

Company Registration No. 07731860966  
Economic and Administrative Register No. 1978319



**axélero S.p.A.**

**Half-Year Report at June 30, 2015**

Registered office in Milan VIA CARTESIO, 2 - Share Capital Euro 68,000.00 fully paid-in

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## 1 Introduction

Axélero S.p.A. was admitted to the “AIM Italia/Alternative Capital Market” multi-lateral trading system, organised and managed by Borsa Italiana S.p.A., on December 11, 2014.

The AIM Regulation does not permit the exception for AIM Issuers at Article 27 of Legislative Decree 127/1991<sup>1</sup>; therefore the present 2015 Half-Year Consolidated Financial Statements were prepared in accordance with Legislative Decree 127/1991, as per OIC 30 “Interim Financial Statements” and on the basis of the financial statements of the four wholly-owned subsidiaries of axélero S.p.A.. The figures at June 30, 2014 relate to the management accounts prepared for comparative purposes.

The financial statements have been re-classified and, where necessary, adjusted in line with Group accounting principles.

The Half-Year Consolidated Report at June 30, 2015 has been prepared according to the Civil Code and, where necessary, according to Italian GAAP drawn up by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili and the Organismo italiano di Contabilità (Italian Accounting Profession).

The present Explanatory Notes illustrate, analyse and, in certain cases, interpret the consolidated financial statement figures and contain the disclosure required by Article 38 of Legislative Decree 127/1991. Additional information is also provided where deemed necessary to present a true and fair view, even if such disclosures are not required by specific legislation. All amounts are expressed in Euro, except where otherwise indicated.

## 2 Corporate Boards

### BOARD OF DIRECTORS

Chairman & Chief Executive Officer	Leonardo Cucchiarini
Executive Director	Stefano Maria Cereseto
Director	Giulio Valiante
Director	Michele Casucci (independent)
Director	Matteo Pettinari

### BOARD OF STATUTORY AUDITORS

Chairman	Adriano Malabaila
Standing Auditors	Davide Testa
	Angelo Fiorentino

### INDEPENDENT AUDIT FIRM

NOMAD	Bdo Italia S.p.A. (previously Mazars Italia S.p.a.)
	Banca Popolare di Vicenza S.C.p.A.

### 3 Directors' Report

Dear Shareholders,

The Group Consolidated Financial Statements at June 30, 2015 report a net profit of Euro 987,980, following amortisation and depreciation of Euro 389,958, doubtful debt provisions of Euro 598,150, post-employment benefit provision allocations of Euro 45,343, current taxes of Euro 592,074, in addition to net deferred tax income of Euro 159,079. The Group reports a consolidated net cash position of Euro 15,641,365.

Following the successful stock market listing, in the first half of 2015 axélero extended its range and refined the product portfolio, improving the overall commercial offer in order to boost market share.

The market research carried out with a view to creating a portfolio more in touch with the developing needs of the target market confirmed a very promising environment for local digital marketing and communication services dedicated to Small and Medium-size enterprises and micro-businesses (professionals, consultants, tradespeople, small businesspersons – a segment also known as SoHos – Small Office-Home Office). axélero's marketplace in fact, whose value is currently estimated at over Euro 1.7 billion, in the coming 3-5 years will see a major window-of-opportunity; the ubiquity of the internet among Italian consumers, driven by the penetration of online mobile devices (tablets and smartphones), will accelerate the digitalisation of Italian businesses both in terms of website adoption and digital advertising instrument growth - today under 50% of the market - and in terms of increased digital solutions investment, required to upgrade and adjust current websites to the new means of engagement through mobile devices.

Another interesting opportunity stems, on the offer side, from the dynamics of the marketplace - with the presence on the one hand of an incumbent (recently involved in a merger with another sector player) with a market share of under 25% and gradually contracting and, on the other over 4,000 very small local web agencies, without economies of scale or operating reach.

In view of these factors, axélero has invested in resources, technology and the development of new solutions, which will in the coming 3-5 years enable us to become a market-maker through the gaining of further significant market share.

In the first half of 2015, the company therefore concentrated investment and managerial focus on three areas of development:

- the hiring of talented individuals to ensure the skills and connections needed to create and tap into the new opportunities presented by technological, product and business model innovation;
- the accelerated development of the commercial network in size and qualitative terms and with regards to the commercial performance support instruments. The number of sales network staff is rising quickly: from 34 in December 2014 to 77 at the end of June 2015 and 135 in the final week of September 2015.
- extensive product range innovation, in terms of reach and sophistication, with the introduction of for example: all-inclusive packages, websites based on Immersive Photographic Tours and Google

AdWords advertising campaigns continually optimised through MatchCraft technologies. The development of new products has the three-fold objective of covering a broader market, gradually increasing the average customer revenue (ARPA: average revenue per advertiser) through up and cross-selling and raising the return on advertising investment for the customer and guaranteeing therefore their loyalty.

These initiatives have enabled us - as already partly apparent in the final weeks of the period - to cover a wider market, increasing average customer revenue and improving the return on customer advertising investment.

### Key Financial Highlights

The table below reports the results for the period. In the first half of 2015, revenues consistently grew and represent the most important key performance indicator.

Amounts in Euro/000	30/06/2015	30/06/2014	31/12/2014
<b>Turnover</b>	<b>6,530</b>	<b>3,972</b>	<b>9,863</b>
% growth	64%		
<b>EBITDA</b>	<b>2,445</b>	<b>1,815</b>	<b>5,016</b>
% EBITDA margin	37%	46%	50.9%
<b>EBIT</b>	<b>1,457</b>	<b>1,039</b>	<b>3,269</b>
% EBIT margin	22%	26%	33%
<b>Net income</b>	<b>988</b>	<b>468</b>	<b>1,909</b>
% NET margin	15%	12%	19%
<b>NFP (net financial position)</b>	<b>(15,641)</b>		<b>(17,728)</b>
X on EBITDA	n.f.		n.f.

*EBITDA is not identified as an accounting measure, either within Italian GAAP or by IFRS. EBITDA is an indicator used to monitor the Group's operating performance, net of tax effects, the amortisation, depreciation and write-down of assets and the amount and characteristics of capital employed.*

*EBITDA is defined as the net result, before provisions and impairments, amortisation and depreciation, extraordinary charges, financial income and charges and income taxes.*

*This method of establishing EBITDA may not be uniform with those used by other companies and therefore may not be comparable with such companies.*

*The Net Financial Position, in this case negative, indicates a position of liquidity and therefore not of financial debt.*

### 3.1 Group profile

The Group, founded at the end of 2008 and operating since 2009, is an internet company involved in the media and digital communications sector, in particular in the (i) local digital advertising and (ii) local web marketing services segments. The Group principally targets small and medium-size enterprises (SME's) and Small Office and Home Office businesses (SoHos), offering digital services focused on increasing web visibility through digital marketing and communication services. The Group comprises the parent company axélero S.p.A. and four wholly-owned subsidiaries, each the owner of a themed portal (professionisti.it, abcsalute.it, shoppingdonna.it, originalitaly.it) through which specific target web users can find informational content dedicated to the themes, products and services of interest to them and detailed analysis by sector experts. Users may also make contact with customers/advertisers on the portal, in addition to acquire products and services from customers, through the e-commerce platform made available by the Group companies.

#### Group holdings and description of subsidiary company operations:



#### *axélero S.p.A. (TiTrovo.it and axélero Digital Services)*

Following the partial spin-off in 2014, from 71 S.r.l. in favour of axélero S.p.A., this latter acquired the TiTrovo.it brand and project, a “turn-key” digital marketing service targeting Italian SME's according to an innovative business model and considered by the company as highly original and competitive within the

Italian marketplace.

The TiTrovo.it business model significantly differentiates itself from the other Group themed portal business model on the basis of three key aspects:

1. TiTrovo.it focuses on only one market: B2B of the SME's and SoHos, differing therefore from the editorial model of the four themed portals which cover two markets contemporaneously (B2C/web users and B2B/advertisers);
2. the TiTrovo.it service promotes itself to all Italian SME's and SoHos, irrespective of segment;
3. subscription contracts are not employed, differing therefore from the themed portals, with axélero building the customer websites and other web presence (for example social network pages, blogs).

In addition to the range of TiTrovo.it services, in the first half of 2015 the company began the development of a new range of products called axélero Digital Services, extending the range of solutions available to the commercial network, both in terms of the greater coverage of Italian SME communication needs and the extension of the offer in terms of upselling and cross-selling.

#### *Originalitaly S.r.l. ([www.originalitaly.it](http://www.originalitaly.it))*

Originalitaly S.r.l. is the owner of the portal of the same name, dedicated to the food, beverage & hospitality segment, offering editorial content, themed guides and a gastronomy and accommodation sector commercial search service (restaurants, pizzerias, B&B's, hotels etc.), with the further option to purchase products and services online directly from customer advertisers.

#### *Shopping donna S.r.l. ([www.shoppingdonna.it](http://www.shoppingdonna.it))*

Shopping donna S.r.l. is the owner of the portal of the same name, dedicated to the retail segment and specifically the promotion of businesses, products and services focused on women, principally in the fashion, accessories, beauty and personal care sectors. Editorial content from national and international fashion bloggers is published on the portal windows, where advertising customers can market their products and services, promote offers and sell online through the electronic platform.

#### *Abcsalute S.r.l. ([www.abcsalute.it](http://www.abcsalute.it))*

Abcsalute S.r.l. is the owner of the web portal dedicated to the health segment. The content on the portal comprises information on medical specialists, professional articles, general interest information and exchanges of information (forums) between users and doctors, facilitating contact between doctors/operators within the healthcare sector and the general public.

#### *Professionisti S.r.l. ([www.professionisti.it](http://www.professionisti.it))*



Professionisti S.r.l is the owner of the web portal dedicated to the professional services segment, in particular those categories represented by professional associations such as lawyers, notaries, architects, accountants, engineers.

The portal provides for the professional a visible space in which they can outline their experience and areas of specialisation. The portal also contains editorial content created by sector experts.

## 3.2 Market Overview

The Group operates in the digital communication and media market, in particular in the following segments:

- (i) local digital advertising;
- (ii) local web marketing services for Small and Medium-size enterprises (SME's) and small office and home office businesses (SoHos).

Axélero's market comprises approx. 3.5 million small and medium-size enterprises and their investment in these two segments. The company considers, also on the basis of its acquired commercial experience, the market to be extensive and with significant growth opportunities on the basis of three fundamental considerations:

- Internet use by Italians is continually growing, driven particularly by the spiralling use of online mobile devices (smartphones and tablets), with the media now an essential reference point for the purchase of goods and services - overtaking the traditional media; however, the internet attracts a relatively low percentage of business advertising investment: the company considers that over the coming years a shift will take place with Italian companies progressively allocating communication budgets away from traditional media to the internet - as has been seen in other economically advanced countries (source: Nielsen 2015, IAB/Adex 2014);
- the digitalisation of the SME's - the use of the web therefore to promote their activities, extend the customer base and develop customer loyalty - presents significant room for growth: the company estimates that over 1.7 million Italian SME's, therefore over 50% (source: ISTAT, Doxa Digital/Google), have not yet established an online presence. However axélero's experience in the field, acquired through telephone interviews and the daily contact of the commercial network with potential clients, highlights a non-optimal - indeed rather basic - quality level of company websites and other forms of web communication. The company estimates that the current digitalisation gap of Italian SME's will gradually be breached over the coming 3-5 years. In this regard, the most significant events in the first half of 2015 include the substantial change at a technological level introduced at the end of April 2015 by Google, which altered its ranking algorithm of websites, awarding those optimising their user experience on mobile devices (smartphones and tablets), in view of the ever expanding use of mobile internet. This development, presented by the international media as *Mobilegeddon*, penalises non-optimised websites which may indeed disappear from Google search results. Axélero considers that this change by Google presents a further reason for Italian SME websites to innovate, driven by increasing market demand;

- the Italian marketplace is still highly fragmented and as such presents a major window of opportunity for ambitious operators such as axélero: on the one hand the presence of an incumbent (recently involved in a merger with another sector player) with a market share significantly contracting over the last five years and over 4,000 very small and very local web agencies, without economies of scale or operating reach.

The value of axélero's market is in addition indirectly influenced by the penetration of digital media within the Italian public, which continues to grow. In this regard, 41.1 million Italians (85.5% of the population between 11 and 74 years) have internet access (Source: AudiWeb Trends June 2015). Compared to the previous year, the number of Italians connected to the internet increased almost 2 percentage points.

The internet access daily figures indicate even more significantly the importance of the internet to the everyday lives of Italians and the change in the method of use: each day 21.7 million Italians connect to the internet (Source: AudiWeb Trends June 2015) and spend on average more than two hours a day online. Meanwhile, mobile access now comfortably exceeds personal computer access: approx. 70% of time spent online is on mobile devices.

The Group however expects even further growth in internet access by Italians in the coming years as:

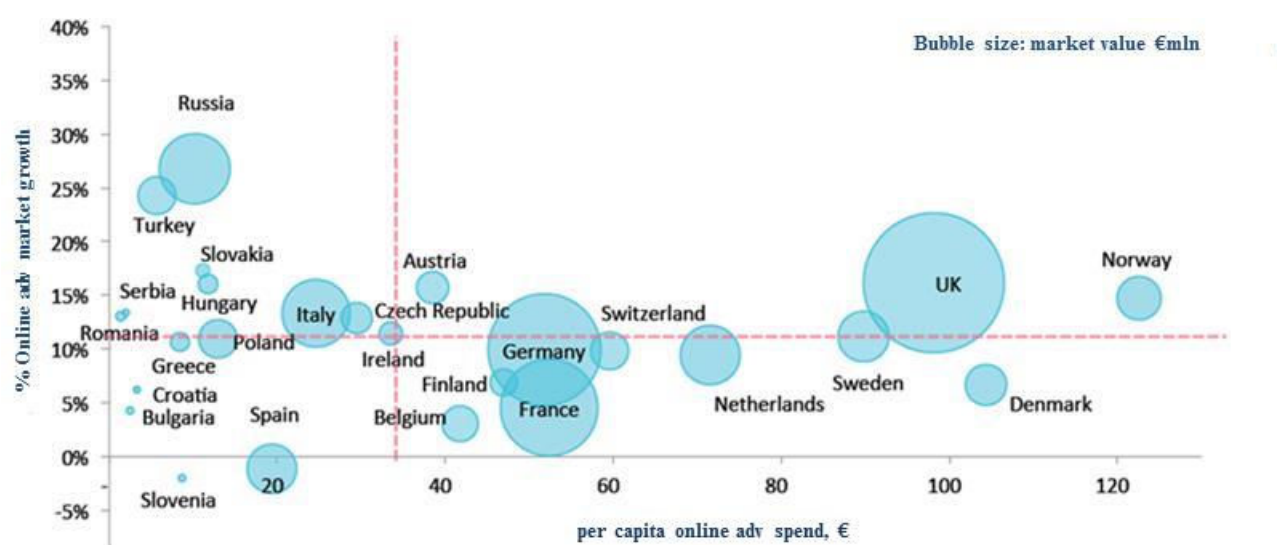
- (i) The Internet continues to eat in to the share of other media and is now securely in second place, after television, in terms of use. For the younger population, internet is the predominant media utilised.
- (ii) The rise of mobile device use continues unabated (smartphones and tablets). As Italy is a country of extensive mobile phone use with over 100 million telephone users, further growth is expected in internet use, driven by the replacement of "dumb" terminals with "smart" terminals.

In conclusion, with regards to axélero's market, therefore the digital communication market of Italian SME's, and based on available figures, the company confirms the previous estimate of market worth at Euro 1.7 billion in 2014 and expects growth also in 2015: with regard to the website market component (construction and maintenance of web presence) of SME's, the available sources indicate a percentage ranging from approx. 66% (source: DoxaDigital/Google 2013) to approx. 32.7% (source: ISTAT 2013) of SME's not yet with a web presence. Averaging the two figures, a website or web presence in any form of under 50% may be considered for Italian SME's. This estimate is confirmed also by the direct experience of axélero in Italy, with little presence of commercial activity on the web encountered or limited or ineffective use of internet advertising and communication instruments available. We also highlight that the websites of SME's are often not optimised for mobile devices (e.g. tablets and smartphones) and therefore the company expects interesting growth margins for the market in the coming years.

With regard to investment in forms of digital advertising other than websites in the strict sense (for example: search engine advertising, display advertising, online directories/classifieds), the company expects growth

ahead of investment in the more traditional local media such as the press, radio and billposting. As public information sources on investment in digital advertising by SME's do not exist, we assess domestic spending as a benchmark; in the 2013-2014 period, the domestic market contacted 2.5%, against the internet which saw growth, although more contained than previous years, of 2.1% (source: Nielsen March 2015). The above-mentioned 2014 internet investment figure is significantly distorted by the absence of revenues from the major market players (e.g.: Google, Facebook), who do not publicly declare their advertising figures.

Finally, we underline that the Italian digital advertising market presents even further room for growth, as apparent in the following graph which reports spend per capita on digital advertising in Europe (Source: IAB/Adex, Paris 2014).



### 3.3 Competitive Position

The digital advertising and local digital marketing services market is, as stated, highly fragmented and features thousands of small and medium size web agencies, in addition to a major operator within the directory segment. This operator is currently involved in major corporate operations (including the merger with another player which is principally engaged in the display advertising segment for national players), including also the restructuring of the commercial networks and the organisational structure.

The Group expects therefore to increase market share over the coming years on the basis of a highly fragmented market.

### 3.4 Investments

In the first half of 2015 the company principally invested in human resources and the development of the product range, in addition to the extension of the commercial network.

During the period the company significantly invested in strengthening and extending the TiTrovo offer, increasing the value of the contracts and the perceived value by clients.

Among the main development actions of the TiTrovo range, axélero:

- further developed the proprietary Content Management System (CMS or editorial system), implementing new functionalities enabling the creation and management of websites, particularly in relation to the mobile use of websites;
- strengthened the service for the creation and management of editorial content for the client, in order to simplify website management (do-it-for-me)
- extended the range with further product innovations (upselling and cross-selling), including:
  - o the creation and publication of a photographic virtual tour viewed on Google maps, based on Google Maps Business View technology and delivered through an agreement with Google, under which axélero became a Google Business View Certified Agency;
  - o the creation and publication of a photographic immersive tour with significant interactivity, unique in Italy, which may be published on the website enabling the production, through a specific technological platform of Immersive Virtual Tours in an easy manner, based on 360 degree images created with Google Street View technology within businesses, laboratories and factories. The production of the immersive tours required significant software development of the proprietary axélero Content Management System;
- Integrated into the product range, third party digital advertising solutions, thanks to agreements with some of the major Italian and international players in the advertising and local digital marketing services sector, including for example Google advertising for search engine advertising (Google AdWords).

The development and extension of the TiTrovo offer enables the extension of the packages and consequently has raised product pricing.

The range of TiTrovo.it products is principally sold through a designated agent network which receives appointments fixed by the call center coordinated by a team of internal axélero employees.

#### *Axélero Digital Services*

Also in the first half of 2015, the company, following market analysis on the one hand and product development on the other, launched a new range of products called axélero Digital Services, extending the

range of solutions available to the commercial network, both in terms of the greater coverage of Italian SME communication needs and the extension of the offer in terms of upselling and cross-selling.

- WebX: 4 packages including a completely turn-key responsive website (including design of the website and content creation), the generation of qualified local contacts (users declaring interest in receiving commercial offers from axélero clients), an organic SEO service and e-commerce functionality;
- Geo-located advertising campaigns on Google (AdWords), optimised through the use of the MatchCraft technological platform, allowing very high returns against average advertising spend by an SME;
- Geo-located advertising campaigns on Facebook, the major global social network, completed by a service managing the company presence on Facebook;
- Geo-located advertising campaigns on some of the major websites and applications available on smartphones and tablets;
- Performance: Search Engine Optimisation services (SEO), optimising client websites on search engines;
- An extensive range of additional services, including the creation of informational videos and advertising in various formats and their distribution on the web;

The WebX range also, in addition to the TiTrovo range, offers the creation of Virtual Tours on Google (Google Maps Business View) and the creation of Immersive Tours.

For the distribution of the axélero Digital Services range, the company is creating the most promising network in Italy for the sale of digital services, comprising highly skilled agents and with presence throughout the country.

The axélero Digital Services range is in turn sold through a dedicated commercial channel, exclusively comprising a network of local agents present throughout the country and currently under construction. The development of the Digital Services network is currently in progress, thanks also to partnerships with leading head hunting firms which, on the basis of the strength of the axélero product range, presented a group of candidates with proven experience in the local digital sector, steadfastly driven to contribute to axélero's development.

The launching of the new commercial offer and the new commercial channels was made possible thanks to:

- a) Significant investment in human resources beginning with top management, which the company considers fundamental for the construction of a highly performing team from the get-go, accelerating the development of competitive capacity on the market and achieving significant results over the medium/long-term. Managerial development was pursued by the company immediately on stock marking listing and continues: during the first half of the year, principally the Marketing and Commercial departments were bolstered, with the hiring of the Marketing Manager and a team of 3

Senior Product Managers, the Portals Manager, the Commercial Manager and various senior figures with responsibility to extend and organise the local commercial network and its support structures, a Telemarketing and Telesales Director and finally a senior finance figure. The company has also invested in new headquarters in Milan, designed in line with the most stringent environmental efficiency standards (first building in Milan to receive "Platinum" status under the prestigious international certification LEED (Leadership in Energy and Environmental Design), with a floor area of nearly 1,000 sq./m. and located in Via Melchiorre Gioia, 8 in the heart of one of the major business districts of the City, in order to accommodate the current and future growth of the workforce. The market is currently developing apace; axélero has therefore guaranteed for its team individuals who represent the highest echelons of their sector in Italy. These professional figures have chosen to come to the axélero project after considering its visibility and have chosen to bring to the table their experience in order to actively engage in creating the project - not only with enthusiasm but also with a great sense of responsibility.

- b) Technological investment for the customisation and integration of the external systems/platforms (see also for example MatchCraft) for the development of a new internal administrative operating system capable of managing more complex products and packages, for the creation of commercial tools and the management of orders and, as stated previously, for the development of the proprietary Content Management System. In the first half of 2015 the company also began the personalisation of a new Customer Relationship Management department for systemic integration in order to simplify the provision of services and client management, in view of the expected strong growth of the customer base.

Technological investment, the development of new products and the hiring of high profile professional figures will open up new opportunities on markets in which the company is not yet present.

### **3.5 Axélero Stock Market performance**

The axélero S.p.A. share has been listed on the AIM market since December 11, 2014.

ISIN Market Code: IT0005069809

Symbol: AXEL

Specialist: Banca Akros

The shareholder structure is as follows:



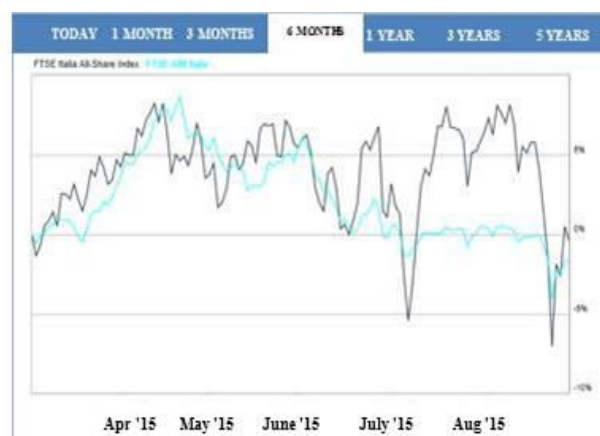
Source: Borsa Italiana

Shareholders	No. Shares	Holding
Supernovae1 S.r.l	8,419,356	61.91%
AIM Italia Market	4,582,750	33.70%
Leonardo Cucchiarini	298,947	2.20%
Stefano Maria Cereseto	298,947	2.20%
<b>Total</b>	<b>13,600,000</b>	

Source: Borsa Italiana

Supernovae1 S.r.l. is held equally by the founding shareholders: Leonardo Cucchiarini and Stefano Maria Cereseto who, as recalled, signed a lock up option for the first 12 months of trading on the AIM Italia market.

The following graphs outline the share performance in the first part of the year. In particular, the first graph compares axélero's performance with that of the AIM Italia index, while the second graph highlights that the Italian Stock Market overall (All-Share Index, the full market) performed slightly better than the AIM Italia.



Source: Borsa Italiana

### 3.6 Comments on the changes to the reclassified income statement:

Values Euro/000 (management account):

INCOME STATEMENT	H1 2015	H1 2014
<b>Value of production</b>	<b>6,530</b>	<b>3,972</b>
Raw, ancillary & consumables	(18)	(4)
Service costs	(2,989)	(1,895)
Personnel costs	(1,043)	(212)
Other operating charges	(36)	(46)
<b>EBITDA</b>	<b>2,445</b>	<b>1,815</b>
Amortisation & Depreciation	(390)	(121)
Write-downs	(598)	(655)
<b>EBIT</b>	<b>1,457</b>	<b>1,039</b>
Financial income and charges	(37)	(5)
Extraordinary income and charges	1	(0)
<b>Profit before taxes</b>	<b>1,421</b>	<b>1,034</b>
Income taxes	(433)	(566)
<b>Group Net Profit</b>	<b>988</b>	<b>468</b>

The Group value of production totalled Euro 6,530 thousand in the first half of 2015, up Euro 2,558 thousand on H1 2014, with the EBITDA increasing Euro 630 thousand and the profit before taxes improving Euro 387 thousand on the first half of 2014.

The increase in the Value of Production is principally due to the improved sales of the TiTrovo product and, for Euro 240 thousand, the capitalisation, transferring from account A4 of the income statement, of personnel costs for the development of the product range and the start-up of the sales network, within the wider investment project which has been at the centre of company operations in the first half of 2015.

The EBITDA increased Euro 630 thousand, despite the significant increase in service costs (principally commercial and service provision costs) and personnel costs due to: (i) the improvements to the managerial structure, (ii) at June 30, 2014 the personnel were employed by the related company 71 S.r.l., therefore these costs were recharged as services and following the partial spin-off in the second half of 2014 the employees were hired directly by axelero, with an increase in personnel costs in H1 2015.



Write-downs in the first half of 2015 amounted to Euro 598 thousand and concern the prudent allocation to the doubtful debt provision.

Amortisation and depreciation increased, principally due the amortisation of the December 2014 IPO costs. Reference should be made to the balance sheet accounts for greater detail on fixed asset movements.

The change in "Financial charges" concerns the issue costs of the guarantee by the company Eurofidi Scpa issued against credit lines granted by the credit institutions. The credit line at June 30, 2015 was utilised for Euro 41 thousand. The contract with Eurofidi Scpa was signed on October 7, 2014, with duration of 18 months.

Income taxes include: (i) the positive impact of the ACE (Economic Growth Support) Decree, which enabled a tax break on the assessable IRES base of the parent company axélero of Euro 381 thousand, due to the share capital increase on the IPO of December 2014; (ii) the recognition of deferred tax assets arising from timing differences between the carrying amount of assets and liabilities determined in accordance with the financial reporting criteria set out by the civil code and the respective tax values of the Group companies.

### 3.7 Comments on the changes to the reclassified balance sheet:

Values Euro/000 (management account):

BALANCE SHEET	30/06/2015	31/12/2014
<b>Fixed capital</b>	<b>3,559</b>	<b>3,111</b>
Intangible assets	3,402	3,098
Property, plant & equipment	57	13
Financial assets	99	0
Receivables from shareholders	0	0
<b>Working capital</b>	<b>6,343</b>	<b>3,090</b>
Inventories	0	0
Trade receivables	8,771	5,667
Other assets	1,815	1,303
Trade payables	(1,837)	(1,326)
Other liabilities	(2,406)	(2,553)
<b>Post employ. &amp; risk provisions</b>	<b>(823)</b>	<b>(198)</b>
<b>Net Capital Employed</b>	<b>9,078</b>	<b>6,003</b>
<b>Shareholders' Equity</b>	<b>24,720</b>	<b>23,732</b>
<b>Net Financial Position **</b>	<b>(15,641)</b>	<b>(17,728)</b>
<b>Net Capital Employed</b>	<b>9,078</b>	<b>6,003</b>

**\*\*The Net Financial Position, when negative, indicates a position of liquidity and therefore not of financial debt.**

The increase in intangible assets (net of the relative accumulated amortisation) is due to two factors: (i) the capitalisation to the account "Research, development and advertising costs" of consultancy charges necessary for the extension of the sales network and advertising costs incurred for the launch of the TiTrove product; (ii) the recognition to the account "assets in progress and payments on account" of the internal personnel costs dedicated to the development of new products. As concerning an asset which at June 30, 2015 was not exhausted and not yet utilised in terms of revenue generation, in the first half of 2015, amortisation had not commenced.

The increase in property, plant and equipment is due to the acquisition of equipment (PC's, mobile phones, servers) for technological updating.

The increase in financial assets of Euro 99 thousand concerns the share capital increase of the subsidiary Shoppingdonna Srl in favour of the related company Supernovae2 Srl, approved on May 12, 2015. Following the share capital increase, Shoppingdonna Srl holds 4.99% of Supernovae2 Srl.

The increase in Trade receivables is principally due to invoices to be issued according to the accruals principle. The revenue from the TiTrove.it contracts are recognised on activation of the client service, settled in 24, 36 or 48 months.

#### Net Financial Position:

(in Euro)	At June 30, 2015	At December 31, 2014
A. Cash	(39,967)	(35,982)
B. Other liquid assets	(15,616,310)	(18,493,881)
C. Securities held-for-trading	0	0
<b>D. Liquidity A.+B.+C.</b>	<b>(15,656,277)</b>	<b>(18,529,863)</b>
<b>E. Current financial receivables</b>	<b>(39,245)</b>	<b>(39,245)</b>
F. Short-term bank payables	54,157	840,723
G. Current portion of long-term loans	0	0
H. Other financial payables	0	0
<b>I. Current debt F.+G.+H.</b>	<b>54,157</b>	<b>840,723</b>
<b>J. Net current debt D.+E.+I.</b>	<b>(15,641,365)</b>	<b>(17,728,384)</b>
K. Non-current bank payables	0	0
L. Bonds issued	0	0
M. Other non-current payables	0	0
<b>N. Non-current debt K.+L.+M.</b>	<b>0</b>	<b>0</b>
<b>O. Net Financial Position J.+N.</b>	<b>(15,641,365)</b>	<b>(17,728,384)</b>

The change in the net financial position is due to the following factors: (i) the payment in the initial months of 2015 of the consultants involved in the listing of December 11, 2014, (ii) liquidity used for investment in the first half of 2015, (iii) the issue of commission advances to agents on contracts signed, (iv) the settlement of

the short-term bank debt in the first half of 2015.

### Key Group performance indicators (in Euro thousands)

KPI's		H1 2015	FY 2014
Revenue	a	6,530	9,863
Operating income	b	1,457	3,269
Net income	c	988	1,909
Capital employed	d	14,144	10,081
Operating payables	e	5,066	4,077
Financial payables/(receivables)	f	(15,641)	(17,728)
NE	g	24,720	23,732
<b>ROE (Return on Equity)</b>	<b>c/g</b>	<b>4.0%</b>	<b>8.0%</b>
<b>ROI (Return on Investment)</b>	<b>b/d</b>	<b>10.3%</b>	<b>32.4%</b>
<b>ROS (Return on sales)</b>	<b>a/c</b>	<b>15.1%</b>	<b>19.4%</b>
<b>Debt/Equity ratio</b>	<b>f/g</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Total payables/Equity ratio</b>	<b>(e+f)/g</b>	<b>n.a.</b>	<b>n.a.</b>

### 3.8 Risks

Reference should be made to the 2014 Consolidated Annual Report.

### 3.9 Significant events in the period

As extensively outlined, the first half of 2015 featured the major extension and development of the commercial network, which increased from 34 agents at the listing document admission date (4/12/2014) to 77 at June 30, 2015 and significant human resource investment, with the hiring of high profile managers and a major focus on the development of new products and services. The workforce increased from 26 at 31/12/2014 to 40 at 30/6/2015. Reference should be made to paragraph 5.5 of the Explanatory Notes for the

breakdown of workforce by category.

### **3.10 Subsequent events**

No significant events occurred after period-end.

### **3.11 Outlook**

The company will continue the investment undertaken in the first half of 2015, both in productive and commercial terms and for the reorganisation of the internal structure.

Investment in new technologies is in addition necessary to put in place a lean structure capable of supporting the growth process, including the decision to set up new Customer Relationship Management, managing the client centrally, continually monitoring the satisfaction level and promoting up-selling initiatives over time.

In the coming months the company will develop the number of agents exponentially, investing in resources with proven experience in the local digital sector in order to consolidate the “network of excellence” position which axélero has increasingly represented in recent months. This development, together with a range of innovative products, provides for axélero a major driver to accelerate development and win greater market share.

Technological investment, the development of new products and the hiring of high profile professional figures will open up new opportunities on markets in which the company is not yet present.

The development work carried out and in part implemented in 2015 lays therefore the basis for a very satisfying 2015 and the achievement of even stronger results than could have been envisaged on listing for 2016 and 2017.

### **3.12 Transactions with subsidiary, holding and associated companies**

For improved disclosure, the underlying tables, drawn up on the basis of accounting data, outline the transactions undertaken between Group companies.

The transactions are principally of a commercial nature, undertaken at similar market conditions as those with third parties and principally relate to the provision of administrative, technical and commercial services.

The following tables report therefore the main inter-company transactions between axélero S.p.A. and the Group companies in 2015.

H1 2015						
Subsidiary companies	Revenue from services	Other revenue and income	Financial income	Financial charges	Cost of raw materials and goods	Service costs
Originalitaly S.r.l.	338,750	-	-	-	-	-
Professionisti S.r.l.	23,313	-	-	-	-	-
ABC Salute S.r.l.	94,400	-	-	-	-	-
Shoppingdonna S.r.l.	360,000	-	-	-	-	-
<b>Total</b>	<b>816,463</b>	-	-	-	-	-

The revenues concern credit recovery operations and administrative services, in addition to the provision of portal maintenance and development services, carried out by the parent company in favour of the subsidiaries and governed according to specific service contracts. Following the partial spin-off in 2014, the related company 71 Srl transferred to axélero S.p.A. the ordinary services operations provided to subsidiaries relating to administrative services.

At 30.06.2015						
Subsidiary companies	Trade receivables	Trade payables	Other receivables	Other payables	Financial receivables	Financial payables
Originalitaly S.r.l.	498,750	-	-	-	-	-
Professionisti S.r.l.	23,313	-	50,000	-	-	-
ABC Salute S.r.l.	94,400	-	-	-	-	-
Shoppingdonna S.r.l.	360,000	-	-	-	-	-
<b>Total</b>	<b>976,463</b>	-	-	-	-	-

The Other receivables from Professionisti S.r.l. refer to dividends approved and not yet paid at December 31, 2014.

### 3.13 Transactions with related parties

The related party of axélero S.p.A., the company 71 S.r.l., as held by Leonardo Cucchiarini (Chairman of the Board of Directors and Chief Executive Officer) and Stefano Maria Cereseto (Executive Director) through Compagnia Fiduciaria Lombarda S.p.A., undertook transactions with the parent company axélero S.p.A.

Related Party	Costs	Intangible assets	Payables
71 s.r.l.	174,268		323,838
Beltempo s.r.l.		250,000	
<b>Total</b>	<b>174,268</b>	<b>250,000</b>	<b>323,838</b>

The costs incurred by 71 S.r.l. (Euro 174,268) concern office rental contracts and the hiring of furniture and equipment, in addition to a telemarketing outbound contract.

Axélero S.p.A. signed in February 2015, following approval by the Related Parties Committee and according to the company procedure, a contract with Beltempo Srl, of which Giulio Valiante, director of axélero S.p.A., is a shareholder. The contract concerns the development and enhancement of the TiTrovo product.

### 3.14 Management and co-ordination activities

The subsidiaries of axélero (Originalitaly S.r.l., Shoppingdonna S.r.l., Abcsalute S.r.l. and Professionisti S.r.l.) are subject to the management and co-ordination of axélero S.p.a..

### 3.15 Other information

#### *Human Resource Management*

Reference should be made to paragraph 3.9.

#### *Registered office and list of secondary offices*

The Group's registered office is in Milan, with operating offices in Milan and Monopoli (BA). The Group does not have secondary offices.

#### *Privacy protection*

In accordance with Legislative Decree No. 196/2003 enacting the "Protection of personal data code", the company has adopted the measures required for the protection of personal data, according to the terms and means indicated therein.

#### *Derivative financial instruments*

In accordance with Article 2427-bis of the Civil Code, axélero S.p.A. and its subsidiaries do not have in place derivative financial instruments.

### *Research and development*

During the period, the Group undertook ordinary operations, in addition to beginning extraordinary Research and Development to develop a new range of services and implement existing services.

### *Environmental Policy*

Production operations are not currently subject to specific sector regulations.

### *The Self-Governance and Ethics Code*

The company has not yet adopted a Self-Governance and Ethics Code. From the second half of 2015, the company plans to introduce procedures for the adoption of an organisational and management model in line with the provisions of Legislative Decree No. 231 of June 8, 2001.

### *Treasury shares*

The company does not hold treasury shares.

### *Monetary Revaluations*

In accordance with Article 10 of Law No. 72 of March 19, 1983, as also incorporated into subsequent monetary revaluation laws, no monetary revaluations of existing assets were made.

### *Assets allocated to a specific business*

At the consolidated half-year reporting date, no assets allocated to a specific business in accordance with Article 2427 of the Civil Code, paragraph 1, No. 20 were in place.

### *Loans allocated to a specific business*

At the consolidated half-year reporting date, no loans allocated to a specific business in accordance with Article 2427 of the Civil Code, paragraph 1, No. 21 were in place.

### *Significant shareholdings*

At the consolidated half-year reporting date, no significant shareholdings were in place.

### *Shareholdings of directors, statutory auditors, general managers and key management personnel*

Surname Name	Office	No. of shares	Percentage
Leonardo Cucchiarini	Chairman BoD and CEO	298,947	2.20%
Stefano Maria Cereseto	Executive Director	298,947	2.20%
Leonardo Cucchiarini	Chairman BoD and CEO	4,209,768	30.95% *
Stefano Maria Cereseto	Executive Director	4,209,768	30.95% *

\* shares held through Supernovae1 S.r.l.

## 4 Balance Sheet and Income Statement



balance sheet **assets**

		June 30, 2015 (in Euro)	December 31, 2014 (in Euro)
<b>A)</b>	<b>Receivables from shareholders for unpaid capital</b>		
I	Receivables from shareholders for unpaid capital	0	0
II	(of which called up)	0	0
	<b>TOTAL</b>	<b>0</b>	<b>0</b>
<b>B)</b>	<b>Fixed assets</b>		
<b>I</b>	<b>Intangible assets</b>		
1)	formation, start-up and similar costs	1,621,951	1,784,685
2)	research, development and advertising costs	372,456	20,000
3)	industrial patents and intellectual property rights	0	0
4)	concessions, licences, trademarks and similar rights	419,029	479,246
5)	goodwill	544,669	580,957
6)	assets in progress and payments on account	239,960	0
7)	other	204,294	232,946
	<b>Total</b>	<b>3,402,360</b>	<b>3,097,834</b>
<b>II</b>	<b>Property, plant &amp; equipment</b>		
1)	land and buildings	0	0
2)	plant and machinery	2,358	0
3)	industrial and commercial equipment	0	0
4)	other assets	54,937	12,666
5)	assets in progress and payments on account	0	0
	<b>Total</b>	<b>57,295</b>	<b>12,666</b>
<b>III.</b>	<b>Financial assets</b>		
1)	investments in:		
	a) subsidiaries	0	0
	b) associated companies	99,000	0
	c) holding companies	0	0
	d) other companies	0	0
2)	receivables:		
	a) subsidiaries		
	Due within one year	0	0
	Due beyond one year	0	0
	b) associated companies		
	Due within one year	0	0
	Due beyond one year	0	0
	c) holding companies		
	Due within one year	0	0
	Due beyond one year	0	0
	d) others		
	Due within one year	0	0
	Due beyond one year	0	0
3)	other securities	0	0
4)	treasury shares	0	0
	<b>Total</b>	<b>99,000</b>	<b>0</b>
	<b>TOTAL</b>	<b>3,558,655</b>	<b>3,110,500</b>

<b>C)</b>	<b>Current assets</b>		
<b>I</b>	<b>Inventories</b>		
1)	raw materials, supplies and consumable goods	0	0
2)	work in progress and semi-finished goods	0	0
3)	contract work in progress	0	0
4)	finished goods	0	0
5)	advances	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>
<b>II</b>	<b>Receivables</b>		
1)	trade receivables		
	Due within one year	8,770,628	5,666,636
	Due beyond one year	0	0
2)	subsidiaries		
	Due within one year	0	0
	Due beyond one year		
3)	associated companies		
	Due within one year	0	0
	Due beyond one year		
4)	holding companies		
	Due within one year	0	0
	Due beyond one year		
4 bis)	Tax receivables:		
	Due within one year	447,054	153,980
	Due beyond one year		
4 ter)	Deferred tax assets:		
	Due within one year	780,635	621,556
	Due beyond one year		
5)	others		
	Due within one year	481,483	191,205
	Due beyond one year	0	0
	<b>Total</b>	<b>10,479,800</b>	<b>6,633,377</b>
<b>III</b>	<b>Current financial assets:</b>		
1)	investments in subsidiaries	0	0
2)	investments in associated companies	0	0
3)	investments in holding companies	0	0
4)	other investments	0	0
5)	treasury shares	0	0
6)	other securities	39,245	39,245
	<b>Total</b>	<b>39,245</b>	<b>39,245</b>
<b>IV</b>	<b>Cash and cash equivalents:</b>		
1)	bank and postal deposits	15,616,310	18,493,881
2)	cheques on hand	0	0
3)	cash-in-hand and cash equivalents	39,967	35,982
	<b>Total</b>	<b>15,656,277</b>	<b>18,529,863</b>
	<b>TOTAL</b>	<b>26,175,322</b>	<b>25,202,484</b>
<b>D)</b>	<b>Prepayments and accrued income</b>		
1)	prepayments and accrued income	105,750	336,724
<b>D)</b>	<b>PREPAYMENTS AND ACCRUED INCOME</b>	<b>105,750</b>	<b>336,724</b>
	<b>TOTAL ASSETS</b>	<b>29,839,727</b>	<b>28,649,708</b>

## balance sheet **liabilities**

<b>A)</b>	<b>Shareholders' Equity</b>		
I	Share capital	68,000	68,000
II	Share premium reserve	19,782,000	19,782,000
III.	Revaluation reserve	0	0
IV	Legal reserve	19,800	6,200
V	Statutory reserves	0	0
VI	Reserve for treasury shares in portfolio	0	0
VII	Other reserves:		
a)	Extraordinary reserve	0	0
b)	Capital payments future share increase	0	0
c)	Capital payments to cover losses	0	0
d)	Capital grants reserve – article 55 of Tax Code	0	0
e)	Acc. depreciation reserve - article 67 of Tax Code	0	0
f)	Reserves in suspension of taxes	0	0
g)	Reserve from conferment (Law 576/1975)	0	0
h)	Reserve under article 15 of Law Decree 429/1982	0	0
(i)	Reserve as per article 2 Law 168/1992	0	0
j)	Integrated social security reserve as per Legislative Decree No. 124/1993	0	0
k)	Non distributable reserve as per article 2426	0	0
l)	Translation reserves	0	0
m)	Reserve for spin-off surplus	12,990	12,990
n)	Consolidation reserve	0	0
VIII	Retained earnings	3,848,749	1,952,869
IX	Net profit for period	987,980	1,909,480
	<b>TOTAL</b>	<b>24,719,519</b>	<b>23,731,539</b>
<b>B)</b>	<b>Provisions for risks and charges</b>		
1)	pension and similar provisions	0	0
2)	taxation, including deferred tax liabilities	592,762	688
3)	other provisions for risks and charges	38,066	38,066
	<b>TOTAL</b>	<b>630,828</b>	<b>38,754</b>
<b>C)</b>	<b>Post-employment benefits provision</b>	<b>192,446</b>	<b>159,089</b>

<b>D)</b>	<b>Payables:</b>		
1)	bonds:		
	Within one year	0	0
	Beyond one year	0	0
2)	convertible bonds:		
	Within one year	0	0
	Beyond one year	0	0
3)	Payables for shareholder loans:		
	Within one year	0	0
	Beyond one year	0	0
4)	bank payables:		
	Within one year	54,157	840,723
	Beyond one year	0	0
5)	other lenders:		
	Within one year	0	0
	Beyond one year	0	0
6)	payments on account:		
	Within one year	20,629	18,698
	Beyond one year	0	0
7)	trade payables:		
	Within one year	1,837,251	1,323,687
	Beyond one year	0	2,745
8)	payables represented by negotiable instruments:		
	Within one year	0	0
	Beyond one year	0	0
9)	subsidiary companies:		
	Within one year	0	0
	Beyond one year	0	0
10)	associated companies:		
	Within one year	0	0
	Beyond one year	0	0
11)	holding companies:		
	Within one year	0	0
	Beyond one year	0	0
12)	tax payables:		
	Within one year	634,269	654,515
	Beyond one year	0	0
13)	payables to social security institutions:		
	Within one year	128,567	81,400
	Beyond one year	0	0
14)	other payables:		
	Within one year	658,941	568,875
	Beyond one year	0	0
	<b>TOTAL</b>	<b>3,333,813</b>	<b>3,490,643</b>
<b>E)</b>	<b>Accrued liabilities and deferred income</b>		
1)	Other accruals and deferred income	963,120	1,229,684
<b>E)</b>	<b>ACCRUED LIABILITIES AND DEFERRED INCOME</b>	<b>963,120</b>	<b>1,229,684</b>
<b>TOTAL LIABILITIES</b>		<b>29,839,727</b>	<b>28,649,708</b>

# INCOME statement

		H1 2015 (in Euro)	H1 2014 (in Euro)
<b>A)</b>	<b>Value of production</b>		
1)	Revenue from sales and services	6,042,678	3,819,540
2)	Changes in inventories of work-in-progress, semi-finished and finished	0	0
3)	Changes in contract work in progress	0	0
4)	Increase in internal work capitalised	239,960	0
5)	Other revenue and income showing separately operating grants:		
1)	Miscellaneous	247,261	152,580
2)	Operating grants	0	0
3)	Capital grants	0	0
5)	Interest subsidy	0	0
	<b>TOTAL</b>	<b>6,529,900</b>	<b>3,972,120</b>
<b>B)</b>	<b>Costs of Production</b>		
6)	Raw materials, supplies, consumable stores and merchandise	17,509	4,418
7)	Services	2,854,736	1,892,880
8)	Rents, lease and similar	134,180	1,961
9)	Personnel costs:		
a)	Wages and salaries	782,804	169,744
b)	Social security charges	209,566	31,391
c)	Post-employment benefit provisions	45,343	10,263
d)	Pensions and similar	3,460	0
e)	Other costs	1,767	160
10)	Depreciation, amortisation and write-downs:		
a)	Amortisation of intangible assets	385,097	119,907
b)	Depreciation of fixed assets	4,861	1,045
c)	Other fixed asset write-downs	0	0
d)	Current asset provisions	598,150	654,760
11)	Changes in inventory of raw materials, ancillary, consumables and goods	0	0
12)	Provisions for risks	0	0
13)	Other provisions	0	0
14)	Other operating charges	35,842	46,182
	<b>TOTAL</b>	<b>5,073,314</b>	<b>2,932,710</b>
	<b>Difference between value and cost of production (A-B)</b>	<b>1,456,586</b>	<b>1,039,410</b>

<b>C)</b>	<b>Financial income and charges</b>		
<b>15)</b>	<b>Investment income</b>		
a)	subsidiaries	0	0
b)	associated companies	0	0
c)	Other	0	0
<b>16)</b>	<b>Other financial income</b>		
<b>a)</b>	<b>Non-current receivables</b>		
1)	subsidiaries	0	0
2)	associated companies	0	0
3)	Holding companies	0	0
4)	Other	0	0
<b>b)</b>	<b>From securities classified under non-current not constituting equity investments</b>	0	0
<b>c)</b>	<b>From securities classified as current assets not constituting equity investments</b>	0	0
<b>d)</b>	<b>Other income</b>		
1)	subsidiaries	0	0
2)	associated companies	0	0
3)	Holding companies	0	0
4)	Other	389	849
<b>17)</b>	<b>Interest and other financial charges:</b>		
1)	subsidiaries	0	0
2)	associated companies	0	0
3)	Holding companies	0	0
4)	Other	37,200	6,017
<b>17 bis)</b>	<b>Exchange gains and losses:</b>	(288)	57
	<b>TOTAL (15+16-17-17bis)</b>	<b>(36,523)</b>	<b>(5,226)</b>
<b>D)</b>	<b>Adjustments to financial statements:</b>		
<b>18)</b>	<b>Revaluations:</b>		
a)	Equity investments	0	0
b)	Non-current financial asset that do not constitute equity investments	0	0
c)	Current securities that do not constitute equity investments	0	0
<b>19)</b>	<b>Write-downs:</b>		
a)	Equity investments	0	0
b)	Non-current financial asset that do not constitute equity investments	0	0
c)	Current securities that do not constitute equity investments	0	0
	<b>TOTAL (18-19)</b>	<b>0</b>	<b>0</b>

<b>E)</b>	<b>Extraordinary income and charges</b>		
20)	<b>Income:</b>		
1)	Gains on disposals	0	0
2)	Other	912	1,061
21)	<b>Charges:</b>		
1)	Losses on disposals	0	0
2)	Prior years taxes	0	0
3)	Other	0	1,067
	<b>TOTAL (20-21)</b>	<b>912</b>	<b>(6)</b>
	<b>PROFIT BEFORE TAXES (A-B±C±D±E)</b>	<b>1,420,975</b>	<b>1,034,178</b>
22)	<b>Current &amp; deferred taxes</b>		
A)	Current taxes	(592,074)	(577,357)
B)	Deferred tax income/(charges)	159,079	11,465
	<b>26 NET PROFIT FOR THE PERIOD</b>	<b>987,980</b>	<b>468,286</b>

## 5 Explanatory Notes



## 5.1 Structure and contents of the consolidated financial statements

The consolidated financial statements for the period ended June 30, 2015 were prepared in accordance with the provisions of Legislative Decree No. 127/1991, in compliance with OIC No. 30 Accounting Standard “interim financial statements” and utilising the financial statements for the period ended June 30, 2015 of the 4 wholly-owned subsidiaries of axélero S.p.A. The figures at June 30, 2014 refer to the management accounts prepared for comparative purposes.

The financial statements have been re-classified and, where necessary, adjusted in line with Group accounting principles.

The notes to the financial statements have the function of providing illustration, analysis and for some aspects serve as an integral part of the disclosures to the consolidated half-year financial statements and contain the information requested by Article 38 of Legislative Decree No. 127/91. Additional information is also provided where deemed necessary to present a true and fair view of the half-year results, even if such disclosures are not required by specific legislation. All the amounts reported are expressed in Euro, unless otherwise indicated.

## 5.2 Consolidation principles and basis of consolidation

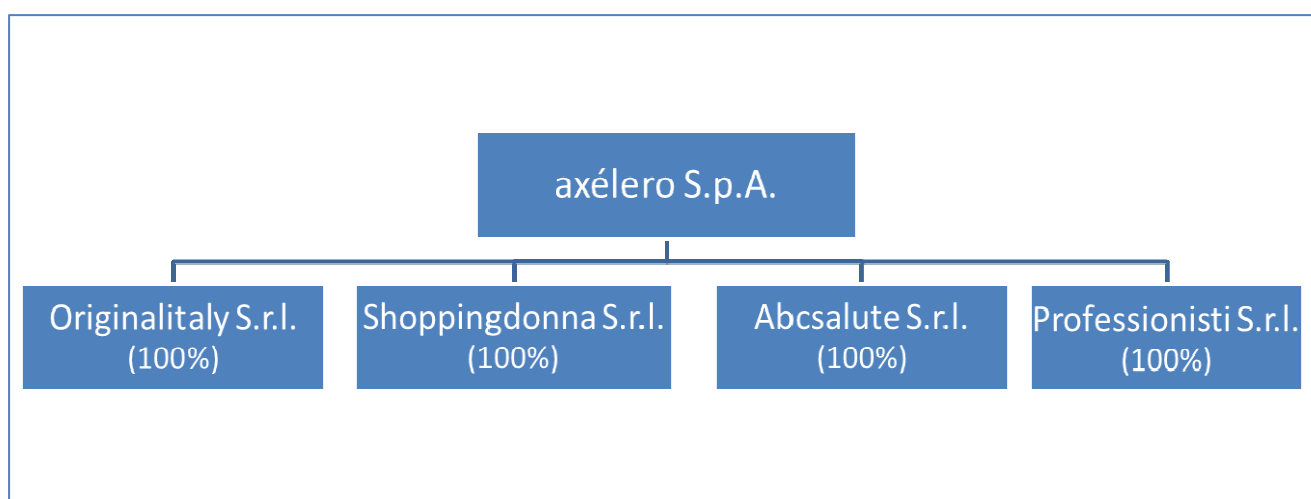
The subsidiaries are consolidated through the line-by-line method, which fully records all of the assets and liabilities.

The most important consolidation principles adopted for the application of the line-by-line method are the following:

- the carrying value of the companies consolidated is eliminated against the corresponding share of net equity, including the result for those holdings which were conferred/acquired close to the period-end. The resulting differences are allocated, where possible, to the assets of the companies included in the consolidation or recorded as a direct reduction of the consolidated net equity. Any residual difference is recorded in a specific asset account *consolidation difference*, to be amortised over the period of reasonable future utilisation for the sector in which the investees operate, taking into account their strategic importance for the group and earnings prospects;
- the elimination of reciprocal payables and receivables, costs and revenues, between consolidated companies and of the effects of all significant transactions between them.
- the share of shareholders' equity and result for the period attributable to minority shareholders are recorded separately under shareholders' equity and in the consolidated income statement.

### 5.3 Consolidation Scope

The consolidated financial statements at June 30, 2015 include the financial statements of the Parent Company, axélero S.p.A., and those companies in which it directly controls pursuant to Article 2359 of the Civil Code.



#### Originalitaly S.r.l.

Share Capital: Euro 100,000 fully paid-in

Shareholder' Equity at 30/06/2015: Euro 2,526,387

#### Shoppingdonna S.r.l.

Share Capital: Euro 100,000 fully paid-in

Shareholder' Equity at 30/06/2015: Euro 1,219,699

#### Abcsalute S.r.l.

Share Capital: Euro 75,000 fully paid-in

Shareholder' Equity at 30/06/2015: Euro 345,241

#### Professionisti S.r.l.

Share Capital: Euro 50,000 fully paid-in

Shareholder' Equity at 30/06/2015: Euro 187,191

The companies included in the consolidation scope at June 30, 2015 and the respective consolidation methods are reported below: Attachments.

## 5.4 Accounting principles

The financial statement items have been measured in accordance with the general criteria of prudence and accruals and on a going concern basis, and also taking into consideration the economic function of the assets and liabilities.

The application of the prudence principle has resulted in the separate quantification of the elements forming each asset and liability accounts so as to avoid offsetting losses that ought to be recognised in the accounts, and profits that should not be recognised as they have not been realised.

The application of the accruals method of accounting referred to signifies that the effects of Company transactions are recorded in the year to which they in fact relate, as opposed to being recorded simply on a cash basis.

Consistency in the application of the accounting principles is fundamental to ensure comparable financial statements from year to year.

The valuation that takes into account the economic function of the asset or liability considered based on the principle of the prevalence of substance over form permits the representation of the formal aspects of the operations in accordance with the underlying economic reality.

### *Fixed assets*

### *Intangible assets*

They are stated at historical cost, net of accumulated amortisation charged directly to the individual items. The *goodwill*, relating to the merger differences arising following the incorporation by merger of Merchant1 Real Estate S.r.l. into Originalitaly S.r.l., was recorded under assets on December 31, 2010 and is amortised over 12 years. The Company in compliance with OIC 9, undertook an impairment test in order to evaluate the existence of any permanent loss in value. Based on the impairment test no indicators emerged giving rise to the existence of any permanent loss in value of the goodwill.

The annual rates utilised are as follows:

Formation, start-up and similar costs	20.00%
Research, development and advertising costs	20.00%
Industrial patents and intellectual property rights	20.00%
Concessions, licenses, trademarks & similar rights	20.00%
Goodwill	8.33%
Other intangible assets (development of web portal)	25.00%

### *Property, plant & equipment*

They are recorded at purchase cost and adjusted by the depreciation provision.

The depreciation is calculated on the basis of the residual useful technical-economic life of the assets,

deemed to be representative of the depreciation rates that are reduced by half for the first year of use.

The annual rates utilised are as follows:

Other tangible fixed assets (EDP)	20.00%
Other assets (misc. equipment)	15.00%

We report that for the period ended June 30, 2015 and up to the date of the preparation of the financial statements no trigger events arose indicating the existence of permanent loss in value of property, plant and equipment.

### *Financial assets*

The *investments* excluded from the consolidation scope are recorded under financial fixed assets, measured under the cost criteria including any accessory charges, net of write-downs relating to permanent losses in the value of the investments; they represent long-term and strategic investments of the Group. The value recorded in the financial statements is determined based on the purchase or subscription price and any subsequent monetary contributions. No indications or circumstances arose of a permanent loss in value.

### *Receivables*

They are stated at their estimated realisable value. The nominal value is adjusted by means of a doubtful debt provision which takes account of the general economic and sector conditions, prudently estimated based on past experience. In accordance with OIC 15 axélero S.p.A. separated the implicit interest on trade receivables due beyond 12 months on initial recognition. The income was recorded separately between: (i) revenue for services provided; (ii) implicit interest relating to the deferred payment terms. The amount of the service revenue is determined discounting the receivable at an appropriate interest rate. The amount of the implicit interest income is determined as the difference between the nominal value of the receivable and the amount of consideration due on demand and is initially recorded under deferred income. Interest income is recognised in future periods and years until the maturity of the receivable and accounted over the duration of the receivable. The interest to be recorded in each period for the duration of the receivable is the interest matured in the period.

### *Cash and cash equivalents*

Cash and cash equivalents are recorded at nominal value.

### *Prepayments and accruals*

These are recorded on an accruals basis. The conditions which determined the original recording of accruals and deferrals are verified, adopting appropriate changes where necessary.

### *Shareholders' Equity*

The accounts correspond to the net equity accounts of the parent company, with the exception of "Retained earnings" which includes the reclassification of the retained earnings of the years prior to the acquisition date of consolidated companies.

### *Post-employment benefit provision*

The Post-employment benefit provision is recorded in accordance with provisions in force for employment contracts and corresponds to the effective obligation of the Company towards its employees at the balance sheet date.

### *Payables*

They are recorded at their nominal value, adjusted where necessary for returns or adjustments to invoices.

### *Income taxes*

Income taxes are recorded in accordance with the accruals principle.

Income taxes have been calculated on the basis of estimated assessable income, in accordance with provisions in force and taking account of any applicable exemptions and tax credits due.

Deferred taxes are calculated on temporary differences between the values recorded in the financial statements and the corresponding values recorded for fiscal purposes. Deferred tax assets are recorded if there is reasonable certainty that the temporary differences will reverse in future years against assessable income not lower than the differences that will be reversed.

### *Revenue recognition*

Revenues are recognised on an accruals basis. They are recorded in accordance with the prudence and accruals principles. The revenues and income, costs and charges, are recorded net of discounts and premiums and valued added taxes related to the services in accordance with Article 2425 of the Civil Code.

Revenues are recognised on an accruals basis. The subscription contracts and any renewals thereof normally have a duration of 48 months in relation to the following subscription contracts: Originalitaly S.r.l., Shoppingdonna S.r.l., Abcsalute S.r.l.) and 24 months for the subscription contracts relating to Professionisti S.r.l. Revenues are recognised on an accruals basis based on the number of publication days from the activation date of the subscription.

The revenues relating to the product TiTrovo.it, marketed directly by axélero S.p.A., which develops websites by the company's in-house technology and placed under a domain name owned by axélero S.p.A., are fully recognised with the delivery of the activation key document granting access to the website which permits the client automatic utilisation of this technology.

The revenues and income, costs and charges, are recorded net of discounts and premiums and valued added taxes related to the services in accordance with Article 2425 of the Civil Code.

## Exemptions

No significant facts and/or circumstances arose requiring recourse to the exceptions pursuant to Article 29, paragraph 4, of Legislative Decree 127/1991.

## 5.5 Workforce: average number of employees

The national labour contracts applied are those for the commercial and telecommunication sectors. The changes in the Group workforce, by category, compared to the previous year is illustrated below.

Workforce	30/06/2015	31/12/2014	Changes
Executives	6	4	2
Senior Managers	3		3
White-collar	26	17	9
Apprentices	5	5	0
Total	40	26	14

The sales network increased from 34 agents at the listing admission document date (4/12/2014) to 77 at June 30, 2015.

## 5.6 Assets

### 5.6.1 B) Fixed assets

#### 1. Intangible fixed assets

Balance at 30/06/2015	Balance at 31/12/2014	Changes
3,402,360	3,097,834	304,526

## Movements of intangible assets

Description	Formation, start-up and similar costs	Research, development and advertising costs	Industrial patents and intellectual property rights	Concessions, licenses, trademarks & similar rights	Goodwill	Assets in progress and payments on account	Other	Total
<i>At 31/12/2014</i>								
Historic cost	2,346,656	251,672	0	605,988	871,261	0	488,951	4,564,529
Write-downs								0
Revaluations								0
Allocation								0
Movements								0
Accumulated amortisation	(561,971)	(231,672)	0	(126,742)	(290,304)	0	(256,005)	(1,466,695)
<b>Book value at 31/12/2014</b>	<b>1,784,685</b>	<b>20,000</b>	<b>0</b>	<b>479,246</b>	<b>580,957</b>	<b>0</b>	<b>232,946</b>	<b>3,097,834</b>
<i>Movements in current year:</i>								
Acquisitions/Capitalisations	54,600	395,062				239,960		689,623
Disposal cost								0
Disposal provision								0
Other cost increases								0
Other provision increases	(217,334)	(42,606)		(60,217)	(36,288)		(28,652)	(385,097)
Other cost decreases								0
Other provision decreases								0
<b>Total change</b>	<b>(162,734)</b>	<b>352,456</b>	<b>0</b>	<b>(60,217)</b>	<b>(36,288)</b>	<b>239,960</b>	<b>(28,652)</b>	<b>304,525</b>
<i>At 30/06/2015</i>								
Historic cost	2,401,256	646,734	0	605,988	871,261	239,960	488,951	5,254,151
Write-downs								0
Revaluations								0
Allocation								0
Movements								0
Accumulated amortisation	(779,305)	(274,278)	0	(186,959)	(326,592)	0	(284,657)	(1,851,792)
<b>Book value at 30/06/2015</b>	<b>1,621,951</b>	<b>372,456</b>	<b>0</b>	<b>419,029</b>	<b>544,669</b>	<b>239,960</b>	<b>204,294</b>	<b>3,402,360</b>

The costs recorded are reasonably correlated to their future use, and are therefore amortised on a straight-line basis in relation to their future residual utility.

The amortisation criteria as well as useful lives and residual values are reviewed at the end of each accounting period, and if necessary, redetermined to take account of any permanent loss in value. In the first half of 2015 there were no permanent losses in value identified.

The main increases in property, plant and equipment in the first half of 2015 related to:

- for Euro 395 thousand research, development and advertising costs. In particular: Euro 292 thousand costs incurred for the expansion of the commercial network, and Euro 103 thousand advertising expenses for the launch of the TiTrovo product;
- Euro 240 thousand capitalisation of personnel costs for the development of the sales network and new products.

## II. Property, plant & equipment

Balance at 30/06/2015	Balance at 31/12/2014	Changes
57,295	12,666	44,629

**Movements of tangible fixed assets**

Description	Land and buildings	Land and buildings under lease	Plant and machinery	Industrial and commercial equipment	Other assets	Total
<i>At 31/12/2014</i>						
Historic cost	0	0	0	0	31,691	31,691
Write-downs						0
Revaluations						0
Allocation						0
Movements						0
Accumulated depreciation	0	0	0	0	(19,025)	(19,025)
<b>Book value at 31/12/2014</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,666</b>	<b>12,666</b>
Movements in current year:						
Acquisitions/Capitalisations			2,450		46,940	49,390
Disposal cost						0
Disposal provision						0
Accumulated depreciation prior years						0
Depreciation			(92)		(4,669)	(4,761)
Rounding						0
<b>Total change</b>	<b>0</b>	<b>0</b>	<b>2,358</b>	<b>0</b>	<b>42,271</b>	<b>44,629</b>
<i>At 30/06/2015</i>						
Historic cost	0	0	2,450	0	78,631	81,081
Write-downs						0
Revaluations						0
Allocation						0
Movements						0
Accumulated depreciation	0	0	(92)	0	(23,694)	(23,786)
<b>Book value at 30/06/2015</b>	<b>0</b>	<b>0</b>	<b>2,358</b>	<b>0</b>	<b>54,937</b>	<b>57,295</b>

The increases at June 30, 2015 principally refer to the acquisition of equipment (PC's, mobile telephones, servers) for technological upgrading.

*III. Financial assets*



Balance at 30/06/2015	Balance at 31/12/2014	Changes
99,000	0	99,000

The subsidiary ShoppingDonna Srl subscribed to a Share Capital increase totalling Euro 99 thousand on behalf of Supernovae2 Srl on May 12, 2015. Following the Share Capital increase ShoppingDonna Srl holds 4.99% of Supernovae2 Srl.

### Investments in other companies

At December 31, 2014 there were no investments in other companies.

## 5.6.2 C) Current assets

### II. Receivables

Balance at 30/06/2015	Balance at 31/12/2014	Changes
10,553,037	6,633,377	3,919,660

The increase in trade receivables is the direct consequence of the structure of TiTrove.it contracts which provides for deferred payment terms principally over 24 months (in addition to 36 and 48 months) and to the recognition of the revenues on the activation of the service for the entire amount.

Receivables based on their maturity and nature are broken down as follows:

Description	Within one year	Beyond one year	Beyond 5 years	Total
Trade receivables	8,770,628			8,770,628
Tax receivables	447,054			447,054
Deferred tax assets	853,872			853,872
Others - Italy	481,483			481,483
	10,553,037	0	0	10,553,037

Trade receivables are adjusted to reflect their estimated realisable value through the provision for doubtful debts and whose movements were as follows:

Doubtful debt provision	Amount
Balance at 31/12/2014	2,414,735
Utilisation in the period	0
Allocation in the period	598,150
<b>Balance at 30/06/2015</b>	<b>3,012,885</b>

We report that, in accordance with the new accounting standard OIC 15, from the financial statements for the year-ended December 31, 2014, the company discounts the receivables due beyond one year, separating, on the recognition of the revenue, the amount of implicit interest.

At June 30, 2015, a reversal was made of the amount matured in the half-year, deferred at December 31, 2014, for Euro 1,770 thousand and to defer the implicit interest matured on the receivables recorded in the period for Euro 25,047 (recorded under deferred income).

The application of this standard therefore had a negative effect, although limited, on the Value of Production and consequently on the EBITDA for the first half of 2015.

The account *tax receivables* of Euro 447 thousand is principally due to VAT (Euro 317 thousand), matured by axélero S.p.A. which will be offset and IRES and IRAP payments on account (Euro 116 thousand).

Deferred tax assets increased from Euro 621 at December 31, 2014 to Euro 780 thousand at June 30, 2015.

The increase in the period is due to recording deferred tax assets on the doubtful debt provisions (Euro 598 thousand).

*Other receivables* are illustrated below:

Other receivables, within 12 months	Amount
Guarantee deposits	161,597
Advances to suppliers	27,765
Employees	13,787
Social security institutions	6,939
Commission advances	271,395
	<b>481,483</b>

*Deposits* amount to Euro 161,597 and principally refer to deposits provided to the factoring company against without recourse receivables. These receivables may be offset with the account other payables to the factoring company for Euro 147,319 recorded under *payables due within one year*.

The account *Advances on commissions* refers to advance commissions paid to the sales network net of commissions matured.

### III. Current financial assets

Balance at 30/06/2015	Balance at 31/12/2014	Changes
39,245	39,245	0

Current financial assets include an insurance policy with Assicurazioni Generali S.p.A.

### IV. Cash and cash equivalents

Balance at 30/06/2015	Balance at 31/12/2014	Changes
15,656,277	18,529,863	(2,873,586)

Description	30/06/2015	31/12/2014	Changes
Bank and post office deposits	15,616,310	18,493,881	(2,877,571)
Cash on hand and similar	39,967	35,982	3,985
	15,656,277	18,529,863	(2,873,586)

The account reflects the balance of cash and cash equivalents on hand June 30, 2015.

#### 5.6.3 D) Prepayments and accrued income

Balance at 30/06/2015	Balance at 31/12/2014	Changes
105,750	336,724	(230,974)

They relate to income and charges accounted for on an accruals basis, irrespective of the date of payment or receipt.

## 5.7 Liabilities

### 5.7.1 A) Shareholders' Equity

Balance at 30/06/2015	Balance at 31/12/2014	Changes
24,719,519	23,731,539	987,980

The *share capital* of the Parent Company at June 30, 2015 is represented by 68,000 shares without

indication of the nominal value, with issue par value of Euro 0.005, for a total of 13,600,000 ordinary shares.

The following table provides details of the movements in Group shareholders' equity:

Description	Share capital	Legal reserve	Share premium reserve	Extraordinary reserve	Capital contribution	Rounding reserve	Retained earnings	Net Result	Total
Opening previous period	31,000	6,200	0	0	0	0	1,290,158	1,391,876	2,719,235
Allocation of the result							1,391,876	(1,391,876)	0
- allocation of dividends							(410,000)		(410,000)
- other allocations	19,000						(306,175)		(287,175)
Other changes	18,000		19,782,000						19,800,000
Net Result								1,909,480	1,909,480
Closing previous period	68,000	6,200	19,782,000	0	0	0	1,965,860	1,909,480	23,731,539
Allocation of the result		13,600					1,895,880	(1,909,480)	(0)
- allocation of dividends									0
- other allocations									0
Other changes									0
Net Result								987,980	987,980
Closing current period	68,000	19,800	19,782,000	0	0	0	3,861,739	987,980	24,719,519

## 5.7.2 B) Provisions for risks and charges

Balance at 30/06/2015	Balance at 31/12/2014	Changes
630,828	38,754	592,074

Description	31/12/2014	Increases	Decreases	30/06/2015
Pension and similar provisions	0			0
Taxes, incl. deferred tax liabilities	688	592,074		592,762
Provisions for risks and charges	38,066			38,066
	38,754	592,074	0	630,828

The increase in the *provision for taxes* relates to the provision estimated for income taxes in the first half of 2015.

The “provision for risks and charges” relates to the closure of a dispute of the subsidiary ShoppingDonna S.r.l. in which the amount of the potential liability was determined.

### 5.7.3 C) Post-employment benefits

Balance at 30/06/2015	Balance at 31/12/2014	Changes
192,446	159,089	33,357

Description	31/12/2014	Increases	Decreases	30/06/2015
Post-employment ben. prov.	159,089	45,343	(11,986)	192,446
	159,089	45,343	(11,986)	192,446

This provision represents the actual liability at June 30, 2015 towards employees under applicable law and labour agreements taking into account all forms of remuneration and net of advances paid.

### 5.7.4 D) Payables

Balance at 30/06/2015	Balance at 31/12/2014	Changes
3,333,813	3,490,643	(156,830)

The table below illustrates the main changes.

Description	Balance at 30/06/2015	Balance at 31/12/2014	Changes
Payables for shareholder loans	0	0	0
Bank payables	54,157	840,723	(786,566)
Other lenders	0	0	0
Payments on account	20,629	18,698	1,931
Trade payables	1,837,251	1,326,432	510,819
Tax payables	634,269	654,515	(20,246)
Payables to social security institutions	128,567	81,400	47,167
Other payables - Italy	658,941	568,875	90,066
	3,333,813	3,490,643	(156,830)

Payables are stated at their nominal value and the breakdown by maturity is illustrated below:

Description	Within one year	Beyond one year	Beyond 5 years	Total
Payables for shareholder loans	0			0
Bank payables	54,157			54,157
Other lenders	0			0
Payments on account	20,629			20,629
Trade payables	1,837,251			1,837,251
Tax payables	634,269			634,269
Payables to social security institutions	128,567			128,567
Other payables - Italy	658,941			658,941
	3,333,813	0	0	3,333,813

The increase in trade payables is due to the accrual for commission invoices to be received which increased significantly in line with the increase in sales.

The account *tax payables* include 2014 corporation tax net of payments on account (Euro 404 thousand), VAT (Euro 62 thousand) and other taxes (Euro 169 thousand).

The balance of the account *other payables* substantially concerns employee payables for remuneration matured in June and not yet paid, in addition to vacation days accrued and not taken.

### 5.7.5 E) Accrued liabilities and deferred income

Balance at 30/06/2015	Balance at 31/12/2014	Changes
963,120	1,229,684	(266,564)

The account relates to costs and revenues recorded in accordance with the accruals principle. The balance at June 30, 2015 is comprised of:

- (i) Euro 930,739 deferred income and which principally matures in future years;
- (ii) Euro 1,918 for accrued liabilities;
- (iii) Euro 30,462 implicit interest on the contracts whose receivables were discounted in accordance with OIC 15, recorded under deferred income and which will be released over the coming years, until the maturity of the receivable, accounted for over the duration of the receivable.

## 5.8 Income Statement

### 5.8.1 A) Value of production

H1 2015	H1 2014	Changes
6,529,900	3,972,120	2,557,780

Value of production	H1 2015	H1 2014	Changes
Revenue	6,042,678	3,819,540	2,223,138
Increase in internal work capitalised	239,960		239,960
Other revenue	247,261	152,580	506,345
	6,529,899	3,972,120	2,969,443

The increase in the value of the production compared to the previous year is attributable to the commercial development of the new product TiTrovo.it.

The increase in internal work capitalised refers to the recognition of part of the personnel costs (recorded in the account item B9), for the development of the commercial network and new products within the wider investment project already outlined in the Directors' Report.

## 5.8.2 B) Costs of production

H1 2015	H1 2014	Changes
5,073,314	2,932,710	2,140,604

Services	H1 2015	H1 2014	Changes
Commissions	1,087,882	691,904	395,977
Other selling costs	385,074	29,667	355,407
Directors fees	355,102	2,400	352,702
Production services costs	215,901	0	215,901
Professional services	192,722	136,561	56,161
Consulting	189,683	54,246	135,437
Meeting, travel and transfer expenses	138,889	7,172	131,717
Project collaborators/workers	127,880	36,836	91,044
Other production costs	54,596	13,548	41,048
Other	25,928	1,338	24,590
Bank and factoring expenses	21,516	50,640	(29,124)
Post and courier expenses	16,710	11,356	5,354
Telephone expenses	12,227	2,643	9,584
Advertising expenses	12,210	7,030	5,180
Statutory Auditor fees	8,353	0	8,353
Independent Audit Firm fees	6,000	0	6,000
Sales representative expenses	4,064	4,788	(724)
Services provided by 71 S.r.l.	0	842,750	(842,750)
	2,854,736	1,892,880	961,857

The increase in the "services" account is principally due to the increase in commissions and directors' fees.

In particular, the most significant differences concern the following accounts:

- Other commercial costs, the account increasing due to higher Telemarketing costs directly related to improved sales;
- Production service costs, with the account including costs concerning services provided by third party companies for the provision of final products/services;
- The increase in Consultancy is principally due to the professional services provided by AIM specialists;
- Meeting, travel and transfer expenses, with the account including expenses for the organisation of sales network meetings;
- The increase in Director remuneration was approved with Shareholders' Meeting motion of December 2, 2014.

Amortisation	H1 2015	H1 2014	Changes
Amort. of incorporation costs and stat. changes	2,114	0	473
Amort. formation, start-up and similar costs	51,235	7,960	(14,529)
Amort. formation, start-up and similar costs IPO	121,235	0	20,206
Amort. deferred charges	21,023	21,023	0
Amort. research & development costs	29,229	510	(2,968)
Amort. advertising costs	13,377	100	(1,800)
Amort. licenses and patents	1,550	1,550	0
Amort. software programmes	42,750	44,793	(3,333)
Amort. trademarks	147	54	185
Amort. similar rights	58,520	0	117,040
Amort. goodwill	36,288	36,288	0
Amort. deferred charges development web port	7,629	7,629	0
	385,097	119,907	115,273

The increase in amortisation is related to amounts capitalised as described in the paragraph "Intangible fixed assets".

Depreciation	H1 2015	H1 2014	Changes
Deprec. various equipment	103	0	103
Deprec. EDP	4,666	1,045	3,621
Deprec. general and specific plant	92		92
	4,861	1,045	3,816



Other operating charges	H1 2015	H1 2014	Changes
Other taxes	5,088	1,833	3,255
Other	9,060	2,971	6,089
Chamber comm. fees	1,808	0	1,808
Charitable donations	0	0	0
Books, newspapers & mag.	2,600	2,100	500
Gifts	161	0	161
Losses on receivables	650	0	650
Injunction expenses	11,736	29,603	(17,867)
Tax duties	4,739	9,675	(4,936)
	35,842	46,182	(10,340)

### 5.8.3 C) Financial income and charges

H1 2015	H1 2014	Changes
(36,523)	(5,226)	(31,297)

Financial income	H1 2015	H1 2014	Changes
Other	389	849	(460)

Financial charges	H1 2015	H1 2014	Changes
Other	37,200	6,017	31,183
Exchange gains and losses	(288)	57	(345)
	36,912	6,074	30,838

### 5.8.4 D) Adjustment to financial assets

H1 2015	H1 2014	Changes
0	0	0

### 5.8.5 E) Extraordinary income and charges

H1 2015	H1 2014	Changes
912	6	906

Description	H1 2015	H1 2014	Changes
Gains on disposals	0	0	0
Other	912	1,061	(149)
<b>Total income</b>	<b>912</b>	<b>1,061</b>	<b>(149)</b>
Income taxes of prior years	0	0	0
Other	0	1,067	(1,067)
<b>Total costs</b>	<b>0</b>	<b>1,067</b>	<b>(1,067)</b>

### 5.8.6 Income taxes for the period

H1 2015	H1 2014	Changes
432,995	565,892	(132,897)

Description	H1 2015	H1 2014	Changes
<b>Current income taxes</b>			
IRES	447,836	486,266	(38,430)
IRAP	144,238	91,091	53,148
<b>Deferred tax income/charge</b>			
IRES TAX CHARGE			0
IRES TAX INCOME	(159,079)	(11,465)	(147,615)
<b>Total income taxes</b>	<b>432,995</b>	<b>565,892</b>	<b>(132,897)</b>

The income taxes provisioned at June 30, 2014 were recalculated based on the values at December 31, 2014, in accordance with OIC 30.

### 5.8.7 Deferred tax assets & liabilities

The table below shows the movements in deferred tax assets and liabilities.

	Rate	Balance at 31/12/2014		Income statement H1 2015				Balance at 30/06/2015		
		Temporary differences	Deferred tax asset/(liability)	Temporary differences arising	Temporary differences absorbed	Deferred tax asset/(liability) arising	Deferred tax asset/(liability) absorbed	Temporary differences	Deferred tax asset/(liability)	
Doubtful debt provision	asset	27.5%	1,943,328	534,416	578,470	0	159,079	0	2,521,798	693,495
Accounting losses	asset	27.5%	258,815	71,174	0	0	0	0	258,815	71,174
Directors fees	asset	27.5%	58,059	15,966	0	0	0	0	58,059	15,966
Dividends recog. not collected liability	liability	27.5%	(2,500)	(688)	0	0	0	0	(2,500)	(688)
<b>Total</b>			<b>2,257,702</b>	<b>620,868</b>	<b>578,470</b>	<b>0</b>	<b>159,079</b>	<b>0</b>	<b>2,836,172</b>	<b>779,947</b>

*Other information*

There are no leaving indemnity provisions for directors.

## 6 ATTACHMENTS

### 6.1 List of investments in subsidiaries at December 31, 2014 within the consolidation scope

Company name	Registered office	Share capital	NE at 31/12/14	2014 Result	Share held	Share of Net Equity	Consolidation method
Originalitaly S.r.l.	Milan	100,000	2,106,450	1,041,877	100%	2,106,450	Line-by-line
Shoppingdonna S.r.l.	Milan	100,000	986,549	855,269	100%	986,549	Line-by-line
Abcsalute S.r.l.	Milan	75,000	310,090	215,484	100%	310,090	Line-by-line
Professionisti S.r.l.	Milan	50,000	163,404	96,467	100%	163,404	Line-by-line
			3,566,494	2,209,097		3,566,494	

### 6.2 Reconciliation between net result and net equity of the Parent and Group

	Profit/(Loss) for the period	Net equity at June 30, 2015
<b>Parent company</b>	275,956	20,806,002
Contribution of companies incl. in the consolidation scope	712,024	3,953,517
	0	
<b>Group</b>	<b>987,980</b>	<b>24,759,519</b>

### 6.3 Statement of changes in Shareholders' Equity and cash flow statement

<b>Balance at December 31, 2014</b>	<b>23,731,539</b>
Net profit of the parent company	275,956
Net profit contributed by subsidiaries	712,024
Reversal inter-company dividends	0
Dividends distributed by parent company	0
Share capital increase	0
<b>Balance at June 30, 2015</b>	<b>24,719,519</b>

## Cash flow statement

	June 30, 2015 (in Euro)	December 31, 2014 (in Euro)
<b>A. Cash flow from operating activities (indirect method)</b>		
<b>Net profit for period</b>	987,980	1,909,480
Income taxes	432,995	1,257,516
Extraordinary income and charges	(912)	72,492
Interest income/(charge)	36,523	29,317
(Dividends)	0	0
(Gains)/losses on sale of assets	0	0
<b>1. Profit (loss) for the period before taxes, interest, dividends and gains/losses from disposals</b>	<b>1,456,586</b>	<b>3,268,804</b>
	<i>Non-cash adjustments not offset by net working capital</i>	
Post-employment benefit provisions	45,343	36,165
Doubtful debt provision	598,150	1,312,446
Amortisation & Depreciation	389,958	396,364
Impairments	0	0
Other non-cash adjustments	592,074	36,691
<i>Total non-cash adjustments</i>	<i>1,625,524</i>	<i>1,781,666</i>
<b>2. Cash flow before working capital changes</b>	<b>3,082,110</b>	<b>5,050,470</b>
	<i>Change in net working capital</i>	
Decrease/(increase) in inventories	0	0
Decrease/(increase) in trade receivables	(3,702,142)	(3,682,397)
Increase/(decrease) in trade payables	510,818	987,554
Decrease/(increase) in prepayments and accrued income	230,974	720,800
Increase/(decrease) in accrued liabilities and deferred income	(266,563)	(472,287)
Other changes in net working capital	(203,591)	291,493
<i>Total changes in net working capital</i>	<i>(3,430,505)</i>	<i>(2,154,837)</i>
<b>3. Cash flow after working capital changes</b>	<b>(348,394)</b>	<b>2,895,633</b>
	<i>Other adjustments</i>	
Interest received/(paid)	(36,523)	(29,317)
Extraordinary income and charges	912	(72,492)
(Income taxes paid)	(864,902)	(1,816,071)
Dividends received	0	0
(Utilisation of provisions)	0	(6,649)
Other	0	0
<i>Total other adjustments</i>	<i>(900,513)</i>	<i>(1,924,528)</i>
<b>4. Cash flow after other adjustments</b>	<b>(1,248,907)</b>	<b>971,105</b>
<b>Cash flow from operating activities (A)</b>	<b>(1,248,907)</b>	<b>971,105</b>
<b>B. Cash flow from financing activities</b>		
<b>Property, plant &amp; equipment</b>		
(Investments)	(49,490)	(2,891)
Sales price of disposals	0	0
<b>Intangible assets</b>		
(Investments)	(689,623)	(2,249,118)
Sales price of disposals	0	0
<b>Financial assets</b>		
(Investments)	(99,000)	0
Sales price of disposals	0	0
<b>Current financial assets</b>		
(Investments)	0	(4,508)
Sales price of disposals	0	0
<b>Acquisition or sale of subsidiaries or business units net of cash and cash equivalents</b>		
<b>Cash flow from investing activities (B)</b>	<b>(838,113)</b>	<b>(2,256,517)</b>
<b>C. Cash flow from financing activities</b>		
	<i>Third party funds</i>	
Increase/(decrease) short term bank payables	(786,566)	309,648
Increase/(decrease) short term shareholder payables & other lenders	0	0
New loans	0	0
Repayment of loans	0	0
	<i>Own funds</i>	
Share capital increase	0	19,800,000
Sale/(Acquisition) of treasury shares	0	0
Dividends (and advances on dividends) paid	0	(410,000)
<b>Cash flow from financing activities (C)</b>	<b>(786,566)</b>	<b>19,699,648</b>
<b>Increase/(decrease) in cash and cash equivalents (A ± B ± C)</b>	<b>(2,873,586)</b>	<b>18,414,235</b>
Cash & cash equivalents at January 1	18,529,863	115,627
Cash & cash equivalents at December 31	15,656,277	18,529,863
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>(2,873,586)</b>	<b>18,414,235</b>

The change in the net financial position is due to the following factors: (i) the payment in the initial months of 2015 of the consultants involved in the listing of December 11, 2014, (ii) liquidity used for investment in the first half of 2015, (iii) the issue of commission advances to agents on contracts signed, (iv) the settlement of the short-term bank debt in the first half of 2015.

The present financial statements comprising the Balance Sheet, Income Statement, Explanatory Notes and Cash Flow Statement represent in a true and fair manner the balance sheet, financial situation and results for the period of the Group.

Chairman of the Board of Directors

Leonardo Cucchiarini