(euro/000)	31/12/2024	31/12/2023	Var.
Lease liabilities (current)	12,633	11,896	737

The liability is related to the Rights of use existing at the reference balance sheet dates.

The change can be detailed as follows:

(euro/000)	31/12/2024	31/12/2023	Var.
Lease liabilities (current)	**11,896**	**10,740**	**1,156**
Acquisition in business combination	-	179	(179)
Increase from subscribed contracts	1,007	473	534
Reclassification non current liabilities	12,345	11,169	1,176
Lease interest expenses	3,876	3,382	494
Payments	(16,003)	(15,133)	(870)
Termination/modification of contracts	(488)	1,086	(1,574)
Lease liabilities (current)	**12,633**	**11,896**	**737**

29) Income tax liabilities

(euro/000)	31/12/2024	31/12/2023	Var.
Income tax liabilities	1.980	931	1.049

Income tax liabilities mainly refer to the subsidiaries Bludis S.r.l. (0.3 million euro), V-Valley S.r.l. (0.2 million euro), Zeliatech S.r.l. (0.2 million euro) and to the subsidiaries of the Spanish subgroup (1.4 million euro) and resulted from the prevalence of current taxes accrued over advance payments.

30) Derivative financial liabilities (current)

(euro/000)	31/12/2024	31/12/2023	Var.
Derivative financial liabilities	-	18	(18)

The balance of *Derivative financial liabilities*, as at 31 December 2023 referred to the fair value of instruments used by Esprinet Iberica S.L.U. and V-Valley Advanced Solutions España, S.A. to mitigate the exchange risk related to payables in foreign currency from suppliers.

Group companies had no derivative instruments as at 31 December 2024.

For further details, please refer to the section "Hedge accounting" under the paragraph *"Disclosure on risks and financial instruments"*.

51) Debts for investments in subsidiaries (current)

(euro/000)	31/12/2024	31/12/2023	Var.
Debts for investments in subsidiaries (current)	-	5,764	(5,764)

The item *Debts for investments in subsidiaries (current)* as at 31 December 2024 was entirely written off during the year following the payment, in July 2024, of the residual shares of the price expected for the purchase of the company Sifar Group S.r.l., definitively quantified as of December 31, 2023.

32) Provisions and other liabilities

Provisions and other liabilities solely includes payables whose maturity is within the following 12 months.

(euro/000)	31/12/2024	31/12/2023	Var.
Social security liabilities (A)	**5,981**	**5,491**	**490**
Associates companies liabilities (B)	**-**	**-**	**-**
VAT payables	23,404	20,864	2,540
Short term Tax payables in installments	6,345	6,338	7
Withholding tax liabilities	533	645	(112)
Other tax liabilities	2,202	2,018	184
Other payables to Tax authorities (C)	**32,484**	**29,865**	**2,619**
Payables to personnel	9,831	8,094	1,737
Payables to customers	7,986	9,340	(1,354)
Payables to others	909	826	83
Total other creditors (D)	**18,726**	**18,260**	**466**
Accrued expenses and deferred income related to:			
- Accrued expenses for insurance costs	339	257	82
- Other accrued expenses	1	-	1
- Deferred income - advanced receivables	83	123	(40)
- Other deferred income	122	119	3
Accrued expenses and deferred income (E)	**545**	**499**	**46**
Provisions and other liabilities (F=A+B+C+D+E)	**57,736**	**54,115**	**3,621**

Social security liabilities refer mainly to payables linked to wages and salaries paid in December and to social contributions accrued on deferred monthly payables, monetary incentives included.

VAT liabilities refer to the amount of VAT payable accrued during the month of December and are attributable to all the companies of the Iberian Subgroup (18.5 million euro) and to the Italian subsidiaries V-Valley S.r.l. (4.6 million euro), Bludis S.r.l. (0.2 million euro) and idMAINT S.r.l. (12 thousand euro).

The item *Tax payables in instalments* refers to the portion due within 12 months from the reference date of the consolidated financial statements, of the debt which arose following the signing of agreements with the Revenue Agency in the second quarter of 2023, by the parent company Esprinet S.p.A., which settled certain VAT disputes relating to the tax periods from 2013 to 2017.

Taxes payable for withholding taxes are represented by withholding taxes paid on professional fees in December.

Other tax liabilities are mainly taxes withheld on wages and salaries paid to employees during the month of December.

Payables to personnel refer to deferred monthly compensation (holidays not taken, year-end bonus, monetary incentives included) accrued at the balance sheet date.

Payables to customers refer mainly to credit notes issued and not yet paid relating to current trading relationships.

Payables to others mainly include remunerations accrued by directors and fees accrued and not paid to the Group's network of agents.

Accrued expenses and deferred income are income and/or expenses whose accrual date is deferred/anticipated compared with the cash collection/expenditure.

7. Guarantees, commitments and potential risks

COMMITMENTS AND POTENTIAL RISKS

The commitments and risks potentially facing the Group are as follows:

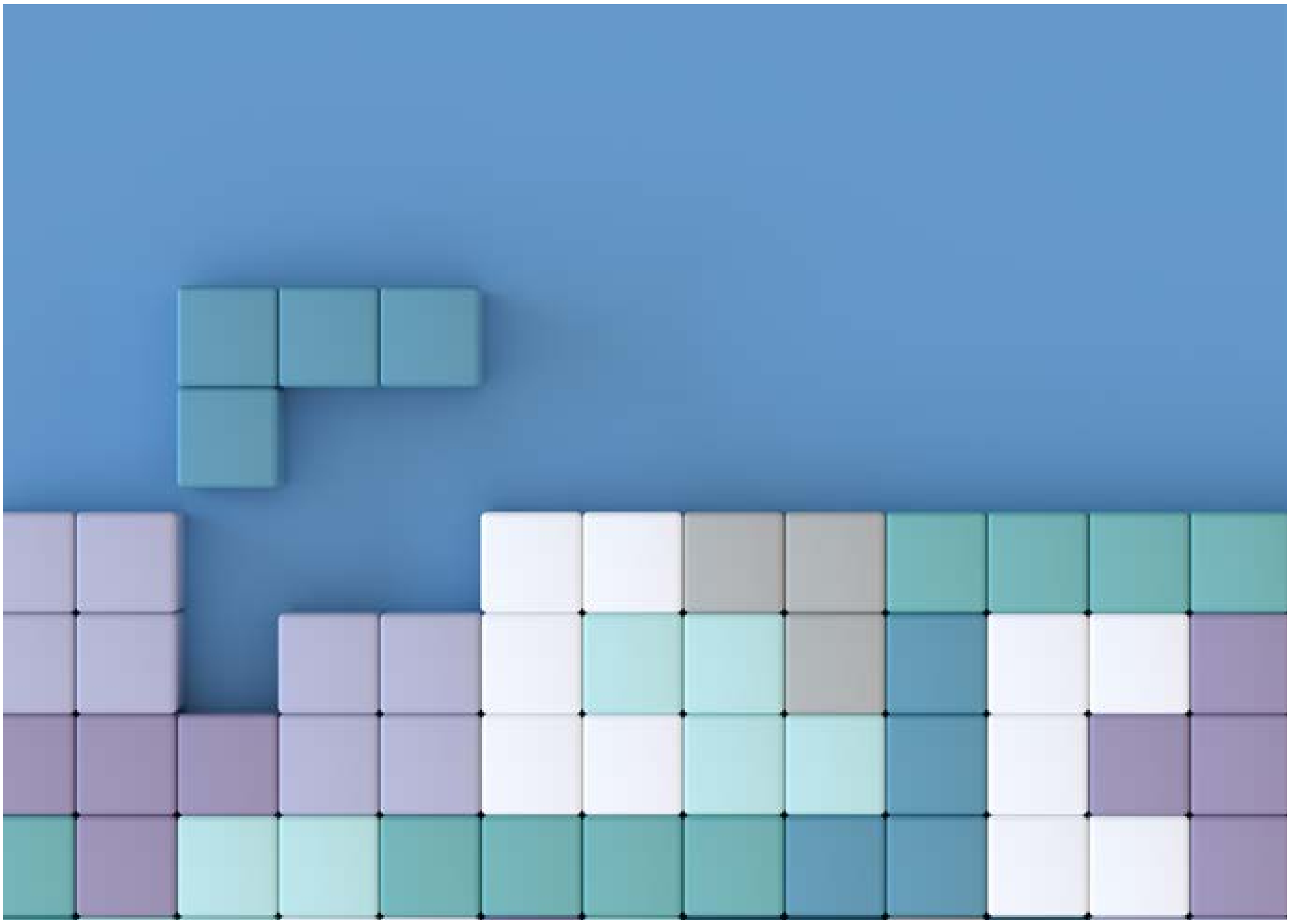
(euro/000)	31/12/2024	31/12/2023	Var.
Third-party assets on consignment to the Group	76,658	75,288	1,370
Bank guarantees issued in favour of other companies	16,870	17,913	(1,043)
Total guarantees issued	**93,528**	**93,201**	**327**

Third-party assets

The amount refers mainly to the value of goods owned by third parties deposited at the Esprinet S.p.A. warehouses (53.6 million euro), of Esprinet Iberica S.L.U. (18 million euro) and V-Valley Advanced Solutions España, S.A. (5 million euro).

Bank guarantees issued in favour of other companies

The amount refers mainly to bank guarantees issued for deposits in relation to property lease agreements entered into in Italy, and bank suretyships issued to the Public Administration in order to participate in tenders for services or supplies.



8. Notes to income statement items

33) Sales from contracts with customers

The following provides a breakdown of the Group's sales performance during the year. Further analyses of sales are provided in the Directors' Report on Operations.

Sales by products and services

(euro/million)	2024	%	2023	%	Var.	% Var.
Product sales	2,613.3	63.1%	2,482.9	62.3%	130.4	*5%*
Services sales	9.8	0.2%	11.2	0.3%	(1.4)	*-13%*
Sales - Subgroup Italy	**2,623.1**	**63.3%**	**2,494.1**	**62.6%**	**129.0**	***5%***
Product sales	1,514.5	36.6%	1,489.1	37.4%	25.4	*2%*
Services sales	4.0	0.1%	2.0	0.1%	2.0	*100%*
Sales - Subgroup Spain	**1,518.5**	**36.7%**	**1,491.1**	**37.4%**	**27.4**	***2%***
Sales from contracts with customers	**4,141.6**	**100.0%**	**3,985.2**	**100.0%**	**156.4**	***4%***

Sales by geographic area

(euro/million)	2024	%	2023	%	% Var.
Italy	2,557.7	61.8%	2,467.8	61.9%	4%
Spain	1,432.5	34.6%	1,367.6	34.3%	5%
Portugal	66.1	1.6%	106.9	2.7%	-38%
Other EU countries	64.1	1.6%	24.2	0.6%	165%
Extra UE countries	21.2	0.5%	18.7	0.5%	13%
Sales from contracts with customers	**4,141.6**	**100.0%**	**3,985.2**	**100.0%**	**4%**

The Group recorded sales in Italy of 2,557.7 million euro, +4% down compared to 2023 in a distribution market which, according to the UK research company Context, has grown by about 1% compared to previous year, with a turnover of 9.4 billion euro. In Spain, the Group sales were 1,432.5 million euro, +5% compared to 2023, in a market at around 7.2 billion euro in sales in line with the previous year. Portugal is worth 66.1 million euro, -38% compared to 2023, with a market showing a +7% decrease.

Sales as 'Principal' or 'Agent'

In accordance with the IFRS 15 accounting standard, the Esprinet Group has identified the distribution of the hardware and software products, the distribution of its own-brand products and the provision of non-intermediated services as the activities in which its role requires it to represent the sales as 'principal'. Conversely, the distribution of cloud software and the brokerage of services were detected as business lines to be disclosed as 'agent'. The following table illustrates this distinction.

(euro/million)	2024	%	2023	%	% Var.
Sales from contracts with customers as 'principal'	4,118.7	99.5%	3,966.7	99.5%	4%
Sales from contracts with customers as 'agent'	22.9	0.6%	18.5	0.5%	24%
Sales from contracts with customers	**4,141.6**	**100.0%**	**3,985.2**	**100.0%**	**4%**

35) Gross profit

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	4,141,562	100.00%	3,985,162	100.00%	156,400	*4%*
Cost of sales	3,914,620	94.52%	3,766,721	94.52%	147,899	*4%*
Gross profit	**226,942**	**5.48%**	**218,441**	**5.48%**	**8,501**	***4%***

The gross trade margin amounted to 226.9 million euro, an improvement over the 218.4 million euro recorded in 2023, due to the increase in sales, the percentage margin being 5.48% in line with the corresponding period of the previous year.

As is common practice in the sectors where the Group operates, the cost of sales is adjusted downwards to take into account the premiums/rebates for the achievement of targets, development and co-marketing provisions, cash discounts (so-called 'prompt payment discounts') and other incentives. It is further reduced by the credit notes issued by vendors in relation to protection agreed for the value of stock.

Lastly, profit has been reduced by the difference between the amount of receivables transferred without recourse to factoring companies within the usual revolving or securitisation programmes and the amounts collected. In 2024, such effect amounted to 17.6 million euro (15.6 million euro in 2023).

37-38-39) Operating costs

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**4,141,562**		**3,985,162**		**156,400**	**4%**
Sales and marketing costs	75,609	1.83%	74,122	1.86%	1,487	*2%*
Overheads and administrative costs	105,817	2.56%	102,317	2.57%	3,500	*3%*
Impairment loss/reversal of financial assets	(710)	-0.02%	27,990	0.70%	(28,700)	*<-100%*
Operating costs	**180,716**	**4.36%**	**204,429**	**5.13%**	**(23,713)**	***-12%***
- of which non recurring	-	0.00%	30,064	0.75%	(30,064)	*-10000%*
'Recurring' operating costs	**180,716**	**4.36%**	**174,365**	**4.38%**	**6,351**	***4%***

In 2024, the amount of operating costs, equal to 180.7 million euro, shows a reduction of 23.7 million euro with an incidence on sales of 4.36% compared to 5.13% of the previous year penalised by 30.1 million euro of non-recurring charges incurred by the parent company during 2023 in relation to the signing of agreements with the Revenue Agency that have settled certain VAT disputes.

Excluding these items, operating costs for 2024 increased by 6.4 million euro (+4%), with the ratio to sales decreasing to 4.36% from 4.38%.

The following table shows a detailed breakdown of consolidated operating costs and their performance:

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**4,141,562**		**3,985,162**		**156,400**	**4%**
Sales & marketing personnel costs	67,712	*1.63%*	64,347	*1.61%*	3,365	*5%*
Other sales & marketing costs	7,897	*0.19%*	9,775	*0.25%*	(1,878)	*-19%*
Sales & marketing costs	**75,609**	***1.83%***	**74,122**	***1.86%***	**1,487**	**2%**
Administr., IT, HR and general service personnel costs	36,825	*0.89%*	33,082	*0.83%*	3,743	*11%*
Directors' compensation	3,428	*0.08%*	1,011	*0.03%*	2,417	*239%*
Consulting services	8,382	*0.20%*	9,701	*0.24%*	(1,319)	*-14%*
Logistics services	17,592	*0.42%*	15,709	*0.39%*	1,883	*12%*
Amortisation, depreciation and provisions	19,600	*0.47%*	18,460	*0.46%*	1,140	*6%*
Other overheads and administrative costs	19,990	*0.48%*	24,354	*0.61%*	(4,364)	*-18%*
Overheads and administrative costs	**105,817**	***2.56%***	**102,317**	***2.57%***	**3,500**	**3%**
Impairment loss/reversal of financial assets	(710)	-0.02%	27,990	0.70%	(28,700)	<-100%
Total SG&A	**180,716**	***4.36%***	**204,429**	***5.13%***	**(23,713)**	***-12%***

Sales and marketing costs mainly include the following:

- costs relating to personnel working in the marketing, sales and Web functions, corresponding social security contributions and accessory charges;
- agents and other commercial freelance charges;
- management cost for the Cash and Carry stores.

Overheads and administrative costs include:

- costs relating to management and administrative personnel, including the EDP, human resources, general services and logistic costs;
- fees paid to corporate bodies and the related charges, travel, board and lodging expenses as well as remuneration of stock option plans;
- business consultancy, EDP consultancy to develop software and assistance with IT systems and payments to other consultants and freelance personnel (for financial statements auditing services, tax, legal and various other consultancy services);
- postal, telephone and telecommunications costs;
- depreciation of property, plant and equipment, amortisation of intangible assets, excluding that relating to rented assets and equipment allocated by function to sales costs, as well as provisions for risks;
- overheads and administrative costs, including utilities, bank commissions and fees, insurance, data connection and telephone costs.

The item *Impairment loss/reversal of financial assets* includes the adjustment of the nominal value of receivables to their estimated realisable value.

Reclassification by nature of some categories of costs

For the purposes of providing more information, some categories of operating costs allocated by *'function'* have been reclassified by *'nature'*.

PERSONNEL COSTS

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**4,141,562**		**3,985,162**		**156,400**	**4%**
Wages and salaries	69,932	1.7%	65,931	1.7%	4,001	6%
Social contributions	21,338	0.5%	19,831	0.5%	1,507	8%
Pension obligations	3,121	0.1%	3,043	0.1%	78	3%
Other personnel costs	1,506	0.0%	1,412	0.0%	94	7%
Employee termination incentives	1,024	0.0%	1,245	0.0%	(221)	-18%
Share incentive plans	111	0.0%	(917)	-0.0%	1,028	>100%
Total labour costs [1]	**97,032**	**2.3%**	**90,545**	**2.3%**	**6,487**	**7%**

[1] Cost of temporary workers excluded.

In 2024, personnel costs amounted to 97.0 million euro, an increase of +7% compared to the corresponding period of 2023 and more than proportionally to the percentage change in the average number of resources employed in the year, which, on the other hand, remained substantially in line with the same period of the previous year.

The increase is the result of several events such as the renewal in March 2024 of the National Collective Bargaining Agreement for Trade in Italy, termination costs definitively ascertained and incurred in the Iberian Peninsula in relation to the reorganisation carried out at the end of the previous financial year, the cost of personnel of the companies Sifar Group S.r.l. and Lidera Network S.L. which in 2023, had an impact only from August 2023, the date of acquisition for both, a negative value recorded in 2023 in the item "Share plans" due to the failure to accrue, due to failure to achieve the performance objectives underlying the "Double Up" component, the share rights provided for by the "Long Term Incentive Plan" approved in April 2021 by the Shareholders' Meeting of Esprinet S.p.A..

For further details, please refer to the table showing the evolution of the number of Group employees integrated with the breakdown by contractual qualification indicated in the "Company Disclosure" section within the Sustainability Report of the "Report on Operations" to which reference is made.

Share incentive plans

On 27 May 2024, the rights to free assignment of the ordinary shares of Esprinet S.p.A. provided for in the new 'Long-Term Incentive Plan', valid for the 2024-2026 three-year period and approved by the Shareholders' Meeting of Esprinet S.p.A. on 24 April 2024, were assigned.

The ordinary shares covered by this Remuneration Plan, equal to 690,000 securities, are already available to the Company.

The Plan was accounted for at fair value, determined by applying the 'Black-Scholes' model and, in relation to the market conditions considered in the estimation of the share performances in the vesting period, both individually and with respect to the performances of the panel of securities selected, through the 'Montecarlo' simulation model, taking account of the dividend yield, of the volatility of the Esprinet share, of the risk-free interest rate level envisaged at the respective rights assignment date.

The main elements of information and parameters used for the purposes of valuing the free allotment rights of the shares for the aforementioned Compensation Plan are summarised in the following table.

(euro/000)	Plan 2021-2023 "Base" component		Plan 2021-2023 "Double Up" component	LTIP 2024-2026 objectives Economic.-Financial and ESG		LTIP 2024-2026 objectives Individual Stock Performance		LTIP 2024-2026 objectives Relative Stock Performance	
Allocation date	22/04/2021		22/04/2021	27/05/2024		27/05/2024		27/05/2024	
Vesting date	30/04/2024		30/04/2024	30/04/2027		30/04/2027		30/04/2027	
Expiry date	30/06/2024		30/06/2024	30/06/2027		30/06/2027		30/06/2027	
Total number of stock grant allocated	191,318		820,000	414,000		138,000		138,000	
Total number of stock grant allowed	36,403	[1]	-	414,000		138,000		138,000	
No. of shares delivered	36,403		-	-		-		-	
Unit fair value (euro)	11.29		5.16	3.63		2.03		2.04	
Total fair value (euro)	410,990		-	1,502,820		280,140		281,520	
Rights subject to look-up (2 years)	25.0%		25.0%	35.0%		35.0%		35.0%	
Duration lock-up	2 years		2 years	2 years		2 years		2 years	
Risk free interest rate	-0.4%	[2]	-0.4%	3.2%	[5]	3.2%	[5]	3.2%	[5]
Implied volatily	40.6%	[3]	40.6%	40.1%	[6]	40.1%	[6]	40.1%	[6]
Duration (years)	3		3	3		3		3	
Spot price (4)	13.59		13.59	4.83		4.83		4.83	
"Dividend yield"	3.8%		3.8%	variable	[7]	variable	[7]	variable	[7]

[1] Decrease due to employment termination of some beneficiaries and/or based on the percentage of achievement of performance targets.
[2] 3-year IRS at the allocation date.
[3] 3-year volatility calculated on the basis of the official closing prices of the Esprinet share in the three-year period preceding the grant date.
[4] Official price of Esprinet S.p.A. shares at grant date.
[5] Linear interpolation, based on the actual duration of the LTIP, of the 6M/360 Euribor rate curve at the grant date.
[6] 2-year volatility calculated on the basis of the official closing prices of the Esprinet share in the three-year period preceding the grant date.
[7] Calculated considering the annual dividend estimated in the vesting period.

The total costs charged to the income statement during the year in relation to the share incentive plans, with a balancing entry in the statement of financial position under the item *"Reserves"*, amounted to 0.1 million euro for employees and 0.3 million euro for directors (income of, respectively, 0.9 million euro and 2.2 million euro in the previous year as a result of the non- and/or partial fulfilment of the non-monetary conditions to which the 2021-2023 Plan was subject).

Amortisation, depreciation, write-downs and provisions

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**4,141,562**		**3,985,162**		**156,400**	**4%**
Depreciation of tangible assets	7,075	0.17%	5,680	0.14%	1,395	*25%*
Amortisation of intangible assets	2,269	0.05%	1,750	0.04%	519	*30%*
Depreciation of right-of-use assets	13,957	0.34%	12,635	0.32%	1,322	*10%*
Amort . & depreciation	**23,301**	**0.56%**	**20,065**	**0.50%**	**3,236**	***16%***
Accruals for risks and charges (B)	295	0.01%	1,136	0.03%	(841)	*-74%*
Amort. & depr., write-downs, accruals for risks (C=A+B)	**23,596**	**0.57%**	**21,201**	**0.53%**	**2,395**	***11%***

Leases and contracts for services of multi-year duration

The costs relating to leases of modest value and those with a duration of less than 12 months, for which the Company availed itself of the exclusion from the application of IFRS 16, amount to 200 thousand euro and 39 thousand euro, respectively (164 thousand euro and 32 thousand euro respectively in 2023).

The following tables respectively contain the details of the costs and commitments for future payments relating to multi-year service contracts:

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**4,141,562**		**3,985,162**		**156,400**	**4%**
Equipment	566	0.01%	646	0.02%	(80)	-12%
Data connection lines	93	0.00%	138	0.00%	(45)	-33%
Cost Housing CED	202	0.00%	200	0.01%	2	1%
Total multi-year services costs	**861**	**0.02%**	**984**	**0.02%**	**(123)**	**-13%**

(euro/000)	2025	2026	2027	2028	2029	Over	Total
Equipment	403	254	32	19	10	7	726
Data connection lines	665	709	610	34	-	-	2,018
Cost housing CED	180	180	180	-	-	-	540
Multi-year services commitments	**1,248**	**1,143**	**822**	**53**	**10**	**7**	**3,284**

42) Finance costs - net

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**4,141,562**		**3,985,162**		**156,400**	**4%**
Interest expenses on borrowings	2,730	0.07%	2,405	0.06%	325	*14%*
Interest expenses to banks	8,122	0.20%	7,486	0.19%	636	*9%*
Other interest expenses	477	0.01%	7,095	0.18%	(6,618)	*-93%*
Upfront fees amortisation	485	0.01%	493	0.01%	(8)	*-2%*
Financial charges for actualization	19	0.00%	19	0.00%	-	*0%*
IAS 19 expenses/losses	171	0.00%	190	0.00%	(19)	*-10%*
IFRS financial lease interest expenses	3,876	0.09%	3,382	0.08%	494	*15%*
Charges from fair value changes	-	0.00%	18	0.00%	(18)	*-100%*
Total financial expenses (A)	**15,880**	**0.38%**	**21,088**	**0.53%**	**(5,208)**	***-25%***
Interest income from banks	(1,139)	-0.03%	(1,007)	-0.03%	(132)	*13%*
Interest income from others	(142)	0.00%	(115)	0.00%	(27)	*23%*
Income from fair value changes	(18)	0.00%	-	0.00%	(18)	*-100%*
Total financial income(B)	**(1,299)**	**-0.03%**	**(1,122)**	**-0.03%**	**(177)**	***16%***
Net financial exp. (C=A+B)	**14,581**	**0.35%**	**19,966**	**0.50%**	**(5,385)**	**-27%**
Foreign exchange gains	(1,433)	-0.03%	(2,348)	-0.06%	915	*-39%*
Foreign exchange losses	4,212	0.10%	1,500	0.04%	2,712	*>100%*
Net foreign exch. (profit)/losses (D)	**2,779**	**0.07%**	**(848)**	**-0.02%**	**3,627**	***<-100%***
Net financial (income)/costs (E=C+D)	**17,360**	**0.42%**	**19,118**	**0.48%**	**(1,758)**	**-9%**

The total balance between finance costs - net, negative for 17.4 million euro, improved by 1.8 million euro compared to the previous year.

The change was the result of a combination of the presence in 2023 of 6.9 million euro in non-recurring expenses incurred in connection with the parent company's underwriting in Italy of certain VAT settlements relating to the tax periods from 2013 to 2017, the unfavourable performance of the euro against the US dollar, which led to 3.6 million euro in higher expenses in 2024 in foreign exchange management, and the higher cost of money despite the interest rate cuts ordered by the European Central Bank from June onwards.

45) Income tax expenses

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**4,141,562**		**3,985,162**		**156,400**	**4%**
Current income taxes	5,420	0.13%	7,554	0.19%	(2,134)	*-28%*
Deferred income taxes	1,925	0.05%	(785)	-0.02%	2,710	*-345%*
Taxes	**7,345**	**0.18%**	**6,769**	**0.17%**	**576**	***9%***

The following table illustrates the reconciliation between the theoretical and the effective tax rate.

(euro/000)	31/12/2024			31/12/2023		
	Group	Subgroup Italy	Subgroup Iberica	Group	Subgroup Italy	Subgroup Iberica
Result before income taxes [A]	**28,866**	**4,085**	**24,781**	**(5,106)**	**(25,160)**	**20,054**
Operating result (EBIT)	**46,226**	**19,092**	**27,134**	**14,012**	**(8,945)**	**22,957**
(+) bad debt provision	660	660	-	3,451	3,451	-
(+) provision for risks and charges	105	105	-	475	475	-
Taxable am out for IRAP [B]	**46,991**	**19,857**	**27,134**	**17,938**	**(5,019)**	**22,957**
Theoretical taxation IRES Subgroup Italy (= A*24%)	980	980	-	(6,024)	(6,024)	-
Theoretical taxation IRAP Subgroup Italy (= B*3,9%)	774	774	-	(176)	(176)	-
Theoretical taxation on Subgroup Spain's income [A*25,0%-21,0%-10%]	6,319	-	6,319	5,256	-	5,256
Total theoretical taxation [C]	**8,074**	**1,755**	**6,319**	**(944)**	**(6,200)**	**5,256**
Theoretical tax rate [C/A]	***28.0%***	***43.0%***	***25.5%***	***18.5%***	***24.6%***	***26.2%***
(-) Tax relief - ACE - Aiuto alla crescita economica (*)	(922)	-	(922)	(1,647)	(193)	(1,454)
Other permanent differenced	193	(2)	195	9,360	8,765	595
Total effective taxation [D]	**7,345**	**1,753**	**5,592**	**6,769**	**2,372**	**4,397**
Effective tax rate [D/A]	***25.4%***	***42.9%***	***22.6%***	***-132.6%***	***-9.4%***	***21.9%***

(*) It corresponds to ACE for Italian companies and to the capitalisation of reserves for Spanish companies.

The tax rate as at 31 December 2024 was positive again, compared to a negative tax rate in the previous year due to the pre-tax result, which was also negative and included 33.3 million euro of non-recurring expenses, incurred by the parent company Esprinet S.p.A. as part of the tax settlements signed in Italy in the second quarter of 2023 to settle certain VAT disputes, which were considered irrelevant for tax purposes.

From 1 January 2024, so-called 'Pillar Two Model', set forth in EU Directive no. 2523 of 14 December 2022, has been implemented and transposed in Italy with Italian Legislative Decree no. 209 of 27 December 2023 ('Decree'), aimed at putting a limit on tax competition by introducing a global minimum tax at 15% in each jurisdiction in which large multinationals operate. This regulation can be applied to the Esprinet Group as Multinational Company exceeding the threshold sale of 750 million euro in two of the four previous fiscal years – having Esprinet SpA as holding (Ultimate Parent Entity – UPE).

In this regard, in accordance with the disclosure requirements of IAS 12, the Group has performed an assessment - with data basis as at 31 December 2024 - in order to identify the scope of application of the "Pillar Two" regulations, as well as the potential impacts resulting from the application of the regulations in the various Countries in which it operates, considering the 'Transitional Safe Harbours' ('TSH').

With reference to the 2024 data (first year of application of the rule), for all the entities of the Group, the TSH have been exceeded and, therefore, no significant impacts are estimated for the 2025 financial year, if the 2025 database does not differ from the 2024 database used for the preparation of the TSH.

46) Net result and earnings per share

(euro/000)	2024	2023	Var.	% Var.
Net result	**21,521**	**(11,875)**	**33,396**	**-281%**
Weighed average no. of shares in circulation: basic	49,426,259	49,406,099		
Weighed average no. of shares in circulation: diluted	49,787,802	49,434,829		
Earnings per share in euro: basic	**0.44**	**-0.24**	**0.68**	**-283%**
Earnings per share in euro: diluted	**0.43**	**-0.24**	**0.67**	**-279%**

For the purposes of calculating "basic" earnings per share, the 974,915 own shares on hand were excluded (1,011,318 rights as at 31 December 2023).

For the purposes of calculating the 'diluted' earnings per share, the 690,000 own shares on hand were considered, potentially serving the 2024-2026 Share Incentive Plan approved on 24 April 2024 by the Shareholders' Meeting of Esprinet S.p.A. (36,403 shares as at 31 December 2023 potentially serving the 2021-2023 Share Incentive Plan).

9. Other significant information

9.1 EMOLUMENTS TO THE BOARD MEMBERS, STATUTORY AUDITORS AND KEY MANAGERS

As defined by IAS 24 accounting standard and recalled by CONSOB Resolution No. 17221 of 12 March 2010, 'key managers are those persons having direct and indirect authority and responsibility for planning, directing and controlling the activities of the entity preparing the financial statements, including any director (whether executive or otherwise) of that entity'.

The Group has identified the directors, statutory auditors and general manager of Esprinet S.p.A. as executives with strategic responsibilities.

The remuneration due for the year 2024, in relation to the offices held in the parent company and in the other Group companies, are shown in the following tables and include all the remuneration items paid or payable (gross of tax and social security contributions) including benefits in kind.

(Figures in euro/000)

Name and surname	Office	Period for which office was held	Office expiry	Fixed compensation		Compensation for commitee participation	Variable non-equity compensation		Non monetary benefits [2]	Other remuneration	Total	indemnity for end of office or termination of employment
				Fixed compensation	Remuneration from subordinate employment		Bonuses and other incentives	Profit sharing				
Maurizio Rota	Chairman	01.01/ 31.12.2024	2027 [1]	450	-	-	-	-	8	-	458	-
Marco Monti	Deputy Chairman	01.01/ 31.12.2024	2027 [1]	53	-	-	-	-	-	-	53	-
Alessandro Cattani	Chief Executive Officer	01.01/ 31.12.2024	2027 [1]	352	201	-	286	-	3	-	842	-
Luigi Monti	Director	25.04/ 31.12.2024	2027 [1]	21	-	-	-	-	-	-	21	-
Riccardo Rota	Director	25.04/ 31.12.2024	2027 [1]	21	-	-	-	-	-	-	21	-
Angelo Miglietta	Independent Director	01.01/ 31.12.2024	2027 [1]	30	-	41	-	-	-	-	71	-
Renata Maria Ricotti	Independent Director	01.01/ 31.12.2024	2027 [1]	30	-	41	-	-	-	-	71	-
Angela Sanarico	Independent Director	01.01/ 31.12.2024	2027 [1]	30	-	18	-	-	-	-	48	-
Emanuela Prandelli	Independent Director	01.01/ 31.12.2024	2027 [1]	30	-	18	-	-	-	-	48	-
Angela Maria Cossellu	Independent Director	25.04/ 31.12.2024	2027 [1]	21	-	12	-	-	-	-	33	-
Emanuela Teresa Basso Petrino	Independent Director	25.04/ 31.12.2024	2027 [1]	21	-	12	-	-	-	-	33	-
Giovanni Testa	Chief Operating Officer	01.01/ 31.12.2024		-	392	-	191	-	4	-	587	-
Silvia Muzi	Chairman Statutory auditor	01.01/ 31.12.2024	2027 [1]	48	-	-	-	-	-	-	48	-
Maurizio Dallocchio	Permanent Auditor	01.01/ 31.12.2024	2027 [1]	45	-	-	-	-	-	-	45	-
Riccardo Garbagnati	Permanent Auditor	01.01/ 31.12.2024	17/04/2025	6	-	-	-	-	-	-	6	-
(I) Compensation in company preparing the financial				**1,158**	**593**	**142**	**477**	**-**	**15**	**-**	**2,385**	**-**
(II) Compensation from subsidiaries and associates				**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(III) Total				**1,158**	**593**	**142**	**477**	**-**	**15**	**-**	**2,385**	**-**

(*) Date of approval of the financial statements for the year ending 31 December 2026.
(2) *"Fringe benefit" represented by the use of the company car.*

The table below illustrates the Monetary incentive plans for members of the Board of Directors and of the general manager (data in thousand euro).

Beneficiaries	Bonus of the year			Bonus from previous year		
	Payable/ Paid	Deferred	Period	No longer eligible for payment	Payable/ Paid	Still deferred
Alessandro Cattani	-	-	2022	-	81	-
Alessandro Cattani	-	-	2023	-	-	40
Alessandro Cattani	210	76	2024	-	-	-
Giovanni Testa	-	-	2022	-	29	-
Giovanni Testa	-	-	2023	-	-	14
Giovanni Testa	140	51	2024	-	-	-
Total	**350**	**127**		**-**	**110**	**54**

No advances have been made and no loans have been granted to the directors, to the general manager and the statutory auditors of Esprinet S.p.A. for the performance of these functions, including in companies within the scope of consolidation.

Lastly, the table below illustrates the incentive plans based on financial instruments other than stock options, for members of the Board of Directors and the general manager.

Beneficiaries	Options held at 1° January 2024		Options held in 2024	Options assigned (taken up) in 2024	Options assigned in 2024	Options held at 31 December 2024		
	Quantity	Average strike price	Quantity	Quantity	Quantity	Quantity	Average strike price	Average due date
Alessandro Cattani	679,717	free	(15,943)	663,774	-	-	-	from 22/04/2021 to 30/04/2024 [(1)]
Giovanni Testa	113,201	free	(7,440)	105,761	-	-	-	
Alessandro Cattani	-	free	-	-	550,000	550,000	-	from 27/05/2024 to 30/04/2027 [(2)]
Giovanni Testa	-	free	-	-	140,000	140,000	-	

[(1)] Date of the Shareholders' Meeting for the approval of the Financial Statements as at 31 December 2023 and presentation of the Consolidated Financial Statements as at 31 December 2023.
[(2)] Date of the Shareholders' Meeting for the approval of the Financial Statements as at 31 December 2023 and presentation of the Consolidated Financial Statements as at 31 December 2026.

The following table shows the remuneration paid to the board members, statutory auditors and to the managers with strategic responsibilities whose office ceased during the year:

Name and surname	Office	Period for which office was held	Office expiry	Fixed compensation		Compensation for commitee participation	Variable non-equity compensation		Non monetary benefits	Other remuneration	Total	Severance indemnity for end of office or termination of employment
				Fixed compensation	Remuneration from subordinate employment		Bonuses and other incentives	Profit sharing				
Chiara Mauri	Independent Director	01.01/ 24.04.2024	24/04/2024	9	-	6	-	-	-	-	15	-
Lorenza Morandini	Independent Director	01.01/ 24.04.2024	24/04/2024	9	-	6	-	-	-	-	15	-
Maria Luisa Mosconi	Permanent Auditor	01.01/ 15.11.2024	15/11/2024	38	-	-	-	-	-	-	38	-
(I) Compensation in the company preparing the financial				**56**	**-**	**12**	**-**	**-**	**-**	**-**	**68**	**-**
(II) Compensation from subsidiaries and associates				**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(III) Total				**56**	**-**	**12**	**-**	**-**	**-**	**-**	**68**	**-**

9.2 CASH FLOW ANALYSIS

As highlighted in the following table, due to the cash flow dynamics represented in the Consolidated Cash Flow Statement, the Esprinet Group as at 31 December 2024 recorded a negative net financial position of 36.2 million euro compared to a liquidity surplus of 15.5 million euro achieved at 31 December 2023.

(euro/000)	2024	2023
Net financial debt at year-beginning	**(15,521)**	**83,033**
Cash flow provided by (used in) operating activities	2,775	168,036
Cash flow provided by (used in) investing activities	(5,606)	(19,948)
Cash flow provided by (used in) changes in net equity	-	(27,796)
Total cash flow	**(2,831)**	**120,292**
Unpaid interests	(3,741)	(3,466)
Unpaid leasing interests	(393)	(274)
Lease liabilities posting	(44,794)	(9,729)
Net Financial debts (no cash) acquisitions	-	(2,882)
Deferred price acquisitions	-	(5,387)
Net financial debt at year-end	**36,238**	**(15,521)**
Short-term financial liabilities	87,799	72,246
Lease liabilities	12,633	11,896
Customers financial receivables	(10,154)	(9,656)
Current financial (assets)/liabilities for derivatives	-	18
Financial assets held for trading	(103)	(113)
Financial receivables from factoring companies	(133)	(249)
Current Debts for investments in subsidiaries	-	5,764
Cash and cash equivalents	(216,250)	(260,883)
Net current financial debt	**(126,208)**	**(180,977)**
Borrowings	30,762	65,702
Lease liabilities	131,084	99,154
Non current Debts for investments in subsidiaries	600	600
Net financial debt at year-end	**36,238**	**(15,521)**

9.3 NET FINANCIAL INDEBTEDNESS AND LOANS COVENANTS

As set forth in "Warning notice no. 5/21" issued by CONSOB on 29 April 2021, the following table provides information relating to the "financial indebtedness" (or also "net financial position") determined in substantial compliance with the criteria indicated by the European Securities and Markets Authority ("ESMA") in the document called "Guidelines on disclosure obligations" of 4 March 2021.

With reference to the same table, it should be underlined that financial indebtedness, measured according to the ESMA criteria, coincides with the notion of 'Net financial payables' for the Group.

(euro/000)	2024	2023
A. Bank deposits and cash on hand	216,250	260,880
B. Cheques	-	3
C. Other current financial assets	10,391	10,018
D. Liquidity (A+B+C)	226,641	270,901
E. Current financial debt	54,132	44,053
F. Current portion of non current debt	46,301	45,871
G. Current financial indebtedness (E+F)	100,433	89,924
H. Net current financial indebtedness (G-D)	**(126,208)**	**(180,977)**
I. Non-current financial debt	162,446	165,456
J. Debt instruments	-	-
K. Trade payables and other non-current payables	-	-
L. Non-current financial indebtedness (I+J+K)	**162,446**	**165,456**
M. Net financial indebtedness (H+L)	**36,238**	**(15,521)**
Breakdown of net financial indebtedness:		
Short-term financial liabilities	87,799	72,246
Lease liabilities	12,633	11,896
Current debts for investments in subsidiaries	-	5,764
Current financial (assets)/liabilities for derivatives	-	18
Financial assets held for trading	(103)	(113)
Other current financial receivables	(10,154)	(9,656)
Financial receivables from factoring companies	(133)	(249)
Cash and cash equivalents	(216,250)	(260,883)
Net current financial debt	**(126,208)**	**(180,977)**
Non - current debts for investments in subsidiaries	600	600
Borrowings	30,762	65,702
Lease liabilities	131,084	99,154
Net financial debt	**36,238**	**(15,521)**

The Group's net financial position, negative for 36.2 million euro, corresponds to a net balance of gross financial liabilities of 118.6 million euro, debts for investments in subsidiaries of 0.6 million euro, financial receivables of 10.3 million euro, lease liabilities of 143.7 million euro, financial assets of 0.1 million euro and cash and cash equivalents equal to 216.3 million euro.

Cash and cash equivalents consist mainly of free and unrestricted bank deposits of a transitional nature as they are formed temporarily at the end of the month as a result of the Group's distinctive financial cycle.

A feature of this cycle is the high concentration of funds received from customers and factoring companies – the latter in the form of net income from the non-recourse assignment of trade receivables – normally received at the end of each calendar month, while payments to suppliers, also tending to be concentrated at the end of the period, are usually spread more equally throughout the month. For this reason, the spot figure at the end of a period does not represent the net financial indebtedness or the average treasury resources for the same period.

During 2024, as part of the working capital management policies, the programme of non-recourse assignment of receivables without recourse on a revolving basis to selected segments of customers in Italy and Spain, mostly belonging to the large-scale retail sector, continued. In addition to this, the securitisation programme, launched in Italy in July 2015, and renewed every three years without interruption with the last renewal in July 2024, of additional trade receivables also continued during the period. Since the aforementioned programmes realise the complete transfer of risks and benefits to the assignees, the assigned receivables are eliminated from the balance sheet assets in accordance with IFRS 9. The overall effect on the level of net financial liabilities as at 31 December 2024 is quantifiable at about 429.6 million euro (about 393.1 million euro as at 31 December 2023).

With regard to medium/long-term financial payables, the table below shows, separately for each lender, the principal amount of loans due within and beyond the next financial year, broken down into 'Italian Subgroup' and 'Iberian Subgroup'. It should be noted that the amounts shown may differ from the individual carrying amounts because the latter are representative of the amortised cost calculated by applying the effective interest rate method.

(euro/000)	31/12/2024			31/12/2023			Var.		
	Curr.	Non curr.	Tot.	Curr.	Non curr.	Tot.	Curr.	Non curr.	Tot.
Banco Desio	1,352	-	1,352	2,681	1,352	4,033	(1,329)	(1,352)	(2,681)
BCC Carate	2,510	2,530	5,040	2,490	5,040	7,530	20	(2,510)	(2,490)
Banca popolare di Sondrio	2,924	7,939	10,863	2,790	10,863	13,653	134	(2,924)	(2,790)
Cassa Depositi e Prestiti	7,075	-	7,075	7,084	7,094	14,178	(9)	(7,094)	(7,103)
BPER Banca	10,032	5,245	15,277	12,761	15,277	28,038	(2,729)	(10,032)	(12,761)
Dell Financial Services	8,211	3,139	11,350	-	-	-	8,211	3,139	11,350
Total Subgroup Italy	**32,104**	**18,853**	**50,957**	**27,806**	**39,626**	**67,432**	**4,298**	**(20,773)**	**(16,475)**
Banco Sabadell	2,284	1,285	3,569	2,509	3,568	6,077	(225)	(2,283)	(2,508)
Ibercaja	973	2,718	3,691	2,718	3,691	6,409	(1,745)	(973)	(2,718)
Bankinter	1,951	1,515	3,466	1,873	3,469	5,342	78	(1,954)	(1,876)
La Caixa	3,785	2,531	6,316	4,773	6,315	11,088	(988)	(3,784)	(4,772)
Kutxabank	580	1,734	2,314	551	2,315	2,866	29	(581)	(552)
Cajamar	817	-	817	1,792	817	2,609	(975)	(817)	(1,792)
BBVA	2,539	1,391	3,930	2,601	3,930	6,531	(62)	(2,539)	(2,601)
Santander	1,268	749	2,017	1,248	2,016	3,264	20	(1,267)	(1,247)
Total Subgroup Iberica	**14,197**	**11,923**	**26,120**	**18,065**	**26,121**	**44,186**	**(3,868)**	**(14,198)**	**(18,066)**
Total Group	**46,301**	**30,776**	**77,077**	**45,871**	**65,747**	**111,618**	**430**	**(34,971)**	**(34,541)**

The table below shows the carrying amounts in principal of the loans reported above, which include those guaranteed by the Spanish State through the Instituto de Crédito Oficial ("ICO") as part of the measures adopted by the Spanish Government to help businesses tackle COVID-19.

(euro/000)	31/12/2024	31/12/2023	Var.
Unsecured loan (agent: Banco Desio) to Esprinet S.p.A. repayable in six-monthly instalments by June 2025	1,352	4,033	(2,681)
Unsecured loan (agent: BCC Carate) to Esprinet S.p.A. repayable in six-monthly instalments by December 2026	5,040	7,530	(2,490)
Unsecured loan (agent: BPER Banca) to Esprinet S.p.A. repayable in six-monthly instalments by December 2026	10,241	15,000	(4,759)
Unsecured loan (agent: BPER Banca) to Esprinet S.p.A. repayable in six-monthly instalments by November 2025	2,019	4,013	(1,994)
Unsecured loan (agent: BPER Banca) to Esprinet S.p.A. repayable in six-monthly instalments by June 2025	3,017	9,025	(6,008)
Unsecured loan (agent: Banca Popolare di Sondrio) to Esprinet S.pA repayable in six-monthly instalments by June 2028	10,863	13,653	(2,790)
Unsecured loan (agent: Cassa Depositi e Prestiti S.p.A.) to Esprinet S.p.A. repayable in six-monthly instalments by December 2025	7,000	14,000	(7,000)
Unsecured loan (agent: Dell Financial Services) to Esprinet S.p.A. repayable in quaterly instalments by October 2028	6,300	-	6,300
Unsecured loan (agent: Dell Financial Services) to Esprinet S.p.A. repayable in quaterly instalments by October 2028	5,050	-	5,050
Unsecured loan (agent: Cassa Depositi e Prestiti S.p.A.) to Sifar Group S.r.l. repayable in six-monthly instalments by October 2025	75	150	(75)
Unsecured loan (agent: Cassa Depositi e Prestiti S.p.A.) to Sifar Group S.r.l. repayable in six-monthly instalments by October 2025	-	28	(28)
Unsecured loan (agent: Banco Sabadell) to Esprinet Iberica repayable in quarterly instalments by March 2024	-	261	(261)
Unsecured loan (agent: La Caixa) to Esprinet Iberica repayable in quarterly instalments by February 2024	-	523	(523)
Unsecured loan (agent: Ibercaja) to Esprinet Iberica repayable in quarterly instalments by February 2024	-	515	(515)
Unsecured loan (agent: Ibercaja) to Esprinet Iberica repayable in monthly instalments by July 2028	3,692	4,623	(931)
Unsecured loan (agent: Banco Kutxabanka) to Esprinet Iberica repayable in quarterly instalments by July 2028	2,314	2,866	(552)
Secured loan "ICO" (agent: Banco Sabadell) to Esprinet Iberica repayable in monthly instalments by June 2026	1,150	1,900	(750)
Secured loan "ICO" (agent: La Caixa) to Esprinet Iberica repayable in monthly instalments by June 2026	1,910	3,160	(1,250)
Secured loan "ICO" (agent: BBVA) to Esprinet Iberica repayable in monthly instalments by June 2026	1,916	3,269	(1,353)
Secured loan "ICO" (agent: La Caixa) to Esprinet Iberica repayable in six-monthly instalments by July 2026	1,250	1,875	(625)
Secured loan "ICO" (agent: Bankinter) to Esprinet Iberica repayable in quarterly instalments by July 2026	1,949	2,978	(1,029)
Unsecured loan (agent: Cajamar) to Esprinet Iberica repayable in yearly instalments by December 2024	-	1,018	(1,018)
Unsecured loan (agent: Ibercaja) to Esprinet Iberica repayable in six-monthly instalments by November 2024	-	1,271	(1,271)
Unsecured loan (agent: Banco Sabadell) to Esprinet Iberica repayable in monthly instalments by July 2026	2,418	3,916	(1,498)

(euro/000)	31/12/2024	31/12/2023	Var.
Unsecured loan (agent: La Caixa) to Esprinet Iberica repayable in quarterly instalments by May 2024	-	500	(500)
Unsecured loan (agent: Cajamar) to Esprinet Iberica repayable in six-monthly instalments by July 2025	817	1,591	(774)
Secured loan "ICO" (agent: La Caixa) to Esprinet Iberica repayable in monthly instalments by June 2026	1,906	3,155	(1,249)
Secured loan "ICO" (agent: Bankinter) to Esprinet Iberica repayable in quaterly instalments by July 2026	1,518	2,364	(846)
Secured loan "ICO" (agent: Banco Santander) to Esprinet Iberica repayable in monthly instalments by July 2026	2,016	3,264	(1,248)
Secured loan "ICO" (agent: BBVA) to Esprinet Iberica repayable in monthly instalments by July 2026	2,014	3,262	(1,248)
Secured loan "ICO" (agent: La Caixa) to Esprinet Iberica repayable in six-monthly instalments by July 2026	1,250	1,875	(625)
Total book value	**77,077**	**111,618**	**(34,541)**

The weighted average rate applied in 2023 on the aforementioned loans was approximately 2.9%, (2.1% during 2023).

Compared to the previous year, no new loans were subscribed by Group companies with banks; the reduction in their principal value compared to 31 December 2023, in fact, is entirely attributable to the repayments made during the year. On the other hand, the parent company Esprinet S.p.A. signed two loans with the financial company DELL Financial Service for the purchase of supplies of products for resale.

Some of the medium/long-term loans listed above are secured by typical economic-financial covenant structures for transactions of said kind, that contain standard acceleration clauses for reimbursements in the event they are not respected.

An unsecured 'amortising' 5-year loan, granted to the subsidiary Esprinet Iberica S.L.U., maturing in July 2028, for a total value of 2.3 million euro in principal as at 31 December 2024, requires the annual compliance with a given ratio between (i) the net financial position to EBITDA and (ii) the net financial position to equity.

The unsecured amortising 5-year loan granted to Esprinet S.p.A. by Cassa Depositi e Prestiti S.p.A., expiring in December 2025, for a total of 7.0 million euro in principal as at 31 December 2024, also provides for the annual compliance with a given ratio of net financial position to EBITDA at consolidated level, but also half-yearly compliance with a given ratio of consolidated net financial position to net equity.

In addition to medium/long-term loans, a back-up line consisting of a short term, unsecured RCF-Revolving Credit Facility, "committed" for three years, amounting to 180.0 million euro and not used at the reporting date but partially drawn down at the date of this Annual Report, taken out by Esprinet S.p.A. on 31 August 2022 with a pool of leading domestic and international banks, is also secured by the following structure of financial covenants, to be verified every six months on the basis of the data of the consolidated and audited financial statements:

- ratio of net financial position to EBITDA (only to be verified annually);
- ratio of extended net financial position to equity;
- ratio of EBITDA to net finance costs;
- absolute amount of gross financial position.

As at 31 December 2024, all covenants to which the above-mentioned loans are subject, including the Revolving Credit Facility, according to management estimates (as the same must be verified in the consolidated financial statements certified by the independent auditors), were respected.

The various medium/long-term loan agreements, including those that do not make provision for financial covenants and the above-mentioned Revolving Credit Facility, also contain the usual "negative pledge", "pari passu" and similar clauses that, at the date of drafting of this report, were respected.

9.4 LINES OF CREDIT

Apart from the uses described in the previous paragraphs, the Esprinet Group had a total 1,405.0 million euro (of which approximately 1,435.2 million euro in cash) at its disposal in bank credit lines as at 31 December 2024, broken down as follows:

(euro/000)	Group	Subgroup Italy	Subgroup Iberica
Short-term lines	370,800	224,300	146,500
Medium/long-term borrowings	65,652	39,532	26,120
Line revolving	180,000	180,000	-
Factoring / Confirming / Securitization[1]	730,080	468,580	261,500
Bank overdrafts	1,187	1,187	-
Credit cards	898	728	170
Derivatives / forward currency transactions	2,200	1,200	1,000
Endorsement credit	54,169	38,020	16,149
Total	**1,404,986**	**953,547**	**451,439**

[1] Includes both with-recourse and without-recourse maximums.

The financial situation as at 31 December 2024, excluding the endorsement loans and the maximums granted by the banks for a without-recourse factoring scheme with a revolving credit facility, shows that a total 11% (17% in the previous year) of credit lines was used, as can be seen in the table below:

(euro/000)	Uses %	Uses	Credit lines
Short-term lines	0%	-	370,800
Medium/long-term borrowings	100%	65,652	65,652
Line revolving	0%	-	180,000
Factoring pro-solvendo	0%	-	300
Bank overdrafts	0%	-	1,187
Total	**11%**	**65,652**	**617,939**

Maintaining short-term credit lines with contained usage rates and high flexibility of usage is the main liquidity risk management method used by the Group.

9.5 SEASONAL NATURE OF BUSINESS

The table below highlights the impact of sales per calendar quarter in the two-year period 2024-2023:

	2024			2023		
	Group	Italy	Iberica	Group	Italy	Iberica
Sales Q1	22.4%	24.1%	19.4%	25.6%	25.3%	26.0%
Sales Q2	22.3%	23.3%	20.7%	22.3%	22.5%	21.8%
Sales H1	**44.7%**	**47.4%**	**40.1%**	**47.8%**	**47.8%**	**47.8%**
Sales Q3	22.5%	21.5%	24.2%	21.1%	20.7%	21.8%
Sales Q4	32.8%	31.1%	35.7%	31.1%	31.4%	30.4%
Sales H2	**55.3%**	**52.7%**	**59.9%**	**52.2%**	**52.2%**	**52.2%**
Sales for the year	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

The IT and consumer electronic markets both in Italy and in Spain are traditionally characterised by highly seasonal sales, which involve an increase in demand in the fourth quarter of the calendar year, essentially in terms of purchases concentrated in the pre-Christmas and the 'back-to-school' seasons to consumers, and by the spending dynamics of budgets dedicated to IT investments, which are statistically concentrated around the months of November and December.

The seasonal nature of IT and electronics sales has an influence both on the business volumes of the distribution industry and, consequently, on the sales volumes of the Esprinet Group.

The winter trend provides a contrast to the drop in demand in the summer months, in August, in particular. As a result of the increasing reluctance to suspend work during the summer months, this last trend also appears to be re-dimensioning, particularly in the business sector.

In addition to the above, operating results are also seasonal, but even more so than those of sales since the absolute profit margin levels track the seasonal nature of sales, while overheads tend to be more regular during the year.

The seasonal nature of sales described above also has an influence on the portion of financial indebtedness that is closely linked to working capital needs, which peak in the last part of each calendar year.

The level of net borrowings fluctuates dramatically not only throughout the calendar year but also during each month, due for the most part to the concentration of payments received from customers at the end and middle of each month, while the maturities of payments to suppliers are distributed more evenly over the month.

For this reason, the figure resulting at the end of the period, or at the end of each month, is not particularly representative of the average net financial indebtedness customarily observable during the same period.

The circumstances described above give rise to higher financial and commercial risk levels for the Group compared with businesses, which are less subject to seasonal fluctuations.

9.6 NON-RECURRING SIGNIFICANT EVENTS AND OPERATIONS

In 2024, no non-recurring items were identified.

In 2023, the following non-recurring operations and events were identified:

- 1.1 million euro relating to the costs of reorganising the Group's management structure;
- 33.3 million euro (24.5 million euro for tax, 1.9 million euro in penalties and 6.9 million euro in interest expense) relating to costs incurred by the parent company Esprinet S.p.A. following the signature during the year of the agreements with the Italian Revenue Agency aimed at settling out-of-court disputes regarding VAT for the tax periods from 2013 to 2017;
- 2.6 million euro relating to a provision made by the parent company Esprinet S.p.A. on a trade receivable position.

The following table shows the impact of the above events and operations on the income statement (including the related tax effects):

(euro/000)	Non- Recurring Charge Type	2024	2023
Overheads and administrative costs	Employee termination incentives	-	(1,052)
Overheads and administrative costs	Administrative penalties	-	(1,840)
Impairment loss/reversal of financial assets	VAT not claimable for refund	-	(20,234)
Impairment loss/reversal of financial assets	VAT claimed for refund bad debt accrual	-	(4,297)
Impairment loss/reversal of financial assets	Trade receivables bad debt accrual	-	(2,641)
Total SG&A	**Total SG&A**	**-**	**(30,064)**
Operating result (EBIT)	**Operating result (EBIT)**	**-**	**(30,064)**
Finance costs - net	Interest payable to tax authorities	-	(6,946)
Result before income taxes	**Result before income taxes**	**-**	**(37,010)**
Income tax expenses	Non- recurring events impact	-	889
Net result	**Net result**	**-**	**(36,121)**

9.7 MAIN DISPUTES PENDING

Developments in pending legal and tax-related disputes can be found in a similar section under the comment to the statement of financial position item *'Non-current provisions and other liabilities'* in the 'Notes to the consolidated financial statements'.

Similarly, the 'Directors' Report on Operations' also contains the Group's policies regarding the management of legal and tax-related disputes under *'Main risks and uncertainties'.*

9.8 DERIVATIVES ANALYSIS

Disclosures regarding operations relating to derivative instruments can be found under the *'Disclosure on risks and financial instruments'* paragraph.

9.9 SUBSEQUENT EVENTS

Relevant events occurred after period end are described in the 'Subsequent events' paragraph of the Directors' Report on Operations, to which reference is made for more information.

9.10 COMPENSATION FOR GROUP AUDITING SERVICES

The following table drafted pursuant to Article 149-duodecies of the CONSOB Issuers' Regulation, shows the emoluments posted during the 2024 financial year on the accrual basis of accounting for auditing services and others performed by the same independent auditors and/or bodies belonging to its network:

Description	Provider of serivice	Entity	Fees (euro/000)	
			2024	2023
Auditing services	Pwc S.p.A.	Esprinet S.p.A.	632.6	410.8
	Pwc S.p.A.	Subsidiaries	302.0	170.9
	Pwc network	Subsidiaries	357.5	291.0
Other services	Pwc S.p.A.	Esprinet S.p.A.	-	8.7
	PwC network	Esprinet S.p.A.	-	14.0
	Pwc network	Subsidiaries	33.4	143.0
Total			**1,325.5**	**1,038.4**

10. Publication of the Draft Financial Statements

The draft financial statements and their publication were approved by the Esprinet Board of Directors during the meeting of 11 March 2025, which also authorised the Chairman to make any necessary or appropriate changes or additions to the structure of the document, in order to complete or improve it in any of its parts.

Vimercate, 11 March 2025

On behalf of the Board of Directors
The Chair
Maurizio Rota

2024 ANNUAL FINANCIAL STATEMENTS
OF ESPRINET S.P.A.

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Contents of the Esprinet S.p.A. Financial Statements

Esprinet S.p.A.: Financial Statements (Separate Financial Statements *)

* Esprinet S.p.A. Separate Financial Statements, as defined by the IFRS International Accounting Standards.
** The reports of the Board of Statutory Auditors and the Independent Auditors, is published in a specific section in the Investors - Shareholders' Meeting - 2025 section of the Company's website (www.esprinet.com).

Statement of financial position

The table below shows the Esprinet S.p.A. statement of equity and financial position drawn up according to IFRS requirements [20]:

(euro)	Note	31/12/2024	31/12/2023
ASSETS			
Non-current assets			
Property, plant and equipment	**1**	23,794,941	24,376,151
Right-of-use assets	**4**	115,936,000	81,813,000
Goodwill	**2**	12,599,499	18,403,051
Intangible assets	**3**	376,645	1,326,832
Investments	**5**	155,990,406	115,224,841
Deferred income tax assets	**6**	3,989,869	4,998,993
Receivables and other non-current assets	**9**	1,723,304	1,754,759
		314,410,664	**247,897,627**
Current assets			
Inventory	**10**	384,485,064	345,241,925
Trade receivables	**11**	252,231,883	330,419,112
Income tax assets	**12**	3,439,195	3,626,351
Other assets	**13**	145,549,806	156,221,854
Cash and cash equivalents	**17**	74,671,089	113,122,232
		860,377,037	**948,631,474**
Total assets		**1,174,787,701**	**1,196,529,101**
EQUITY			
Share capital	**19**	7,860,651	7,860,651
Reserves	**20**	204,289,045	232,948,549
Net result for the period	**21**	(15,152,032)	(29,039,258)
Total equity		**196,997,664**	**211,769,942**
LIABILITIES			
Non-current liabilities			
Borrowings	**22**	18,834,061	39,480,363
Lease liabilities	**31**	113,983,000	78,792,000
Deferred income tax liabilities	**24**	2,650,192	3,389,998
Retirement benefit obligations	**25**	2,695,069	3,627,582
Debts for investments in subsidiaries	**33**	600,000	600,000
Provisions and other liabilities	**26**	16,321,889	22,918,402
		155,084,211	**148,808,345**
Current liabilities			
Trade payables	**27**	653,692,951	729,949,402
Short-term financial liabilities	**28**	113,708,014	69,388,157
Lease liabilities	**34**	8,822,000	8,124,000
Debts for investments in subsidiaries	**35**	-	5,764,321
Provisions and other liabilities	**32**	46,482,861	22,724,934
		822,705,826	**835,950,814**
TOTAL LIABILITIES		**977,790,037**	**984,759,159**
Total equity and liabilities		**1,174,787,701**	**1,196,529,101**

[20] Pursuant to CONSOB Resolution No. 15519 of 27 July 2006, the effects of relationships with related parties on the Esprinet S.p.A. statement of equity and financial position items can be found in the statement of equity and financial position in the next pages and commented on in the 'Notes to the Esprinet S.p.A. financial statements'.

Separate income statement

Below is the income statement by 'function' of the company Esprinet S.p.A. prepared in accordance with IFRS [21]:

(euro)	Note	2024	2023
Sales from contracts with customers	33	2,315,855,112	2,423,749,999
Cost of sales		(2,207,183,585)	(2,294,694,005)
Gross profit	**35**	**108,671,527**	**129,055,994**
Sales and marketing costs	37	(39,352,198)	(50,391,134)
Overheads and administrative costs	38	(61,607,922)	(62,731,978)
Impairment loss/reversal of financial assets	39	646,520	(27,306,462)
Operating result (EBIT)		**8,357,927**	**(11,373,580)**
Finance costs - net	42	(13,453,694)	(15,982,214)
Investments expenses/(incomes)	43	(11,197,103)	-
Result before income taxes		**(16,292,870)**	**(27,355,794)**
Income tax expenses	45	1,140,838	(1,683,464)
Net result		**(15,152,032)**	**(29,039,258)**
- of which attributable to non-controlling interests		-	-
- of which attributable to Group		(15,152,032)	(29,039,258)

Comprehensive income statement

(euro)	2024	2023
Net result	**(15.152.032)**	**(29.039.258)**
Other comprehensive income not to be reclassified in the separate income statement		
- Changes in 'TFR' equity reserve	70,676	(16,481)
- Taxes on changes in 'TFR' equity reserve	(16,962)	3,955
Other comprehensive income	**53,714**	**(12,526)**
Total comprehensive income	**(15,098,318)**	**(29,051,784)**
- of which attributable to Group	(15,098,318)	(29,051,784)
- of which attributable to non-controlling interests	-	-

For details on the Changes in 'TFR' equity reserve and its related tax impact, please refer to the commentary notes 25) Retirement benefit obligations and 6) Deferred income tax assets.

[21] *Pursuant to the CONSOB Resolution No. 15519 of 27 July 2006, the effects of relationships with related parties on the Esprinet S.p.A. income statement items can be found in the separate income statement in the next pages and commented on in the 'Notes to the Esprinet S.p.A. financial statements'.*

Statement of changes in equity

(euro/000)	Share capital	Reserves	Own shares	Profit for the period	Total net equity
Balance at 31 December 2022	**7,861**	**258,699**	**(13,330)**	**16,060**	**269,290**
Total comprehensive income/(loss)	-	(13)	-	(29,039)	**(29,052)**
Allocation of last year net income/(loss)	-	16,060	-	(16,060)	**-**
Dividend payment	-	(26,679)	-	**-**	**(26,679)**
Transactions with owners	**-**	**(10,619)**	**-**	**(16,060)**	**(26,679)**
Equity plans in progress	-	(3,160)	-	**-**	**(3,160)**
Change for merge operations	-	1,371	-	**-**	**1,371**
Balance at 31 December 2023	**7,861**	**246,278**	**(13,330)**	**(29,039)**	**211,770**
Total comprehensive income/(loss)	-	54	-	(15,152)	(15,098)
Allocation of last year net income/(loss)	-	(29,039)	-	**29,039**	**-**
Transactions with owners	**-**	**(29,039)**	**-**	**29,039**	**-**
Grant of share under share plans	-	(185)	231	**-**	**46**
Change in equity by merger operations	-	413	-	**-**	**413**
Other movements	-	(133)	-	**-**	**(133)**
Balance at 31 December 2024	**7,861**	**217,388**	**(13,099)**	**(15,152)**	**196,998**

For details on the changes that occurred during the year, please refer to the commentary notes 20) Reserves and 21) Net result for the period.

Cash flow statement [22]

(euro/000)	2024	2023
Cash flow provided by (used in) operating activities (D=A+B+C)	**(7,189)**	**11,684**
Cash flow generated from operations (A)	**24,276**	**19,559**
Operating income (EBIT)	8,358	(11,374)
Depreciation, amortisation and other fixed assets write-downs	15,935	13,581
Net changes in provisions for risks and charges	(262)	(931)
Provision for taxes in instalment	-	21,574
Net changes in retirement benefit obligations	(209)	(313)
Stock option/grant costs	454	(2,978)
Cash flow provided by (used in) changes in working capital (B)	**(22,342)**	**3,233**
Inventory	(77,571)	30,072
Trade receivables	78,187	23,763
Other current assets	31,717	(29,542)
Trade payables	(76,396)	(8,818)
Other current liabilities	21,721	(12,242)
Other cash flow provided by (used in) operating activities (C)	**(9,123)**	**(11,108)**
Interests paid	(9,407)	(8,899)
Received interests	1,232	1,182
Foreign exchange (losses)/gains	(864)	422
Income taxes paid	(84)	(3,813)
Cash flow provided by (used in) investing activities (E)	**(10,955)**	**(20,289)**
Net investments in property, plant and equipment	(5,020)	(11,897)
Net investments in intangible assets	540	20
Net investments in other non current assets	32	20
Subsidiaries establishment/tranfer of business	(6,550)	(100)
Subisidiaries business combination	-	(11,219)
Subsidiaries share plans remboursement	43	-
4Side merger	-	2,887
Cash flow provided by (used in) financing activities (F)	**(20,307)**	**597**
Medium/long term borrowing		30,000
Repayment/renegotiation of medium/long-term borrowings	(27,722)	(22,527)
Leasing liabilities remboursement	(8,491)	(8,291)
Net change in financial liabilities	47,552	(12,026)
Short-term borrowing received/(granted)	(25,500)	40,000
Net change in financial assets and derivative instruments	(382)	3,638
Deferred price acquisition	(5,764)	(2,401)
Dividend payments	-	(27,796)
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	**(38,451)**	**(8,008)**
Cash and cash equivalents at year-beginning	**113,122**	**121,130**
Net increase/(decrease) in cash and cash equivalents	**(38,451)**	**(8,008)**
Cash and cash equivalents at year-end	**74,671**	**113,122**

[22] Effects of relationships with other related parties are omitted as non-significant.

Statement of financial position

(pursuant to CONSOB Resolution No. 15519 of 27 July 2006)

(euro/000)	31/12/2024	related parties	31/12/2023	related parties
ASSETS				
Non-current assets				
Property, plant and equipment	23,795		24,376	
Right-of-use assets	115,936		81,813	
Goodwill	12,600		18,403	
Intangible assets	377		1,327	
Investments	155,990		115,225	
Deferred income tax assets	3,990		4,999	
Receivables and other non-current assets	1,723	-	1,755	-
	314,411	**-**	**247,898**	**-**
Current assets				
Inventory	384,485		345,242	
Trade receivables	252,232	5	330,419	5
Income tax assets	3,439		3,626	
Other assets	145,550	73,355	156,222	83,890
Cash and cash equivalents	74,671		113,122	
	860,377	**73,360**	**948,631**	**83,895**
Total assets	**1,174,788**	**73,360**	**1,196,529**	**83,895**
EQUITY				
Share capital	7,861		7,861	
Reserves	204,289		232,948	
Net result for the period	(15,152)		(29,039)	
	196,998		**211,770**	
Total equity	**196,998**		**211,770**	
LIABILITIES				
Non-current liabilities				
Borrowings	18,834		39,480	
Lease liabilities	113,983		78,792	
Deferred income tax liabilities	2,650		3,390	
Retirement benefit obligations	2,695		3,628	
Debts for investments in subsidiaries	600		600	
Provisions and other liabilities	16,322		22,918	
	155,084		**148,808**	
Current liabilities				
Trade payables	653,693	-	729,949	-
Short-term financial liabilities	113,708	43,899	69,388	21,382
Lease liabilities	8,822		8,124	
Debts for investments in subsidiaries	-		5,764	
Provisions and other liabilities	46,483	26,632	22,726	1,245
	822,706	**70,531**	**835,951**	**22,627**
TOTAL LIABILITIES	**977,790**	**70,531**	**984,759**	**22,627**
Total equity and liabilities	**1,174,788**	**70,531**	**1,196,529**	**22,627**

For further details regarding related parties please see the 'Relationships with related parties' section in the 'Notes to Esprinet S.p.A. financial statements'.

Separate income statement

(pursuant to CONSOB Resolution No. 15519 of 27 July 2006)

(euro/000)	2024	non-recurring	related parties*	2023	non-recurring	related parties*
Sales from contracts with customers	**2,315,855**	**-**	**172,844**	**2,423,750**	**-**	**24,868**
Cost of sales	(2,207,184)	-	(111,744)	(2,294,694)	-	(3,926)
Gross profit	**108,671**	**-**		**129,056**	**-**	
Sales and marketing costs	(39,352)	-	(736)	(50,391)	-	(2,850)
Overheads and administrative costs	(61,608)	-	7,825	(62,733)	(2,052)	3,372
Impairment loss/reversal of financial assets	647	-		(27,306)	(27,172)	
Operating result (EBIT)	**8,358**	**-**		**(11,374)**	**(29,224)**	
Finance costs - net	(13,454)	-	63	(15,982)	(6,946)	502
Investments expenses/(incomes)	(11,197)	(11,197)	-	-	-	-
Result before income tax	**(16,293)**	**(11,197)**		**(27,356)**	**(36,170)**	
Income tax expenses	1,141	-	-	(1,683)	685	-
Net result	**(15,152)**	**(11,197)**		**(29,039)**	**(35,485)**	
- of which attributable to non-controlling interests	-			-		
- of which attributable to Group	(15,152)	(11,197)		(29,039)	(35,485)	

(*) Emoluments to key managers excluded.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1. General information

Esprinet S.p.A. (hereinafter also "the Company") is active in the "business-to-business" (B2B) distribution of IT products (hardware, software and services) and consumer electronics, pitching itself at a customer base made up of resellers that in turn target both consumer and business end-users.

Esprinet S.p.A. is also the Parent Company with both direct and indirect shareholdings in companies operating in Italy, Spain and Portugal.

Esprinet S.p.A. has its registered and administrative offices in Italy at Vimercate (Monza e Brianza).

The ordinary shares of Esprinet S.p.A. (ticker: PRT.MI) have been listed on the STAR Milan (Euronext STAR Milan) segment of the EXM (Euronext Milan) market of the Italian Stock Exchange since 27 July 2001.

The parent company Esprinet S.p.A. drafted the Esprinet Group consolidated financial statements as at 31 December 2024.

2. Accounting principles and valuation criteria

The accounting policies applied in the preparation of these Esprinet S.p.A. financial statements are set out below. Unless otherwise stated, these principles have been consistently applied to all the years presented.

2.1 ACCOUNTING PRINCIPLES

The Esprinet S.p.A. financial statements (or 'separate financial statements' as defined by IFRS) as at 31 December 2024 have been drawn up in compliance with IFRS requirements issued by the International Accounting Standards Board (IASB) and approved by the European Union, as well as the regulations issued as per Art. 9 of Legislative Decree No. 38/2005.

The IFRS also includes all valid International Accounting Standards ("IAS") and all interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously known as the Standing Interpretations Committee ("SIC").

The financial statements have been drawn up using the historical cost, except for the assessment of some financial instruments, where the fair value criteria are applied, and also the going concern presumption.

Business continuity

These financial statements have been prepared on a going concern basis as there is a reasonable expectation that the Company will continue to operate in the future (at least in the foreseeable future and in any case over a period of at least 12 months).

The 2024 macroeconomic context essentially continued from a geopolitical point of view; in fact, there were continued political and economic tensions, triggered by the ongoing conflicts (between Russia and Ukraine and the one between Israel and Palestine, with the potential risk of it also spreading to neighbouring countries/regions such as Lebanon and Iran). Both of the aforementioned conflicts are unlikely to be resolved by the end of 2025.

In the same period, the cost of borrowing remained high, despite the fact that the main global central banks (including the European Central Bank) began to adopt less restrictive monetary policies, specifically with rate cuts between June and December 2024 by the ECB, as a result of favourable downward trends in inflationary phenomena.

As a result of the aforementioned easing of monetary policy, the cost of borrowing is expected to fall in the 2025/2026 two-year period.

The downward tensions caused by the ongoing conflicts, which as mentioned above seem far from being resolved, are to a certain extent offset by the drop in the inflation rate and the expected decrease in the cost of borrowing which, accompanied by the increase in wages in progress and expected over the next two years, should boost household consumption and cause a recovery in business investments (also thanks to the input of the programmes included in the Next Generation EU). This context is expected to translate into an increase (moderate in Italy, more robust in Spain and Portugal) in GDP in 2025/2026.

The aforementioned geopolitical tensions and the consequent economic implications have had a generally marginal impact on the Company, as it is not present on the markets of the countries currently directly involved in the ongoing conflicts nor maintains significant commercial relations with partners residing in these countries.

Finally, the Company's solid financial structure, the actions to contain costs and, above all, the levels of invested working capital, the context of the distribution of IT products and services improved in the second half of 2024 and expected to improve even more in 2025, suggest that the situation is transitory and manageable.

Therefore, at the current state of play, based on the information available and taking account of the financial situation, as well as the following main factors:

- the main external risks to which the Company is exposed;
- the recovery in the general macroeconomic situation in the European market;
- the recovery of the IT&CE product distribution market;
- changes in environmental and business conditions and competitive dynamics;
- changes in the legislative and regulatory frameworks;
- the actual and potential outcomes of ongoing disputes;
- financial risks;

we can conclude that there are no doubts surrounding the existence of the going concern assumption for the Company.

2.2 PRESENTATION OF FINANCIAL STATEMENTS

The presentation formats of the equity and financial position and income and cash-flow statements have the following characteristics:

- statement of equity and financial position: current and non-current assets and current and non-current liabilities are reported separately;
- the income statement, is analyzed in two separate statements: a separate income statement and a statement of comprehensive income;
- separate income statement: costs have been analysed by function;
- statement of cash flows: drawn up as per the indirect method set out in IAS 7.

In addition, pursuant to Consob Resolution No. 15519 of 28 July 2006, income and expenses arising from non-recurring transactions are separately identified in the income statement; similarly, the balances of credit/debit positions and transactions with related parties are shown separately in the financial statements.

The choices made in terms of the presentation of the statement of accounts derive from the conviction that these contribute to an improvement in the quality of the information provided.

The figures presented in the separate and comprehensive income statements and in the statement of equity and financial position are expressed in euro, whereas those in the statement of cash flows are expressed in thousands of euro, unless otherwise indicated.

Furthermore, in some cases the tables might have some inaccuracies due to the rounding-up to thousands.

2.3 SUMMARY OF SIGNIFICANT VALUATION CRITERIA AND ACCOUNTING POLICIES

Non-current assets

Intangible assets and goodwill

Intangible assets are assets that have no identifiable physical nature, that are controlled by the company and that are able to generate future income.

They include goodwill, when it is acquired for a consideration.

Intangibles and goodwill deriving from business combinations occurred until the end of 2009 are recorded at purchase cost, including incidentals and necessary costs to make them available for use. For business combinations occurred from 1 January 2010 onwards, except some particular cases, goodwill is measured as the excess of the acquisition-date fair value of the consideration transferred compared to the net value of the acquisition-date amounts of the assets acquired and the liabilities assumed (without the addition of acquisition-related costs).

Intangible assets with a defined useful life are systematically amortised over their useful life, taken as the estimate of the period that the assets shall be used by the Group. In particular the item *'Industrial patent and other intellectual property rights'* is amortised within three years.

Goodwill and other intangible assets with indefinite useful lives are not amortised on a straight-line basis, but are subject to an annual impairment test. The Impairment test is described below in the section entitled *'Impairment of non-financial assets'*. The increased carrying amount of an intangible asset with defined or indefinite useful life attributable to a reversal of an impairment loss does not exceed the book value that would have been determined (net of amortisation) had no impairment loss been recognised for the asset in prior years. Such recovery is recognised in the income statement unless the asset is recorded at a revalued amount, in which case the recovery is treated as a revaluation increase.

Revaluation of goodwill is not permitted, even in application of specific laws, as it is not reinstated when the reasons for a write-down no longer apply.

Property, plant and equipment

Property, plant and equipment are shown in the financial statements at purchase or production cost, or at their conveyance value, including any directly attributable incidental costs and costs deemed necessary to make them operable.

Ordinary maintenance and repair costs are charged to the income statement for the year in which they are incurred. Extraordinary maintenance costs leading to a significant and tangible increase in the productivity or useful life of an asset are added to the value of the asset concerned and amortised over a period representing its remaining useful life.

Costs for leasehold improvements are entered under their relevant tangible assets category.

Individual components of a facility that have different useful lives are recognised separately, so that each component may be depreciated at a rate consistent with its useful life.

Fixed assets are systematically depreciated every year, in line with depreciation schedules drawn up to reflect the remaining usefulness of the assets concerned. The value reported in the statement of financial position is shown net of accumulated depreciation according to the remaining possible use of the asset.

The depreciation rates, substantially unchanged compared to the previous year, applied for each asset category are detailed as follows:

	Economic - technical rate
Security systems	25%
Generic plants	from 3% to 20%
Other specific plants	15%
Conditioning plants	from 3% to 14,3%
Telephone systems and equipment	from 10% to 20%
Communication and telesignal plants	25%
Industrial and commercial equipment	from 7,1% to 15%
Electronic office machines	from 20% to 25%
Furniture and fittings	from 10% to 25%
Other assets	from 10% to 19%

If there are indications of a decline in value, assets are subjected to an impairment test. The Impairment test is described below in the section entitled *'Impairment of non-financial assets'*. When the reasons for a write-down no longer apply, the asset's cost may be reinstated. Reversals of impairment losses may not exceed the book value that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised in previous years. This reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case it is treated as a revaluation increase.

Leasing transactions

Assets acquired through leases are recognised in accordance with IFRS 16, among fixed assets through the recognition of an asset representing the right of use of the underlying asset for the duration of the contract (Right of Use), recording a liability against future lease payments under *'Lease liabilities'* as a balancing entry.

Subsequent to initial recognition, the right of use is amortised in accordance with IAS 16, while the carrying amount of the lease liability increases due to the interest accrued in each period and decreases due to payments made.

Interest expenses on the lease liability and amortisation of the right to use the asset are recognised separately in the income statement. Future lease payments contractually due are discounted using the interest rate implicit in the relevant contract; where this is not easily and reliably determinable, the lessee's incremental borrowing rate is used.

The standard also requires that on the occurrence of specified events (for example, a change in the terms of the lease contract, a change in future lease payments resulting from a change in an index or rate used to determine such payments) the financial liability for the lease shall be remeasured with an adjustment for the right to use the asset. The standard also establishes two exemptions for application in relation to assets considered to be of 'low value' and short-term leasing contracts whose sales/costs are recognised on a straight-line basis in the income statement over the term of the leasing contract.

Impairment of non-financial assets

IAS 36 requires the testing of property, plant and equipment and intangible assets for impairment when there are indications that impairment has occurred. In the case of goodwill, other assets with indefinite lives and investments in subsidiaries, associates and other companies, this test must be conducted at least annually.

In the case of goodwill, Esprinet S.p.A. carries out the impairment tests required by IAS 36 to all cash generating units, that is the smallest identifiable group of assets generating cash inflows form other assets or group of assets ('Cash Generating Unit') to which a goodwill value has been allocated.

The recoverability of a carrying amount is tested by comparing the carrying amount recorded in the financial statements with the greater of fair value net of disposal costs, when there is an active market, and the value in use of the asset. Value in use is the present value of future cash flows expected to be derived from a Cash Generating Unit (CGU) and from its disposal at the end of its useful life. Expected future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the cost of money in relation to the investment period and the risks specific to the asset. An impairment loss is recognised in the income statement when the carrying value of the asset, or of the related CGU to which it is allocated, is higher than its recoverable value. CGUs have been identified within the Company's organizational and business structure as homogeneous groups of assets that generate cash inflows independently through the continued use of the assets included in each group.

With reference to the investments in subsidiaries and in associated companies, in case of dividend distribution, the following should also be considered as 'impairment indicators':

- Investment in subsidiary book value in the financial statement exceeding the consolidated carrying amount of the subsidiary net asset (possible connected goodwill included);
- The dividend exceeding the total comprehensive income of the subsidiary in the period to which the dividends refer.

Investments in subsidiaries, associates and other companies

Investments in subsidiaries, associates and other companies are valued at acquisition or subscription cost.

Cost is reduced of impairment losses, where investments have endured losses and – in the immediate future – profits are not expected as such to absorb the losses incurred; the original value is restored in later years, should the reasons for a given write-down cease to exist. The cost of impairment losses and any reversal are recognised in the separate income statement under *'Investment income and charges'.*

When objective impairment occurs, the recoverability of a carrying amount is assessed by comparing the recoverable amount, which is the greater of fair value, net of disposal costs, and the value in use of the asset.

Deferred income tax assets

Deferred income tax assets are recorded at face value. They are entered in the books when their recovery is deemed probable. See also the comment under item *'Income taxes'*.

Financial assets (non-current and current)

Upon their initial recognition, financial assets are entered at fair value and then classified in one of the following categories:

- financial assets measured at amortised cost;
- financial assets measured at fair value with impact on overall profitability (and therefore on the equity reserve named 'Fair value measurement reserve');
- financial assets measured at fair value with impact on the income statement.

Financial assets are classified on the basis of the business model adopted by the Company in managing their cash flows and on the basis of the contractual characteristics of the cash flows obtainable from the asset. The business models identified are as follows:

- Hold to collect: Financial assets for which the following requirements are met are classified in this category: (i) the asset is held under a business model whose objective is to hold the asset for the purpose of collecting contractual cash flows; and (ii) the contractual terms of the asset provide for cash flows represented only by payments of principal and interest on the amount of principal to be repaid.
  These assets fall within the category of assets measured at amortised cost. These are mainly trade and other receivables, as described in the 'Trade and other receivables' section. Receivables are initially recognised in the financial statements at their fair value; when subsequently measured, they are measured at amortised cost using the effective interest rate. Trade receivables that do not contain a significant financial component are instead recognised at the price defined for the related transaction (determined in accordance with IFRS 15 Sales from Contracts with Customers). At subsequent measurement, assets in this category are measured at amortised cost, using the effective interest rate. The effects of this measurement are recognised among the financial components of income. These assets are also subject to the impairment model as defined in the 'Trade and other receivables' section. These assets are also subject to the impairment model as defined in the 'Trade and other receivables' section.
- Hold to collect and sell: this category includes financial assets whose business model provides both the possibility of collecting contractual cash flows and the possibility of realising capital gains on disposal. These assets fall under the category of assets measured at fair value with the effects attributed to OCI. In this case, changes in the fair value of the asset are recognised in equity as other components of comprehensive income. The cumulative amount of changes in fair value, recognised in the equity reserve which includes the other components of comprehensive income, is reversed to the income statement when the asset is derecognised. Interest income calculated using the effective interest rate, exchange rate differences and write-downs is recognised in the income statement. It should be noted that as at 31 December 2024, there were no financial assets recognised at fair value through OCI.
- Hold to sell: this category includes financial assets that are not classified in any of the above categories (i.e. residual category). These assets are recognised at fair value both at initial recognition and at subsequent me-

asurement. Profits and losses arising from changes in fair value are recognised in the consolidated income statement in the period in which they are recognised. This category mainly includes receivables subject to mass and recurring selling.

See also the 'Trade and other receivables' section.

Purchases and disposals of financial assets are accounted for on the settlement date.

In the case of financial assets measured at fair value, if they are traded on an active market, the fair value is defined, at each reporting date, in terms of the quoted market price or the dealers' price ('bid price' for asset held or liability to be issued, 'asking price' for an asset to be acquired or a liability held), without any deduction for transaction costs. If the market for a financial instrument is not active, the fair value is established by using a valuation technique. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis or other valuation models.

Financial assets are removed from the balance sheet when the right to receive the cash flows deriving from the instrument has expired and the Company has substantially transferred all the risks and benefits relating to the instrument itself and the related control.

Derecognition of financial assets

A financial asset (or, when applicable, part of a financial asset or part of a group of similar financial assets) is derecognised in the first instance (e.g., written-off from the Company's statement of equity and financial position) when:

- the rights to receive cash flows from the asset have ceased; or
- the Company has transferred to a third party the right to receive cash flows from the asset or has assumed a contractual obligation to pay them in full and without delay and: (i) transferred substantially all the risks and benefits of ownership of the financial asset; or (ii) neither transferred nor retained substantially all the risks and benefits of the asset, but transferred control of it.

If the Company has transferred the rights to receive the cash flows from an asset or entered into an agreement under which it retains the contractual rights to receive cash flows from the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients (pass-through), the Group assesses whether and to what extent it has retained the risks and benefits of ownership. If the Company has neither transferred nor retained substantially all risks and benefits or has not lost control over it, the asset continues to be recognised in the Company's financial statements to the extent of its continuing involvement in the asset. In this case, the Company also recognised an associated liability. The transferred asset and the associated liability are measured so as to reflect the rights and obligations that are still pertaining to the Company.

When the Company's residual involvement is a guarantee on the transferred asset, it is measured based on the amount related to the asset and the maximum amount of the consideration received that the Company might have to refund, whichever lower.

Current assets

Inventory

Stock is taken at the lower of acquisition cost and realisable value, as obtained from market trends, whilst taking into account the features peculiar to the target sector of the Company concerned, which sells mainly IT products and consumer electronics that rapidly become obsolete.

The configuration of cost adopted when measuring stock is based on the FIFO method of accounting.

Purchase cost considers additional expenses as well as any discounts and allowances granted by vendors, in accordance with the sector's standard business practice, in relation to predetermined sales targets being achieved and marketing activities being adequately developed in order to promote the brands being distributed and to develop the sales channels utilised. Cost includes 'price protections' on inventories granted by suppliers on the purchasing prices.

Obsolete and surplus stock and stock characterised by slow turnover is written down to reflect the chances of selling it.

Trade and other receivables

Trade and other receivables, unless otherwise specified, are entered at their nominal value, which is equivalent to the value determined by using the amortised cost method if the receivable is non-interest-bearing and has a short payment period, but no longer than twelve months, as almost all Company receivables are. This is due to the fact that the impact of the discounting logic is negligible, also given that it is not operating in systems characterised by hyperinflation and therefore by high interest rates.

If scenarios change and in case of receivables that do not feature the aforementioned characteristics, the Company would account them based on the amortised cost method.

On initial recognition they are measured at fair value, except for trade receivables that do not include a significant financial component as described in the 'Financial assets (non-current and current)' section.

The value of receivables is reduced, where impairment losses occur, to their realisable value.

Impairments are carried out on the basis of expected loss ('Expected Credit Loss model'), by applying a simplified approach. Therefore, the Company does not monitor changes in credit risk, but entirely recognises the expected loss at each reporting date. In particular, expected losses are determined by considering the solvency of individual creditors, the insurance coverage and the level of credit risk, based on the available information and accumulated historical experience.

Transactions involving the assignment of receivables without recourse, for which substantially all risks and benefits are transferred to the assignee, result in the derecognition of receivables from the Assets, since the requirements of IFRS 9 are met.

On the other hand, transactions involving the assignment of receivables with recourse continue to be recorded as Assets since not all risks and benefits have been transferred to the assignee.

The need to manage credit risk, working capital and, consequently, cash flows also requires the systematic execution of operations such as the assignment of such receivables to financial operators either definitively (without recourse) or temporarily (with recourse).

For the Company, these transactions take the form of contractually agreed revolving factoring programmes to factoring companies or banks, and securitisation programmes for loans.

The receivables that are the subject of the aforementioned factoring programs are measured, as defined in the Financial assets section, at *fair value through profit and loss*.

Impairments carried out in accordance with IFRS 9 are recognised in the consolidated income statement and are represented under the *'Impairment loss/reversal of financial assets'* item.

Tax assets

Current taxation assets are stated at fair value; they include all those assets that are taxable by the Tax Authorities or that can be financially compensated in the short term. See also the comment under item *'Income taxes'*.

Cash and cash equivalents

Cash and cash equivalents includes all liquid funds and deposits in bank accounts that are immediately available, as well as other liquidity with a duration of less than three months.

The liquid funds in euro are stated at their face value, while liquid funds in other currencies are stated at the current exchange rate at the end of the year.

Equity

Own shares

Own shares are deducted from equity. In the case of any subsequent sale, the difference between the cost of own shares and the selling price is recognised in equity.

Current and non-current liabilities

Financial debt

Financial liabilities are recognised in the statement of equity and financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially stated at fair value, to which any eventual costs related to the transaction are added. Afterwards, financial liabilities are stated at the amortized cost using the actual interest rate for the discount calculation.

Financial liabilities are removed from the income statement once the obligation specified in the contract has been fulfilled, cancelled or expired. The difference between the book value of the financial liability which is paid off or transferred to another party and the sum paid is reported in the income statement.

In the case of financial liabilities measured at fair value, if they are traded on an active market, the fair value is defined, at each reporting date, in terms of the quoted market price or the dealers' price ('bid price' for asset held or liability to be issued, 'asking price' for an asset to be acquired or a liability held), without any deduction for transaction costs. If the market for a financial instrument is not active, the fair value is established by using a valuation technique. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis or other valuation models.

Provisions for risks and charges

Provisions are made when there is the probable existence of an obligation, be it actual, legal or implicit, due to past events and the amount of the obligation can be reliably estimated. The provisions are stated at the value that represents the best estimate of the amount that the company would reasonably pay for settling the obligation or transferring it to third parties at year-end. Where there is a significant financial effect over time and the payment date of the obligations can be reasonably estimated, the provisions are discounted; the increase in the provisions linked to the passing of time is stated in the income statement under the item *'Finance costs - net'.*

Risks for which a liability is only possible are disclosed in a separate contingent liability disclosure section and no provision is made.

Staff post-employment benefits

Staff post-employment benefits are defined on the basis of plans which even though not yet official are called either 'fixed contribution' or 'defined benefit' plans, depending on their characteristics.

In the 'fixed contribution' plans the obligation of the company, limited to the payment of contributions to the State or entity or a distinct legal authority (fund), is calculated on the basis of the contributions owed. Until the 2007 Financial Law and relative enforcing decrees came into force, the uncertainty regarding payment times meant that staff severance indemnity (TFR) was likened to a defined benefit plan.

Following the reform, the allocation of accruing staff severance indemnity quotas to the pension fund or to INPS, the Italian Social Security body, resulted in the transformation of the plan into a fixed contribution plan, where the company's obligation is exclusively the payment of the contributions either to the fund or to INPS.

Liabilities relating to past staff severance indemnity still represent a defined benefit plan calculated by independent actuaries using an actuarial-type method.

Since 2013 actuarial profits and losses, deriving from changes to actuarial hypotheses, are reported in an appropriate equity reserve figure as required by the IAS 19R.

Pursuant to IAS 19, the above-mentioned reform has made it necessary to recalculate the value of the past staff severance indemnity provision due to the exclusion of the actuarial hypotheses linked to salary increases and the revision of financial-type hypotheses. This effect (curtailment) has been reported in the 2007 separate income statement in reduction of personnel costs.

Trade payables, other debts, other liabilities

Trade payables, other debts and other liabilities are initially reported at their fair value net of any costs linked to the transaction. Subsequently, they are recorded at amortised cost, which, since it is not considered necessary to carry out any discounting and separate entry in the income statement of the explicit or unbundled interest expense as it is not material in view of the expected payment time, coincides with the face value.

Provisions for presumed debt are liabilities paid for goods or services which have been received or supplied but not yet paid and include amounts due to staff or other subjects.

The degree of uncertainty regarding the timing or amount of the allocations for 'Other debt/liability' is rather less than that of the provisions.

Income statement

Sales and expenses

On the basis of the five-stage model introduced by IFRS 15, the Company proceeds with the recognition of sales after identifying the contracts with its customers and the related services to be satisfied (transfer of goods/services), determining the consideration to which it believes it is entitled in exchange for the satisfaction of each of these services, and evaluating the manner in which these services are satisfied (performance at a given time versus fulfilment over time).

Specifically, sales are recognised only if the following requirements are met:

f) the parties to the contract have approved the contract and have undertaken to fulfil their respective obligations; there is therefore an agreement between the parties which creates rights and obligations due irrespective of the form in which such an agreement is expressed;
g) the Company may identify the rights of each party with respect to the goods or services to be transferred;
h) the Company can identify the terms of payment for the goods or services to be transferred;
i) the contract has commercial substance; and
j) it is likely that the Company will receive the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

When the above requirements are met, the Company recognises sales as described below.

Sales from sales are recognised when control of the goods subject to the transaction is transferred to the buyer or when the goods are delivered and the customer acquires the ability to decide on the use of the goods and to substantially reap all of the benefits.

Sales are stated net of returns, discount, allowances and bonuses treated as variable components of the agreed consideration.

Sales from the provision of services are recognised on completion of the service.

It should be noted that the payment times granted to the Company's customers do not exceed 12 months, therefore the Company does not record adjustments to the transaction price to consider components of a financial nature.

Costs are recognised when related to goods and services sold or used in the period or proportionally when their useful future life cannot be determined.

The purchase cost of products is reported net of any discounts granted by vendors for 'protection' provided in respect of price-list reductions and product replacements. Credits arising from any such allowances are recorded by using the accrual method of accounting, based on information from the vendors concerned.

Discounts granted for immediate cash payments of invoices payable upon presentation are used to reduce the cost of the products purchased, since – as is standard practice in the sector in which the Company operates – the commercial component is considered predominant.

Dividends

Dividends are recognised at the date of approval of the decision by the Shareholders' Meeting of the disbursing company.

Stock grants

Labour costs include stock options and/or stock grants awarded to managers in as much as they represent actual remuneration accruing at the closing date of the financial statements.

The cost is calculated in reference to the fair value of the assignment awarded to the employee.

The portion belonging to the period is calculated pro rata temporis over the vesting period.

The fair value of assigned stock grants is measured by the 'Black-Scholes' method and is stated in the form of a counterparty in the 'Reserves'.

Income taxes

Current income taxes are calculated with an estimate of taxable income. The forecast payable is stated in the item *'Current income tax liabilities'* but, if surplus accounts have been paid, the receivable is stated in the item *'Current income tax assets'*. Tax payables and receivables for current taxation are stated at the value that it is expected to pay to or to recover from the Tax Authorities when applying the rates and current tax law or laws which have been substantially approved at the end of the period.

Deferred and advance income taxes are calculated using the 'liability method' on the temporary differences between the values of assets and liabilities stated on the statement of financial position and the corresponding values recognised for tax purposes. The statement of assets for advanced taxation is made when their recovery is probable.

Deferred and advance taxation are not stated if they are linked to the initial statement of an asset or liability in a different transaction by a business combination and that does not have an impact on the results and taxable income.

Assets for advanced taxation and liabilities for deferred taxation are stated in the fixed assets and liabilities and are off-set for each single company if they are taxes that can be off-set. If the balance of this off-set is positive, it is stated in the item *'Deferred income tax assets'*; if it is negative, it is stated in the item *'Deferred income tax liabilities'*.

Foreign currency translation, transactions and balances

FUNCTIONAL AND PRESENTATION CURRENCY

Items included in this financial statement are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

The consolidated financial statements are presented in euro, which is the Company's functional and presentation currency.

CURRENCY TRANSACTIONS AND TRASLATION CRITERIA

Foreign currency transactions are entered under functional currency using the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities in foreign currency are converted into euro by applying the current exchange rate at the end of the period and the effect is stated in the separate income statement. Non-monetary assets and liabilities in foreign currency valued at cost are stated at the initial exchange rate; when they are valued at fair value or their recoverable or sale value, the current exchange rate is used on the date that the evaluation is made.

Exchange rate	Punctual at 31.12.2024	Average 2024	Punctual at 31.12.2023	Average 2023
US Dollar (USD)	1.03	1.08	1.11	1.08

Other information

Please note that the information required by Consob regarding significant operations and balances with related parties has been entered separately in the statement of accounts solely when significant and can also be found under *'Other significant information'.*

2.4 MAIN ACCOUNTING ESTIMATES

2.4.1 Introduction

The IT and consumer electronics distribution sector presents some significant specific features, as it is to some extent independent of geographic constraints, especially as regards commercial relations with suppliers of products or vendors.

This is particularly evident in the conditions and formation of the so-called back-end profit margin, which results from the difference between the purchase price of the products and the sales price to the final consumer or reseller according to the terms of each supplier (with respect of the distributor's main function, which naturally remains that of brokering the flow of products between supplier/producer and reseller/retailer).

Purchase conditions typically provide for a basic discount on end-users'/resellers' price lists and a series of additional conditions that vary from vendor to vendor in terms of function and terminology but which can normally be summarised in the following categories:

- bonuses/rebates for attaining targets ('sell-in', 'sell-out', number of clients, logistic efficiency, etc.);
- development, co-marketing funds and other incentives;
- cash discounts (also called 'prompt payment discounts').

Esprinet S.p.A. further benefits from current agreements with almost all the vendors in the form of specific contractual protections concerning the value of unsold stock, the aim of which is to neutralise the financial risk associated with variations in list prices of products ordered ('price protection') or already present in the distributor's warehouses ('stock protection'), within certain limits.

In the first case, the protection is generally recognised through the invoicing of products ordered and not yet sent at the new price; in the second case, the vendor usually accords a credit equal to the reduction in price of the products.

As for the cash discounts, these are generally recognised following respect of the contractually fixed payment terms and provide an incentive to pay punctually.

These conditions allow for deferred payments in all cases with respect to the issue of the relative invoice or sending of the merchandise.

In line with what happens for the financial discounts offered to some selected groups of customers, which are accounted for as reduced sales, the cash discounts are accounted for in the form of reduced purchase costs.

It is not possible within the sector to establish mid-norm payment terms policies regarding payment to suppliers as there is a considerable variety of conditions according to supplier. In particular, payment terms range from a minimum of 7 to a maximum of 120 days, and only occasionally a cash payment is required.

In some cases, the payment terms set out in the invoice are the object of further agreed deferrals, for each shipment or on the basis of clearly-defined commercial programmes set up by the suppliers.

In the cases in which the above-mentioned deferrals carry an additional charge, the interest rate applied is not explicit, except in rare cases. Further, often it happens that implicit deferral terms – sometimes applied through a reduction in the contractually agreed cash discounts – have no connection with the current financial market rates, thus revealing how the commercial item takes precedence over the strictly financial item compensating for the delay between the date the debt arises and its effective payment.

This element is also suborned by the relatively brief duration, on average, of the deferral period, even when extended, which never, except in rare cases, exceeds 90 days.

2.4.2 Critical accounting estimates and assumptions

The preparation of the financial statements and the related notes has required the use of estimates and assumptions both in the measurement of certain assets and liabilities and in the valuation of contingent assets and liabilities.

Estimates and assumptions have been made based on historical experience and other factors, including expectations of future events, the manifestation of which are deemed reasonable.

Estimates and assumptions are revised on a regular basis, and the impact of such revision is immediately recognised in the income statement in the period of the change, if the change affects that period only, or in the period of the change and future periods if the change affects both.

The assumptions regarding future performance are characterised by uncertainties, exacerbated in the particular context by socio-political, economic and health conditions. This means that we cannot rule out a situation in which different results materialise in the next financial year with respect to those forecast, which are obviously not estimable or foreseeable at present, which could call for significant adjustments to the carrying amounts of the associated items.

The financial statement items mainly affected by these situations of uncertainty are certain sales, some sales reversals, the provisions for risks and charges, the allowances for doubtful accounts, depreciations and amortisation, employee benefits, income taxes, goodwill, rights of use and related lease liabilities.

The critical valuation processes and the estimates and assumptions deemed likely to produce significant effects on the financial situation of the Company, should the future events set out not take place in whole or in part, are summarised below.

Right of use and financial liabilities for leasing

The initial recognition of a right of use and the related lease liabilities in relation to leasing contracts of assets depends on various elements of estimation relating, mainly, to the duration of the non-cancellable period of the contract, the interest rate implicit in the lease, the costs of dismantling/replacement/restoration of the asset at the end of the contract.

At the effective date the lessee shall measure the lease liability at the current value of lease payments due in the non-cancellable period.

The non-cancellable period is in turn dependent on assessments of the probability of the lessee exercising the renewal or interruption options and, if the right to early termination is also under the control of the lessor, in relation to the possible costs for that party too resulting from the interruption.

Payments due for the lease shall be discounted using the interest rate implicit in the lease if this can be easily determined. If this is not possible, the lessee must use their marginal borrowing rate.

The interest rate that causes the current value of the lease payments due and the unsecured residual value to be equal to the sum of the fair value of the underlying asset and any initial direct costs of the lessor.

The marginal borrowing rate is the interest rate that the lessee would have to pay for a loan, with a similar duration and with similar security, necessary to obtain a value similar to the right-of-use asset in a similar economic environment.

In order to determine the non-cancellable period of each contract, particularly with regard to real estate, the contractual terms were analysed and assumptions were made in relation to possible renewal periods connected with the location of the same, the possibility of moving to other areas, the costs associated with such transactions.

The leasing contracts in place do not show the implicit borrowing rate for which the marginal loan rate applicable to the Company has been determined, separately for clusters of contracts with a similar duration. In order to quantify the marginal lending rate, assessments were made in relation to the spread applicable to the Company based on its rating, the free risk lending rates applicable in the countries where the Company operates, the guarantees from which these loans would be supported and the materiality with respect to the Company's level of debt.

The above assessments are based on assumptions and analyses that are by their nature complex and changeable over time, which could therefore lead to subsequent amendments, in the event of a change in the non-cancellable period of the contract, or to the quantification of different rates in subsequent periods for new contracts to which they apply.

Goodwill

For purposes of verifying loss of goodwill value entered in the books, the 'value in use' of the Cash Generating Units ('CGUs') to which a goodwill value has been attributed has been calculated.

The CGUs have been identified within the Company's organisational and business structure as homogeneous groups of assets that generate cash inflows independently, through the continued use of the assets included in each group.

The use value has been calculated by the discounting back of expected cash-flows for each CGU as well as of the value expected from its disposal at the end of its useful life.

The 'Discounted Cash Flow Model' (DCF) has been used for this purpose, which requires that future financial flows be discounted at a rate adjusted to the specific risks of each single CGU.

The determination of the recoverable amount for each Cash Generating Unit ('CGU'), in terms of value in use, is based on assumptions – sometimes complex – that by their nature involve the Directors' judgement, in particular with reference to future cash flow forecasts, relating both to the period of the Group's business plan for 2025-2029E and beyond said period.

Stock grant

For the purposes of the present statement of accounts, it has been necessary to include in the books the economic/equity effects associated with the stock grant plans in favour of some managers of Esprinet S.p.A., the operation of which is better illustrated in the paragraphs 'Share incentive plans' and *'Share capital'*.

The cost of these plans has been specifically determined with reference to the fair value of the rights assigned to the single beneficiaries at assignment date.

Bearing in mind the unusual and manifold operating conditions – in part governed by the consolidated financial results of the Group and in part by the permanence of the beneficiary in the Group until the vesting date of the plans – this fair value has been measured using the 'Black-Scholes' method, taking expected volatility, presumed dividend yield and the risk-free interest rate into account.

Sales recognition

For purposes of recognising sales on sales and services, insufficient information regarding haulers' actual consignment dates means that dates are usually estimated by the Company on the basis of historical experience of average delivery times which differ according to the geographical location of the destination. For sale recognition purposes for services, the actual moment the service is rendered is considered.

Sales adjustments and credit notes to be issued toward customers

Esprinet S.p.A. usually estimates amounts to be recognised to customers as discounts for targets achievement, in order to promote the sales development also through temporary promotions, for different kind of incentives.

The Company has developed a series of procedures and checks to minimise potential errors in evaluations and estimates of the credit notes to be issued.

However, in light of the significant judgements and estimates made, the large number and variety of customers dealings and the complexity of calculation, the possibility of differences between the estimated amounts and those actually received cannot be excluded.

Costs adjustments and credit notes due from vendors

Bearing in mind the unusual practices of the sector regarding the way purchase and sale conditions are defined and, ultimately, the way the trading margin is formed and stated, estimates are usually effected by the Company, especially where the occurrence of events might provoke significant financial effects.

Estimates of the sums of credit notes due from vendors to suppliers as rebates for the achieving of targets and incentives of various kinds, reimbursements for joint marketing activities, contractual stock protection, etc. at the drafting date of this document are referred to in particular.

Esprinet S.p.A. has developed a series of procedures and checks to minimise possible errors in evaluations and estimates of the credit notes due.

However, in light of the significant judgements and estimates made, the large number and variety of vendors dealings and the complexity of calculation, the possibility of differences between the estimated amounts and those actually received cannot be excluded.

Depreciation and amortisation of assets

Property, plant and equipment and intangible assets with a defined useful life are systematically depreciated throughout their useful life.

Useful life is defined as the period in which the activities will be used by the Company.

This is estimated on the basis of experience with similar assets, market conditions and other events likely to exercise any influence on the useful life including, just as an example, significant technological changes.

As a result, the actual economic life may differ from the estimated useful life.

The validity of the expected useful life in terms of its asset category is regularly checked by Esprinet S.p.A. This revision may result in variations to the periods of depreciation and amortisation quotas in future accounting periods.

Bad debt provision

For purposes of calculating the presumed degree of encashment of receivables, Esprinet S.p.A. makes forecasts concerning the expected degree of solvency of the other parties ('Expected Credit Loss model') taking into account available information, collateral to contain credit risk and considering accumulated historical experience.

For loans that are planned to be transferred to third parties as part of securitisation programmes or to be sold to factoring companies or banks, the fair value through profit and loss is measured.

The actual realisable value of receivables may differ from that estimated because of uncertainties regarding the conditions underlying the appraisal of solvency made.

Any deterioration in the economic and financial situation may further worsen the financial conditions of the Company's debtors with respect to that already taken into consideration when quantifying the provision entered in the financial statements.

Stock obsolescence provision

The Company usually effects forecasts regarding the realisable value of obsolete, surplus or slow-moving stocks.

This estimate is mainly based on historical experience and takes into consideration the unique characteristics of the respective stock sectors.

The value of encashment of the stocks may differ from that estimated because of the uncertainty affecting the conditions underlying the estimates made.

Any deterioration in the economic and financial situation or breakthrough technological evolution may further worsen the market conditions with respect to that already taken into consideration when quantifying the provision entered in the financial statements.

Provision for risks and charges and contingent liabilities

The Company makes provision for risks and charges on the basis of assumptions referred essentially to sums that might reasonably be paid to meet obligations for payment relating to past events.

The estimate is the result of a complex process including the involvement of legal and tax consultants and which also includes personal opinions on the part of the Company's management. The sums actually paid to extinguish or transfer the obligations for payment to third parties may also differ significantly from those estimated for purposes of provision. If a financial outlay becomes possible but the amount cannot be determined, this fact is disclosed in the notes to the financial statements.

Benefits to employees

Liabilities arising from benefits to employees subsequent to the employment noted in the statement of accounts are calculated by the application of actuarial methods as per IAS 19.

These methods have required the identification of several employment possibilities and estimates of a demographic (probability of death, disability, leaving the labour market, etc.) and financial nature (technical rate of discounting back, inflation rate, rate of increase in remuneration, rate of increase of severance indemnity).

The validity of the estimates made depends essentially on the stability of the regulations used as a reference point, the progress of market interest rates, the progress of the remuneration dynamics and eliminations, and also on the frequency of access to advances on the part of employees.

Income taxes

Current income taxes are calculated on the basis of the estimate of liable earnings, by applying the current fiscal rates pertaining on the date of the drafting of the financial statements.

Deferred and advance taxes are determined by the temporary differences arising between the values of the assets and liabilities reported and the corresponding values recognised for tax purposes, using those tax rates considered possible upon encashment of the asset or extinguishment of the liability. Deferred tax assets are registered when the associated recovery is deemed probable; this probability depends upon the effective existence of taxable results in the future enabling deductible temporary differences to be used.

The future taxable results have been estimated by taking into consideration the budget results and the plans consistent with those used to effect impairment tests. The fact that deferred tax assets refer to temporary tax differences/losses, a significant amount of which may be recovered over a very long time-span, compatible therefore with a situation where overcoming the crisis and economic recovery might extend beyond the time-frame implicit in the aforementioned plans, has also been taken into account.

Climate Change Effects

As a multinational, Esprinet is exposed to the risks associated with climate change, which include both the transition risks that relate to the economic, social and legislative issues that companies and markets face in adapting to an economy inspired by the principles of sustainability, and the physical risks that arise from the economic impacts generated by the increase in climate change events.

As of 1 January 2024, the Company is subject to the reporting requirements of the Corporate Sustainability Reporting Directive (CSRD), implemented in Italy by Legislative Decree 125/2024, which require the integration of sustainability reporting in the Report on Operations.

In preparing the annual financial statements for 2024, management took the consequences of climate change into account, where possible, in the context of defining the Company's sustainability objectives, and assessed the potential effects on the value and useful life of assets recognised in the financial statements, as well as the valuation of expected credit losses, as having no financial impact.

2.5 RECENTLY ISSUED ACCOUNTING STANDARDS

New or revised accounting standards and interpretations adopted by the Company

The accounting standards adopted in the preparation of the financial statements as at 31 December 2024 are consistent with those used in the financial statements as at 31 December 2023, except for the accounting standards and amendments described below and applied with effect from 1 January 2024 as per mandatory requirements, after being endorsed by the competent authorities.

The main changes are as follows:

- *Amendments to IFRS 16 - Lease liability in a sale and leaseback* - Issued by the IASB on 22 September 2022, the document provides some clarifications regarding the valuation of lease and leaseback transactions which consequently also meet IFRS 15 criteria for the accounting of the sale. The amendments apply to financial statements for years starting on 1 January 2024.
- *Amendments to IAS 1 - Presentation of financial statements: classification of liabilities as current or non-current* – Issued by IASB on 23 January 2020, the document requires a liability to be classified as current or non-current according to the existing rights at the reporting date. In addition, it establishes that the classification is not impacted by expectations about whether an entity will exercise its right to defer the settlement of the liability. Lastly, it is clarified that this settlement refers to the transfer of cash, equities, other assets or services to the counterparty. The amendments apply to financial statements for years starting on 1 January 2024.
- *Amendments to IAS 1- Presentation of financial statements: Non-Current Liabilities with Covenants* – Issued by the IASB on 31 October 2022, the document clarifies the necessary conditions to be met within twelve months from the reference year that may affect the classification of a liability, especially in cases where it is subject to Covenants. The amendments apply to financial statements for years starting on 1 January 2024.
- *Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements* – Issued by the IASB on 25 May 2023, the document provides for the addition of disclosure obligations relating to financial agreements with suppliers. The amendments apply to financial statements for years starting on 1 January 2024.

These amendments had no significant impacts on the Company's financial statements.

The following are the standards and interpretations issued but not yet in force and/or approved at the date of this report. The Company intends to adopt these standards once they become effective:

Standards issued and endorsed but not yet in force and/or endorsed and not applied in force and/or endorsed and not adopted early by the Company

- *Amendments to IAS 21 – The effect of changes in foreign exchange rates: Lack of exchangeability* – Issued by the IASB on 15 August 2023, this document provides for methods to determine whether a currency is convertible and, if not, determine the exchange rate to be used and the accounting reporting obligations. The amendments apply to financial statements for years starting on 1 January 2025. Earlier application is permitted.

The Company will adopt these new standards, amendments and interpretations, based on the application date indicated; the potential impacts are not expected to be significant for the Company.

Standards issued but not yet endorsed by the European Union

- *Amendments to IFRS 9 and IFRS7* – Classification and measurement of financial Instruments - Issued by the IASB on 30 May 2024, the document addresses some issues regarding the classification and measurement of financial instruments required by IFRS 9, making the requirements more understandable and consistent. These include the classification of financial assets with environmental, social and corporate governance (ESG) characteristics and the settlement of liabilities through electronic payment systems. These amendments highlight additional reporting requirements to improve transparency regarding investments in Equity instruments at fair value through other comprehensive income and financial instruments with specific characteristics, for example linked to ESG objectives. The amendments apply to financial statements for years starting on 1 January 2026. Earlier application is permitted.
- *IFRS 18 - Presentation and Disclosure in Financial Statements* - Issued by the IASB on 9 April 2024, the document provides for the improvement of the financial statements' presentation with a focus on the income statement. The new key concepts introduced concern the structure of the income statement with the inclusion of new lines, the information required in the financial statements for 'management-defined performance measures' and improved principles of aggregation and disaggregation. The amendments apply to financial statements for years starting on 1 January 2027. Earlier application is permitted.
- *IFRS 19 - Subsidiaries without Public Accountability:* Disclosures - Issued by the IASB on 9 May 2024, the document aims to simplify the obligations in terms of financial information to be reported in the explanatory notes for a wide range of companies controlled by groups which apply international accounting standards, thus favouring the transition to these standards. The amendments apply to financial statements for years starting on 1 January 2027. Earlier application is permitted.
- *Annual Improvements to IFRS Accounting Standards - Volume 11* - Issued by the IASB on 18 July 2024, the document contains amendments to five standards as a result of the IASB Annual Improvements Project. The purpose of this project is to make necessary, but not urgent, changes to the IFRS accounting standards. The standards amended are: *IFRS 1 — First-time Adoption of International Financial Reporting Standards, IFRS 7 — Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 — Financial Instruments; IFRS 10 — Consolidated Financial Statements; and IAS 7 — Statement of Cash Flows*. The amendments are effective as of 1 January 2026 and earlier application is permitted.

- *Amendments to IFRS 9 - Financial Instruments and IFRS 7 - Financial Instruments: Disclosures:* Issued by the IASB on 18 December 2024, the document contains some disclosure enhancements to help companies report the financial effects of Contracts Referencing Nature-dependent Electricity, often structured as Power Purchase Agreements (PPA). The amendments are effective as of 1 January 2026. Earlier application is permitted.

The Company will adopt these new standards, amendments and interpretations, based on the application date indicated, and will evaluate their potential impacts, when these standards, amendments and interpretations are endorsed by the European Union.

2.6 CHANGES IN ACCOUNTING ESTIMATES AND RECLASSIFICATIONS

Changes in accounting estimates

Pursuant to IAS 8, no changes in the accounting estimates regarding previous periods have been made in these financial statements.

Reclassifications in income statement

No reclassifications in income statement regarding previous periods have been made in these financial statements.

3. Extraordinary operations

Transfer of the Solar business unit to Zeliatech S.r.l.

During the year, Esprinet S.p.A., with a view to reorganising and concentrating its activities related to the "Green Tech" business, on 1 February 2024, conferred the "Solar" business unit to its wholly-owned subsidiary Zeliatech S.r.l..

The transfer took place at book values without the determination of any difference in value.

In consideration of the already full ownership and control of the transferred company at the closing date of the previous year, the above transaction did not produce any effect on the consolidated financial statements but instead produced effects on the separate financial statements of Esprinet S.p.A. of which the transferred assets and liabilities, the value of the shareholding held by Esprinet S.p.A. and the net cash flow generated by the transaction are reported below:

(euro/000)	Contribution of a business branch Zeliatech S.r.l.
Right-of-use assets	(43)
Deferred income tax assets	44
Inventory	(16,832)
Other assets	(5,053)
Lease liabilities (non-current)	25
Retirement benefit obligations	51
Lease liabilities (current)	19
Other liabilities	253
Net assets fair value	**(21,536)**
Investment value	25,000
Cash paid	**3,464**
Lease liabilities	44
Cash paid	(3,464)
Net cash outflow on operation	**(3,420)**

Contribution of the Value business unit to V-Valley S.r.l.

On 1 June 2024, Esprinet S.p.A., with a view to reorganising and concentrating activities related to the "Solutions" business, transferred the "Valore" business unit to the wholly-owned subsidiary V-Valley S.r.l., which had been Esprinet S.p.A.'s sales commissioner until that date.

The transfer took place at book values without the determination of any difference in value.

In consideration of the already full ownership and control of the transferred company at the closing date of the previous year, the above transaction did not produce any effect on the consolidated financial statements but instead produced effects on the separate financial statements of Esprinet S.p.A. of which the transferred assets and liabilities, the value of the shareholding held by Esprinet S.p.A. and the net cash flow generated by the transaction are reported below:

(euro/000)	Contribution of a business branch V-Valley S.r.l.
Right-of-use assets	(331)
Goodwill	(5,803)
Deferred income tax assets	20
Inventory	(21,496)
Lease liabilities (non-current)	186
Deferred income tax liabilities	671
Retirement benefit obligations	709
Lease liabilities (current)	153
Other liabilities	1,977
Net assets fair value	**(23,914)**
Investment value	27,000
Cash paid	**3,086**
Lease liabilities	339
Cash paid	(3,086)
Net cash outflow on operation	**(2,747)**

4. Notes to statement of financial position items

NON-CURRENT ASSETS

1) Property, plant and equipment

(euro/000)	Plant and machinery	Ind. & Comm. Equipment & other assets	Assets under construction & Advances	Total
Historical cost	21,268	40,898	1,501	63,667
Accumulated depreciation	(11,830)	(27,461)	-	(39,291)
Balance at 31/12/2023	**9,438**	**13,437**	**1,501**	**24,376**
Merger changes - historical cost	-	-	-	-
Merger changes- accumulated depreciation	-	-	-	-
Historical cost increase	3,795	2,313	76	6,184
Historical cost decrease	-	(1,413)	-	(1,413)
Historical cost reclassification	315	1,097	(1,412)	-
Increase in accumulated depreciation	(1,770)	(4,272)	-	(6,042)
Decrease in accumulated depreciation	-	690	-	690
Total changes	**2,340**	**(1,585)**	**(1,336)**	**(581)**
Historical cost	25,378	42,895	165	68,438
Accumulated depreciation	(13,600)	(31,043)	-	(44,643)
Balance at 31/12/2024	**11,778**	**11,852**	**165**	**23,795**

Property, plant and equipment as at 31 December 2024 amounted to 23.8 million euro, marking a decrease of approximately 0.6 million euro compared with the value as at 31 December 2023.

Investments in the item *'Plant and machinery'* mainly refers to the installation of new plant for the new logistics site in Tortona, which will be operational from August 2024.

Investments in the item *'Industrial equipment and other assets'* mainly refer to the periodic renewal and upgrading of the technology park, also with reference to the start-up of the new logistics hub in Tortona.

The decreases are mainly attributable to depreciation for the year, for which the rates did not change from the previous year.

The following is the breakdown of the item *Industrial and commercial equipment and other assets*:

(euro/000)	31/12/2024	31/12/2023	Var.
Electronic machines	8,163	10,571	(2,408)
Furniture and fittings	719	618	101
Industrial and commercial equipment	1,105	1,103	2
Other assets	1,865	1,145	720
Total	**11,852**	**13,437**	**(1,585)**

The useful life related to the various asset categories remained unchanged compared to the previous year

It should also be noted that there are no temporarily unused tangible assets held for sale and that the supply contracts entered into by the end of the year, but not recognised in the financial statements, are not significant.

4) Right-of-use-assets

Essential information, together with a summary of impacts stemming from the application of IFRS 16 (Leases) is presented below.

(euro/000)	31/12/2024	31/12/2023	Var.
Right-of-use assets	115,936	81,813	34,123

The contracts that fall within the scope of IFRS 16 mainly refer to:

- office and operating buildings;
- company vehicles.

(euro/000)	Rental property	Cars	Total
Historical cost	116,787	4,279	121,066
Accumulated depreciation	(36,384)	(2,869)	(39,253)
Balance at 31/12/2023	**80,403**	**1,410**	**81,813**
Contribution changes - historical cost	-	(857)	(857)
Contribution changes- accumulated depreciation	-	483	483
Historical cost increase	43,737	684	44,421
Historical cost decrease	-	(884)	(884)
Increase in accumulated depreciation	(9,309)	(615)	(9,924)
Decrease in accumulated depreciation	-	884	884
Total changes	**34,428**	**(305)**	**34,123**
Historical cost	160,524	3,222	163,746
Accumulated depreciation	(45,693)	(2,117)	(47,810)
Balance at 31/12/2024	**114,831**	**1,105**	**115,936**

The increases in historical cost that occurred during the year relating to properties are essentially attributable to the new lease contract signed in August 2024 for the new logistics hub in Tortona, in addition to the renewals of the contracts of some Cash & Carries and the change in rents to take into account the inflationary change of the year. The historical cost increases relating to vehicles derive from the recurring partial annual renewal of the car fleet.

The depreciation rates for the period are determined on the basis of the residual duration of each individual contract and have not changed compared to the year ended 31 December 2023.

2) Goodwill

The total goodwill recorded in the balance sheet amounts to 12.6 million euro and shows a decrease of 5.8 million euro compared to the value recorded at 31 December 2023 (18.4 million euros) due to the sale, which took place as of 1 June 2024 through a business unit transfer transaction to the wholly owned subsidiary V-Valley S.r.l., of the goodwill arising from the incorporation of the company Mosaico S.r.l. active in the distribution of "value" products and services.

The following table summarises the values of the single goodwill items in terms of the business combinations from which they arose; each goodwill item is identified by the name of the company whose control has been acquired:

(euro/000)	31/12/2024	31/12/2023	Var.
Assotrade S.p.A.	5,500	5,500	-
Pisani S.p.A.	3,878	3,878	-
Esprilog S.r.l.	1,248	1,248	-
Mosaico S.r.l.	-	5,803	(5,803)
Celly S.p.A.	1,853	1,853	-
4Side S.r.l.	121	121	-
Total	**12,600**	**18,403**	**(5,803)**

Disclosure on impairment testing of assets: goodwill

IAS 36 requires that the existence of impairment losses on property, plant and equipment and intangible assets with a finite useful life be assessed when there are indications that such a problem may exist.

In the case of goodwill and other intangible assets with indefinite useful life, this test, so-called 'impairment test', must be carried out at least annually and whenever triggering events occur, i.e. extraordinary negative events implying the asset may be impaired.

Since, under international accounting standards, goodwill is not an asset in its own right because it is unable to generate cash flows independently from other assets or groups of assets, it cannot be subject to impairment testing separately from the assets to which it is attributable but must be allocated to a Cash Generating Unit (CGU) or a group of CGUs, since the maximum limit of aggregation coincides with the notion of 'segment' contained in IFRS 8.

In this case it was only possible to consider the Esprinet S.p.A. as a whole, since there are no smaller CGUs generating independent cash flows to which to allocate all or part of the goodwill highlighted.

The assessment process of goodwill and the assessment system adopted are described in detail in the corresponding section of the Consolidated Financial Statements and in the following comment to the item 'Investments', to which reference should be made.

The impairment tests carried out did not highlight the need to write down any of the values of goodwill recorded as at 31 December 2024, which are therefore confirmed.

Below are the parameters that the WACC and 'g' variables should have assumed in order for there to be a correspondence between the recoverable value and the carrying amount:

Key variables for: Enterprise Value = Carrying Amount	Italy IT&CE "B2B" CGU 1
"g" (long-term growth rate)	-10.67%
WACC post-tax	11.84%

In addition to the estimated average flows used to determine value in use, for information purposes only as required by IAS 36 and on the basis of the indications contained in joint Bank of Italy/CONSOB/ISVAP document No. 4 of 3 March 2010, sensitivity analyses were also carried out on the following key variables:

- the long term growth rate 'g' in order to obtain the cash flows beyond plan horizon;
- the cash flow discount rate;
- the forecast EBITDA for the plan horizon.

The variation ranges compared to the "unique scenario" taken into account are as follows:

- 'g' decreased by -50% and equal to zero;
- WACC higher than +100 bps and +200 bps;
- EBITDA lower than -10% and -20%.

As a result of these analyses, in certain scenarios resulting from the different combinations of the key assumptions varied as above, the recoverable value is partially lower than the net book value, even to the point of reaching, in extreme scenarios, complete zeroing of the net book value:

3) Intangible assets

(euro/000)	Licences, concessions, brand names and similar rights	Industrial and other patent rights	Assets under construction and advances	Total
Historical cost	16	10,317	-	10,333
Accumulated depreciation	(12)	(8,994)	-	(9,006)
Balance at 31/12/2023	**4**	**1,323**	**-**	**1,327**
Merger changes - historical cost	-	-	-	-
Merger changes- accumulated depreciation	-	-	-	-
Historical cost increase	-	265	-	265
Historical cost decrease	-	(1,124)	-	(1,124)
Increase in accumulated depreciation	(2)	(571)	-	(573)
Decrease in accumulated depreciation	-	482	-	482
Total changes	**(2)**	**(948)**	**-**	**(950)**
Historical cost	16	9,458	-	9,474
Accumulated depreciation	(14)	(9,083)	-	(9,097)
Balance at 31/12/2024	**2**	**375**	**-**	**377**

The item *Industrial patent and other intellectual property rights* relates to the costs incurred for the long-term renewal and upgrade of IT operating system (software).

This item is amortised over three years in line with the previous year.

5) Investments

(euro/000)	31/12/2024	31/12/2023	Var.
Investments	155,990	115,225	40,765

The following information concerns the Company's investments in subsidiaries.

Data concerning equity and net result refer to the draft financial statements as at 31 December 2024 approved by the respective Boards of Directors.

(euro/000)	Headquarter	Net equity [(1)]	Profit/ (loss) [(1)]	% possession	Cost	Value
Bludis S.r.l.	Rome (RM)	5,035	2,247	100%	8,646	8,646
Celly Pacific Limited	Hong Kong (China)	241	(76)	100%	4	4
Dacom S.p.A.	Vimercate (MB)	15,676	(1,306)	100%	3,120	3,120
idMAINT S.r.l.	Vimercate (MB)	795	(316)	100%	-	-
Sifar Group S.r.l.	Milan (MI)	10,592	1,156	100%	16,463	16,463
V-Valley S.r.l.	Vimercate (MB)	36,836	2,330	100%	27,020	27,020
Zeliatech S.r.l.	Vimercate (MB)	27,526	2,436	100%	25,100	25,100
Esprinet Iberica S.L.U.	Saragossa (Spain)	182,191	10,258	100%	75,637	75,637
Esprinet Portugal Lda	Porto (Portugal)	586	(567)	5%	-	-
Total		**279,477**	**16,162**		**155,990**	**155,990**

[(1)] Data from the draft financial statements as at 31 December 2024 drawn up in compliance with the respective national accounting standards.

The following table details the changes in the item *'Investments'*:

(euro/000)	Amount at 31/12/2023	Increase	Decrease	Amount at 31/12/2024
Bludis S.r.l.	8,646	-	-	8,646
Celly Pacific Limited	4	-	-	4
Dacom S.p.A.	12,820	-	(9,700)	3,120
idMAINT S.r.l.	977	-	(977)	-
Sifar Group S.r.l.	16,983	-	(520)	16,463
V-Valley S.r.l.	20	27,000	-	27,020
Zeliatech S.r.l.	100	25,000	-	25,100
Esprinet Iberica S.L.U.	75,675	-	(38)	75,637
Esprinet Portugal Lda	-	-	-	-
Total	**115,225**	**52,000**	**(11,235)**	**155,990**

The increases recorded during the year are attributable with regard to the 100% equity investment in Zeliatech S.r.l. to the transaction for the contribution of the business unit related to the activities of the "Green Tech" business completed on 1 February 2024, and, with regard to the 100% equity investment in V-Valley S.r.l. to the transaction for the contribution of the business unit related to the activities of the "Solutions" business completed on 1 June 2024. For more details, please refer to the Significant events of the period described in the Report on Operations.

The reductions are attributable to write-downs for loss of value ("impairment") equal to 9.7 million euro of the stake in Dacom S.p.A., 0.5 million euro of the stake in Sifar Group S.r.l. and the full write-down of the total stake in IdMAINT S.r.l..

The change in the equity investment in Esprinet Iberica S.L.U. is due to the adjustment of the value of the charge to the subsidiary of the equivalent value of the shares assigned to its beneficiaries in relation to the 2021-2023 Compensation Plan extinguished in the year.

Disclosure on impairment testing of assets: investments

As required by IAS 36, the Company verified the recoverability of the book value of equity investments in subsidiaries in order to determine whether these assets may be impaired, by comparing their value in use and their carrying amount.

The value verification process and the valuation system adopted are described analytically in the corresponding section of the Consolidated Financial Statements.

A) Valuation framework

The valuation framework and the main procedural approaches to the notions of value and the criteria and methodologies used in valuation are summarised below.

In determining the recoverable value of the individual CGUs, the term 'value in use' has been used. The recoverable amount thus determined was compared with the carrying amount.

The recoverable amount of the individual equity investments was determined as the higher between value in use and fair value, the latter estimated using the income statement method. The recoverable amount thus determined was compared with the carrying amount.

The value in use is defined as the present value, at the date of the test, of the future cash flows (inflows and outflows) expected to be derived from the continuing use of assets, which are part of the tested CGU.

For the purpose to determine the value in use, the Discounted Cash Flow (DCF) model was used as generally accepted financial method, which requires an appropriate discount rate to estimate the discounting back of future cash flows. An 'asset side' approach was used, which presupposes discounting unlevered cash flows generated by operations gross of financial components, since the cash flows are calculated net of notional taxes by applying an estimated tax rate to the operating result (EBIT).

Disclosures required by the international accounting standards regarding the main methods chosen for the calculation of the recoverable amount are as follows.

BASIS FOR ESTIMATES OF FUTURE CASH FLOWS

The financial valuations for the purpose of calculating the "value in use" are based on five-year plans, approved by the Board of Directors of the Company on 11 March 2025, formulated starting from a management budget prepared for internal purposes for the year 2025 and extrapolating from this, through the application of forecasting techniques aimed at treating fixed and variable costs differently, the results for the 2026-2029 period.

As required by the IAS 36 accounting principle, paragraph 50, estimated cash flows exclude financial expenses, as per the 'asset side' approach already described, and are expressed in nominal terms.

Through this method, while drawing up the economic development plan over the 2024E-2028E period, cash flows were defined as the "normal" flow profile, assumed as the profile with the highest degree of probability of occurrence ("probabilistic approach"), ("probabilistic approach"), while drawing up the economic development plan over the 2025E-2029E period, and therefore able to fully represent management's best estimates regarding the evolution of the results of each activity.

The application of standard IFRS 16 ('Leases') also made provision for the consideration, in the construction of forecast plans, of the replacement of operating leases and rentals with depreciation and interest.

From the perspective of determining 'value in use' through a method based on the discounting of cash flows, in order to preserve the principle of 'valuation neutrality' (excluding tax effects), this has led to several adjustments to the forecast cash flows.

In particular, in order to ensure the operational sustainability of the plans, it was assumed that, when the main lease contracts expired, new contracts would be signed under the same conditions, which would result in a flow of notional investments corresponding to the 'Right of Use' value of the restored assets. Thanks to this measure, it has been possible to correctly capture the reinvestment needs required to guarantee the cash generation foreseen by the plan.

FORECASTING METHODS

For the purposes of estimates, strict reference was made to the current conditions of use, i.e. regardless of the flows obtainable from any incremental investments and/or restructuring that represent a discontinuity with respect to normal business operations.

FLOWS DISCOUNTED OR WEIGHTED FOR PROBABILITY

In the preparation of the forecast plans used in the 'DCF-Discounted Cash Flow' models, the expected trends in sales and gross product margins were defined on the basis of data and information on the distribution sector and consumption of consensus technology from sources commonly considered reliable (Sirmi, IDC, Euromonitor), assuming different trends for the subsidiaries according to competitive positioning, strategies and environmental conditions.

The prospective determination of cash flows for each investee was based on the so-called 'unique scenario' as specified above.

The verification of the operational sustainability of the forecasting plans focused on the maintenance of 'business models' and competitive advantages for each investee, including on the basis of the best external evidence regarding the prospects of each segment/market and the performance historically achieved.

The financial sustainability of the plans is based on an analysis of the intrinsic consistency between expected cash flows over the plan time-frame and prospective investment needs in working capital and fixed assets, taking into account cash reserves.

KEY CRITICAL ISSUES

An increased discount rate was used in the execution of the impairment test compared to that used to check the value of the goodwill of Esprinet S.p.A. and of the equity investment in Esprinet Iberica S.L.U., in order to reflect a greater dimensional risk, any deviations between the budget and final accounts, the less profound quality and completeness of the information base, the degree of verifiability of the plan inputs and the "inherent risk" of the activities to be assessed.

DISCOUNT RATE

The discount rate used is representative of the return required by the suppliers of both risk and debt capital and takes into account risks specific to the activities relating to each investee company.

This rate corresponds to a notion of capital cost in the meaning of Weighted Average Cost of Capital (WACC) and is unique for the valuation of the Terminal Value and the discounting of flows over the explicit forecast period.

In particular, for the purpose of determining the Levered Cost of Equity, the median Beta Unlevered Coefficient of a sample of comparable companies, listed on regulated markets, operating internationally, was calculated, which was subsequently 're-levered' on the basis of a target financial structure for each of the investees, assuming that it coincided with the average financial structure of the sample. In this way the condition of independence of the discount rate from the current financial structure has been achieved.

The sample of comparable companies used consists of the following companies:

Entity	Country
AB S.A.	Poland
Action S.A.	Poland
ALSO Holding AG	Switzerland
Arrow Electronics, Inc.	USA
ASBISc Enterprises Plc	Cyprus
Datatec Limited	South Africa
Exclusive Networks S.A.	France
Logicom Public Ltd	Cyprus
SeSa	Italy
TD SYNNEX Corporation	USA

The main components of the discount rate are as follows:

- the gross cost of own capital, determined by the sum of the "Risk Free Rate", equal to the average rate of return in the last quarter of 2024 of the 10-year benchmark government bond of Italy, Spain and Portugal depending on the country of residence of the investee company, the "Market Risk Premium" and the "Additional Risk Premium" estimated on the basis of databases commonly used by analysts and investors;
- the Beta Levered coefficient, determined on the basis of the periodic average of the sample of comparable companies;
- the gross marginal cost of the debt, obtained as the sum of the Base Rate, equal to the average reference rate in the last quarter of 2024 of the 10-year IRS, and a credit spread estimated on the basis of databases commonly used by analysts and investors;
- the tax rate, equal to the nominal corporate income tax rate of the countries where the investees are domiciled for tax purposes.

The IAS 36, paragraph 55, requires that the discount rate be calculated before tax ('pre-tax') but allows for the discounting of flows to be carried out using an estimated rate net of the tax effect ('post-tax'), provided that the expected flows are also expressed net of the tax effect.

Nevertheless, the WACC calculated in the post-tax version has also been converted into the pre-tax equivalent defined as pre-tax WACC that leads to the same result when discounting back pre-tax cash flows.

Terminal Value

The Terminal Value recorded at the end of the explicit forecasting period was calculated on the basis of the 'Perpetuity Method' (last year's unlimited cash flow capitalisation model), assuming long-term sustainable cash flow growth from year 5 onwards at a constant rate ('g').

This rate is equal, hypothetically, to the inflation rate expected for 2029 in Italy, Spain and Portugal: 2.00%,2.00% and 2.01% respectively (source: International Monetary Fund).

B) Basic assumption / Critical variables

The following table describes the main basic assumptions used to calculate the recoverable value for each shareholding with reference to the technical methods underlying the 'DCF Model':

	Italy Bludis S.r.l. Dacom S.p.A. idMAINT S.r.l. Sifar Group S.r.l. V-Valley S.r.l. Zeliatech S.r.l.	Spain Esprinet Iberica S.L.U.	Portugal Esprinet Portugal Lda
Future cash flow expected:			
Forecast horizon	5 years	5 years	5 years
"g" (long-term growth rate)	2.00%	2.00%	2.01%
Discount rates:			
Risk capital cost	13.67%	11.40%	13.04%
Marginal gross cost of capital debt	4.16%	4.16%	4.16%
Tax rate	24.00%	25.00%	21.00%
Target financial structure (D/D+E)	0.14	0.14	0.14
Target financial structure(E/D+E)	0.86	0.86	0.86
WACC post-tax	12.20%	10.20%	11.65%
WACC pre-tax	16.46%	13.71%	13.29%

With reference to the key assumptions used in the cash flow forecast and for the 'value in use calculation' we point out that the investee values are particularly sensitive to the following parameters:

- sale growth rates;
- gross product margin / fixed costs contribution margin;
- operating leverage;
- cash flow discount rates;
- growth rate 'g' applied to the cash flow of the last defined year utilised for the Terminal Value calculation.

C) Value adjustments and 'sensitivity analysis'

The impairment tests revealed the need to fully write down the investment in idMAINT S.r.l. (1.0 million euro), partially the equity investments in Dacom S.p.A. (9.7 million euro) and in Sifar Group S.r.l. (0.5 million euro) and did not allow for the revaluation of the 5% shareholding in Esprinet Portugal Lda, which was fully written down in the 2020 financial year.

In addition to the expected average flows used to determine value in use, sensitivity analyses were also carried out on the following key variables for information purposes only, as required by IAS 36:

- the long term growth rate 'g' in order to obtain the cash flows beyond plan horizon;
- the cash flow discount rate;
- the forecast EBITDA for the plan horizon.

The variation ranges compared to the "unique scenario" taken into account are as follows:

- 'g' decreased by -50% and equal to zero;
- WACC higher than +100 bps and +200 bps;
- EBITDA lower than -10% and -20%.

Following these analyses, it emerged that, for the shareholdings in Dacom S.p.A. and Sifar Group S.r.l., the scenarios resulting from the different combinations of the key assumptions varied as above, would lead to a further reduction in the value of the two shareholdings until reaching, in the "worst" scenario characterised by the use of a g equal to 0% (equal to a real negative "g" of -2.0%), a WACC increased by +200bps and a plan EBITDA reduced by -20%, a value in use that would entail a full write-down of the shareholding in Dacom S.p.A. and approximately 50% of the shareholding in Sifar Group S.r.l.

No impairment, even in the 'worst-case' scenario, would be expected for the shareholdings in Bludis S.r.l., V-Valley S.r.l. and Zeliatech S.r.l..

6) Deferred income tax assets

(euro/000)	31/12/2024	31/12/2023	Var.
Deferred income tax assets	3,990	4,999	(1,009)

The balance of this item is represented by deferred income tax assets resulting from taxed provisions and other temporary differences between carrying amounts and other values recognised for tax purposes that the Company expects to recover in future years following the realisation of taxable profits.

The recoverability is supported by the estimated net income based on the forecast plans derived from the 2025-29E economic-financial projections of the Esprinet Group, approved by the Esprinet S.p.A. Board of Directors on 11 March 2025.

The following table shows the composition of the item in question:

(euro/000)	31/12/2024			31/12/2023		
	Temporary differences	Fiscal effect (taxe rate %)	Amount	Temporary differences	Fiscal effect (taxe rate %)	Amount
Deferred income tax assets:						
Bad debt provision	3,580	24.00%	859	8,318	24.00%	1,996
Tax losses carried forward	4,694	24.00%	1,127	5,125	24.00%	1,230
Exceeding amortisation	240	24.00%	58	138	24.00%	33
Goodwills' amortisation	263	27.90%	73	340	27.90%	95
Director's fees not paid	326	24.00%	78	219	24.00%	52
Inventory obsolescence provision	3,095	27.90%	864	2,307	27.90%	644
IFRS 16 - Leases	1,311	24.00%	315	1,189	24.00%	285
Agent suppl. indemnity provision	378	27.90%	105	500	27.90%	140
Provision sales returns	819	27.90%	229	964	27.90%	269
Provision risk	120	24%-27,9%	29	405	27.90%	97
Others	919	24%-27,9%	253	584	24%-27,9%	158
Deferred income tax assets			**3,990**			**4,999**

Deferred tax assets arising from the application of IFRS 16 were accounted for in compliance with the provisions of the revised IAS 12.

The item 'Other' refers mainly to the deferred income tax assets arising from the temporary differences on the actuarial valuation of the staff severance indemnity (TFR).

The time-related allocation of the envisaged reversals to the income statement is shown below:

(euro/000)		Within 1 year	1-5 years	After 5 year	Total
Deferred income tax assets	31/12/2024	821	2,630	539	**3,990**
	31/12/2023	805	3,849	345	**4,999**

9) Receivables and other non-current assets

(euro/000)	31/12/2024	31/12/2023	Var.
Guarantee deposits receivables	1,723	1,755	(32)
Receivables and other non-current assets	**1,723**	**1,755**	**(32)**

The item *Guarantee deposits receivables* refers mainly to guarantee deposits for utilities and for existing lease contracts.

CURRENT ASSETS

10) Inventory

(euro/000)	31/12/2024	31/12/2023	Var.
Finished products and goods	387,580	347,549	40,031
Provision for obsolescence	(3,095)	(2,307)	(788)
Inventory	**384,485**	**345,242**	**39,243**

At 384.5 million euro, inventories increased by 39.2 million euro compared to the stock as at 31 December 2023. The increase was influenced by the higher volumes of purchases made (equal in the last quarter to the corresponding quarter of the previous year, although net of the relevant part of the 'Green Tech' and 'Solutions' businesses, which were transferred to the subsidiaries Zeliatech S.r.l. and V-Valley S.r.l. during the year) and the higher amount of products en route from suppliers or to customers (107.0 million euro in total as at 31 December 2024 and 77.8 million euro as at 31 December 2023). The change is also offset by the net value of product inventories related to the two aforementioned businesses, outstanding at 31 December 2023 and estimated at approximately 35.0 million euro.

For further information on the transfer please refer to the *'Significant events occurring in the period'* paragraph in the 'Directors' Report on Operations'.

The 3.1 million euro allocated to the *Provision for obsolescence* is intended to address the risks associated with the presumed lower realisable value of obsolete and slow-moving stock.

The change in the provision during the period was as follows:

(euro/000)	31/12/2024	31/12/2023	Var.
Provision for obsolescence: year-beginning	**2,307**	**2,772**	**(465)**
Uses/Releases	(2,011)	(1,646)	(365)
Accruals	3,035	885	2,150
Merger changes	-	296	(296)
Contribution changes	(236)		(236)
Provision for obsolescence: year-end	**3,095**	**2,307**	**788**

The movement in the inventory write-down provision reflects the best estimate made by management on the recoverability of the value of inventory in the warehouse at 31 December 2024.

The balance relating to *"Contribution changes"* refers to the companies V-Valley S.r.l. and Zeliatech S.r.l.

11) Trade receivables

(euro/000)	31/12/2024	31/12/2023	Var.
Trade receivables - gross	256,213	335,302	(79,089)
Bad debt provison	(3,981)	(4,883)	902
Trade recevables - net	**252,232**	**330,419**	**(78,187)**

Trade receivables arise from normal sales transactions engaged in by the Company in the context of ordinary marketing activities. These transactions are carried out almost entirely with customers resident in Italy, are denominated in euro and can be settled in cash in the short-term.

Trade receivables - gross include 0.1 million euro (0.4 million euro in 2023) of receivables assigned with recourse to factoring companies, adjusted by credit notes to be issued to customers for a value of 43.8 million euro (40.7 million euro at the end of 2023) and include 74.4 million euro of receivables measured at fair value (70.7 million euro as at 31 December 2023).

The change in gross receivables is determined not only by the overall volumes of turnover and their trend over time, in turn also determined by seasonal factors, but also by the impact of the revolving programmes for the disinvestment of trade receivables (i.e. about 217.2 million euro as at 31 December 2024 compared to 228.0 million euro in 2023).

The contributions of the 'Green Tech' and 'Solutions' businesses to the subsidiaries Zeliatech S.r.l. and V-Valley S.r.l., which were made during the year, also had a positive impact, as they are characterised by normally longer collection periods.

The bad debt provision, which is used to adjust receivables to their estimated realisable value, is replenished by provisions determined on the basis of an analytical evaluation process for each individual customer in relation to the related past due receivables and outstanding commercial disputes, taking into account insurance coverage (for further information, please refer to the *'Disclosure on risks and financial instruments'* section). Its changes are shown below:

(euro/000)	31/12/2024	31/12/2023	Var.
Bad debt provision: year-beginning	**4,883**	**2,208**	**2,675**
Uses/Releases	(1,508)	(1,165)	(343)
Accruals	606	3,409	(2,803)
Merger changes	-	431	(431)
Bad debt provision: year-end	**3,981**	**4,883**	**(902)**

12) Income tax assets

(euro/000)	31/12/2024	31/12/2023	Var.
Income tax assets	3,439	3,626	(187)

Current income tax assets result from the higher tax advances paid, calculated on the income of the previous year, compared with the current taxes accrued in 2024.

13) Other assets

(euro/000)	31/12/2024	31/12/2023	Var.
Receivables from subsidiaries (A)	**73,355**	**83,890**	**(10,535)**
Receivables from associates (B)	**-**	**-**	**-**
VAT receivables	7,905	2,493	5,412
Other tax assets	46,730	45,105	1,625
Other receivables from Tax authorities (C)	**54,635**	**47,598**	**7,037**
Receivables from factoring companies	133	249	(116)
Other financial receivables	10,154	9,656	498
Receivables from insurance companies	1,894	679	1,215
Receivables from suppliers	988	8,756	(7,768)
Receivables from employees	1	-	1
Receivables from others	83	73	10
Other receivables (D)	**13,253**	**19,413**	**(6,160)**
Prepayments (E)	**4,307**	**5,321**	**(1,014)**
Other assets (F= A+B+C+D+E)	**145,550**	**156,222**	**(10,672)**

The following tables show *Receivables from subsidiaries* detailed by type and by single company. For further information regarding the source figures please refer to the *'Relationships with related parties'* section.

(euro/000)	31/12/2024	31/12/2023	Var.
Dacom S.p.A.	523	786	(263)
Bludis S.r.l.	160	89	71
idMAINT S.r.l.	112	28	84
V-Valley S.r.l.	27,839	70,313	(42,474)
Lidera Network S.L.	17	-	17
Sifar Group S.r.l.	47	-	47
Zeliatech S.r.l.	2,162	6	2,156
Esprinet Iberica S.L.U.	4,962	3,197	1,765
Esprinet Portugal Lda	1,388	623	765
V-Valley Advanced Solutions España, S.A.	442	310	132
V-Valley Advanced Solutions Portugal, Unipessoal, Lda	61	32	29
GTI Software & Networking SARLAU	10	6	4
Trade receivables (a)	**37,723**	**75,390**	**(37,667)**
V-Valley S.r.l.	752	-	752
Zeliatech S.r.l.	851	-	851
Receivables as per national cons. tax regime (b)	**1,603**	**-**	**1,603**
Dacom S.p.A.	6,000	8,500	(2,500)
V-Valley S.r.l.	29	-	29
Zeliatech S.r.l.	28,000	-	28,000
Financial receivables (c)	**34,029**	**8,500**	**25,529**
Total receivables from subsidiaries (a+b+c)	**73,355**	**83,890**	**(10,535)**

(euro/000)	31/12/2024	31/12/2023	Var.
Dacom S.p.A.	6,523	9,286	(2,763)
Bludis S.r.l.	160	89	71
idMAINT S.r.l.	112	28	84
V-Valley S.r.l.	28,620	70,313	(41,693)
Lidera Network S.L.	17	-	17
Sifar Group S.r.l.	47	-	47
Zeliatech S.r.l.	31,013	6	31,007
Esprinet Iberica S.L.U.	4,962	3,197	1,765
Esprinet Portugal Lda	1,388	623	765
V-Valley Advanced Solutions España, S.A.	442	310	132
V-Valley Advanced Solutions Portugal, Unipessoal, Lda	61	32	29
GTI Software & Networking SARLAU	10	6	4
Total receivables from subsidiaries	**73,355**	**83,890**	**(10,535)**

Vat receivables refer to the VAT receivable accrued by the Company as at 31 December 2024 as well as to refund claims which cannot be offset against operating tax liabilities. The change in the item compared to the balance at 31 December 2023 refers to the prevalence of purchases from suppliers compared to sales made.

Other tax assets refer mainly to the receivable stemmed from the tax authorities following the payment, made on a provisional basis, of tax collection files relating to indirect taxes in relation to which disputes are in progress, details of which are provided in the section 'Developments in Esprinet S.p.A.'s disputes' under the notes to item '26) Non-current provisions and other liabilities'.

Receivables from factoring companies include sums owed to the Company as a result of non-recourse factoring operations. At the time this report was drafted, the receivables had been almost entirely paid.

Other financial receivables refer entirely to a guarantee deposit provided to the buyer of the receivables assigned in the securitisation transaction executed by the Company to cover any dilution that may occur in the course of this activity or in the months following the transaction closing.

Receivables from insurance companies include the insurance compensation – after deductibles – recognised by the insurance companies for claims of various kinds not yet paid, but which are reasonably expected to be collected within the next financial year.

Receivables from suppliers, as at 31 December 2024, refer to credit notes received exceeding the amount owed at the end of December for a mismatch between the timing of their quantification and the payment of suppliers. They also include credits for advances requested by suppliers before the fulfilment of purchase orders.

Prepayments are costs (mainly rental costs, maintenance and assistance fees, interest expenses on loans not drawn down) whose accrual is deferred with respect to that of the cash movemen.

17) Cash and cash equivalents

(euro/000)	31/12/2024	31/12/2023	Var.
Bank and postal deposit	74,654	113,104	(38,450)
Cash	17	15	2
Cheques	-	3	(3)
Total cash and cash equivalents	**74,671**	**113,122**	**(38,451)**

Cash and cash equivalents are almost entirely made up of bank balances, all immediately available. These cash balances are in part temporary in nature as they arise as a result of the normal short-term financial cycle of collections/payments, which involves in particular a concentration of collections from customers in the middle and at the end of the month, where financial outgoings related to payments to suppliers are distributed more evenly over the month.

The market value of the cash and cash equivalents corresponds to their carrying amount.

The change with respect to 31 December 2023 is detailed in its components in the Cash Flow Statement to which reference should be made.

EQUITY

The main changes in equity items are explained in the following notes:

(euro/000)	31/12/2024	31/12/2023	Var.
Share Capital (A)	**7,861**	**7,861**	**-**
Reserves and profit carried over (B)	217,388	246,278	(28,890)
Own shares (C)	(13,099)	(13,330)	231
Total reserves (D=B+C)	**204,289**	**232,948**	**(28,659)**
Net income for the year (E)	**(15,152)**	**(29,039)**	**13,887**
Net equity (F=A+D+E)	**196,998**	**211,770**	**(14,772)**
Non-controlling interests (G)	-	-	-
Total equity (H=F+G)	**196,998**	**211,770**	**(14,772)**

19) Share capital

The Company's *Share capital*, fully subscribed and paid-in as at 31 December 2024, is 7,860,651 euro and comprises 50,417,417 shares without indication of face value. The number of shares remaining with respect to the cancellations that took place in 2020 and 2022, as envisaged by the resolutions of the relevant Shareholders' Meetings, for a total of 1,986,923 securities.

20) Reserves

Reserves and retained earnings

The value of *Reserves and profit carried over* decreased by 28.9 million euro, mainly due to the allocation of the result from the previous year.

Reserves also includes the value of the Esprinet stock grant rights to Group Directors and executives in relation to the 2024-2026 Share incentive plan approved by the Esprinet S.p.A. Shareholders' Meeting on 24 April 2024.

The value of said rights was recognised in the income statement under the costs of employees and the costs of the directors, and was quantified on the basis of the elements described in detail in the section "Share incentive plans" in the following chapter "6. Notes to income statement items" to which reference should be made.

For more details, please refer to the Statement of changes in equity.

Own shares on hand

The amount refers to the total purchase price of 974,915 shares owned by the Company, of which 690,000 shares in service of the 2024-2026 Share incentive plan.

The change with respect to 1,011,318 securities held as at 31 December 2023 derives from the delivery to the beneficiaries of the 2021-2023 Long-Term Incentive Plan of the 36,403 shares vested.

As per Art. 2427, no. 7-bis of the Italian Civil Code, the following table shows the amount and the distributability of the reserves composing the equity and their usage in past years.

(euro/000)				Summary of the uses in the three previous years:	
Type/description	**Amount**	**Possible uses**	**Quota available**	**To cover losses**	**For other reason**
Share capital	7,861	---	-		
Reserves:					
Share premium reserve (*)	180	A,B,C	180		
Revaluation reserve	30	A,B,C	30		
Legal reserve	1,572	B	1,572		
Merger surplus	9,834	A,B,C	9,834		
Extraordinary reserve	184,645	A,B,C	184,645		
Extraordinary reserve (**)	13,099	---	-		
IFRS reserves	8,028	---	-		
Total reserves	**217,388**		**196,261**	-	-
Total share capital and reserves	**225,249**		**196,261**		
Non-distributable quota (***)			-		
Residual distributable quota			196,261		

(*) Pursuant to Art. 2431 of the Italian Civil Code the entire amount of this reserve can be distributed solely provided that the legal reserve has reached the limit established by Art. 2430 of the Italian Civil Code, including through the transfer of the share premium reserve. This limit has been reached as at 31 December 2019.
(**) Pursuant to Art. 2358 of the Italian Civil Code, it represents the non-distributable portion corresponding to own shares on hand.
(***) Pursuant to Art. 2426(5), this is the non-distributable portion allocated to cover long-term costs not yet amortised.

Key: A = share capital increase B = cover of losses C = distribution to shareholders.

21) Net result for the period

The net result for the period shows a loss of 15.2 million euro (negative result of 29.0 million euro in the previous year).

NON-CURRENT LIABILITIES

22) Borrowings

(euro/000)	31/12/2024	31/12/2023	Var.
Borrowings	15,695	39,480	(23,785)
Other financing payables	3,139	-	3,139
Non - current financial liabilities	**18,834**	**39,480**	**(20,646)**

Payables to banks are represented by the valuation at the amortised cost of the portion of the medium-long term loans falling due beyond next year.

The change compared with the previous year is due to the effect of the reclassification to current payables of the instalments falling due within 12 months, in accordance with the loan amortisation plans.

Other financing payables consist entirely of the portion due beyond the subsequent year of a debt that arose in 2024 to a financial company for the purchase of supplies of products for resale.

Details relating to the outstanding loans can be found in the *'Net financial indebtedness and loan covenants'* paragraph below.

31) Lease liabilities (non-current)

(euro/000)	31/12/2024	31/12/2023	Var.
Lease liabilities (non-current)	113,983	78,792	35,191

The financial liability is related to the Rights of use existing at the reference balance sheet dates. The change can be detailed as follows:

(euro/000)	31/12/2024	31/12/2023	Var.
Lease liabilities (non-current)	**78,792**	**80,442**	**(1,650)**
Contribution changes	(211)	-	(211)
Merger changes	-	67	(67)
Increase from subscribed contracts	42,257	548	41,709
Termination/modification of contracts	1,153	5,393	(4,240)
Reclassification non-current liabilities	(8,008)	(7,658)	(350)
Lease liabilities (non-current)	**113,983**	**78,792**	**35,191**

The following table analyses the maturity dates of the financial liabilities booked as at 31 December 2024:

(euro/000)	Within 5 year	After 5 year	31/12/2024
Lease liabilities (non-current)	49,442	64,541	113,983

With reference to the application of IFRS 16 as from the financial statements as at 31 December 2019, the Company did not apply the standard to leases of intangible assets.

It should also be noted that the Company analyses the lease contracts with regards to the lease term, defining the 'non-cancellable' period for each of them, together with the effects of extension and early termination clauses whose exercise was deemed reasonably certain. Specifically, for buildings, this valuation considered the specific facts and circumstances of each activity. With regard to the other categories of assets, mainly company vehicles, the Company generally considered it unlikely that any extension or early termination clauses would be exercised in view of the Company's usual practice.

Lastly, liabilities related to rights of use are measured considering the variable payments due for the leases linked to indices or rates (e.g. ISTAT index), where contractually provided for.

24) Deferred income tax liabilities

(euro/000)	31/12/2024	31/12/2023	Var.
Deferred income tax liabilities	2,650	3,390	(740)

The balance of this item depends on higher taxes that the Company has to pay in the next operating years due to temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding values recognised for tax purposes.

The following table shows the composition of the item in question:

(euro/000)	31/12/2024			31/12/2023		
	Temporary differences	Fiscal effect (taxe rate %)	Amount	Temporary differences	Fiscal effect (taxe rate %)	Amount
Deferred income tax liabilities:						
Goodwills' amortisation	9,499	27.90%	2,650	11,774	27.90%	3,285
Foreign exchange estimate	-	24.00%	-	438	24.00%	105
Deferred income tax liabilities			**2,650**			**3,390**

The time-related allocation of deferred income tax liabilities is as follows:

(euro/000)		Within 1 year	1-5 years	After 5 year	Total
Deferred income tax liabilities	31/12/2024	-	-	2,650	**2,650**
	31/12/2023	105	-	3,285	**3,390**

25) Retirement benefit obligations

Retirement benefit obligations reflect the staff severance indemnities ('TFR') and other benefits accruing to salaried staff at the close of the period, assessed in accordance with actuarial criteria, pursuant to IAS 19.

Changes occurred during the year are shown in the tables below:

(euro/000)	31/12/2024	31/12/2023	Var.
Balance at year-beginning	**3,628**	**3,547**	**81**
Merger changes	-	246	(246)
Contribution changes	(775)	-	(775)
Employee transfers	130	-	130
Service cost	(12)	(8)	(4)
Interest cost	107	132	(25)
Actuarial (gain)/loss	(71)	16	(87)
Pensions paid	(312)	(305)	(7)
Retirement benefit obligations	**2,695**	**3,628**	**(933)**

The values recognised in the income statement during the year were as follows:

(euro/000)	31/12/2024	31/12/2023	Var.
Amounts booked under personnel costs	(12)	(8)	(4)
Amounts booked under financial costs	107	132	(25)
Total	**95**	**124**	**(29)**

The company, employing more than 50 employees as of 1 January 2007, transfers accrued severance indemnities to third-party entities.

The change from the previous year is essentially attributable to both utilisations ("benefits paid") and actuarial gains.

The balance of *'Contribution changes'* refers for 63 thousand euro to the subsidiary Zeliatech S.r.l. to which the Company transferred on 1 February 2024, 21 resources that are part of the activities linked to the "Green Tech" business, while 712 thousand euro refers to the subsidiary V-Valley S.r.l. to which the Company transferred on 1 June 2024 a number of 178 resources that are part of the activities linked to the "Solutions" business, both of which are the subject of a business unit transfer transaction, for more details see "Significant events occurring in the period" in the Report on Operations.

The balance of *'Employee transfers'* refers to employees transferred during 2024 from the subsidiary Dacom S.p.A..

The change in the 'Actuarial (gain)/loss' compared with last year is essentially due to the misalignment between the forward-looking assumptions used in the valuation as at 31 December 2023 and the actual development of the provision as at 31 December 2024 (members, payments made, benefit revaluation). The discount rate used reflects the market returns, at the financial statements date, of a panel of primary company bonds with a maturity date connected with the employee average residual employment in Esprinet S.p.A. (higher than 10 years)[23].

The 'Project unit credit cost' method was used to account for employee benefits, based on the following operational assumptions:

A) Demographic assumptions

- the values for the Italian population reported by ISTAT (Italian Central Statistics Institute) in reference to 2002, indicated separately according to gender;
- the results adopted in the INPS (Italian National Social Security Institute) model for projections up to 2010, indicated separately according to gender. These probabilities were calculated starting from the pension distribution by age and gender existing on 1 January 1987 with effect from 1984, 1985, 1986 referring to the credit segment personnel;
- attainment of first requirement for pension eligibility valid for the General Compulsory Insurance Scheme in the case of a generic worker;
- for the purposes of estimating the probability of terminating employment for reasons other than death, an annual 6% frequency was considered based on available statistical series for the company;
- an annual rate of 3% has been assumed.

B) Economic-financial assumptions

	31/12/2024	31/12/2023
Cost of living increase [(1)]	2.00%	2.00%
Discounting rate [(2)]	3.18%	3.09%
Remuneration increase	3.50%	Inflation + 1,5%
Staff severance indemnity (TFR) - annual rate increase [(3)]	3.00%	3.00%

[(1)] Based on the current inflation trend, it is considered appropriate to use a constant rate of 2%.
[(2)] IBoxx Eurozone Corporates AA 7-10 index has been used for the calculation.
[(3)] 3,0% from 2023.

[23] *Please note that the iBoxx Eurozone Corporates AA7-10 index has been used as the reference parameter. For the choice of the annual inflation rate, reference was made to the Update Note to the DEF (NADEF 2024), which shows the value of the consumption deflator for the years 2024, 2025 and 2026, respectively equal to 1.9%, 1.9% and 1.8%. Based on the above and the current inflationary trend, it was deemed appropriate to use a constant inflation rate equal to 2.0% for the year 2024 and subsequent years.*

Sensitivity analysis

Pursuant to IAS 19 Revised, a sensitivity analysis of changes in main actuarial hypothesis used in the calculation model is required.

The scenario described in the previous paragraphs was considered as the baseline scenario and from that the most significant assumptions were increased and decreased, i.e. the average annual discount rate, the average inflation rate and the turnover rate, respectively, by half, one quarter and two percentage points. The outputs thus obtained are summarised as follows:

(euro)		Sensitivity analysis
		Esprinet S.p.A.
Past Service Liability		
Annual discount rate	*0,50%*	2,603,725
	-0,50%	2,791,699
Annual inflation rate	*0,25%*	2,722,650
	-0,25%	2,667,877
Annual turnover rate	*2,00%*	2,708,831
	-2,00%	2,680,073

As required by IAS 19 Revised, the estimated expected payments (in nominal value) for the next few years are as follows:

(euro)	Future Cash Flow
Year	Esprinet S.p.A.
0 - 1	227,924
1 - 2	205,818
2 - 3	245,212
3 - 4	233,654
4 - 5	278,944
5 - 6	214,827
6 - 7	234,572
7 - 8	177,986
8 - 9	146,027
9 - 10	135,515
Over 10	1,317,686

33) Debts for investments in subsidiaries (non-current)

(euro/000)	31/12/2024	31/12/2023	Var.
Debts for investments in subsidiaries (non-current)	600	600	-

The item *Debts for investments in subsidiaries (non-current)* as at 31 December 2024 refers on both dates to the consideration to be paid, falling due after the next year, for the purchase in January 2021 of the companies Dacom S.p.A. (0.5 million euro) and idMAINT S.r.l. (0.1 million euro).

26) Non-current provisions and other liabilities

(euro/000)	31/12/2024	31/12/2023	Var.
Long-term liabilities for cash incentives	146	57	89
Long term Tax payables in installments	14,475	20,809	(6,334)
Provisions for pensions and similar obligations	1,650	1,708	(58)
Other provisions	51	344	(293)
Non-current provisions and other liabilities	**16,322**	**22,918**	**(6,596)**

The item *Long-term liabilities for cash incentives* at 31 December 2024 refers to the portion of variable compensation payable to beneficiaries in the second year following the year of accrual.

The item *Tax payables in instalments* refers to the portion due beyond 12 months after 31 December 2024 of the debt that arose following the signing of agreements with the Revenue Agency in the second quarter of 2023, aimed at defining out-of-court disputes raised in VAT matters relating to the tax periods from 2013 to 2017.

The item *Provisions for pensions* includes the supplementary customer indemnity provision payable to agents based on current regulations governing the subject. The changes in the period in this provision were as follows:

(euro/000)	31/12/2024	31/12/2023	Var.
Provisions for pensions: year - beginning	**1,708**	**1,796**	**(88)**
Uses/Releases	(230)	(232)	2
Accruals	172	144	28
Provisions for pensions: year - end	**1,650**	**1,708**	**(58)**

The amount allocated to *Other provisions* is intended to cover risks related to ongoing legal and tax disputes and to cover estimated impairment losses of investee companies that exceed the value of the investment. Changes occurred in the period are as below:

(euro/000)	31/12/2024	31/12/2023	Var.
Other provisions: year-beginning	**344**	**1,127**	**(783)**
Uses/Releases	(344)	(999)	655
Accruals	51	216	(165)
Other provisions: year-end	**51**	**344**	**(293)**

Provisions refer to the estimate made by management with the support of its external legal advisors of certain outstanding positions mainly with agents and suppliers.

Development of disputes involving Esprinet S.p.A.

The main disputes involving the Company are provided below, along with developments in 2024 (and thereafter, until the date this financial report was drafted), for which the Company has conducted the pertinent risk assessments, with the support of its legal and/or tax consultants, and, where deemed appropriate, recognised the ensuing allocations to the provision for risks.

The following list summarises the development of the main tax disputes in progress for which it has not been considered that the elements for making provisions exist, since the risk of each is assessed as unlikely.

Esprinet S.p.A. Indirect taxes for the years 2011-2013

Esprinet S.p.A. has a number of tax disputes pending, all before the Supreme Court of Cassation, against judgments originating from assessment notices served to the Company in previous years in relation to the years 2011 to 2013.

In particular, the Tax Authorities, following access to and verification at customers of Esprinet S.p.A. who had submitted declarations of intent to the Company to obtain the non-application of value added tax (VAT) in the invoice, had found that some of them did not meet the tax legislation requirements for requesting the non-application of VAT. Although Esprinet S.p.A. had, within the limits of what was objectively possible for a supplier, collected documents and verified the statements of the customers in question, the Tax Authorities had deemed the checks carried out by the Company to be inadequate and had therefore disputed the latter's the failure to apply VAT on the invoice, in addition to penalties and interest.

The following table summarises the years concerned, the total amounts requested by the Tax Authorities and paid by the Company, as well as the status of the dispute:

Year	Amounts requested and paid pending judgment (*)	Status of the dispute
2011	2.5 million euro	Pending in the Supreme Court of Cassation
2012	5.1 million euro	Pending in the Supreme Court of Cassation
2013	n/a	Settled in favour of Esprinet
2013 bis	37.1 million euro	Pending in the Supreme Court of Cassation

(*) Total amounts requested by the Tax Authorities, and paid in full as at 31 December 2024, by way of higher tax, penalties and interest. The amounts paid, totalling 44.7 million euro, are classified under the item 'Other tax receivables'.

With reference to the dispute relating to the year 2013, the proceedings ended favourably for the Company with a ruling of the Supreme Court of Cassation of 19 January 2024 published on 9 April 2024.

For the remaining three proceedings currently pending before the Supreme Court of Cassation, relating to the same disputes referring to the judgement of 2013 favourably settled by the Supreme Court of Cassation and displayed in the table above, in agreement with its consultants, the Company deems the risk of losing to be merely possible. Since the Company has already proceeded in previous years and, regarding the dispute relating to the year '2013 bis', by 30 June 2024, to fully pay the amounts requested by the Tax Authorities, it should be noted that also in the unlikely and not expected event of a negative outcome of the pending disputes, there would be no further financial impacts (i.e. no further cash outflow), but they would have a negative economic impact, related to the recognition in the income statement of the expenses due to losing the case.

Monclick S.r.l. Direct taxes for the year 2012

On 20 July 2016, the company received an assessment notice through which the Revenue Agency requested the recovery of direct taxes for 82 thousand euro, plus penalties and interest. The deduction or non-taxation of income components relating to 2012 (the year in which the company was still part of the Esprinet Group) has been contested.

In the dispute initiated with the Revenue Agency, the company was the winner in 2017 before the Provincial Tax Commission of Milan, which was unsuccessful in 2018 before the Lombardy Regional Tax Commission, and on 16 July 2019 filed an appeal with the Supreme Court of Cassation.

As envisaged by the administrative procedure, payments for a total of 162 thousand euro were made during the course of the judicial procedure, recorded in the income statement in 2018.

Edslan S.r.l. Registration tax for the year 2016

On 4 July 2017, the company, merged by incorporation into Esprinet S.p.A. in 2018, received an assessment notice through which the Revenue Agency requested the recovery of the registration tax for 182 thousand euro, as well as penalties and interest. The determination of the business unit acquired on 8 June 2016 by the selling company Edslan S.p.A. (now I-Trading S.r.l.) has been contested.

In the dispute initiated with the Revenue Agency, the company was the winner both in 2018 before the Provincial Tax Commission of Milan and in 2020 before the Regional Tax Commission. The Revenue Agency filed an appeal before the Supreme Court of Cassation against which the company filed a counter-appeal on 8 January 2021. The date of the hearing for the discussion of the case has not yet been set

The Company and Group's policies regarding the management of legal and tax-related disputes can be found under *'Main risks and uncertainties facing the Group and Esprinet S.p.A.'* in the 'Directors' Report on Operations'.

CURRENT LIABILITIES

27) Trade payables

(euro/000)	31/12/2024	31/12/2023	Var.
Trade payables - gross	722,638	820,047	(97,409)
Credit notes to be received	(68,945)	(90,098)	21,153
Trade payables	**653,693**	**729,949**	**(76,256)**

The balance of Trade payables, compared to 31 December 2023, is largely influenced by the overall volumes of purchases and their trend over time, which in turn also depend on seasonal factors of the distribution business

The item 'Credit notes to be received' refers mainly to the rebates for the achievement of commercial targets, to various incentives, to reimbursement of joint marketing activities with suppliers and to stocks contractual protections.

There are no trade payables with collaterals on corporate assets nor with a residual duration longer than 5 years.

28) Short-term financial liabilities

(euro/000)	31/12/2024	31/12/2023	Var.
Bank loans and overdrafts	28,633	33,702	(5,069)
Other financing payables	41,176	14,304	26,872
Financial payables to subsidiaries	43,899	21,382	22,517
Short - term financial liabilities	**113,708**	**69,388**	**44,320**

Bank loans and overdrafts mainly refer to the valuation at the amortised cost of the short-term financing lines and the portion falling due within next year of the medium-long term loans (23.8 million euro as principal as at 31 December 2024 and 27.7 million euro, also as principal, as at 31 December 2023).

The change compared to the previous financial year mainly depends on the repayment of the portions of medium/long-term loans according to the amortisation plans with the related reclassification from non-current financial payables of the instalments due within the 12 months following 31 December 2024.

Details relating to the outstanding loans can be found in the *'Net financial indebtedness and loan covenants'* paragraph below.

Other financing payables refer for 32.0 million euro to advances obtained from factoring companies within the scope of with-recourse operations customary for the Company and to the collections received in the name and on behalf of customers sold with the non-recourse formula. They also include, for 8.2 million euro, the portion due within 12 months of a payable underwritten during the year with a financial company for the purchase of supplies of products for resale, and, for 1.0 million euro, the portion of the payable to qualified investors that arose for the subscription during the year of *"Euro Commercial Paper"* in reference to the programme approved and started in June 2023.

The change in the payable is closely related not only to the underwriting of financial debts as mentioned above, but also to the volume of advances obtained from factoring companies and to a different timing in the financial settlement of assignments made.

Financial payables to subsidiaries refer for 20.6 million euro to the relationship in place with the subsidiary V-Valley S.r.l. under the Cash Pooling Agreement signed in 2019 for centralised treasury management, for 20.2 million euro related to the loan in place with the subsidiary Esprinet Iberica S.L.U. and for 3.0 million euro related to the loan in place with the subsidiary Sifar Group S.r.l. All financial relations with subsidiaries bear interest at market rates.

34) Lease liabilities (current)

(euro/000)	31/12/2024	31/12/2023	Var.
Lease liabilities (current)	8,822	8,124	698

The liability is related to the Rights of use existing at the reference balance sheet dates.

The change can be detailed as follows:

(euro/000)	31/12/2024	31/12/2023	Var.
Lease liabilities (current)	**8,124**	**7,307**	**817**
Contribution changes	(172)	-	(172)
Merger changes	-	77	(77)
Increase from subscribed contracts	846	156	690
Reclassification non-current liabilities	8,008	7,658	350
Lease interest expenses	3,213	2,695	518
Payments	(11,362)	(10,768)	(594)
Termination/modification of contracts	165	999	(834)
Lease liabilities (current)	**8,822**	**8,124**	**698**

35) Debts for investments in subsidiaries (current)

(euro/000)	31/12/2024	31/12/2023	Var.
Debts for investments in subsidiaries (current)	-	5,764	(5,764)

The item *Debts for investments in subsidiaries (current)* as at 31 December 2024 was entirely written off during the year following the payment, in July 2024, of the residual shares of the price expected for the purchase of the subsidiary Sifar Group S.r.l., definitively quantified as of December 31, 2023.

32) Provisions and other liabilities

Provisions and other liabilities solely includes payables whose maturity is within the following 12 months.

(euro/000)	31/12/2024	31/12/2023	Var.
Payables to subsidiary and associated companies (A)	**26,632**	**1,245**	**25,387**
Social security liabilities (B)	**3,219**	**3,840**	**(621)**
Short term Tax payables in installments	6,345	6,338	7
Withholding tax liabilities	36	39	(3)
Other tax liabilities	1,262	1,529	(267)
Other payables to Tax authorities (C)	**7,643**	**7,906**	**(263)**
Payables to personnel	3,513	4,405	(892)
Payables to customers	4,267	4,254	13
Payables to others	858	765	93
Total other creditors (D)	**8,638**	**9,424**	**(786)**
Accrued expenses and deferred income related to:			
- Accrued expenses for insurance costs	326	253	73
- Deferred income - advanced receivables	23	41	(18)
- Other deferred income	2	17	(15)
Accrued expenses and deferred income (E)	**351**	**311**	**40**
Provisions and other liabilities (F=A+B+C+D+E)	**46,483**	**22,726**	**23,757**

The amount of *Payables to subsidiary and associated* companies and the breakdown by nature, specifying that in the two years under comparison the values relate exclusively to transactions with subsidiaries, are summarised in the tables below:

(euro/000)	31/12/2024	31/12/2023	Var.
Bludis S.r.l.	-	2	(2)
Celly Pacific LTD	-	2	(2)
Dacom S.p.A.	1,336	348	988
V-Valley S.r.l.	19,467	223	19,244
idMAINT S.r.l.	132	-	132
Zeliatech S.r.l.	5,342	-	5,342
Esprinet Iberica S.L.U.	133	240	(107)
Esprinet Portugal Lda	26	40	(14)
V-Valley Advanced Solutions España, S.A.	196	390	(194)
Total payables to subsidiary and associated companies	**26,632**	**1,245**	**25,387**

Social security liabilities refer mainly to payables linked to wages and salaries paid in December and to social contributions accrued on deferred monthly payables, monetary incentives included.

The item *Tax payables in instalments* refers to the portion due within 12 months after 31 December 2024 of the debt that arose following the signing of agreements with the Revenue Agency in the second quarter of 2023, aimed at defining out-of-court disputes in VAT matters relating to the tax periods from 2013 to 2017.

Taxes payable for withholding taxes are represented by withholding taxes paid on professional fees in December.

Other tax liabilities are mostly taxes withheld on wages and salaries paid to employees during the month of December.

Payables to customers mostly originate from accounting movements related to credit notes issued and not yet paid in relation to existing commercial relationships.

Payables to personnel refer to payables for deferred monthly payments (unused holidays, end-of-year bonuses, 14th monthly payments, monetary incentives) accrued overall at the end of the financial year.

Payables to others essentially include 0.4 million euro relating to directors' compensation accrued in the financial year or in previous financial years (0.2 million euro at 31 December 2023) and 0.4 million euro (0.4 million euro at 31 December 2023) for commissions accrued and not paid to the Company's network of agents.

Accrued expenses and deferred income represent income/expenses whose accrual date is deferred/anticipated compared with the cash collection/expenditure.

5. Guarantees, commitments and potential risks

COMMITMENTS AND POTENTIAL RISKS

(euro/000)	31/12/2024	31/12/2023	Var.
Third-party assets on consignment to the Company	53,634	53,634	-
Bank guarantees issued in favour of subsidiaries	406,256	373,098	33,158
Bank guarantees issued in favour of other companies	10,525	10,640	(115)
Total guarantees issued	**470,415**	**437,372**	**33,043**

Third-party assets

The amount refers to the value of goods owned by third parties deposited at the Esprinet S.p.A. warehouses.

Guarantees in favour of subsidiaries

The amount mainly refers to guarantees or letters of patronage issued to credit institutions or factors to guarantee credit facilities granted by them to the Company's subsidiaries, as well as guarantees issued to suppliers. The change from last year is mainly related to the increase in guarantees in favour of the subsidiary V-Valley S.r.l. (55.0 million euro), to the subsidiary Zeliatech S.r.l. (7.0 million euro) and to the decrease to the subsidiary Esprinet Iberica S.L.U. (31.5 million euro).

Bank guarantees issued in favour of other companies

The amount refers mostly to bank guarantees issued for deposits in relation to property lease agreements entered into, and sureties issued to the Public Administration in order to participate in tenders for services or supplies.

6. Notes to income statement items

Please note that in the *Directors' Report on Operations*, after the comments on the Group's performance, some analyses of Esprinet S.p.A.'s economic results were provided to complete the information provided in the following section.

33) Sales from contracts with customers

Below are some tables on sales trends during the year, recalling that further information on turnover by product family and customer type was provided in the Report on Operations to which reference is made.

Sales by products and services

(euro/million)	2024	%	2023	%	Var.	% Var.
Product sales	2,306.5	99.6%	2,413.1	99.6%	(106.6)	*-4%*
Services Sales	9.4	0.4%	10.7	0.4%	(1.3)	*-12%*
Sales from contracts with customers	**2,315.9**	**100.0%**	**2,423.8**	**100.0%**	**(107.9)**	***-4%***

Sales by geographic area

(euro/million)	2024	%	2023	%	% Var.
Italy	2,247.0	97.0%	2,379.5	98.2%	-6%
Spain	22.6	1.0%	21.6	0.9%	5%
Portugal	3.4	0.2%	3.8	0.2%	-10%
Other EU countries	39.0	1.7%	13.6	0.6%	186%
Extra EU countries	3.9	0.2%	5.3	0.2%	-26%
Sales from contracts with customers	**2,315.9**	**100.0%**	**2,423.8**	**100.0%**	**-4%**

The Company reported sales in Italy of 2,247.0 million euro, -6% compared to 2023, in Spain of 22.6 million euro, up 5% year-on-year, and in Portugal of 3.4 million euro, -10% year-on-year.

Sales as 'Principal' or 'Agent'

In accordance with the IFRS 15 accounting standard, the Company has identified the distribution of the hardware and software products, the distribution of its own-brand products and the provision of non-intermediated services as the activities in which its role requires it to represent the sales as 'principal'. Conversely, the distribution of cloud software and the brokerage of services were detected as business lines to be disclosed as 'agent'. The following table illustrates this distinction.

(euro/million)	2024	%	2023	%	% Var.
Sales from contracts with customers as 'principal'	2,311.8	99.8%	2,417.3	99.7%	-4%
Sales from contracts with customers as 'agent'	4.1	0.2%	6.5	0.3%	-37%
Sales from contracts with customers	**2,315.9**	**100.0%**	**2,423.8**	**100.0%**	**-4%**

35) Gross profit

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	2,315,855	100.00%	2,423,750	100.00%	(107,895)	*-4%*
Cost of sales	2,207,184	95.31%	2,294,694	94.68%	(87,510)	*-4%*
Gross profit	**108,671**	**4.69%**	**129,056**	**5.32%**	**(20,385)**	***-16%***

Gross Profit stood at 108.7 million euro and shows a decrease of -16% compared to 2023 (129.1 million euro). It should be noted that as of 1 February 2024, the "Green Tech" business unit was transferred to the wholly-owned subsidiary Zeliatech S.r.l., while on 1 June 2024, the "Solutions" business unit was transferred to the wholly-owned subsidiary V-Valley S.r.l..

In addition to being influenced by the aforementioned contribution transactions, the decrease in the gross trading margin compared to the previous year is also influenced by both the reduction in sales and the decrease in the percentage margin (4.69% in 2024 versus 5.32% in the previous year).

As is common practice in the sectors where the Company operates, the cost of sales is adjusted downwards to take into account the premiums/rebates for the achievement of targets, development and co-marketing provisions, cash discounts (so-called 'prompt payment discounts') and other incentives.

It is further reduced by the credit notes issued by vendors in relation to protection agreed for the value of stock.

Lastly, profit has been reduced by the difference between the amount of receivables transferred without recourse to factoring companies within the usual revolving programme and the amounts collected. In 2024, such effect amounted to 10.2 million euro (10.1 million euro in 2023).

37-38-39) Operating costs

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	2,315,855		2,423,750		(107,895)	*-4%*
Sales and marketing costs	39,352	1.70%	50,391	2.08%	(11,039)	*-22%*
Overheads and administrative costs	61,608	2.66%	62,733	2.59%	(1,125)	*-2%*
Impairment loss/reversal of financial assets	(647)	-0.03%	27,306	1.13%	(27,953)	*<-100%*
Operating costs	**100,313**	**4.33%**	**140,430**	**5.79%**	**(40,117)**	***-29%***
- of which non recurring	-	0.00%	29,224	1.21%	(29,224)	*-10000%*
'Recurring' operating costs	**100,313**	**4.33%**	**111,206**	**4.59%**	**(10,893)**	***-10%***

In 2024, the amount of operating costs, equal to 100.3 million euro, shows a reduction of 40.1 million euro, influenced by the aforementioned company transfers, with an incidence on sales of 4.33% compared to 5.79% of the previous year penalised by 29.2 million euro of non-recurring charges incurred by the Company during 2023 in relation to the signing of agreements with the Revenue Agency that have settled certain VAT disputes.

Excluding these items, operating costs for 2024 decreased by 10.9 million euro (-10%), with the ratio to sales decreasing to 4.33% from 4.59%.

The following table shows a detailed breakdown of operating costs in the two years of comparison:

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**2,315,855**		**2,423,750**		**(107,895)**	**-4%**
Sales & marketing personnel costs	32,328	*1.40%*	41,664	*1.72%*	(9,336)	*-22%*
Other sales & marketing costs	7,024	*0.30%*	8,727	*0.36%*	(1,703)	*-20%*
Sales & marketing personnel costs	**39,352**	***1.70%***	**50,391**	***2.08%***	**(11,039)**	***-22%***
Administr., IT, HR and general service personnel costs	17,243	*0.74%*	17,367	*0.72%*	(124)	*-1%*
Directors' compensation	2,190	*0.09%*	(298)	*-0.01%*	2,488	*<-100%*
Consulting services	4,759	*0.21%*	6,458	*0.27%*	(1,699)	*-26%*
Logistics services	13,538	*0.58%*	13,000	*0.54%*	538	*4%*
Amortisation, depreciation and provisions	12,968	*0.56%*	11,231	*0.46%*	1,737	*15%*
Other overheads and administrative costs	10,910	*0.47%*	14,975	*0.62%*	(4,065)	*-27%*
Overheads and administrative costs	**61,608**	***2.66%***	**62,733**	***2.59%***	**(1,125)**	***-2%***
Impairment loss/reversal of financial assets	**(647)**	***-0.03%***	**27,306**	***1.13%***	**(27,953)**	***<-100%***
Total SG&A	**100,313**	***4.33%***	**140,430**	***5.79%***	**(40,117)**	***-29%***

Sales and marketing costs mainly include the following:

- costs of direct and indirect marketing and sales personnel as well as of the Web area personnel and the corresponding social security contributions and accessory charges;
- agents and other commercial freelance charges;
- management cost for the Cash and Carry stores.

Overheads and administrative costs include:

- costs relating to management and administrative personnel, including the EDP, human resources, general services and logistic costs;
- fees paid to corporate bodies and the related charges, travel, board and lodging expenses as well as remuneration of stock option plans;
- business consultancy, EDP consultancy to develop software and assistance with IT systems and payments to other consultants and freelance personnel (for financial statements auditing services, tax, legal and various other consultancy services);
- postal, telephone and telecommunications costs;
- depreciation of property, plant and equipment, amortisation of intangible assets, excluding that relating to rented assets and equipment allocated by function to sales costs, as well as provisions for risks;
- overheads and administrative costs, including utilities, bank commissions and fees, insurance, data connection and telephone costs.

The item *Impairment loss/reversal of financial assets* includes the adjustment of the nominal value of receivables to their estimated realisable value.

Reclassification by nature of some categories of costs

For the purposes of providing more information, some categories of operating costs allocated by *'function'* have been reclassified by *'nature'*.

Amortisation, depreciation, write-downs and provisions

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**2,315,855**		**2,423,750**		**(107,895)**	**-4%**
Depreciation of tangible assets	5,601	0.24%	4,279	0.18%	1,322	*31%*
Amortisation of intangible assets	410	0.02%	442	0.02%	(32)	*-7%*
Depreciation of right-of-use assets	9,924	0.43%	8,860	0.37%	1,064	*12%*
Amort . & depreciation	**15,935**	**0.69%**	**13,581**	**0.56%**	**2,354**	***17%***
Accruals for risks and charges (B)	223	0.01%	360	0.01%	(137)	*-38%*
Amort. & depr., write-downs, accruals for risks (C=A+B)	**16,158**	**0.70%**	**13,941**	**0.58%**	**2,217**	***16%***

Amortisation and depreciation of fixed assets, both tangible and intangible, incorporate the adjustments shown in the second table, adjustments that allow for reconciliation with the respective statements of changes.

(euro/000)	31/12/2024	31/12/2023	Var.
Depreciation of tangible assets increasing the accumulated deprec.	6,042	4,723	1,319
Debited to subsidiaries	(441)	(444)	3
Depreciation of tangible assets	**5,601**	**4,279**	**1,322**
Amortisation of intangible assets increasing the accumulated deprec.	573	598	(25)
Debited to subsidiaries	(163)	(156)	(7)
Amortisation of intangible assets	**410**	**442**	**(32)**

PERSONNEL COSTS

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**2,315,855**		**2,423,750**		**(107,895)**	**-4%**
Wages and salaries	30,893	1.3%	36,947	1.5%	(6,054)	-16%
Social contributions	9,491	0.4%	11,178	0.5%	(1,687)	-15%
Pension obligations	2,282	0.1%	2,738	0.1%	(456)	-17%
Other personnel costs	1,126	0.1%	1,285	0.1%	(159)	-12%
Employee termination incentives	-	0.0%	104	0.0%	(104)	-100%
Share incentive plans	111	0.0%	(917)	-0.0%	1,028	>100%
Total labour costs [1]	**43,903**	**1.9%**	**51,335**	**2.1%**	**(7,432)**	**-14%**

[1] Costs of temporary workers excluded.

In 2024, personnel costs amounted to 43.9 million euro, down by -14% compared to the same period of the previous year, mainly as a result of the business unit transfers carried out in 2024, which involved the transfer of 21 people to the wholly-owned subsidiary Zeliatech S.r.l. and 178 people to the wholly-owned subsidiary V-Valley S.r.l.

This reduction in the number of employees more than offset the increase in personnel costs following the renewal, in March 2024, of the National Collective Bargaining Agreement for Trade and the presence in 2023, in the item "Share Plans", of a negative value determined by the non-vesting, due to failure to achieve the performance targets underlying the "Double Up" component, of the share rights envisaged in the "Long Term Incentive Plan" approved in April 2021 by the Shareholders' Meeting of Esprinet S.p.A..

Details of the Company's employees as at 31 December 2024, broken down by contractual status, are provided in the *'Company Disclosure'* section in the Sustainability Report of the *'Report on Operations'* to which reference is made.

Share incentive plans

On 27 May 2024, the rights to free assignment of the ordinary shares of Esprinet S.p.A. provided for in the new 'Long-Term Incentive Plan', valid for the 2024-2026 three-year period and approved by the Shareholders' Meeting of Esprinet S.p.A. on 24 April 2024, were assigned.

The ordinary shares covered by this Remuneration Plan, equal to 690,000 securities, are already available to the Company.

The Plan was accounted for at fair value, determined by applying the 'Black-Scholes' model and, in relation to the market conditions considered in the estimation of the share performances in the vesting period, both individually and with respect to the performances of the panel of securities selected, through the 'Montecarlo' simulation model, taking account of the dividend yield, of the volatility of the Esprinet share, of the risk-free interest rate level envisaged at the respective rights assignment date.

The main elements of information and parameters used for the purposes of valuing the free allotment rights of the shares for the aforementioned Compensation Plan are summarised in the following table.

(euro/000)	Plan 2021-2023 component "Base"	Plan 2021-2023 component "Double Up"	LTIP 2024-2026 objectives Economic.-Financial and ESG	LTIP 2024-2026 objectives Individual Stock Performance	LTIP 2024-2026 objectives Relative Stock Performance
Allocation date	22/04/2021	22/04/2021	27/05/2024	27/05/2024	27/05/2024
Vesting date	30/04/2024	30/04/2024	30/04/2027	30/04/2027	30/04/2027
Expiry date	30/06/2024	30/06/2024	30/06/2027	30/06/2027	30/06/2027
Total number of stock grant allocated	172,718	784,000	414,000	138,000	138,000
Total number of stock grant allowed	32,683 [1]	- [1]	414,000	138,000	138,000
No. of shares delivered	32,683	-	-	-	-
Unit fair value (euro)	11.29	5.16	3.63	2.03	2.04
Total fair value (euro)	368,991	-	1,502,820	280,140	281,520
Rights subject to look-up (2 years)	25.0%	25.0%	35.0%	35.0%	35.0%
Duration lock-up	2 years	2 years	2 years	2 years	2 years
Risk free interest rate	-0.4% [2]	-0.4%	3.2% [5]	3.2% [5]	3.2% [5]
Implied volatily	40.6% [3]	40.6%	40.1% [6]	40.1% [6]	40.1% [6]
Duration (years)	3	3	3	3	3
Spot price [4]	13.59	13.59	4.83	4.83	4.83
"Dividend yield"	3.8%	3.8%	variable [7]	variable [7]	variable [7]

[1] Decrease due to employment termination of some beneficiaries and/or based on the percentage of achievement of performance targets.
[2] 3-year IRS at the allocation date.
[3] 3-year volatility calculated on the basis of the official closing prices of the Esprinet share in the three-year period preceding the grant date.
[4] Official price of Esprinet S.p.A. shares at grant date.
[5] Linear interpolation, based on the actual duration of the LTIP, of the 6M/360 Euribor rate curve at the grant date.
[6] 2-year volatility calculated on the basis of the official closing prices of the Esprinet share in the three-year period preceding the grant date.
[7] Calculated considering the annual dividend estimated in the vesting period.

The total costs charged to the income statement during the year in relation to the share incentive plans, with a balancing entry in the statement of financial position under the item "Reserves", amounted to 0.1 million euro for employees and 0.3 million euro for directors (income of, respectively, 0.9 million euro and 2.1 million euro in the previous year as a result of the non- and/or partial fulfilment of the non-monetary conditions to which the 2021-2023 Plan was subject).

Leases and contracts for services of multi-year duration

The costs relating to leases of modest value and those with a duration of less than 12 months, for which the Company availed itself of the exclusion from the application of IFRS 16, amount to 172 thousand euro while those relating to contracts with duration beyond 12 months are nil (133 thousand and nil respectively in 2023).

The following tables respectively contain the details of the costs and commitments for future payments relating to multi-year service contracts:

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**2,315,855**		**2,423,750**		**(107,895)**	**-4%**
Equipment	134	0.01%	133	0.01%	1	1%
Data connection lines	47	0.00%	90	0.00%	(43)	-48%
Housing CED	135	0.01%	148	0.01%	(13)	-9%
Total multi-year services costs	**316**	**0.01%**	**371**	**0.02%**	**(55)**	**-15%**

(euro/000)	2025	2026	2027	2028	2029	Oltre	Totale
Equipment	74	46	31	19	10	7	188
Data connection lines	645	696	610	34	-	-	1,985
Housing CED	180	180	180	-	-	-	540
Multi-year services commitments	**899**	**922**	**821**	**53**	**10**	**7**	**2,713**

42) Finance costs - net

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**2,315,855**		**2,423,750**		**(107,895)**	**-4%**
Interest expenses on borrowings	1,863	0.08%	1,321	0.05%	542	*41%*
Interest expenses to banks	6,976	0.30%	6,298	0.26%	678	*11%*
Other interest expenses	406	0.02%	7,028	0.29%	(6,622)	*-94%*
Upfront fees amortisation	476	0.02%	478	0.02%	(2)	*-0%*
IAS 19 expenses/losses	107	0.00%	132	0.01%	(25)	*-19%*
IFRS financial lease interest expenses	3,213	0.14%	2,695	0.11%	518	*19%*
Intercompany interest expenses	670	0.03%	13	0.00%	657	*>100%*
Total financial expenses (A)	**13,711**	**0.59%**	**17,965**	**0.74%**	**(4,254)**	**-24%**
Interest income from banks	(487)	-0.02%	(587)	-0.02%	100	*-17%*
Interest income from others	(41)	0.00%	(80)	0.00%	39	*-49%*
Interest incomes from intercompany	(733)	-0.03%	(515)	-0.02%	(218)	*42%*
Total financial income(B)	**(1,261)**	**-0.05%**	**(1,182)**	**-0.05%**	**(79)**	**7%**
Net financial exp. (C=A+B)	**12,450**	**0.54%**	**16,783**	**0.69%**	**(4,333)**	**-26%**
Foreign exchange gains	(387)	-0.02%	(1,650)	-0.07%	1,263	*-77%*
Foreign exchange losses	1,391	0.06%	849	0.04%	542	*64%*
Net foreign exch. (profit)/losses (D)	**1,004**	**0.04%**	**(801)**	**-0.03%**	**1,805**	**<-100%**
Net financial (income)/costs (E=C+D)	**13,454**	**0.58%**	**15,982**	**0.66%**	**(2,528)**	**-16%**

The total balance between finance costs - net, negative for 13.4 million euro, improved by 2.5 million euro compared to the previous year.

The change was the result of a combination of the presence in 2023 of 6.9 million euro in non-recurring expenses incurred in connection with the underwriting of certain VAT settlements relating to the tax periods from 2013 to 2017, the unfavourable performance of the euro against the US dollar, which led to 1.8 million euro in higher expenses in 2024 in foreign exchange management, and the higher cost of money despite the interest rate cuts ordered by the European Central Bank from June onwards.

43) Investment expenses/(income)

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**2,315,855**		**2,423,750**		**(107,895)**	**-4%**
Investments expenses / (incomes)	(11,197)	-0.48%	-	0.00%	(11,197)	*0%*

The item as at 31 December 2024 includes the write-downs of the shareholdings in the subsidiaries Dacom S.p.A. (9.7 million euro), idMAINT S.r.l. (1.0 million euro) and Sifar Group S.r.l. (0.5 million euro).

For further details, please refer to item '5) Investments' in these notes.

45) Income tax expenses

(euro/000)	2024	%	2023	%	Var.	% Var.
Sales from contracts with customers	**2,315,855**		**2,423,750**		**(107,895)**	**-4%**
Current tax - IRES (Corporation income tax)	(1,078)	-0.1%	1,834	0.1%	(2,912)	*<100%*
Current tax - IRAP (Regional tax on productive activities)	817	0.0%	926	0.0%	(109)	*-12%*
Income taxes previous years	(1,867)	-0.1%	5	0.0%	(1,872)	*<100%*
Current income taxes	**(2,128)**	**-0.1%**	**2,765**	**0.1%**	**(4,893)**	**<100%**
Deferred tax - IRES (Corporation income tax)	1,009	0.0%	(1,151)	-0.1%	2,160	*<100%*
Deferred tax - IRAP (Regional tax on productive activities)	(22)	0.0%	69	0.0%	(91)	*<100%*
Deferred income taxes	**987**	**0.0%**	**(1,082)**	**-0.0%**	**2,069**	**<100%**
Total tax - IRES (Corporation income tax)	(1,936)	-0.1%	688	0.0%	(2,624)	*<100%*
Total tax - IRAP (Regional tax on productive activities)	795	0.0%	995	0.0%	(200)	*-20%*
Total tax	**(1,141)**	**-0.1%**	**1,683**	**0.1%**	**(2,824)**	**<100%**

The reconciliation between the ordinary rate and the effective rate can be expressed as follows:

(euro/000)	31/12/2024	31/12/2023
Result before taxes [A]	**(16,293)**	**(27,356)**
Operating result (EBIT)	**8,358**	**(11,374)**
(+) bad debt provision	606	3,409
(+) provision for risks and charges	51	360
Taxable amout for IRAP [B]	**9,015**	**(7,605)**
Theoretical taxation IRES (= A*24%)	(3,910)	(6,565)
Theoretical taxation IRAP (= B*3,90%)	352	(297)
Total theoretical taxation [C]	**(3,559)**	**(6,862)**
Theoretical tax rate [C/A]	***21.8%***	***25.1%***
(-) tax relief - ACE (Aiuto alla Crescita Economica)	-	(108)
Other permanent differences	2,418	8,653
Total effective taxation [D]	**(1,141)**	**1,683**
Effective tax rate [D/A]	***7.0%***	***-6.2%***

The tax rate as at 31 December 2024 was positive, compared to a negative tax rate in the previous year due to the pre-tax result, which was also negative and included 33.3 million euro of non-recurring expenses, incurred as part of the tax settlements signed in the second quarter of 2023 to settle certain VAT disputes, which were considered irrelevant for tax purposes.

The significant decrease in the effective tax rate (7%) compared to the theoretical tax rate (22%) in 2024, is instead substantially attributable to the 11.2 million euro write-downs of shareholdings made by the Company during the year and not relevant for tax purposes.

7. Other significant information

7.1 EMOLUMENTS TO THE BOARD MEMBERS, STATUTORY AUDITORS AND KEY MANAGERS

As defined by IAS 24 accounting standard and recalled by CONSOB Resolution No. 17221 of 12 March 2010, 'key managers are those persons having direct and indirect authority and responsibility for planning, directing and controlling the activities of the entity preparing the financial statements, including any director (whether executive or otherwise) of that entity'.

The company has identified the directors, statutory auditors and general manager as executives with strategic responsibilities.

The remuneration due for the year 2024, in relation to the offices held in the company and in the other Group companies, are shown in the following tables and include all the remuneration items paid or payable (gross of tax and social security contributions) including benefits in kind.

(Figures euro/000)

Name and surname	Office	Period for which office was held	Office expiry	Fixed compensation		Compensation for commitee participation	Variable non-equity compensation		Non monetary benefits [2]	Other remuneration	Total	Severance indemnity for end of office or termination of employment
				Fixed compensation	Remuneration from subordinate employment		Bonuses and other incentives	Profit sharing				
Maurizio Rota	Chairman	01.01/ 31.12.2024	2027 [1]	450	-	-	-	-	8	-	458	-
Marco Monti	Deputy Chairman	01.01/ 31.12.2024	2027 [1]	53	-	-	-	-	-	-	53	-
Alessandro Cattani	Chief Executive Officer	01.01/ 31.12.2024	2027 [1]	352	201	-	286	-	3	-	842	-
Luigi Monti	Director	25.04/ 31.12.2024	2027 [1]	21	-	-	-	-	-	-	21	-
Riccardo Rota	Director	25.04/ 31.12.2024	2027 [1]	21	-	-	-	-	-	-	21	-
Angelo Miglietta	Independent Director	01.01/ 31.12.2024	2027 [1]	30	-	41	-	-	-	-	71	-
Renata Maria Ricotti	Independent Director	01.01/ 31.12.2024	2027 [1]	30	-	41	-	-	-	-	71	-
Angela Sanarico	Independent Director	01.01/ 31.12.2024	2027 [1]	30	-	18	-	-	-	-	48	-
Emanuela Prandelli	Independent Director	01.01/ 31.12.2024	2027 [1]	30	-	18	-	-	-	-	48	-
Angela Maria Cossellu	Independent Director	25.04/ 31.12.2024	2027 [1]	21	-	12	-	-	-	-	33	-
Emanuela Teresa Basso Petrino	Independent Director	25.04/ 31.12.2024	2027 [1]	21	-	12	-	-	-	-	33	-
Giovanni Testa	Chief Operating Officer	01.01/ 31.12.2024		-	392	-	191	-	4	-	587	-
Silvia Muzi	Chairman Statutory auditor	01.01/ 31.12.2024	2027 [1]	48	-	-	-	-	-	-	48	-
Maurizio Dallocchio	Permanent Auditor	01.01/ 31.12.2024	2027 [1]	45	-	-	-	-	-	-	45	-
Riccardo Garbagnati	Permanent Auditor	01.01/ 31.12.2024	17/04/2025	6	-	-	-	-	-	-	6	-
(I) Compensation in the company preparing the financial statements				**1,158**	**593**	**142**	**477**	**-**	**15**	**-**	**2,385**	**-**
(II) Compensation from subsidiaries and associate				**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(III) Total				**1,158**	**593**	**142**	**477**	**-**	**15**	**-**	**2,385**	**-**

[1] Date of approval of the financial statements for the year ending 31 December 2024.
[2] "*Fringe benefit*" represented by the use of the company car.

The table below illustrates the Monetary incentive plans for members of the Board of Directors and of the general manager (data in thousand euro).

Beneficiaries	Bonus of the year			Bonus from previous year		
	Payable/ Paid	Deferred	Period	No longer eligible for payment	Payable/ Paid	Still deferred
Alessandro Cattani	-	-	2022	-	81	-
Alessandro Cattani	-	-	2023	-	-	40
Alessandro Cattani	210	76	2024	-	-	-
Giovanni Testa	-	-	2022	-	29	-
Giovanni Testa	-	-	2023	-	-	14
Giovanni Testa	140	51	2024	-	-	-
Total	**350**	**127**		**-**	**110**	**54**

No advances have been made and no loans have been granted to the directors, to the general manager and the statutory auditors of the Company for the performance of these functions, including in companies within the scope of consolidation.

Lastly, the table below illustrates the incentive plans based on financial instruments other than stock options, for members of the Board of Directors and the general manager.

Beneficiaries	Options held at 1° January 2024		Options held in 2024	Options assigned (taken up) in	Options assigned in 2024	Options held at 31 December 2024		
	Quantity	Average strike price	Quantity	Quantity	Quantity	Quantity	Average strike price	Average due date
Alessandro Cattani	679,717	free	(15,943)	663,774	-	-	-	from 22/04/2021 to 30/04/2024 [(1)]
Giovanni Testa	113,201	free	(7,440)	105,761	-	-	-	
Alessandro Cattani	-	free	-	-	550,000	550,000	-	from 27/05/2024 to 30/04/2027 [(2)]
Giovanni Testa	-	free	-	-	140,000	140,000	-	

[(1)] Date of the Shareholders' Meeting for the approval of the Financial Statements as at 31 December 2023 and presentation of the Consolidated Financial Statements as at 31 December 2023.
[(2)] Date of the Shareholders' Meeting for the approval of the Financial Statements as at 31 December 2026 and presentation of the Consolidated Financial Statements as at 31 December 2026.

The following table shows the remuneration paid to the board members, statutory auditors and to the managers with strategic responsibilities whose office ceased during the year:

Name and surname	Office	Period for which office was held	Office expiry	Fixed compensation		Compensation for commitee participation	Variable non-equity compensation		Non monetary benefits	Other remuneration	Total	Severance indemnity for end of office or termination of employment
				Fixed compensation	Remuneration from subordinate employment		Bonuses and other incentives	Profit sharing				
Chiara Mauri	Independent Director	01.01/ 24.04.2024	24/04/2024	9	-	6	-	-	-	-	15	-
Lorenza Morandini	Independent Director	01.01/ 24.04.2024	24/04/2024	9	-	6	-	-	-	-	15	-
Maria Luisa Mosconi	Permanent Auditor	01.01/ 15.11.2024	15/11/2024	38	-	-	-	-	-	-	38	-
(I) Compensation in the company preparing the financial statements				**56**	**-**	**12**	**-**	**-**	**-**	**-**	**68**	**-**
(II) Compensation from subsidiaries and associate				**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(III) Total				**56**	**-**	**12**	**-**	**-**	**-**	**-**	**68**	**-**

7.2 NET FINANCIAL DEBT AND FINANCIAL DEBT ANALYSIS

As set forth in "Warning notice no. 5/21" issued by CONSOB on 29 April 2021, the following table provides information relating to the "financial indebtedness" (or also "net financial position") determined in substantial compliance with the criteria indicated by the European Securities and Markets Authority ("ESMA") in the document called "Guidelines on disclosure obligations" of 4 March 2021. With reference to the same table, it should be underlined that financial indebtedness, measured according to the ESMA criteria, coincides with the notion of 'Net financial payables' for the Company.

(euro/000)	2024	2023
A. Bank deposits and cash on hand	74,671	113,120
B. Cheques	-	3
C. Other current financial assets	44,316	18,404
D. Liquidity (A+B+C)	118,987	131,527
E. Current financial debt	90,501	55,554
F. Current portion of non current debt	32,029	27,722
G. Current financial indebtedness (E+F)	122,530	83,276
H. Net current financial indebtedness (G-D)	**3,543**	**(48,251)**
I. Non-current financial debt	133,417	118,872
J. Debt instruments	-	-
K. Trade payables and other non-current payables	-	-
L. Non-current financial indebtedness (I+J+K)	**133,417**	**118,872**
M. Net financial indebtedness (H+L)	**136,960**	**70,621**
Breakdown of net financial indebtedness:		
Short-term financial liabilities	69,809	48,006
Lease liabilities	8,822	8,124
Debts for investments in subsidiaries (current)	-	5,764
Other current financial receivables	(10,154)	(9,656)
Financial receivables from factoring companies	(133)	(249)
Financial receivables/liabilities from/to Group companies	9,870	12,882
Cash and cash equivalents	(74,671)	(113,122)
Net current financial debt	**3,543**	**(48,251)**
Borrowings	18,834	39,480
Lease liabilities	113,983	78,792
Debts for investments in subsidiaries (non-current)	600	600
Net financial debt	**136,960**	**70,621**

The net financial position, negative for 137.0 million euro, corresponds to a net balance between gross financial payables for 88.6 million euro, financial payables to Group companies for 9.9 million euro, payables for the purchase of investments for 0.6 million euro, financial receivables for 10.3 million euro, financial liabilities for leasing for 122.8 million euro, cash and cash equivalents for 74.6 million euro.

Cash and cash equivalents consist mainly of free and unrestricted bank deposits of a transitional nature as they are formed temporarily at the end of the month as a result of the Company's distinctive financial cycle.

A feature of this cycle is the high concentration of funds received from customers and factoring companies – the latter in the form of net income from the non-recourse assignment of trade receivables – normally received at the end of each calendar month, while payments to suppliers, also tending to be concentrated at the end of the period, are usually spread more equally throughout the month. For this reason, the spot figure at the end of a period does not represent the net financial indebtedness or the average treasury resources for the same period.

During 2024, as part of the working capital management policies, the programme of non-recourse assignment of receivables without recourse on a revolving basis to selected segments of customers, mostly belonging to the large-scale retail sector, continued. In addition to this, the securitisation programme, launched in Italy in July 2015, and renewed every three years without interruption with the last renewal in July 2024, of additional trade receivables also continued during the period. Since the aforementioned programmes realise the complete transfer of risks and benefits to the assignees, the assigned receivables are eliminated from the balance sheet assets in accordance with IFRS 9. The overall effect on the level of net financial liabilities as at 31 December 2024 is quantifiable at about 217.2 million euro (about 228.0 million euro as at 31 December 2023).

With regard to medium/long-term financial payables, the following table shows, for each loan obtained, details of the principal portion due within and beyond the next financial year. It should be noted that the amounts shown may differ from the individual carrying amounts because the latter are representative of the amortised cost calculated by applying the effective interest rate method.

(euro/000)	31/12/2024			31/12/2023			Var.		
	Curr.	Non curr.	Tot.	Corr.	Non corr.	Tot.	Curr.	Non curr.	Tot.
Banco Desio	1,352	-	1,352	2,681	1,352	4,033	(1,329)	(1,352)	(2,681)
BCC Carate	2,510	2,530	5,040	2,490	5,040	7,530	20	(2,510)	(2,490)
Banca popolare di Sondrio	2,924	7,939	10,863	2,790	10,863	13,653	134	(2,924)	(2,790)
Cassa Depositi e Prestiti	7,000	-	7,000	7,000	7,000	14,000	-	(7,000)	(7,000)
BPER Banca	10,032	5,245	15,277	12,761	15,277	28,038	(2,729)	(10,032)	(12,761)
Dell Financial Services	8,211	3,139	11,350	-	-	-	8,211	3,139	11,350
Total loan	**32,029**	**18,853**	**50,882**	**27,722**	**39,532**	**67,254**	**4,307**	**(20,679)**	**(16,372)**

The following table shows the capital book value of the loans obtained, broken down by individual loan, the weighted average rate of which was about 3.15% in 2024 (about 2.1% in 2023).

(euro/000)	31/12/2024	31/12/2023	Var.
Unsecured loan (agent: BPER Banca) to Esprinet S.p.A. repayable in six-monthly instalments by November 2025	2,019	4,013	(1,994)
Unsecured loan (agent: BPER Banca) to Esprinet S.p.A. repayable in six-monthly instalments by June 2025	3,017	9,025	(6,008)
Unsecured loan (agent: BPER Banca) to Esprinet S.p.A. repayable in six-monthly instalments by December 2026	10,241	15,000	(4,759)
Unsecured loan (agent: BCC Carate) to Esprinet S.p.A. repayable in six-monthly instalments by December 2026	5,040	7,530	(2,490)
Unsecured loan (agent: Banco Desio) to Esprinet S.p.A. repayable in six-monthly instalments by June 2025	1,352	4,033	(2,681)
Unsecured loan (agent: Banca Popolare di Sondrio) to Esprinet S.pA. repayable in six-monthly instalments by June 2028	10,863	13,653	(2,790)
Unsecured loan (agent: Cassa Depositi e Prestiti S.p.A.) to Esprinet S.p.A. repayable in six-monthly instalments by December 2025	7,000	14,000	(7,000)
Unsecured loan (agent: Dell Financial Services) to Esprinet S.p.A. repayable in quaterly instalments by October 2028	6,300	-	6,300
Unsecured loan (agent: Dell Financial Services) to Esprinet S.p.A. repayable in quaterly instalments by October 2028	5,050	-	5,050
Total book value	**50,882**	**67,254**	**(16,372)**

Compared to the previous year, two new loans were signed with the financing company DELL Financial Service for the purchase of supplies for resale.

The unsecured amortising 5-year loan granted by Cassa Depositi e Prestiti S.p.A., expiring in December 2025, for a total of 7.0 million euro in principal as at 31 December 2024, provides for the annual compliance with a given ratio of net financial position to EBITDA at consolidated level, but also half-yearly compliance with a given ratio of consolidated net financial position to net equity, under penalty of possible forfeiture of the benefit of the deadline for reimbursements in the event they are not respected.

Such economic and financial covenant structures are typical for transactions of this nature.

In addition to said loan, a back-up line consisting of a short term, unsecured RCF-Revolving Credit Facility, "committed" for three years, amounting to 180.0 million euro and not used at the reporting date but partially drawn down at the date of this Annual Report, taken out by the Company on 31 August 2022 with a pool of leading domestic and international banks, is also secured by the following structure of financial covenants, to be verified every six months on the basis of the data of the consolidated and audited financial statements:

- ratio of net financial position to EBITDA;
- ratio of extended net financial position to equity;
- ratio of EBITDA to net finance costs;
- absolute amount of gross financial position.

As at 31 December 2024, all covenants to which the above-mentioned loans are subject, including the Revolving Credit Facility, according to management estimates (as the same must be verified in the consolidated financial statements certified by the independent auditors), were respected.

The various medium/long-term loan agreements, including those that do not make provision for financial covenants and the above-mentioned Revolving Credit Facility, also contain the usual "negative pledge", "pari passu" and similar clauses that, at the date of drafting of this report, were respected.

7.3 CASH FLOW ANALYSIS

(euro/000)	2024	2023
Net financial debt at year-beginning	**70,621**	**16,908**
Cash flow provided by (used in) operating activities	(7,189)	11,684
Cash flow provided by (used in) investing activities	(10,955)	(20,289)
Cash flow provided by (used in) changes in net equity	-	(27,796)
Total cash flow	**(18,144)**	**(36,401)**
Unpaid interests	(3,491)	(3,144)
Unpaid leasing interests	(342)	(218)
Unpaid/received Intercompany Interests	(324)	-
Right of use asset posting	(44,421)	(7,096)
Deferred price investments	-	(5,710)
Financial liabilities (no cash) 4Side merger	383	(1,144)
Net financial debt at year-end	**136,960**	**70,621**
Short-term financial liabilities	69,809	48,006
Lease liabilities	8,822	8,124
Other current financial receivables	(10,154)	(9,656)
Financial receivables from factoring companies	(133)	(249)
Debts for investments in subsidiaries (current)	-	5,764
Financial (assets)/liab. From/to Group companies	9,870	12,882
Cash and cash equivalents	(74,671)	(113,122)
Net current financial debt	**3,543**	**(48,251)**
Borrowings	18,834	39,480
Lease liabilities	113,983	78,792
Debts for investments in subsidiaries (non-current)	600	600
Net financial debt at year-end	**136,960**	**70,621**

As shown in the table above, as a result of the cash flow dynamics shown in the *Cash Flow Statement* as of 31 December 2024, Esprinet S.p.A. recorded a negative net financial position of 137.0 million euro compared to a negative 70.6 million euro as of 31 December 2023.

7.4 SHAREHOLDINGS

Below is the *Statement of investments*, which shows some figures for the investee companies taken from their respective reporting packages for the year ending 31 December 2024 prepared in accordance with IFRS:

Directly controlled companies:

N	Name	Headquarters	Interest held	Group interest held
1	Bludis S.r.l.	Rome (RM)	100.00%	100.00%
2	Celly Pacific Limited	Hong Kong (China)	100.00%	100.00%
3	Dacom S.p.A.	Vimercate (MB)	100.00%	100.00%
4	Esprinet Iberica S.L.U.	Saragossa (Spain)	100.00%	100.00%
5	Esprinet Portugal Lda	Porto (Portugal)	5.00%	100.00%
6	idMAINT S.r.l.	Vimercate (MB)	100.00%	100.00%
7	Sifar Group S.r.l.	Milan (MI)	100.00%	100.00%
8	V-Valley S.r.l.	Vimercate (MB)	100.00%	100.00%
9	Zeliatech S.r.l.	Vimercate (MB)	100.00%	100.00%

N	Name	Currency	Share capital	Net equity	Result for the period	Carrying amount
1	Bludis S.r.l.	EUR	600,000	6,603,016	2,007,928	8,645,956
2	Celly Pacific Limited	EUR	1,239	241,207	(75,853)	3,491
3	Dacom S.p.A.	EUR	3,600,000	15,873,946	(1,234,024)	3,120,634
4	Esprinet Iberica S.L.U.	EUR	54,692,844	223,308,716	15,313,994	75,637,217
5	Esprinet Portugal Lda	EUR	1,750,000	588,207	(564,046)	-
6	idMAINT S.r.l.	EUR	42,000	804,740	(319,551)	-
7	Sifar Group S.r.l.	EUR	100,000	13,633,790	820,921	16,463,108
8	V-Valley S.r.l.	EUR	500,000	37,103,751	2,736,507	27,020,000
9	Zeliatech S.r.l.	EUR	500,000	27,680,281	2,481,405	25,100,000

Compared to 31 December 2023, there were no changes in the scope of consolidation.

For further information please refer to the *'Significant events occurring in the period'* paragraph.

7.5 SUMMARY OF SUBSIDIARIES' MAIN FINANCIAL ECONOMIC FIGURES

Below are the key figures of the draft financial statements as at 31 December 2024 approved by the respective Boards of Directors of the directly controlled companies, with the notice that the values refer to local accounting standards.

(euro/000)	Celly Pacific LTD	Dacom S.p.A.	idMAINT S.r.l.	Sifar Group S.r.l.	V-Valley S.r.l.	Zeliatech S.r.l.	Bludis S.r.l.	Esprinet Iberica S.L.U.
Sales from contracts with customers	102	42,838	841	24,384	353,900	152,566	20,456	1,252,213
Cost of sales	(88)	(40,242)	(956)	(20,066)	(338,559)	(144,102)	(12,955)	(1,203,172)
Gross profit	**14**	**2,596**	**(115)**	**4,318**	**15,341**	**8,464**	**7,501**	**49,041**
Sales and marketing costs	(87)	(2,081)	(124)	(618)	(7,023)	(1,897)	(2,531)	(10,187)
Overheads and administrative costs	(1)	(1,980)	(318)	(2,135)	(4,148)	(2,687)	(1,753)	(26,342)
Impairment loss/reversal of financial assets	(3)	8	0	(6)	(50)	-	3	(38)
Operating result (EBIT)	**(77)**	**(1,457)**	**(557)**	**1,559**	**4,120**	**3,880**	**3,220**	**12,474**
Finance costs - net	1	(242)	4	54	(701)	(464)	(39)	149
Investments expenses / (incomes)	-	-	107	-	-	-	-	-
Result before income taxes	**(76)**	**(1,699)**	**(446)**	**1,613**	**3,419**	**3,416**	**3,181**	**12,623**
Income tax expenses	-	393	130	(457)	(1,089)	(980)	(934)	(2,365)
Net result	**(76)**	**(1,306)**	**(316)**	**1,156**	**2,330**	**2,436**	**2,247**	**10,258**

(euro/000)	Celly Pacific LTD	Dacom S.p.A.	idMAINT S.r.l.	Sifar Group S.r.l.	V-Valley S.r.l.	Zeliatech S.r.l.	Bludis S.r.l.	Esprinet Iberica S.L.U.
ASSETS								
Non-current assets								
Property, plant and equipment	-	32	16	118	18	4	187	2,405
Goodwill	-	-	-	-	5,125	-	-	7,405
Intangible assets	-	3	-	47	-	3	525	36
Investments	-	-	100	-	-	-	-	43,321
Deferred income tax assets	-	231	219	152	266	52	53	4,206
Receivables and other non-current assets	-	37	4	-	(1)	-	34	507
	-	**303**	**339**	**317**	**5,408**	**59**	**799**	**57,881**
Current assets								
Inventory	-	18,390	367	5,039	29,383	32,907	-	130,638
Trade receivables	-	5,680	117	1,261	124,551	24,919	8,336	231,956
Income tax assets	-	116	65	43	-	-	-	2
Other assets	-	1,854	234	3,993	40,079	14,393	31	41,046
Cash and cash equivalents	250	3,015	178	1,627	18	8,440	2,612	105,065
	250	**29,055**	**961**	**11,963**	**194,031**	**80,659**	**10,979**	**508,706**
Total assets	**250**	**29,358**	**1,300**	**12,280**	**199,439**	**80,718**	**11,778**	**566,588**
EQUITY								
Share capital	1	3,600	42	100	500	500	600	55,203
Reserves	316	13,382	1,069	9,336	34,006	24,590	2,188	116,739
Net income for the period	(76)	(1,306)	(316)	1,156	2,330	2,436	2,247	10,258
	241	**15,676**	**795**	**10,592**	**36,836**	**27,526**	**5,035**	**182,200**
Non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total equity	**241**	**15,676**	**795**	**10,592**	**36,836**	**27,526**	**5,035**	**182,200**
LIABILITIES								
Non-current liabilities								
Borrowings	-	-	-	-	-	-	-	11,921
Deferred income tax liabilities	-	-	-	-	446	-	-	-
Retirement benefit obligations	-	330	229	314	782	78	888	-
Provisions and other liabilities	-	175	2	270	513	137	-	161
	-	**505**	**231**	**584**	**1,741**	**215**	**888**	**12,083**
Current liabilities								
Trade payables	9	4,616	46	460	122,780	21,106	4,101	341,438
Short-term financial liabilities	-	7,334	0	75	1,631	28,087	-	14,765
Income tax liabilities	-	-	-	-	187	168	245	1,155
Provisions and other liabilities	-	1,227	228	569	36,264	3,616	1,509	14,947
	9	**13,177**	**274**	**1,104**	**160,862**	**52,977**	**5,855**	**372,305**
TOTAL LIABILITIES	**9**	**13,682**	**505**	**1,688**	**162,603**	**53,192**	**6,743**	**384,388**
Total equity and liabilities	**250**	**29,358**	**1,300**	**12,280**	**199,439**	**80,718**	**11,778**	**566,588**

7.6 RELATIONSHIPS WITH RELATED PARTIES

The following paragraphs detail the balance sheet and income statement balances arising from transactions with related parties, identified in accordance with IAS 24, with the exception of transactions with directors and executives with strategic responsibilities highlighted in the paragraph of the same name to which reference is made.

7.6.1 Intra-group costs and sales

Below are details of the sales and costs recorded by Esprinet S.p.A. in respect of Group companies.

7.6.2 Transactions with subsidiaries

Transactions with Esprinet S.p.A. subsidiaries are summarised below, noting that the debit and credit transactions are detailed in the *"Notes to statement of financial position items"*. Intra-group costs and sales are summarised in the preceding paragraph.

It is specified that transactions between Esprinet S.p.A. and the subsidiaries were regulated at market conditions.

Relationships with subsidiaries subject to management and coordination

(euro/000)	Type	2024		2023	
		Sales	Cost	Sales	Cost
Sales					
V-Valley Advanced Solutions España, S.A.	Sales of goods	-	-	32	-
Dacom S.p.A.	Sales of goods	63	-	282	-
V-Valley S.r.l.	Sales of goods	146,739		-	-
Sifar Group S.r.l.	Sales of goods	-	-	2	-
Esprinet Iberica S.L.U.	Sales of goods	22,604	-	20,760	-
IdMAINT S.r.l.	Sales of goods	1	-	-	-
Esprinet Portugal Lda	Sales of goods	3,430	-	3,780	-
Subtotal		**172,837**	**-**	**24,856**	**-**
Cost of sales					
V-Valley S.r.l.	Purchase of goods	-	51,777	-	-
V-Valley S.r.l.	Transport costs	-	(130)	-	-
Dacom S.p.A.	Purchase of goods	-	2,837	-	972
Dacom S.p.A.	Transport costs	-	(18)	-	(25)
V-Valley Advanced Solutions España, S.A.	Purchase of goods	-	803	-	1,480
Esprinet Portugal Lda	Purchase of goods	-	-	-	40
Esprinet Iberica S.L.U.	Transport costs	-	22	-	40
Esprinet Iberica S.L.U.	Purchase of goods	-	659	-	1,419
Zeliatech S.r.l.	Transport costs	-	(60)	-	-
Zeliatech S.r.l.	Purchase of goods	-	55,854	-	-
Subtotal		**-**	**111,744**	**-**	**3,926**
Sales and marketing costs					
Dacom S.p.A.	Marketing costs	-	(31)	-	-
V-Valley S.r.l.	Fees on sales	-	1,277	-	2,850
V-Valley S.r.l.	Marketing costs	-	(159)	-	-
Zeliatech S.r.l.	Marketing costs	-	(59)	-	-
Esprinet Iberica S.L.U.	Marketing costs	-	(138)	-	-
V-Valley Advanced Solutions Portugal, Unipessoal, Lda	Marketing costs	-	(22)	-	-

(euro/000)	Type	2024		2023	
		Sales	Cost	Sales	Cost
Esprinet Portugal Lda	Marketing costs	-	(21)	-	-
V-Valley Advanced Solutions España, S.A.	Marketing costs	-	(111)	-	-
Subtotal		**-**	**736**	**-**	**2,850**
Overheads and administrative costs					
Dacom S.p.A.	Hardware and software support costs	-	(174)	-	(315)
Dacom S.p.A.	Administrative services	-	(296)	-	(620)
Sifar Group S.r.l.	Administrative services	-	(81)	-	-
V-Valley S.r.l.	Hardware and software support costs	-	(730)	-	(117)
V-Valley S.r.l.	Administrative services	-	(1,111)	-	(123)
IDMaint S.r.l.	Administrative services	-	(100)	-	(7)
IDMaint S.r.l.	Hardware and software support costs	-	(7)	-	(6)
Esprinet Iberica S.L.U.	Hardware and software support costs	-	(1,575)	-	(1,498)
Esprinet Iberica S.L.U.	Administrative services	-	(1,139)	-	(119)
Bludis S.r.l.	Hardware and software support costs	-	(33)	-	(12)
Bludis S.r.l.	Administrative services	-	(93)	-	(10)
V-Valley Advanced Solutions Portugal, Unipessoal, Lda	Administrative services	-	(21)	-	(3)
V-Valley Advanced Solutions Portugal, Unipessoal, Lda	Hardware and software support costs	-	(65)	-	(43)
GTI Software & Networking SARLAU	Administrative services	-	(7)	-	(1)
GTI Software & Networking SARLAU	Hardware and software support costs	-	(9)	-	(8)
Esprinet Portugal Lda	Hardware and software support costs	-	(107)	-	(91)
Esprinet Portugal Lda	Administrative services	-	(63)	-	(22)
Lidera Network S.L	Administrative services	-	(13)	-	-
V-Valley Advanced Solutions España, S.A.	Administrative services	-	(207)	-	(38)
V-Valley Advanced Solutions España, S.A.	Hardware and software support costs	-	(400)	-	(342)
Zeliatech S.r.l.	Hardware and software support costs	-	(136)	-	-
Zeliatech S.r.l.	Administrative services	-	(1,461)	-	-
Subtotal		**-**	**(7,828)**	**-**	**(3,375)**
Finance costs - net					
Dacom S.p.A.	Interests income	185	-	332	-
Zeliatech S.r.l.	Interests income	495	-	-	-
V-Valley S.r.l.	Interests income	50	-	-	-
V-Valley S.r.l.	Interests expenses	-	85	-	12
Sifar Group S.r.l.	Interests expenses	-	79	-	-
Esprinet Portugal Lda	Interests income	-	-	28	-
Bludis S.r.l.	Interests income	3	-	3	-
Celly Pacific Ltd	Interests expenses	-	8	-	1
V-Valley Advanced Solutions España, S.A.	Interests income	-	-	86	-
Esprinet Iberica S.L.U.	Interests expenses	-	498	66	-
Subtotal		**733**	**670**	**515**	**13**
Total		**173,570**	**105,322**	**25,371**	**3,414**

Esprinet S.p.A. manages and coordinates its subsidiaries resident in Italy.

These activities consists in setting general and operational strategic policies for the Group, drafting general policies regarding human and financial resources management, defining and adapting:

- the corporate governance and internal control model;
- the Group Management and Organisational Model pursuant to Italian Legislative Decree 231/01;
- the System Security Planning Paper (SSPP) pursuant to Italian Legislative Decree 196/03;
- the Code of Ethics;
- administrative-accounting procedures regarding financial reports.

In particular, Group co-ordination involves the centralised management of administrative, corporate and cash services, which, in addition to enabling the subsidiaries to achieve economies of scale, also enable them to focus their internal resources on managing the core business.

National Tax Consolidation for the Italian Subgroup

Esprinet S.p.A. and the subsidiaries Dacom S.p.A., idMAINT S.r.l. and Zeliatech S.r.l. exercised in 2024 the option for the 'National Tax Consolidation' tax regime pursuant to Articles 117 et seq. of Presidential Decree 917/86 (TUIR) for the three-year period 2024-2026.

V-Valley S.r.l. in 2022 renewed its participation in the 'National Tax Consolidation' for the three-year period 2022-2024.

The economic relations, as well as the mutual responsibilities and obligations, between the consolidating company and its aforementioned subsidiaries are defined in the 'Consolidation Regulation for Esprinet Group Companies'.

The payable for taxes is classified under *Tax payables* net of advances paid, withholding taxes and, generally, tax credits. *Tax payables* also include the current IRES amount calculated based on the estimate of the positive and negative taxable amounts of subsidiaries that have adhered to the national tax consolidation, net of advances paid, withholding taxes and tax credits attributable to the companies; as balancing entry to the tax payable the corresponding receivables of the consolidating company with respect to Group companies are recorded for the current tax corresponding to the positive taxable amounts transferred as part of the national tax consolidation.

The payable for compensations due to subsidiaries with negative taxable amount is recognised in the item *Payables to Subsidiaries*.

Deferred and advance IRES (Corporation Tax) is calculated on the timing differences between the amounts of assets and liabilities determined in accordance with statutory criteria and the corresponding tax values only with respect to the individual companies.

Current, deferred and prepaid IRAP is determined exclusively with reference to the individual companies.

Bludis S.r.l.

During the year, Bludis S.r.l. paid the parent company 126 thousand euro mainly for the charge-back of personnel and EDP consulting costs, and 3 thousand euro for interest income.

Dacom S.p.A.

During the year, Dacom S.p.A. purchased goods from the parent company for 0.1 million euro and conversely sold products to Esprinet S.p.A. for 2.8 million euro.

Dacom S.p.A. also paid about 0.5 million euro to Esprinet S.p.A. mainly for the charge-back of personnel costs, EDP consulting, use of data lines, and interest income on the outstanding loan in the amount of 0.2 million euro.

idMAINT S.r.l.

During the year, idMAINT S.r.l. paid 107 thousand euro to the parent company mainly for the charge-back of personnel costs.

Sifar Group S.r.l.

During the year, Sifar Group S.r.l. paid the parent company 81 thousand euro mainly for the charge-back of personnel costs and, conversely, collected interest of 79 thousand euro from Esprinet S.p.A. on the outstanding loan.

V-Valley S.r.l.

It is a company incorporated under Italian law operating de facto since 2010 and until May 2024 as a sales commission agent of Esprinet S.p.A. and from 1 June 2024 as an independent company following the transfer by the parent company Esprinet of the business unit named "Valore", having as its purpose the B2B distribution of products and services related to the product segments Server and Storage, Networking, Enterprise Software and Cloud, Cybersecurity.

By virtue of the commission agreement signed on 20 October 2010, V-Valley, until 31 May 2024, allowed the conclusion of sale and purchase contracts in its own name, but on behalf of the principal Esprinet S.p.A., for 85.1 million euro (190.0 million euro in 2023), accruing sales commissions of 1.3 million euro (2.9 million euro in 2023).

As of 1 June 2024, the Company purchased goods from the parent company in the amount of 61.6 million euro and conversely sold products in the amount of 51.6 million euro to Esprinet S.p.A..

In addition, on the basis of a 'service' contract between the parties, V-Valley paid the parent company 1.8 million euro in the financial year 2024 for the rental of equipment, the charge-back of overhead, telephone and IT costs, personnel costs, as well as for bookkeeping, company books and administrative activities related to the corporate purpose.

In 2013, Esprinet S.p.A. resolved in favour of V-Valley a credit mandate (granted to IFI Italia S.p.A. and still outstanding in 2024) for 18 million euro, through which Esprinet acts as guarantor in favour of the company in relation to the uses made by the latter.

Zeliatech S.r.l.

During the year, Zeliatech S.r.l. sold goods to the parent company for 55.9 million euro.

Zeliatech S.r.l. paid approximately 1.7 million euro to the parent company under a service contract, for personnel costs, EDP consulting, equipment rental and administrative services, and interest income on the outstanding loan in the amount of 0.5 million euro.

Esprinet Iberica S.L.U.

During the year, Esprinet Iberica purchased goods from the parent company for 22.6 million euro and conversely sold products to Esprinet S.p.A. for 0.7 million euro.

Esprinet Iberica also paid approximately 2.8 million euro to the parent company under a service contract, for equipment rental, use of data lines and administrative services, and conversely, collected interest of 0.5 million euro from Esprinet S.p.A. on the outstanding loan.

Esprinet Portugal Lda

In 2024, Esprinet Portugal purchased goods from the parent company for 3.4 million euro.

Esprinet Portugal also paid 191 thousand euro mainly for the charge-back of EDP consultancy and various administrative services.

GTI Software & Networking SARLAU

During the year, GTI Software & Networking SARLAU paid the parent company 16 thousand euro for EDP consultancy charge-backs.

Lidera Network S.L.

During the year, Lidera Network S.L. paid 13 thousand euro to the parent company for the charge-back of personnel costs.

V-Valley Advanced Solutions España, S.A.

In 2024, V-Valley Advanced Solutions España, S.A. sold Esprinet S.p.A. products for 0.8 million euro.

V-Valley Advanced Solutions España, S.A. also paid 0.7 million euro mainly for EDP consultancy, personnel costs and various administrative services.

V-Valley Advanced Solutions Portugal, Unipessoal, Lda

During the year, V-Valley Advanced Solutions Portugal, Unipessoal, Lda paid 108 thousand euro to the parent company, mainly for the charge-back of EDP consultancy and various administrative services.

7.6.3 Relationship with other related parties

Transactions during the year with other related parties as defined by IAS 24 are disclosed in paragraph '*3. Relationship with Related Parties'* set out in the Directors' Report on Operations to which reference is made for further details.

7.7 NON-RECURRING SIGNIFICANT EVENTS AND OPERATIONS

In 2024, the following non-recurring items were identified:

- 11.2 million euro related to write-downs made during the year on the shareholdings of the subsidiary Dacom S.p.A. (9.7 million euro), idMAINT S.r.l. (1.0 million euro) and Sifar Group S.r.l. (0.5 million euro).

In 2023, the following non-recurring operations and events were identified:

- 0.2 million euro relating to the costs of reorganising the Company's management structure,
- 33.3 million euro (24.5 million euro for tax, 1.9 million euro in penalties and 6.9 million euro in interest expense) relating to costs incurred by the Company following the signature during the year of the agreements with the Italian Revenue Agency aimed at settling out-of-court disputes regarding VAT for the tax periods from 2013 to 2017;
- 2.6 million euro relating to a provision on a trade receivable position.

The following table shows the impact of the above events and operations on the income statement (including the related tax effects):

(euro/000)	Non-Recurring Charge Type	2024	2023
Overheads and administrative costs	Employee termination incentives	-	(212)
Overheads and administrative costs	Administrative penalties	-	(1,840)
Impairment loss/reversal of financial assets	VAT not claimable for refund	-	(20,234)
Impairment loss/reversal of financial assets	VAT claimed for refund bad debt accrual	-	(4,297)
Impairment loss/reversal of financial assets	Trade receivables bad debt accrual	-	(2,641)
Total SG&A	**Total SG&A**	**-**	**(29,224)**
Operating result (EBIT)	**Operating result (EBIT)**	**-**	**(29,224)**
Finance costs - net	Interest payable to tax authorities	-	(6,946)
Investments expenses/(incomes)	Impairment of investments	(11,197)	-
Result before income taxes	**Result before income taxes**	**(11,197)**	**(36,170)**
Income tax expenses	Non- recurring events impact	-	685
Net result	**Net result**	**(11,197)**	**(35,485)**

7.8 MAIN DISPUTES PENDING

Developments in pending legal and tax-related disputes can be found in a similar section under the comment to the statement of financial position item *'Non-current provisions and other liabilities'*.

Similarly, the 'Directors' Report on Operations' also contains the Group's policies regarding the management of legal and tax-related disputes under *'Main risks and uncertainties'*.

7.9 DISCLOSURE ON RISKS AND FINANCIAL INSTRUMENTS

7.9.1 Financial instruments pursuant to IFRS 9: risk classes and fair value

The following tables illustrate together the financial instrument items in the statement of financial position and the financial assets and liabilities categories in accordance with accounting standard IFRS 9:

For further details about the contents of individual balance sheet items please see the analyses provided in the specific sections in the chapter *'Notes to statement of financial position items'*.

Assets	31/12/2024				31/12/2023			
(euro/000)	Carrying amount	Financial assets FVTPL [1]	Financial assets amortized cost	Out of scope IFRS 9	Carrying amount	Financial assets FVTPL [1]	Financial assets amortized cost	Out of scope IFRS 9
Guarantee deposits	*1,723*		*1,723*		*1,755*		*1,755*	
Rec.and other non-curr. Assets	1,723	-	1,723	-	1,755	-	1,755	-
Non-current assets	**1,723**	**-**	**1,723**	**-**	**1,755**	**-**	**1,755**	**-**
Trade receivables	252,232	74,443	177,789		330,419	70,700	259,719	
Receivables from subsidiaries	*73,355*		*73,355*		*83,890*		*83,890*	
Receivables from factors	*133*		*133*		*249*		*249*	
Customer financial receivables	*10,154*		*10,154*		*9,656*		*9,656*	
Other tax receivable	*54,635*			*54,635*	*47,598*			*47,598*
Receivables from suppliers	*988*		*988*		*8,756*		*8,756*	
Receivables from insurances	*1,894*		*1,894*		*679*		*679*	
Receivables from employees	*1*		*1*		*-*		*-*	
Receivables from others	*83*		*83*		*73*		*73*	
Pre-payments	*4,307*			*4,307*	*5,321*			*5,321*
Rec.and other curr. Assets	145,550	-	86,608	58,942	156,222	-	103,303	52,919
Cash and cash equivalents	74,671		74,671		113,122		113,122	
Current assets	**472,453**	**74,443**	**339,068**	**58,942**	**599,763**	**70,700**	**476,144**	**52,919**

[1] 'FVTPL': Fair Value Through Profit and Loss includes derivatives at fair value through profit and loss.

Liabilities	**31/12/2024**				**31/12/2023**			
(euro/000)	**Carrying amount**	**Financial liabilities FVTPL [1]**	**Financial liabilities amortized cost**	**Out of scope IFRS 9**	**Carrying amount**	**Financial liabilities FVTPL [1]**	**Financial liabilities amortized cost**	**Out of scope IFRS 9**
Borrowings	18,834		18,834		39,480		39,480	
Lease liabilities	113,983		113,983		78,792		78,792	
Debts for investments in subsidiaries	600		600		600		600	
Provisions of pensions	*1,650*			*1,650*	*1,708*			*1,708*
Other provisions	*51*			*51*	*344*			*344*
Long term tax payable in instalments	*14,475*			*14,475*	*20,809*			*20,809*
Cash incentive liabilities	*146*		*146*		*57*		*57*	
Provis. and other non-curr. Liab	16,322	-	146	16,176	22,918	-	57	22,861
Non-current liabilities	**149,739**	**-**	**133,563**	**16,176**	**141,790**	**-**	**118,929**	**22,861**
Trade payables	653,693		653,693		729,949		729,949	
Short-term financial liabilities	113,708		113,708		69,388		69,388	
Lease liabilities	8,822		8,822		8,124		8,124	
Debts for investments in subsidiaries	-		-		5,764		5,764	
Payables to assoc. and subsidiaries	*26,632*		*26,632*		*1,245*		*1,245*	
Social security liabilities	*3,219*		*3,219*		*3,840*		*3,840*	
Other tax liabilities	*7,643*			*7,643*	*7,906*			*7,906*
Payables to others	*8,638*		*8,638*		*9,424*		*9,424*	
Accrued expenses (insurance)	*326*		*326*		*253*		*253*	
Deferred income	*25*			*25*	*58*			*58*
Provisions and other liabilities	46,483	-	38,815	7,668	22,726	-	14,762	7,964
Current liabilities	**822,706**	**-**	**815,038**	**7,668**	**835,951**	**-**	**827,987**	**7,964**

[1] 'FVTPL': Fair Value Through Profit and Loss includes derivatives at fair value through profit and loss.

As can be seen in the previous table, the statement of financial position classifications provide an almost immediate distinction between classes of financial instruments, as per their different valuation methods and exposure to financial risk:

- financial instruments measured at amortised cost:
    - cash and cash equivalents and financial receivables;
    - receivables from insurance companies;
    - receivables from Group companies;
    - trade receivables (except for component measured at fair value);
    - other receivables;
    - receivables from suppliers;
    - receivables from employees;
    - trade payables;
    - financial payables;
    - lease liabilities;
    - financial payables for investments in subsidiaries;
    - payables to Group companies;
    - sundry payables.
- financial instruments measured at fair value since initial recognition:
    - derivative financial assets;
    - derivative financial liabilities;
    - trade receivables (portion not measured at amortised cost).

For a qualitative description of the different risk classes, please refer to the same section of the *'Notes to the Consolidated Financial Statements'*.

The fair value measurement of financial assets and liabilities reported in the statement of financial position as provided for by IFRS 9 and governed by IFRS 7 and IFRS 13, grouped by category, and the methods and the assumptions applied in determining them, are as follows:

Assets	31/12/2024						31/12/2023					
(euro/000)	Carrying amount	Fair value					Carrying amount	Fair value				
		Trade receiv.	Financial receiv.	Receiv. from insurance	Receiv. from Group	Other Receiv		Trade receiv.	Financial receiv.	Receiv. from insurance	Receiv. from Group	Other Receiv
Guarantee deposits	*1,723*					*1,708*	*1,755*					*1,755*
Rec.and other non-curr. Assets	1,723	-	-	-	-	1,708	1,755	-	-	-	-	1,755
Non - current assets	**1,723**	**-**	**-**	**-**	**-**	**1,708**	**1,755**	**-**	**-**	**-**	**-**	**1,755**
Trade receivables	252,232	252,232					330,419	330,419				
Receivables from subsid	*73,355*				*73,355*		*83,890*				*83,890*	
Receiv. from factors	*133*		*133*				*249*		*249*			
Customer financial receivables	*10,154*		*10,154*				*9,656*		*9,656*			
Receiv. from suppliers	*988*					*988*	*8,756*					*8,756*
Receiv. from insurances	*1,894*			*1,894*			*679*			*679*		
Receiv. from employees	*1*					*1*	*-*					*-*
Receiv. from others	*83*					*83*	*73*					*73*
Rec.and other curr. Assets	86,608	-	10,287	1,894	73,355	1,072	103,303	-	9,905	679	83,890	8,829
Cash and cash equivalents	74,671		74,671				113,122		113,122			
Current assets	**413,511**	**252,232**	**84,958**	**1,894**	**73,355**	**1,072**	**546,844**	**330,419**	**123,027**	**679**	**83,890**	**8,829**

Liabilities	31/12/2024						31/12/2023					
(euro/000)	Carrying amount	Fair value					Carrying amount	Fair value				
		Trade payables	Financial payables	FVTPL derivate	Other payables	Payab. to Group		Trade payables	Financial payables	FVTPL derivate	Other payables	Payab. to Group
Borrowings	18,834		17,236				39,480		35,086			
Debts for investments in subsidiaries	600		603				600		605			
Cash incentive liabilities	146				146		57				57	
Provis. and other non-curr. Liab.	146	-	-	-	146	-	57	-	-	-	57	-
Non-current liabilities	**19,580**	**-**	**17,839**	**-**	**146**	**-**	**40,137**	**-**	**35,691**	**-**	**57**	**-**
Trade payables	653,693	653,693					729,949	729,949				
Short-term financial liabilities	113,708		113,501				69,388		69,220			
Debts for investments in subsidiaries	-		-				5,764		5,671			
Payables to assoc. and subsidiar	26,632					26,632	1,245					1,245
Social security liabilities	3,219				3,219		3,840				3,840	
Payables to others	8,638				8,638		9,424				9,424	
Accrued expenses (insurance)	326				326		253				253	
Provisions and other liabilities	38,815	-	-	-	12,183	26,632	14,762	-	-	-	13,517	1,245
Current liabilities	**806,216**	**653,693**	**113,501**	**-**	**12,183**	**26,632**	**819,863**	**729,949**	**74,891**	**-**	**13,517**	**1,245**

IFRS 13 identifies a hierarchy of assessment techniques based on three levels:

- Level 1: the data used in the assessments is represented by prices quoted on markets where assets and liabilities identical to those being assessed are traded;
- Level 2: the data used in the assessments, other than listed prices referred to in Level 1, are observable for the financial asset or liability, both directly (prices) and indirectly (derived from prices);
- Level 3: non-observable data; where observable data is not available and, therefore, there is little or no market activity for the assets and liabilities being assessed.

Assets and liabilities recorded in the financial statements at fair value, as specified in more detail below, qualify as hierarchical level 2, with the exception of 'Trade receivables' (portion not recorded at amortised cost) and 'Debts for investments in subsidiaries', which instead qualify as hierarchical level 3.

Given their short-term maturity, the gross carrying value of current assets and liabilities (excluding items specially measured) is deemed a reasonable approximation of their fair value.

The fair value of non-current assets and financial payables, including debts for investment in subsidiaries, was estimated by discounting expected future cash flows from principal and interest, according to the terms and the maturity dates of each agreement, and using the interest curve at the balance sheet date, as adjusted for the effects of DVA (Debit Value Adjustment) and the CVA (Credit Value Adjustment).

The interest rates used were obtained from the 'Forward' and the 'Spot' Curves as at 31 December, as published by financial providers, the second plus any spread provided for by the agreement (such spread was not taken into account in applying the market interest curve for discounting cash flows). Since all inputs entered in the valuation model were based on observable market data instruments are classified at hierarchy level 2.

As shown in the preceding tables, no reclassifications among hierarchic levels were made. Please refer to the paragraph 'Derivatives analysis' for more information relating to existing derivative instruments.

Disclosures regarding net gains or losses, interest income and expenses, fee income and expenses arising from financial instruments have been already provided in the table dedicated to finance costs under *'42) Finance costs - net'.*

Adjustments to the value of financial assets, estimated following a precise assessment of the solvency of each debtor, were shown under the item *"Impairment loss/reversal of financial assets"* in the separate income statement. These adjustments totalled 0.6 million euro (-27.3 million euro in 2023).

7.9.2 Additional information about financial assets

During the year, as in the previous year, it was not necessary to make any changes in the method of accounting for financial assets (not recognising the initial recognition at fair value and subsequent recognition at cost of certain balance sheet items, as required by international accounting standards).

As already highlighted in the section *'Trade and other receivables'* the value of receivables is constantly reduced by the established impairment losses. This transaction is effected by specially allocating a bad debt provision that directly reduces the carrying amount of the financial assets written down.

The following table illustrates the change in the bad debt provision relating to trade receivables:

(euro/000)	Starting provision	Additions	Uses	Merger changes	Final provision
2024 Financial year	4,883	606	(1,508)	-	3,981
2023 Financial year	2,208	3,409	(1,165)	431	4,883

Esprinet S.p.A. usually transfers financial assets.

These operations involve giving factoring companies trade receivables, for both discounting-back and without-recourse factoring schemes, as well as presenting promissory notes (known by their Italian acronym as RIBA) to banks as credit operations on realisation under usual reserves.

The year 2024 also saw the continuation of the trade receivables securitisation programme structured by UniCredit Bank AG, launched in July 2015 and renewed uninterruptedly every three years, with the latest renewal in July 2024, under which trade receivables are assigned without recourse on a revolving basis to a 'special purpose vehicle' established under Law No. 130/1999.

In the case of factoring of receivables with recourse and advances of trade bills, the Group continues to recognise all of these assets, the carrying amount of which continues to be posted in the financial statements, under 'trade receivables' with an offsetting entry under the current financial liabilities as 'other financing payables' and 'payables to banks'.

As at 31 December 2024, there are no receivables transferred with recourse against which portfolio advances were obtained subject to collection (4 thousand euro as at 31 December 2023); on the other hand, advances of trade bills amounted to 1.5 million euro (3.2 million euro as at 31 December 2023).

The financial assets' gross carrying amount is the Company's maximum exposure to credit risk.

Below is an analysis of the status of trade receivables due from customers and the seniority of those that have not suffered lasting losses in value:

(euro/000)	31/12/2024	Receivables impaired	Receivables past due not impaired	Receivables not past due not impaired
Gross trade receivables	256,213	79,413	89,525	87,275
Bad debt provision	(3,981)	(3,981)		
Net trade receivables	**252,232**	**75,432**	**89,525**	**87,275**

(euro/000)	31/12/2023	Receivables impaired	Receivables past due not impaired	Receivables not past due not impaire
Gross trade receivables	335,302	77,558	101,639	156,105
Bad debt provision	(4,883)	(4,883)	-	-
Net trade receivables	**330,419**	**72,675**	**101,639**	**156,105**

(euro/000)	Total	Past due over 90 days	Past due 60 - 90 days	Past due 30 - 60 days	Past due under 30 days
Receiv. past due not impaired at 31/12/2024	89,525	11,549	187	4,074	73,715
Receiv. past due not impaired at 31/12/2023	101,639	12,900	4,745	6,724	77,270

Due to its historical experience and to its policy of not accepting orders from insolvent customers unless paid in advance, Esprinet S.p.A. does not believe that premises for allocating provisions for doubtful receivables for amounts not yet overdue exist with the exception of receivables falling within the 'hold to collect' cluster. This cluster concerns receivables assigned to third parties on the basis of binding programmes for which the cashable value has been taken into account by such third parties.

There are no financial assets which would otherwise be past due or impaired whose terms have been re-negotiated, except for some re-entry plans agreed with customers for not-material amounts.

The following instruments are usually used by Esprinet S.p.A. to limit its credit risk (the percentages refer to trade receivables as at 31 December 2024):

- traditional credit insurance (covering 95% of the face value of the insured receivables provided they are within the limit of the credit line given by the insurance company) covering about 65% of the total amount of trade receivables;
- without-recourse factoring with leading factoring companies covering about 12% of the receivables (the amount refers to receivables existing at the closing date of the financial year but subject to revolving credit at the times and with the methods of the schemes);
- real guarantees (bank guarantees and property mortgages) for about 1% of receivables.

No financial or non-financial assets were obtained by the Group during the period by taking possession of collateral it holds as security or calling on other credit enhancements (e.g. guarantees). Nor did the Group hold collateral (of financial or non-financial assets) it was permitted to sell or re-pledge in the absence of default by the owner of the collateral.

Given that, except for the adjustment of the value of receivables arisen following unsuccessful attempt to claim a VAT refund by the Company, with regard to some customers whose behaviour gave rise to the disputed positions by the Revenue Agency for the 2013-2017 tax periods, no other financial assets regulated by IFRS 7 and IFRS 13 have been impaired in the current or previous financial year. The changes in the related bad debt provision are shown below, together with two summary tables providing information on their status and the seniority of receivables overdue:

(euro/000)	Starting provision	Additions	Uses	Merger changes	Final provision
2024 Financial year	4,297	-	-	-	4,297
2023 Financial year	-	4,297	-	-	4,297

(euro/000)	31/12/2024				31/12/2023			
	Carrying amount	Receiv. Impaired	Receiv. past due not impaired	Receiv. not past due not impaired	Carrying amount	Receiv. Impaired	Receiv. past due not impaired	Receiv. not past due not impaired
Guarantee deposits	*1,723*			*1,723*	*1,755*			*1,755*
Rec.and other non-curr. Assets	1,723	-	-	1,723	1,755	-	-	1,755
Non-current assets	**1,723**	**-**	**-**	**1,723**	**1,755**	**-**	**-**	**1,755**
Receivables from subsidiar	*73,355*		*1,759*	*71,596*	*83,890*		*(397)*	*84,287*
Receivables from factors	*133*		*5*	*128*	*249*			*249*
Customer financial receivables	*10,154*			*10,154*	*9,656*			*9,656*
Receivables from suppliers	*988*		*976*	*12*	*8,756*		*3,862*	*4,894*
Receivables from insurances	*1,894*		*1,894*		*679*		*679*	
Receivables from employees	*1*			*1*	*-*			*-*
Receivables from others	*4,380*	*4,297*	*73*	*10*	*4,370*	*4,297*	*73*	
Rec.and other curr. Assets	90,905	4,297	4,707	81,901	107,600	4,297	4,217	99,086
Cash and cash equivalents	74,671		74,671		113,122		113,122	
Gross Current assets	**165,576**	**4,297**	**79,378**	**81,901**	**220,722**	**4,297**	**117,339**	**99,086**
Bad debts provision	(4,297)	(4,297)			(4,297)	(4,297)		
Net Current assets	**161,279**	**-**	**79,378**	**81,901**	**216,425**	**-**	**117,339**	**99,086**

(euro/000)	Total	Past due over 90 days	Past due 60 - 90 days	Past due 30 - 60 days	Past due under 30 days
Receivables from subsidiaries	1,759	10	-	(199)	1,948
Receivables from factors	5	-	-	-	5
Receivables from insurance companies	1,894	1,523	122	92	157
Receivables from suppliers	976	712	13	98	153
Receivables from others	73	73	-	-	-
Receiv. past due not impaired at 31/12/2024	**4,707**	**2,318**	**135**	**(9)**	**2,263**
Receivables from subsidiaries	(397)	84	-	(76)	(405)
Receivables from insurance companies	679	339	72	98	170
Receivables from suppliers	3,862	362	34	2,382	1,084
Receivables from others	73	73	-	-	-
Receiv. past due not impaired at 31/12/2023	**4,217**	**858**	**106**	**2,404**	**849**

7.9.3 Additional information about financial liabilities

Amounts detailed in the following maturity analysis are the contractual undiscounted cash flows, including interests to be paid and excluding the effects of netting agreements:

(euro/000)	Carrying amount 31/12/2024	Future cash flow	in 6 months	6-12 months	1-2 years	2-5 years	after 5 years
Borrowings	18,834	20,267	352	297	12,376	7,242	-
Lease liabilities	113,983	137,300	-	-	13,805	39,417	84,078
Debts for investments in subsidiaries	600	600	-	-	-	600	-
Cash incentive liabilities	*146*	*146*	-	-	*140*	*6*	-
Provis. and other non-curr. Liab.	146	146	-	-	140	6	-
Non-current liabilities	**133,563**	**158,313**	**352**	**297**	**26,321**	**47,265**	**84,078**
Trade payables	653,693	656,405	654,142	449	922	885	7
Short-term financial liabilities	113,708	114,244	95,913	18,331	-	-	-
Lease liabilities	8,822	12,872	5,998	6,874	-	-	-
Payables to assoc. and subsidiaries	26,632	26,632	26,632	-	-	-	-
Social security liabilities	*3,219*	*3,219*	*3,219*	-	-	-	-
Payables to others	*8,638*	*8,638*	*8,638*	-	-	-	-
Accrued expenses (insurance)	*326*	*326*	*326*	-	-	-	-
Provisions and other liabilities	*38,815*	*38,815*	*38,815*	-	-	-	-
Passività correnti	**815,038**	**822,336**	**794,868**	**25,654**	**922**	**885**	**7**

(euro/000)	Carrying amount 31/12/2023	Future cash flow	in 6 months	6-12 months	1-2 years	2-5 years	after 5 years
Borrowings	39,480	42,407	694	624	24,771	16,318	-
Lease liabilities	78,792	91,054	-	-	10,205	28,341	52,508
Debts for investments in subsidiaries	600	600	-	-	-	600	-
Cash incentive liabilities	*57*	*57*	-	-	*57*	-	-
Provis. and other non-curr. Liab.	57	57	-	-	57	-	-
Non-current liabilities	**118,929**	**134,118**	**694**	**624**	**35,033**	**45,259**	**52,508**
Trade payables	729,949	734,152	730,508	559	1,047	2,038	-
Short-term financial liabilities	69,388	69,746	55,655	14,091	-	-	-
Lease liabilities	8,124	10,680	5,379	5,301	-	-	-
Debts for investments in subsidiaries	5,764	5,764	5,764	-	-	-	-
Payables to assoc. and subsidiaries	*1,245*	*1,245*	*1,245*	-	-	-	-
Social security liabilities	*3,840*	*3,840*	*3,840*	-	-	-	-
Payables to others	*9,424*	*9,424*	*9,424*	-	-	-	-
Accrued expenses (insurance)	*253*	*253*	*253*	-	-	-	-
Provisions and other liabilities	14,762	14,762	14,762	-	-	-	-
Current liabilites	**827,987**	**835,104**	**812,068**	**19,951**	**1,047**	**2,038**	-

The above tables can be understood more easily if the following are considered:

- when a counter-party has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which the Group can be required to pay;
- the amounts shown relate to contractual undiscounted cash flows gross of interests to be paid;
- the amount of floating rate loans has been estimated by reference to the conditions existing at the reporting date (i.e. the interest rate curve at the end of the year).

The Company has a medium/long-term loan contract, as well as a short-term Revolving Credit Facility, that contain standard acceleration clauses in case certain financial covenants are not met when checked against data from the consolidated and audited financial statements.

The details relating to said financing instruments and related covenants can be found in the following paragraph *'Net financial indebtedness and loans covenants'*.

As at 31 December 2024, all covenants to which the above-mentioned loan is subject, including the Revolving Credit Facility, according to management estimates (as the same must be verified in the consolidated financial statements certified by the independent auditors), were respected.

With the exception of what has been reported above and of the non-compliance as at 31 December for the years 2023, 2018, 2017 and 2016, again without producing any consequences, with part of the financial ratios provided for in the loan agreements in place on those dates, the Company has never been in a non-compliant or default situation with regard to the clauses concerning the nominal principal, interest, amortisation plan or repayment of loans payable.

Moreover, up to now, the Company has not issued any instruments containing both a liability and an equity component.

7.9.4 Hedging derivatives analysis

Introduction

Esprinet S.p.A. enters into derivative contracts in order to hedge certain loan agreements against fluctuating interest rates by means of a cash flow hedging strategy.

The aim of these transactions hedging against interest rate risk is to fix the funding cost of medium/long-term floating-rate loans by entering into derivative contracts enabling receipt of a floating rate in return for payment of a fixed rate.

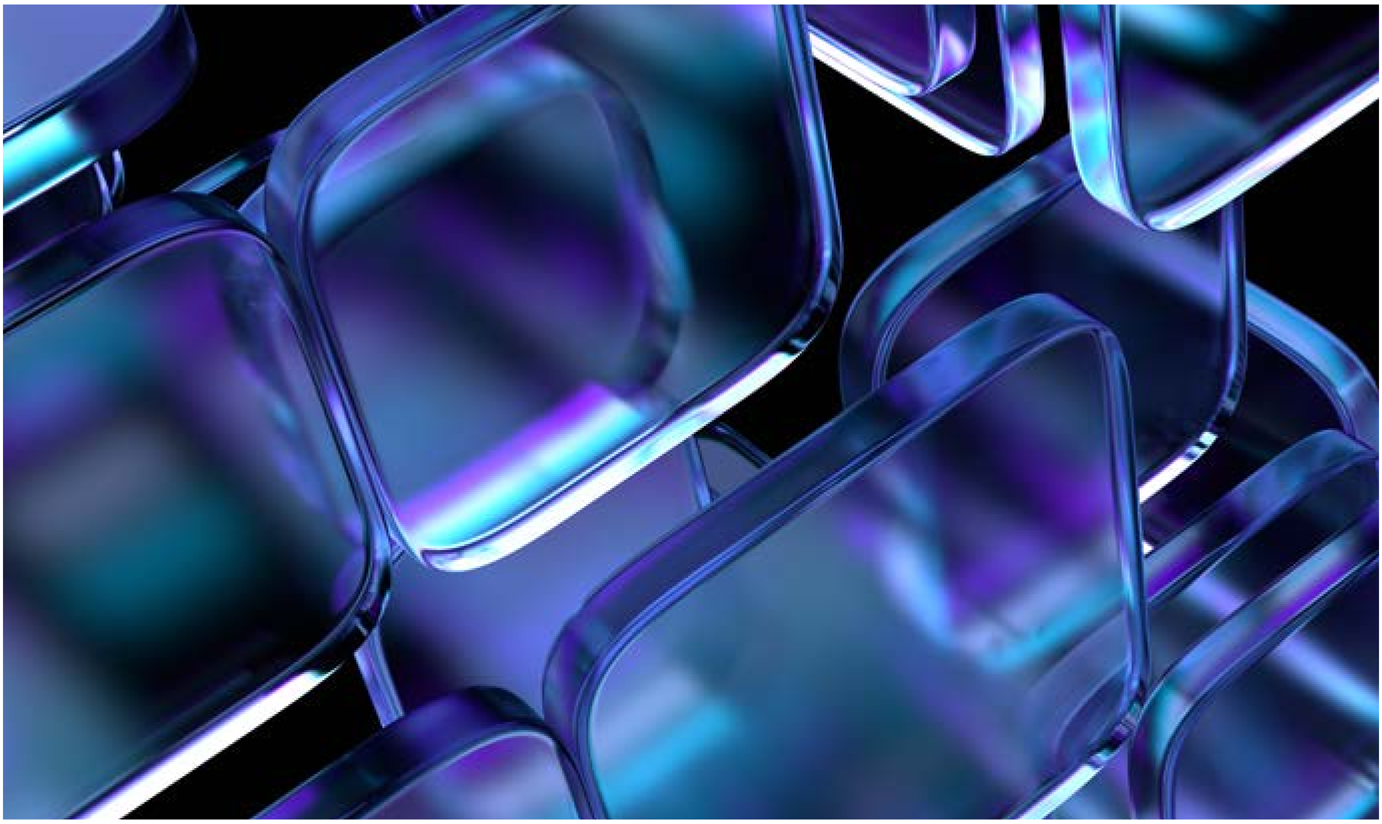
Hedging operations are therefore reported in the financial statements according to the instructions of the IFRS 9 accounting principle regarding 'hedge accounting' and in order to verify the hedge effectiveness, the Company periodically carries out effectiveness tests.

Derivative instruments as at balance sheet date

At the end of the year, the Company did not have any hedging derivatives in place.

Instruments terminated during the year

During the year, the Company did not extinguish any hedging derivatives in place.



7.9.5 Sensitivity analysis

Since Esprinet S.p.A. is exposed to a limited currency risk it has decided not to effect sensitivity analyses regarding this type of risk (for more details see section *'Main risks and uncertainties facing the Group and Esprinet S.p.A.'* in the 'Directors' Report on Operations').

A sensitivity analysis regarding the interest rate risk was performed in order to show how Company profit or loss and equity would have been affected by changes in the interest rate curve that were reasonably possible during the period.

For this purpose, having considered the 2024 market interest rate trend and the estimates on rates in the immediate future, a forward shift of spot/forward interest rate curves +/-100 basis points was simulated. Below are the results of the simulation (net of tax effects); each item includes both the current and non-current portion:

SCENARIO 1: INCREASE OF +100 BASIS POINTS

(euro/000)	31/12/2024		31/12/2023	
	Net equity	Profit/(loss)	Net equity	Profit/(loss)
Financial receivables	123	123	171	171
Cash and cash equivalents	271	271	336	336
Debts for investments in subsidiaries	-	-	17	17
Financial liabilities	-	(1,487)	(1,527)	(1,527)
Total	**394**	**(1,093)**	**(1,003)**	**(1,003)**

SCENARIO 2: DECREASE OF -100 BASIS POINTS

(euro/000)	31/12/2024		31/12/2023	
	Net equity	Profit/(loss)	Net equity	Profit/(loss)
Financial receivables	(123)	(123)	(171)	(171)
Cash and cash equivalents	(271)	(271)	(336)	(336)
Debts for investments in subsidiaries	-	-	(17)	(17)
Financial liabilities	1,487	1,487	1,354	1,354
Total	**1,093**	**1,093**	**830**	**830**

7.10 SUBSEQUENT EVENTS

"Subsequent Events" are highlighted in the appropriate section of the Report on Operations to which reference is made for details.

7.11 COMPENSATION FOR ESPRINET S.P.A. AUDITING SERVICES

The following table drafted pursuant to Article 149-duodecies of the CONSOB Issuers' Regulation, shows the emoluments posted during year on the accrual basis of accounting for auditing services and others performed by the same independent auditors and/or bodies belonging to its network:

Description	Provider of serivice	Entity	Fees (euro/000) 2024	Fees (euro/000) 2023
Auditing services	Pwc S.p.A.	Esprinet S.p.A.	632.6	410.8
Other services	PwC S.p.A.	Esprinet S.p.A.	-	8.7
	PwC network	Esprinet S.p.A.	-	14.0
Total			**632.6**	**433.5**

8. Publication of the Draft Financial Statements

The draft financial statements and their publication were approved by the Esprinet Board of Directors during the meeting of 11 March 2025, which also authorised the Chairman to make any necessary or appropriate changes or additions to the structure of the document, in order to complete or improve it in any of its parts.

Vimercate, 11 March 2025

On behalf of the Board of Directors
The Chair
Maurizio Rota

Certification of the Consolidated Financial Statements pursuant to article 81-ter of Consob Regulation no. 11971 of 14 May 1999, as amended

1. The undersigned Alessandro Cattani, Chief Executive Officer of Esprinet S.p.A and Stefano Mattioli, executive charged with drawing up the Esprinet S.p.A. accounting documents, hereby certify, also taking into account the provisions of Article 154-bis, paragraphs 3 and 4 of Italian Legislative Decree no. 58 of 24 February 1998:
   - the adequacy in relation to the characteristics of the company and
   - the effective application,

   of administrative and accounting procedures for the preparation of the consolidated financial statements in the year 2024.

2. The assessment of the adequacy of the administrative and accounting procedures used for the preparation of the consolidated financial statements as at 31 December 2024 was carried out in accordance with the Internal Control - Integrated Framework model issued by the Committee of Sponsoring Organisations of the Treadway Commission, a generally internationally-accepted reference framework.
   In this regard no significant issues arose.

3. It is also certified that:

   3.1 the consolidated financial statements as at 31 December 2024:

   a) have been prepared in compliance with the international accounting standards endorsed by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and the Council of 19 July 2002;

   b) correspond to the accounting books and records;

   c) c) provide a fair and correct representation of the financial position, results of operations and cash flows of the issuer and the companies included in the scope of consolidation.

   3.2 The report on operations includes reliable analysis on the performance, result of operations and the business of the issuer and of all entities included in the consolidated financial statements as well as description of principal risks and uncertainties to which they are exposed.

Vimercate, 11 March 2025

Chief Executive Officer
of Esprinet S.p.A.

(Alessandro Cattani)

Manager responsible for preparing
the company accounting documents
of Esprinet S.p.A.

(Stefano Mattioli)

Certification of the Annual Financial Statements pursuant to article 81-ter of Consob Regulation no. 11971 of 14 May 1999, as amended

1. The undersigned Alessandro Cattani, Chief Executive Officer of Esprinet S.p.A and Stefano Mattioli, executive charged with drawing up the Esprinet S.p.A. accounting documents, hereby certify, also taking into account the provisions of Article 154-bis, paragraphs 3 and 4 of Italian Legislative Decree no. 58 of 24 February 1998:

- the adequacy in relation to the characteristics of the company and
- the effective application

of administrative and accounting procedures for the preparation of financial statements in the year 2024.

2. The assessment of the adequacy of the administrative and accounting procedures used for the preparation of the annual financial statements as at 31 December 2024 was carried out in accordance with the Internal Control - Integrated Framework model issued by the Committee of Sponsoring Organisations of the Treadway Commission, a generally internationally-accepted reference framework.
In this regard no significant issues arose.

3. It is also certified that:

3.1 the annual financial statements at 31 December 2024:

a) have been prepared in compliance with the international accounting standards endorsed by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and the Council of 19 July 2002;

b) b) correspond to the accounting books and records;

c) c) provide a true and fair view of the issuer's financial position, results and cash flows.

3.2 The report on operations includes a reliable analysis of the results of operations, as well as the situation of the issuer, together with a description of the principal risks and uncertainties to which they are exposed.

Vimercate, 11 March 2025

Chief Executive Officer
of Esprinet S.p.A.

(Alessandro Cattani)

Manager responsible for preparing
the company accounting documents
of Esprinet S.p.A.

(Stefano Mattioli)

Certification of the Consolidated Sustainability Report pursuant to article 81-ter of Consob Regulation no. 11971 of 14 May 1999, as amended (*)

1. The undersigned Alessandro Cattani, Chief Executive Officer of Esprinet S.p.A and Stefano Mattioli, executive charged with drawing up the Esprinet S.p.A. accounting documents, hereby certify, also taking into account the provisions of Article 154-bis, paragraphs 5-ter of Italian Legislative Decree no. 58 of 24 February 1998 that the sustainability report included in the report on operations has been drawn up:
    - in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and Legislative Decree No. 125 of 6 September 2024;
    - with the specifications adopted in accordance with Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Vimercate, 11 March 2025

Chief Executive Officer
of Esprinet S.p.A.

(Alessandro Cattani)

Manager responsible for preparing
the company accounting documents
of Esprinet S.p.A.

(Stefano Mattioli)

(*) Certification issued in accordance with the model established in the Consob consultation document of December 13, 2024, adopted by Consob Resolution No. 23463 of March 12, 2025, "Amendments to the Issuers' Regulation on corporate sustainability reporting.

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