



CONSOLIDATED HALF YEAR FINANCIAL REPORT

**SIX MONTHS ENDED JUNE 30, 2021
(FIRST HALF 2021)**

Prepared according to LAS 34

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1. GOVERNING BODIES AND OFFICERS

BOARD OF DIRECTORS

Chairman	Marco Pescarmona ^{(1) (3) (5) (7)}
Chief Executive Officer	Alessandro Fracassi ^{(2) (3) (5)}
Directors	Anna Maria Artoni ⁽⁴⁾
	Fausto Boni
	Chiara Burberi ⁽⁴⁾
	Matteo De Brabant
	Giulia Bianchi Frangipane ⁽⁴⁾
	Klaus Gummerer ^{(4) (6)}
	Valeria Lattuada ⁽⁴⁾
	Marco Zampetti

BOARD OF STATUTORY AUDITORS

Chairman	Stefano Gnocchi
Active Statutory Auditors	Paolo Burlando
	Francesca Masotti
Substitute Statutory Auditors	Filippo Colonna
	Barbara Premoli

INDEPENDENT AUDITORS EY S.p.A.

COMMITTEES OF THE BOARD OF DIRECTORS

Audit and Risk Committee

Chairman	Chiara Burberi
	Giulia Bianchi Frangipane
	Marco Zampetti

Remuneration and Share Incentive Committee

Chairman	Anna Maria Artoni
	Valeria Lattuada
	Matteo De Brabant

Committee for Transactions with Related Parties

Chairman	Valeria Lattuada
	Anna Maria Artoni
	Klaus Gummerer

- (1) The Chairman is the Company's legal representative.
- (2) The Chief Executive Officer legally represents the Company, dis-jointly from the Chairman, within the limits of the delegated powers.
- (3) Executive Director.
- (4) Independent non-executive Director.
- (5) Holds executive offices in some Group companies.
- (6) Lead Independent Director.
- (7) Executive Director in charge of overseeing the Internal Control System.

2. INTERIM DIRECTORS' REPORT ON OPERATIONS

2.1. Introduction

Gruppo MutuiOnline S.p.A. (the “**Company**” or the “**Issuer**”) is the holding company of a group of firms (the “**Group**”) with an important position in the Italian market for the online comparison, promotion and intermediation of products provided by financial institutions, e-commerce operators and utilities providers (main websites: www.mutuionline.it, www.prestitionline.it, www.segugio.it, www.trovaprezzi.it and www.sostariffe.it) and in the Italian market for the provision of complex business process outsourcing services for the financial sector.

Please refer to the interim financial report as of and for the six months ended June 30, 2021.

In the following sections, we illustrate the main facts regarding the operations during the past half year and the current financial and economic structure of the Group.

2.2. Organizational structure

The Issuer controls, also indirectly, the following subsidiaries:

- MutuiOnline S.p.A., Money360.it S.p.A, PrestitiOnline S.p.A., CercAssicurazioni.it S.r.l., Segugio.it S.r.l., 7Pixel S.r.l., Zoorate S.r.l., Klikkapromo S.r.l., Innovazione Finanziaria SIM S.p.A. and SOS Tariffe S.r.l.: companies operating in the market for the online comparison, promotion and intermediation of consumer products provided by financial institutions, e-commerce operators and utilities providers; together they represent the “**Broking Division**” of the Group;
- Centro Istruttorie S.p.A., Centro Finanziamenti S.p.A., Quinservizi S.p.A., CESAM S.r.l., Mikono S.r.l., Centro Processi Assicurativi S.r.l., EuroServizi per i Notai S.r.l., MOL BPO S.r.l., Agenzia Italia S.p.A., 65Plus S.r.l., Eagle & Wise Service S.r.l., Eagle Agency S.r.l., Gruppo Lercari S.r.l. (and its subsidiaries) and Finprom S.r.l. (a company with registered office in Romania): companies operating in the Italian market for the provision of complex business process outsourcing services for the financial sector; together they represent the “**BPO** (i.e. Business Process Outsourcing) **Division**” of the Group;
- PP&E S.r.l.: a company providing real estate renting and support services to the other Italian subsidiaries of the Issuer.

It should be noted that Gruppo Lercari S.r.l. controls the following subsidiaries: Lercari S.r.l., Service Lercari S.r.l., Sircus S.r.l., San Filippo S.r.l., Global Care S.r.l., Lercari International Ltd (a company with registered office in UK), Forensic Experts S.r.l., and Lercari Motor S.r.l. (together, the “**Lercari Group**”).

In addition, the Issuer owns 40% of the share capital of Generale Servizi Amministrativi S.r.l., 50% of the share capital of the joint venture PrestiPro S.r.l., 40% of the share capital of Generale Fiduciaria S.p.A., 70% of the share capital of Fin.it S.r.l. (non-controlled company) through subsidiary Agenzia Italia S.p.A. and 40% of the share capital of LC Servizi S.r.l. and 50% of the share capital of Sircus Gandino S.r.l., through the subsidiary Gruppo Lercari S.r.l.

On February 1, 2021, following the registration of the merger act, the process of merging Segugio Servizi S.r.l., SOS Consulting S.r.l. and SOS Dev S.r.l. into SOS Tariffe S.r.l. was completed, with accounting effect from January 1, 2021.

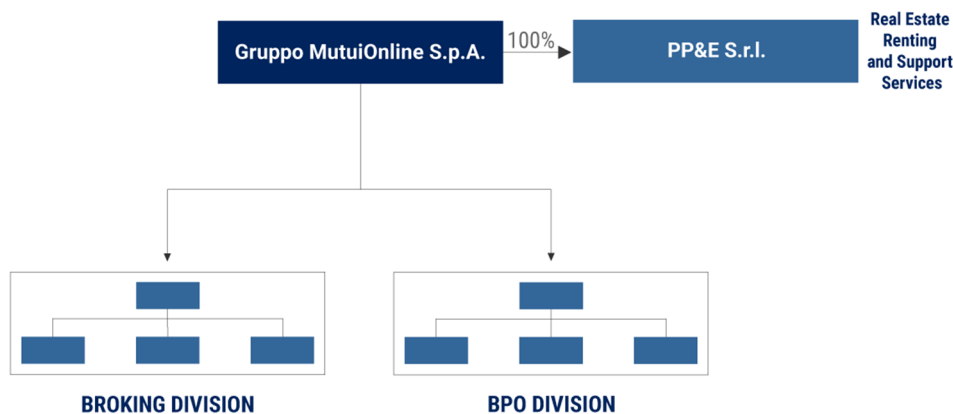
On February 28, 2021, the Group acquired the remaining 50% stake of Agenzia Italia S.p.A. from Gruppo Finanziaria Internazionale, object of reciprocal put/call obligations, for a price of Euro 35,000 thousand, substantially in line with the estimated liability previously recorded in the financial statements. At the same time, the Group sold a 15.50% stake to the management of the subsidiary (which previously held a similar indirect shareholding) at the same price per share. On such stake, the parties agreed on reciprocal put/call agreements with a maturity of 5 years, at terms and conditions similar those of the previous options.

On May 26, 2021 the Group acquired, through the subsidiary 7Pixel S.r.l., the remaining 60% stake of the share capital of Zoorate S.r.l., for a price of Euro 4,585 thousand, in line with the current liability previously recorded in the financial statements, in execution of the forward purchase agreement already in place between the parties. In addition, a deferred price component of Euro 1,052 thousand is provided, subject to the occurrence of certain events, which may be paid by April 2022. The higher price paid with respect to the portion of net equity acquired was provisionally allocated, as of June 30, 2021, for Euro 4,587 thousand to the proprietary software (a platform that enables the provision of all services offered by the company, including the integration and recording of the flow of purchases from e-commerce platforms, and the management of opinions) and for Euro 746 thousand as goodwill. Further details are described in paragraph 6 of the notes to the financial statements.

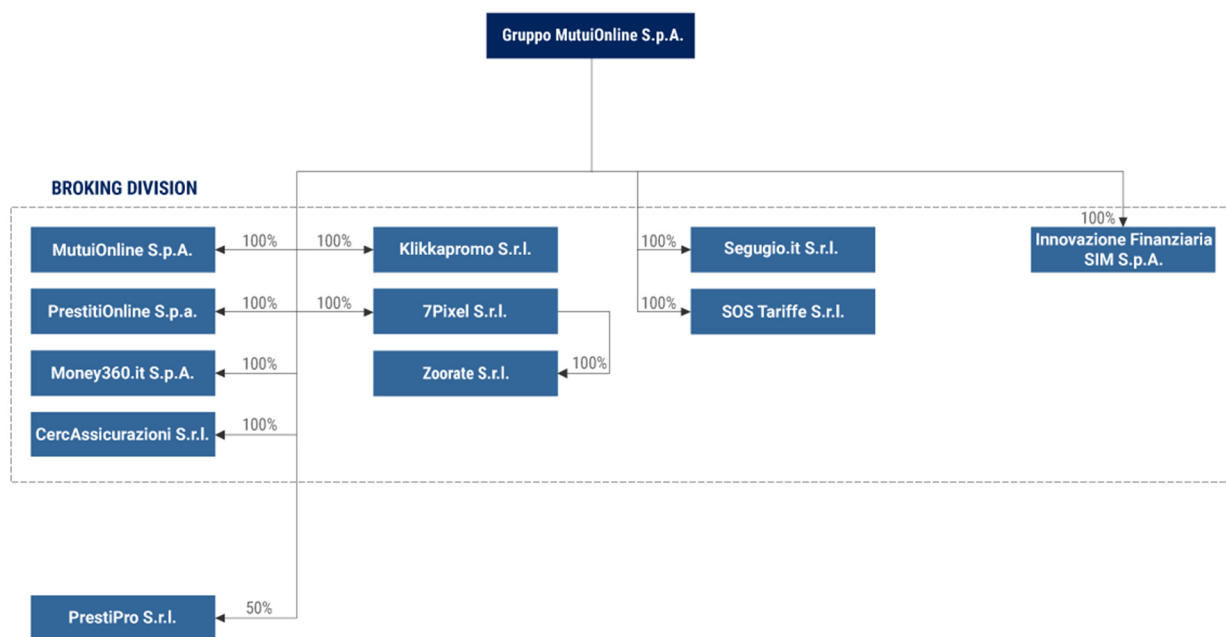
On June 22, 2021 the Group acquired, through the subsidiary Cesam S.r.l., the remaining 24% stake of the share capital of Mikono S.r.l. for a price of Euro 2 thousand, in line with the estimated liability previously recorded in the financial statements due to the existence of reciprocal put/call options. In the same date, Cesam S.r.l. acquired from the Issuer a 51% stake of share capital of Mikono S.r.l., thus reaching 100% ownership of share capital of the entity.

On June 29, 2021, following the registration of the merger act, the process of merging JPL S.r.l., GSA S.r.l. and Centro Servizi Integrati S.r.l. into Gruppo Lercari S.r.l. was completed, with accounting effect from January 1, 2021.

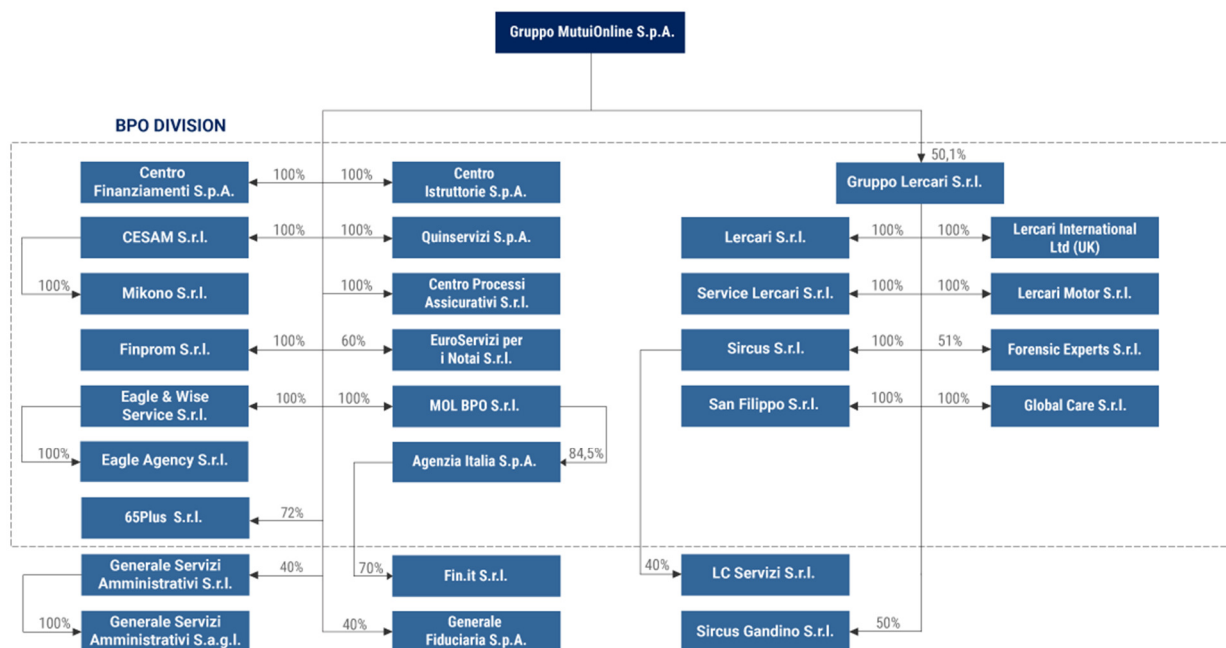
Therefore, the consolidation area as of June 30, 2021 is the following:



Broking Division



BPO Division



Broking Division

Our Broking Division operates in the Italian market for loan distribution as a credit broker, in the market for insurance distribution as an insurance broker, in the distribution of telecommunication and energy services and in the promotion of e-commerce operators. The activities carried out by our Broking Division are organized mainly into the following Business Lines, on the basis of the products brokered:

- (a) **Mortgage Broking:** broking mortgage loans mainly through remote channels (www.mutuonline.it website) and through a network of field agents;

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- (b) **Consumer Loan Broking:** broking consumer loans (prevalently personal loans) through remote channels (www.prestitionline.it website);
 - (c) **Insurance Broking:** broking insurance products, mainly motor third party liability and other motor insurance products through remote channels (www.cercassicurazioni.it website);
 - (d) **E-Commerce Price Comparison:** comparison and promotion of e-commerce operators (www.trovaprezzi.it website);
 - (e) **Telco & Energy Comparison:** comparison and promotion of telecommunications and energy services (www.sostariffe.it website).

The activity of the Broking Division is also carried out under the “**Segugio.it**” brand (www.segugio.it website), which operates as a multibrand aggregator for insurance, credit and utility products, mainly pushed by the television and online advertising focused on insurance products. Each section of the website is however managed by the product companies of the Group and the related revenues are reported within the above mentioned business lines.

Besides, subsidiary Innovazione Finanziaria SIM S.p.A. – authorized to professionally perform placement services to the public without underwriting or warranties pursuant to article 1, comma 5, letter c-bis) of Legislative Decree no. 58 of February 24, 1998 - manages, by means of website www.fondionline.it, an on-line mutual fund supermarket.

BPO Division

Our BPO Division provides outsourcing services of critical processes for banks, financial intermediaries, insurance companies, investment companies, with a high level of specialization in some reference verticals.

Our BPO services are structured along six separate Business Lines, on the basis of the type of services offered and/or the type of underlying product:

- (a) **Mortgage BPO:** provides remote loan sales and packaging and mortgage underwriting and closing services; this Business Line includes notary support services;
- (b) **Real Estate Services BPO:** offers real estate appraisal services and technical real estate services for operators in the financial sector;
- (c) **Loans BPO:** provides application processing and portfolio management services for salary/pension guaranteed loans, and for business loans to companies, also assisted by a guarantee from the State;
- (d) **Insurance BPO:** provides management and claim settlement outsourcing services mainly for non-motor insurance;
- (e) **Investment Services BPO:** provides complete operational service solutions and technology platforms to investment and asset management companies;
- (f) **BPO Leasing/Rental:** provides administrative outsourcing services for leasing and long-term rental operators.

2.3. Information about the profitability of the Group

In the following paragraphs we describe the main factors affecting the results of operations of the Group for the six months ended June 30, 2021. The income statement and cash flow data for the six months ended June 30, 2021 are compared with the same period of the previous year.

The following table shows the consolidated income statement of the Group for the six months ended June 30, 2021 and 2020, together with the percentage of each item on Group revenues.

<i>(euro thousand)</i>	Six months ended				Change %
	June 30, 2021	(a)	June 30, 2020	(a)	
Revenues	158,789	100.0%	120,096	100.0%	32.2%
Other income	2,407	1.5%	1,909	1.6%	26.1%
Capitalization of internal costs	2,134	1.3%	1,935	1.6%	10.3%
Services costs	(69,014)	-43.5%	(49,329)	-41.1%	39.9%
Personnel costs	(44,950)	-28.3%	(35,664)	-29.7%	26.0%
Other operating costs	(4,726)	-3.0%	(4,661)	-3.9%	1.4%
Depreciation and amortization	(10,213)	-6.4%	(6,700)	-5.6%	52.4%
Impairment of intangible assets	(2,801)	-1.8%	-	0.0%	N/A
Operating income	31,626	19.9%	27,586	23.0%	14.6%
Financial income	371	0.2%	169	0.1%	119.5%
Financial expenses	(1,367)	-0.9%	(667)	-0.6%	104.9%
Income/(losses) from participations	(304)	-0.2%	(53)	0.0%	473.6%
Income/(losses) from financial assets/liabilities	3,550	2.2%	(183)	-0.2%	N/A
Net income before income tax expense	33,876	21.3%	26,852	22.4%	26.2%
Income tax expense	(10,434)	-6.6%	(6,444)	-5.4%	61.9%
Net income	23,442	14.8%	20,408	17.0%	14.9%

(a) Percentage of total revenues

For a prompt comparison of the data with the consolidated quarterly reports, the following table shows the consolidated income statement for the past five quarters:

<i>(euro thousand)</i>	Three months ended				
	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
Revenues	80,559	78,230	80,674	58,616	61,954
Other income	1,413	994	1,308	939	1,069
Capitalization of internal costs	1,181	953	906	778	1,166
Services costs	(34,526)	(34,488)	(32,169)	(23,273)	(24,389)
Personnel costs	(23,383)	(21,567)	(23,851)	(16,743)	(17,971)
Other operating costs	(2,589)	(2,137)	(2,701)	(2,202)	(2,150)
Depreciation and amortization	(4,239)	(5,974)	(3,403)	(3,370)	(3,257)
Impairment of intangible assets	(2,801)	-	-	-	-
Operating income	15,615	16,011	20,764	14,745	16,422
Financial income	48	323	102	87	88
Financial expenses	(987)	(380)	(1,852)	(336)	(315)
Income/(Losses) from participations	(305)	1	361	127	(92)
Income/(Losses) from financial assets/liabilities	1,388	2,162	(560)	(694)	(237)
Net income before income tax expense	15,759	18,117	18,815	13,929	15,866
Income tax expense	(5,379)	(5,055)	80,873	(3,343)	(3,379)
Net income	10,380	13,062	99,688	10,586	12,487

2.3.1. Revenues

The table below provides a breakdown of our revenues by Division for the six months ended June 30, 2021 and 2020:

<i>(euro thousand)</i>	Six months ended		Change	%
	June 30, 2021	June 30, 2020		
Broking Division revenues	65,336	50,620	14,716	29.1%
BPO Division revenues	93,453	69,476	23,977	34.5%
Total revenues	158,789	120,096	38,693	32.2%

(a) % of total revenues

Revenues for the six months ended June 30, 2021 are up 32.2% compared to the same period of the previous financial year, increasing from Euro 120,096 thousand in the first half 2020 to Euro 158,789 thousand in the first half 2021.

The growth of revenues regards both the Broking Division, whose revenues are up 29.1%, increasing from Euro 50,620 thousand in the first half 2020 to Euro 65,336 thousand in the first half 2021, and the BPO Division, whose revenues are up 34.5%, increasing from Euro 69,476 thousand in the first half 2020 to Euro 93,453 thousand in the first half 2021.

As regards the Broking Division, the growth of revenues, if compared to the same period of the previous financial year, is mainly due to the contribution of Mortgage Broking and Telco & Energy Comparison, as a result of the entry of SOS Tariffe S.r.l. into the consolidation area, and it is partially offset by the drop of E-Commerce Price Comparison, due to the disappearance of the exceptionally favorable conditions that had characterized the first half of 2021.

As regards the BPO Division, the increase of revenues is mainly due to the growth of the revenues of Mortgage BPO, of Leasing/Rental BPO and the contribution of Insurance BPO, as a result of the entry of the Lercari Group into the consolidation area.

2.3.2. EBITDA

EBITDA is calculated as net income before income tax expense, net financial income/(expenses) and depreciation and amortization.

The following table shows EBITDA for the six months ended June 30, 2021 and 2020 divided by division.

<i>(euro thousand)</i>	Six months ended		June 30, 2020	Change %
	June 30, 2021	(a)		
EBITDA	44,640	28.1%	34,286	30.2%
of which				
<i>Broking Division</i>	<i>23,125</i>	<i>38.6%</i>	<i>19,630</i>	<i>17.8%</i>
<i>BPO Division</i>	<i>21,515</i>	<i>23.0%</i>	<i>14,656</i>	<i>46.8%</i>

(a) Percentage of total revenues by Division

In the six months ended June 30, 2021, compared to the same period of the previous financial year, EBITDA is up 30.2%, increasing from Euro 34,286 thousand in the first half 2020 to Euro 44,640 thousand in the first half 2021.

Such result is due to the growth both of the Broking Division EBITDA, up 17.8%, and the BPO Division EBITDA, up 46.8%.

2.3.3. Operating income (EBIT)

Operating income (EBIT) is up 14.6% in the six months ended June 30, 2021, compared to the same period of the previous financial year, increasing from Euro 27,586 thousand in the first half 2020 to Euro 31,626 thousand in the first half 2021.

<i>(euro thousand)</i>	Six months ended				Change %
	June 30, 2021	(a)	June 30, 2020	(a)	
Operating income	31,626	19.9%	27,586	23.0%	14.6%
of which					
<i>Broking Division</i>	20,201	30.9%	18,089	35.7%	11.7%
<i>BPO Division</i>	11,425	12.2%	9,497	13.7%	20.3%

(a) Percentage of total revenues by Division

The operating margin for the six months ended June 30, 2021 is equal to 19.9% of revenues, lower than the operating margin for the same period of the previous year, equal to 23.0% of revenues.

This performance is linked both to the drop of the operating margin of the Broking Division, decreasing from 35.7% in the first half 2020 to 30.9% in the first half 2021, and to the drop of the operating margin of the BPO Division, decreasing from 13.7% in the first half 2020 to 12.2% in the first half 2021.

The decrease of the margin of the Broking Division is mainly attributable to the amortization of the higher values of the software and trademark assets following the acquisition of SOS Tariffe S.r.l.. The operating margin of Broking Division includes amortization costs for Euro 1,623 thousand related to the allocation of the price paid for the acquisition of SOS Tariffe S.r.l. to the values of software and trademark (Euro 429 thousand in the same period of the previous year).

The decrease of the margin of the BPO Division is attributable to the amortization of the higher values of the software and trademark assets following the acquisition of Lercari Group and to the impairment loss of the goodwill related to the Centro Processi Assicurativi CGU (for which please refer to note 7). The operating margin of BPO Division includes amortization costs for Euro 4,335 thousand related to the higher values of intangible assets (mainly software) emerged following the acquisitions of Lercari Group, Agenzia Italia S.p.A. and Eagle & Wise Service S.r.l. (Euro 2,351 thousand in the same period of the previous year).

2.3.4. Financial Revenues/Expenses

During the six months ended June 30, 2021 we record a positive financial result equal to Euro 2,250 thousand, mainly due to the capital gain realized with the disposal of some of the Cerved Group S.p.A. shares for Euro 3,550 thousand, partially offset by the interest expense on the outstanding loans in the period for Euro 696 thousand, and to the dividends paid by Agenzia Italia S.p.A. to third-party shareholder for Euro 465 thousand.

2.3.5. Taxes

Income taxes in the six months ended June 30, 2021 are accounted based on the best estimate of the expected tax rate for the entire financial year. The estimated tax rate for financial year 2021 is equal to 30.8%, compared to an effective tax rate equal to 28.5% (net of deferred taxes and substitutive taxes on revaluations) for financial year 2020.

2.3.6. Net income of the period

Net income increases from Euro 20,408 thousand in the six months ended June 30, 2020 to Euro 23,442 thousand in the six months ended June 30, 2021 (+14.9%).

For the six months ended June 30, 2021 the net income of the Group net of minority interest is equal to Euro 22,548 thousand.

2.4. Information about the financial resources of the Group

The net financial position of the Group as of June 30, 2021 and December 31, 2020 is summarized as follows:

(euro thousand)	As of		Change	%
	June 30, 2021	December 31, 2020		
A. Cash and cash equivalents	126,020	122,371	3,649	3.0%
B. Other cash equivalents	-	-	-	N/A
C. Financial assets held to maturity or for trading	1,523	4,588	(3,065)	-66.8%
D. Liquidity (A) + (B) + (C)	127,543	126,959	584	0.5%
E. Current financial receivables	896	356	540	151.7%
F. Current bank borrowings	(10,238)	(6,512)	(3,726)	57.2%
G. Current portion of long-term borrowings	(31,478)	(34,643)	3,165	-9.1%
H. Other short-term financial liabilities	(3,224)	(38,167)	34,943	-91.6%
I. Current indebtedness (F) + (G) + (H)	(44,940)	(79,322)	34,382	-43.3%
J. Net current financial position (I) + (E) + (D)	83,499	47,993	35,506	74.0%
K. Non-current portion of long-term bank borrowings	(127,574)	(78,549)	(49,025)	62.4%
L. Bonds issued	-	-	-	N/A
M. Other non-current financial liabilities	(55,837)	(41,868)	(13,969)	33.4%
N. Non-current Indebtedness (K) + (L) + (M)	(183,411)	(120,417)	(62,994)	52.3%
O. Net financial position (J) + (N)	(99,912)	(72,424)	(27,488)	38.0%

As of June 30, 2021, the net financial position of the Group is negative for Euro 99,912 thousand, worsening by Euro 27,488 thousand compared to December 31, 2020. The worsening is mainly due to the payment of dividends for Euro 14,738 thousand, the payment of a portion equal to Euro 11,732 thousand of the consideration due for the acquisition of the Lercari Group and SOS Tariffe S.r.l., the recognition of the estimated financial liability related to the new put/call option for the repurchase of the remaining 15.50% stake in Agenzia Italia S.p.A., and the normalization of the net working capital of Agenzia Italia S.p.A. (effect of advances on vehicle stamp duty), partly offset by cash generated by operating activities (which net of the change of working capital it is equal to Euro 34,669 thousand during the six months ended June 30, 2021).

2.4.1. Current and non-current indebtedness

Current financial indebtedness

Current financial indebtedness amounts to Euro 44,940 thousand as of June 30, 2021 (Euro 79,322 thousand as of December 31, 2020) and is composed of the current portion of outstanding long-term borrowings and leasing liabilities, and of the liabilities related to the short-term credit lines.

The decrease of the current financial indebtedness compared to December 31, 2020 is due to the payment of the previous liability related to the put/call option for the purchase of the 50% stake of Agenzia Italia S.p.A., equal to Euro 35,000 thousand.

With this regard, it should be noted that on June 8, 2021 the Issuer reimbursed the short-term loan with Crédit Agricole Cariparma S.p.A., for an amount equal to Euro 5,000 thousand.

In addition, during the six months ended June 30, 2021, the Group obtained new short-term credit lines for a total of Euro 8,320 thousand.

Non-current financial indebtedness

Non-current indebtedness as of June 30, 2021 and December 31, 2020 is summarized in the following table:

<i>(euro thousand)</i>	As of June 30, 2021	As of December 31, 2020
Bank borrowings	127,574	78,549
1 - 5 years	94,948	74,808
More than 5 years	32,626	3,741
Other non-current financial liabilities	55,837	41,868
<i>Estimated liability for Lercari Group put/call option</i>	32,532	33,697
<i>Estimated liability for Agenzia Italia S.p.A. put/call option</i>	16,139	-
<i>Leasing liabilities (IFRS 16)</i>	7,166	8,171
Total long-term debts and other non-current financial liabilities	183,411	120,417

The increase of non-current bank borrowings is mainly due to the subscription by the Issuer of:

- a loan with Unicredit S.p.A., on February 26, 2021, for an amount equal to Euro 10,000 thousand, expiring February 28, 2026, with a variable interest rate equal to 3-months Euribor increased by 1.60%. On such loan we took a derivative contract to hedge the variable rate, which converts the 3-months Euribor interest rate into a yearly fixed rate of minus 0.15% and whose fair value as of June 30, 2021 shows a negative value equal to Euro 63 thousand;
- a loan with Intesa SanPaolo S.p.A., on March 30, 2021, for an amount equal to Euro 80,000 thousand, expiring March 30, 2028, with a fixed interest rate equal to 1.45%. We point out that such loan was partially used for the early reimbursement of the previous loans of the same bank, which had a residual debt equal to Euro 37,009 thousand.

Such increase is partially offset by the reimbursement of the expiring current portions of the outstanding loans, for Euro 5,585 thousand.

Other non-current financial liabilities consist in the estimated liability for the exercise of the new put/call option for the residual 15.50% stake of Agenzia Italia S.p.A., exercisable during financial year 2026, in the estimated liability for the exercise of the put/call option for the residual 49.90%

stake of Gruppo Lercari S.r.l., exercisable during financial year 2025, and the leasing liabilities deriving from the adoption of the IFRS 16 standard.

2.4.2. Capital resources, investments, and description of the cash flows

The following table shows a summary of the consolidated statement of cash flows for the six months ended June 30, 2021 and 2020:

<i>(euro thousand)</i>	Six months ended		Change	%
	June 30, 2021	June 30, 2020		
A. Cash Flow from operating activities before changes in net working capital	34,669	30,262	4,407	14.6%
B. Changes in net working capital	(68,770)	6,553	(75,323)	-1,149.4%
C. Net cash generated/(absorbed) by operating activities (A) + (B)	(34,101)	36,815	(70,916)	-192.6%
D. Net cash generated/(absorbed) by investing activities	(2,653)	321	(2,974)	-926.5%
E. Net cash generated/(absorbed) by financing activities	39,997	11,109	28,888	260.0%
Net increase/(decrease) in cash and cash equivalents (C) + (D) + (E)	3,243	48,245	(45,002)	-93.3%

In the six months ended June 30, 2021, the Group generated liquidity for Euro 3,243 thousand, compared to Euro 48,245 thousand in the same period of 2020. Such effect is mainly attributable to the significant differential contribution to the cash absorption of changes of net working capital (for which please refer to paragraph 2.4.3), partially offset by the higher cash generation of financing activities.

Cash flow generated by operating activities

Operating activities absorbed a cash flow of Euro 34,101 thousand in the six months ended June 30, 2021, while in the six months ended June 30, 2020, they generated a cash flow of Euro 36,815 thousand. Such change is mainly attributable to the significant cash absorbed by net working capital, which generated liquidity in the previous financial year. For the analysis of changes in net working capital please refer to note 2.4.3.

Cash flow absorbed by investment activities

Investing activities absorbed cash for Euro 2,653 thousand in the first half 2021 compared to cash generation of Euro 321 thousand in the first half 2020. The cash generation is mainly attributable to the payment of Euro 4,460 thousand for the purchase of Zoorate S.r.l., to the payment of a portion of the consideration for the purchase of Lercari Group and SOS Tariffe for Euro 11,732 thousand, partially offset by the disposal of Cerved Group S.p.A. shares, for Euro 12,241 thousand.

Cash flow absorbed by financial activities

Financial activities generated liquidity for Euro 39,997 thousand in the first half 2021, compared to Euro 11,109 thousand in the first half 2020.

The generated cash in the first half 2021 is due to the subscription of new loans with Unicredit S.p.A. and Intesa SanPaolo S.p.A., which generated, net of the early reimbursement of the previous loans, cash for Euro 52,991 thousand, to the obtainment of new credit lines by Agenzia Italia S.p.A. for Euro 8,320 thousand, and to the disposals of own shares due to stock option exercises for Euro

6,514 thousand, and it is partially offset by the payment of dividends for Euro 14,768 thousand, and by capital reimbursements of outstanding loans for an amount equal to Euro 12,358 thousand.

2.4.3. Changes in net working capital

The following table presents the breakdown of the component items of net working capital for the six months ended June 30, 2021 and December 31, 2020.

<i>(euro thousand)</i>	As of		Change	%
	June 30, 2021	December 31, 2020		
Trade receivables	123,266	105,532	17,734	16.8%
Other current assets and tax receivables	21,387	10,593	10,794	101.9%
Trade and other payables	(45,957)	(44,501)	(1,456)	3.3%
Tax payables	(4,251)	(10,545)	6,294	-59.7%
Other current liabilities	(67,306)	(102,710)	35,404	-34.5%
Net working capital	27,139	(41,631)	68,770	-165.2%

Net working capital increases, absorbing liquidity for Euro 68,770 thousand, in the six months ended June 30, 2021. Such trend is linked in particular to the increase of trade receivables (mainly attributable to the Leasing/Rental Business Line), to the increase of tax receivables and the decrease of tax payables (due to the payment of current taxes by way of balance and advance payment, and to the payment of the first instalment of the substitute tax relating to the asset revaluations), and finally to the decrease of the other current liabilities, due to the payment of Euro 4,460 thousand for the purchase of Zoorate S.r.l., to the payment of a portion of the purchase price of Lercari Group equal to Euro 11,332 thousand, and to the decrease of advances from customers with reference to the payment of car tax in the context of the Leasing/Rental Business Line, for an amount equal to Euro 23,030 thousand.

2.5. Report on foreseeable evolution

2.5.1. Evolution of the Italian residential mortgage market

In the second quarter, the residential mortgage market significantly grew year-on-year due to the comparison with a period largely characterized by the partial block of real estate transactions and notary deeds due to the lock down. The growth progressively declined at the end of the period, mainly due to the expected drop in remortgages also as a consequence of a moderate increase of interest rates on mortgages.

Data from Assofin, an industry association which represents the main lenders active in the sector, show an increase of gross originations of 73.4% in April, 26.7% in May and 17.3% in June 2021; in the second quarter of 2021 total gross originations increased year-on-year by 34.1%, because of a 56.2% growth in purchase mortgages and a 13.8% drop in other mortgages (mainly remortgages). Data from CRIF, the company that manages the main credit information system in Italy, show a year-on-year increase in the number of credit bureau inquiries for residential mortgages of 85.1% in April and 39.9% in May 2021, followed by a 4.5% reduction in June 2021.

For the remainder of the year, it is possible to assume an accelerating drop in remortgages, while the trend in purchase mortgages will mainly follow the evolution of real estate transactions, for which the outlook remains favorable, although mitigated by a noted decrease in sales mandates (source: Bank of Italy Statistics).

2.5.2. Broking Division

Revenues and margins for the Broking Division are up overall in the second quarter, although the contribution of E-Commerce Price Comparison is down year-on-year. For the remainder of the year, weakness can be expected in the Mortgage Broking Business Line, while the remaining business lines are expected to show stable or growing results.

Mortgage Broking revenues are up significantly in the second quarter, due to the year-on-year comparison with the lock-down months. Applications for purchase mortgages have gone from a strong year-on-year growth in the months corresponding to the lock-down to a current situation of substantial stability, while the drop in remortgage applications is increasingly pronounced as normalization is taking place. For the second half of the year, mainly due to the expected trend of remortgages, a year-on-year contraction in originations and revenues is expected.

The growth in revenues and originations in Consumer Loan Broking continued, both as a result of the year-on-year comparison in the second quarter and more structurally due to the increase in marketing expenditure and the strengthening of the offering. This trend may continue for the rest of the year.

With regards to Insurance Broking, year-on-year growth in brokered contracts, revenues and margins continues in the second quarter. Demand is also up year-on-year. Continued growth is expected for the rest of the year.

E-Commerce Price Comparison revenues and margins are down significantly year-on-year in the second quarter of 2021, as expected, due to the absence of the exceptional favorable effects that had characterized the second quarter of 2020. During June, the organic visibility of the trovaprezzi.it website improved significantly. However, the e-commerce market is going through a phase of weakness, probably due to a temporary recovery of traditional distribution channels. Overall, it is currently possible to assume that the results for the second half of the year will be stable or slightly up year on year.

The Telco & Energy Comparison continues to show strong growth in revenues and margins year on year due to the inclusion from the end of 2020 of SOS Tariffe S.r.l. in the consolidation area, although demand in a like for like comparison is significantly down year on year, mainly due to the exceptional demand, especially for telecommunications services, recorded in the first half of 2020. For the rest of the year, the change of the consolidation area will continue to lead to growth in results, even if there is still weakness - although gradually easing - in like for like demand.

2.5.3. BPO Division

In the first half of 2021, when compared to the same period of last year, the BPO Division shows a positive development, both in terms of turnover and margins, at EBITDA level. Even excluding the impact of the acquisition of the Lercari Group, revenue would increase over 15% compared to the first half of 2020, a six-month period in which, we recall, the impact of the restrictions on economic activities in response to the pandemic emergency was most significant.

The second quarter of 2021, compared with the first, shows, at an aggregate level, a substantial stability, with different trends for the various business lines, better detailed in the following. It is however reasonable to expect, net of seasonality between the different quarters, a second half of 2021 with revenues substantially in line with the first half of the year, and therefore growing with respect to 2020, even net of the acquisition in the Insurance BPO area.

In the Mortgage BPO business, results for the first half of the year are up strongly compared to the same period in 2020. As early as the second quarter of 2021, however, a slowdown of para-notary services related to mortgage refinancing is evident, balanced by growth in traditional business. These two contrasting trends will continue in the second half of the year, leading to an annual result that is still up from last year.

The Business Line related to Real Estate Services, is growing double-digit compared to the first half of 2020, and the expected performance in 2021 also shows an acceleration, related to both the business of real estate valuations and the impact of Ecobonus-related activities.

Loans BPO, which had posted a record 2020, thanks to the extension of the range of outsourcing offerings to the underwriting services for the origination of business loans, shows only a slight decrease in the first half of the year, proving resilient to the normalization of the SME financing market. As already reported, it is, however, reasonable to expect a contraction for the whole of 2021, compared to last year's result.

In Insurance BPO, the integration of Lercari Group within the Division continues, and the ensuing review of the historical operations. Comparison with last year's results is obviously not significant. It should be noted that, on a like-for-like basis, the turnover of the Business Line in the second quarter of 2021 is growing compared to the first three months of the year.

The Business Line dedicated to investment services is growing slightly in the first half of the year compared to 2020. We expect this trend to continue in the second half of the year, due in part to the gradual growth of the services linked to a new contract, already mentioned before.

Leasing/Rental BPO continues to perform better than our expectations at the beginning of the year, although the second half of the 2021 will see a gradual reduction in this acceleration. Overall, revenues for the full year are still expected to be in line with or above last year.

2.6. Other information

As required by the provisions of Article 70, Section 8, of the Issuers' Regulation, the Group adopted the "opt out" system provided under Article 70, Section 8, and Article 71, Section 1-bis, of the Issuers' Regulation, thereby availing itself of the exemption from the obligation to publish the information documents required in connection with material transactions involving mergers, demergers, capital increases through conveyances of assets in kind, acquisitions, and divestments.



INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE SIX MONTHS ENDED JUNE 30, 2021

Prepared according to LAS 34

3. INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE SIX MONTHS ENDED JUNE 30, 2021

3.1. Consolidated statement of financial position as of June 30, 2021 and December 31, 2020

<i>(euro thousand)</i>	Note	As of June 30, 2021	December 31, 2020*
ASSETS			
Intangible assets	8	206,762	209,283
Property, plant and equipment	8	26,895	27,841
Associates measured with equity method	9	1,072	2,320
Non-current financial assets at fair value	10	58,974	60,503
Deferred tax assets	11	75,220	86,064
Other non-current assets		746	719
<i>(of which) with related parties</i>		190	190
Total non-current assets		369,669	386,730
Cash and cash equivalents	12	126,020	122,371
Trade receivables	13	123,266	105,532
<i>(of which) with related parties</i>		178	25
Tax receivables	14	11,467	2,759
Assets held for sale		-	364
Other current assets	15	9,920	7,834
<i>(of which) with related parties</i>		896	356
Total current assets		270,673	238,860
TOTAL ASSETS		640,342	625,590
LIABILITIES AND SHAREHOLDERS' EQUITY			
Share capital	25,26	967	954
Other reserves	25,26,27	240,380	103,849
Net income		22,548	128,454
Total equity attributable to the shareholders of the Issuer		263,895	233,257
Minority interests		4,367	3,575
Total shareholders' equity		268,262	236,832
Long-term debts and other financial liabilities	16	183,411	120,417
Provisions for risks and charges	17	1,857	1,850
Defined benefit program liabilities	18	16,605	16,579
Non-current portion of tax liabilities	19	3,691	7,281
Other deferred liabilities	20	4,062	5,067
Total non-current liabilities		209,626	151,194
Short-term debts and other financial liabilities	21	44,940	79,322
Trade and other payables	22	45,957	44,501
<i>(of which) with related parties</i>		877	493
Tax payables	23	4,251	10,545
Liabilities held for sale		-	486
Other current liabilities	24	67,306	102,710
Total current liabilities		162,454	237,564
TOTAL LIABILITIES		372,080	388,758
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		640,342	625,590

* For the disclosure on the reclassification of comparative data as of December 31, 2020, please refer to note 3.

3.2. Consolidated statement of income for the six months ended June 30, 2021 and 2020

<i>(euro thousand)</i>	Note	Six months ended	
		June 30, 2021	June 30, 2020
Revenues	28	158,789	120,096
<i>(of which) with related parties</i>		20	23
Other income	29	2,407	1,909
<i>(of which) with related parties</i>		23	9
Capitalization of internal costs	8	2,134	1,935
Services costs	30	(69,014)	(49,329)
<i>(of which) with related parties</i>		(1,449)	(1,107)
Personnel costs	31	(44,950)	(35,664)
Other operating costs	32	(4,726)	(4,661)
Depreciation and amortization	33	(10,213)	(6,700)
Impairment of intangible assets		(2,801)	-
Operating income		31,626	27,586
Financial income		371	169
Financial expenses	35	(1,367)	(667)
Income/(losses) from participations	9	(304)	(53)
Income/(losses) from financial assets/liabilities	35	3,550	(183)
Net income before income tax expense		33,876	26,852
Income tax expense	36	(10,434)	(6,444)
Net income		23,442	20,408
Attributable to:			
Shareholders of the Issuer		22,548	19,873
Minority interest		894	535
Earnings per share basic (Euro)	37	0.60	0.53
Earnings per share diluted (Euro)	37	0.58	0.51

3.3. Consolidated statement of comprehensive income for the six months ended June 30, 2021 and 2020

<i>(euro thousand)</i>	Note	Six months ended June 30, 2021	June 30, 2020
Net income		23,442	20,408
Fair value of financial assets	9	13,692	(9,976)
Tax effect fair value of financial assets		(81)	86
Currency translation differences		(43)	(44)
Actuarial gain/(losses) on defined benefit program liability	18	425	-
Total other comprehensive income		13,993	(9,934)
Total comprehensive net income for the period		37,435	10,474
Attributable to:			
Shareholders of the Issuer		36,541	9,939
Minority interest		894	535

3.4. Consolidated statement of cash flows for the six months ended June 30, 2021 and 2020

<i>(euro thousand)</i>	Note	Six months ended	
		June 30, 2021	June 30, 2020
Net income		23,442	20,408
Amortization and depreciation	8, 33	13,014	6,700
Stock option expenses	27	312	625
Depreciation/(Revaluation) financial assets and liabilities		(3,550)	183
Capitalization of internal costs	8	(2,134)	(1,935)
Changes of the value of the participations evaluated with the equity method	9	1,248	53
Income tax paid		(18,037)	(1,491)
Changes in trade receivables/payables		(16,229)	4,606
Changes in other assets/liabilities		(32,141)	7,084
Changes in defined benefit program		(33)	618
Changes in provisions for risks and charges		7	(36)
Net cash generated/(absorbed) by operating activities		(34,101)	36,815
Investments:			
- Increase of intangible assets	8	(207)	(81)
- Increase of property, plant and equipment	8	(1,434)	(1,010)
- Acquisition of subsidiaries	7	(16,317)	-
- Increases of financial assets at fair value	10	15,305	1,121
Disposals:			
- Reimbursement/sale of securities		-	291
Net cash generated/(absorbed) by investing activities		(2,653)	321
Interest paid		(696)	(477)
Increase of financial liabilities	16	61,311	38,436
Decrease of financial liabilities	16	(12,358)	(20,936)
Purchase/(sale) of own shares	26	6,514	(2,904)
Dividends received		459	-
Dividends paid to minorities		(465)	-
Dividends paid	25	(14,768)	(4,510)
Net cash generated/(absorbed) by financing activities		39,997	9,609
Net increase/(decrease) in cash and cash equivalents		3,243	46,745
Net cash and cash equivalent at the beginning of the period		122,359	34,565
Net cash and cash equivalents at the end of the period		125,602	81,310
Cash and cash equivalents at the beginning of the period	12	122,371	34,654
Current account overdrafts at the beginning of the period		(12)	(89)
Net cash and cash equivalents at the beginning of the period		122,359	34,565
Net cash and cash equivalents at the end of the period	12	126,020	82,389
Current account overdrafts at the end of the period		(418)	(1,079)
Net cash and cash equivalents at the end of the period		125,602	81,310

3.5. Consolidated statement of changes in equity as of and for the six months ended June 30, 2021 and 2020

<i>(euro thousand)</i>	Share capital	Legal reserve	Other reserves	Retained earnings including net income of the year	Group total	Minority interest	Total
Total Equity as of January 1, 2020	950	202	26,651	84,768	112,571	1,627	114,198
Distribution of ordinary dividends	-	-	-	(4,510)	(4,510)	(300)	(4,810)
Purchase of own shares	(5)	-	(3,625)	-	(3,630)	-	(3,630)
Exercise of stock options	3	-	723	-	726	-	726
Stock option plan	-	-	625	-	625	-	625
Other movements	-	-	-	(6)	(6)	-	(6)
Net income of the year	-	-	(9,934)	19,873	9,939	535	10,474
Total Equity as of June 30, 2020	948	202	14,440	100,125	115,715	1,862	117,577
Total Equity as of January 1, 2021	954	202	17,146	214,955	233,257	3,575	236,832
Distribution of ordinary dividends	-	-	-	(14,768)	(14,768)	(61)	(14,829)
Exercise of stock options	13	-	6,501	-	6,514	-	6,514
Stock option plan	-	-	312	-	312	-	312
Other movements	-	-	2,039	-	2,039	(41)	1,998
Net income of the year	-	-	13,993	22,548	36,541	894	37,435
Total Equity as of June 30, 2021	967	202	39,991	222,735	263,895	4,367	268,262
Note	25	25	26,27				

3.6. Explanatory notes

1. *General information*

Gruppo MutuiOnline S.p.A. (the “**Company**” or the “**Issuer**”) is the holding company of a group of firms (the “**Group**”) with an important position in the Italian market for the online comparison, promotion and intermediation of products provided by financial institutions, e-commerce operators and utilities providers (main websites www.mutuionline.it, www.prestitionline.it, www.segugio.it, www.trovaprezzi.it and www.sostariffe.it) and in the Italian market for the provision of complex business process outsourcing services for the financial sector.

This consolidated interim financial report has been prepared in Euro, the currency of the primary economic environment in which the Group operates.

All the amounts included in the tables of the following notes are in thousands of Euro, except where otherwise stated.

We remind the shares are listed on the STAR Segment of the Mercato Telematico Azionario (“**MTA**”), the Italian trading system organized and managed by the Italian Stock Exchange.

2. *Basis of preparation of the interim consolidated financial report*

This consolidated first half report refers to the period from January 1, 2021 to June 30, 2021 and has been prepared in accordance with IAS 34 concerning interim financial reporting. IAS 34 requires a significantly lower amount of information to be included in interim financial statements than what is required by IFRS for annual financial statements, given that the entity has prepared consolidated financial statements compliant with IFRS for the previous financial year. This interim consolidated financial report is prepared in condensed form and provides the disclosure requirements as per IAS 34 and should be read in conjunction with the consolidated financial statements as of and for the year ended December 31, 2020.

This consolidated first half report is subject to a limited review by the external auditors.

The accounting policies used for the preparation of this consolidated half year report have been consistently applied to all the periods presented.

The results of operations, the statements of changes in shareholders’ equity and the statement of cash flows for the six months ended June 30, 2021 are presented together with the comparative information for the six months ended June 30, 2020. The balance sheet data as of June 30, 2021 is presented together with the comparative data of the previous financial year, ended December 31, 2020.

This half year report for the six months ended June 30, 2021 has been prepared with the assumption of business continuity in the light of the economic and financial results achieved, and it is composed of the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in shareholders’ equity and the explanatory notes.

The accounting policies used for this consolidated interim financial information are consistent with those used in the preparation of the consolidated financial statements as of and for the year ended December 31, 2020. Please refer to such document for a description of those policies.

It should, however, be noted that following the analyses carried out (for the statutory financial statements of the Group companies as of December 31, 2020) as part of the revaluation of certain intangible assets, which are not visible except for their tax effects in this consolidated financial statements, also in the light of the considerations developed by the experts who prepared the reports on such revaluations, the Group companies that used a 3 or 4 year amortization period for their proprietary software, have started to use since January 1, 2021 a 5-year amortization period, considered more representative of the residual useful life of the intangible assets.

The accounting of income taxes is based on the best estimate of the effective tax rate for the entire financial year.

With regards to accounting estimates and judgments please refer to the annual report as of and for the year ended December 31, 2020.

In addition, we point out that the following standards, amendments, and interpretations, applicable from January 1, 2021, are not relevant or they did not involve effects for the Group:

- interest rate benchmark reform: amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

Consolidation area

The following table lists the subsidiaries and associated companies included in this interim consolidated report.

Name	Registered office	Share capital (Euro)	Consolidation method	% of ownership
65Plus S.r.l.	Milan (Italy)	75,416	Line-by-line	72%
7Pixel S.r.l.	Milan (Italy)	10,500	Line-by-line	100%
Agenzia Italia S.p.A.	Conegliano (Italy)	100,000	Line-by-line	84.5%
Centro Finanziamenti S.p.A.	Milan (Italy)	2,000,000	Line-by-line	100%
Centro Istruttorie S.p.A.	Milan (Italy)	500,000	Line-by-line	100%
Centro Processi Assicurativi S.r.l.	Milan (Italy)	50,000	Line-by-line	100%
Centro Servizi Asset Mangement S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
CercAssicurazioni.it S.r.l.	Milan (Italy)	100,000	Line-by-line	100%
Lercari Motor S.r.l.**	Milan (Italy)	50,000	Line-by-line	100%
Eagle & Wise Service S.r.l.	Milan (Italy)	400,000	Line-by-line	100%
Eagle Agency S.r.l.	Milan (Italy)	30,000	Line-by-line	100%
EuroServizi per i Notai S.r.l.	Milan (Italy)	10,000	Line-by-line	60%
Finprom S.r.l.	Arad (Romania)	9,618	Line-by-line	100%
Forensic Experts S.r.l.**	Bologna (Italy)	10,000	Line-by-line	51%
Global Care S.r.l.**	Milan (Italy)	10,000	Line-by-line	100%
Gruppo Lercari S.r.l.	Genoa (Italy)	759,597	Line-by-line	50.1%
Innovazione Finanziaria SIM S.p.A.	Milan (Italy)	2,000,000	Line-by-line	100%
Klikkapromo S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
Lercari S.r.l.**	Milan (Italy)	500,000	Line-by-line	100%
Lercari International Ltd	London (UK)	11,233	Line-by-line	100%
Mikono S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
MOL BPO S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
Money360.it S.p.A.	Milan (Italy)	120,000	Line-by-line	100%
MutuiOnline S.p.A.	Milan (Italy)	1,000,000	Line-by-line	100%
PP&E S.r.l.	Milan (Italy)	100,000	Line-by-line	100%
PrestitiOnline S.p.A.	Milan (Italy)	200,000	Line-by-line	100%
Quinservizi S.p.A.	Milan (Italy)	150,000	Line-by-line	100%
San Filippo S.r.l.**	Genoa (Italy)	30,000	Line-by-line	100%
Segugio.it S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
Sircus S.r.l.**	Genoa (Italy)	50,000	Line-by-line	100%
SOS Tariffe S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
Zoorate S.r.l.	Milan (Italy)	415,654	Line-by-line	100%
Generale Fiduciaria S.p.A.	Milan (Italy)	200,000	Equity method	40%
Generale Servizi Amministrativi S.r.l.	Milan (Italy)	100,000	Equity method	40%
Fin.it S.r.l.*	Conegliano (Italy)	26,000	Equity method	70%
LC Servizi S.r.l.**	Milan (Italy)	10,400	Equity method	40%
PrestiPro S.r.l.	Milan (Italy)	120,000	Equity method	50%
Sircus Gandino S.r.l.**	Sassari (Italy)	26,000	Equity method	50%

* Indirectly owned through Agenzia Italia S.p.A.; the percentage in the table corresponds to the stake held by Agenzia Italia S.p.A. which, however, does not involve control.

** indirectly participated through Gruppo Lercari S.r.l.; the percentage in the table corresponds to the stake held by Gruppo Lercari S.r.l.

For the calculation of the equivalent value in Euro of the financial amounts in foreign currency of the Rumanian subsidiary Finprom S.r.l. and the English subsidiary Lercari International Ltd, we apply the following exchange rates:

	As of June 30, 2021	As of June 30, 2020
<i>RON/Euro</i>		
Balance sheet items	4.928	4.840
Income statement items	4.902	4.817
<i>GBP/Euro</i>		
Balance sheet items	0.858	n/a
Income statement items	0.868	n/a

3. Restatement of comparative figure as of December 31, 2020

In November 2020, the Group completed the acquisitions of Lercari Group and SOS Tariffe S.r.l.. The initial allocations of the purchase prices relating to these business combinations were not completed as of December 31, 2020, therefore, as allowed by IFRS 3, provisional goodwill was determined for each acquisition, equal to Euro 65,221 thousand for Lercari Group and Euro 25,931 thousand for SOS Tariffe S.r.l..

The final allocations of the purchase price led to the restatement of the comparative figures as of December 31, 2020 as detailed below:

<i>(euro thousand)</i>	As of December 31, 2020	Final allocation of Lercari Group	Final allocation of SOS Tariffe	Changes	As of December 31, 2020 (restated)
Proprietary software	-	24,100	14,736	38,836	38,836
Trademarks	-	5,000	2,995	7,995	7,995
Goodwill Lercari Group CGU	65,221	(20,981)	-	(20,981)	44,240
Goodwill SOS Tariffe CGU	25,931	-	(12,784)	(12,784)	13,147
Other intangible assets	105,065	-	-	-	105,065
Total intangible assets	196,217	8,119	4,947	13,066	209,283
Total deferred tax assets*	99,130	(8,119)	(4,947)	(13,066)	86,064

* the item is classified net of the deferred tax liabilities

Consequently, as detailed in note 7 below, the final goodwill allocated to the Lercari Group CGU is equal to Euro 44,240 thousand, and the final goodwill allocated to the SOS Tariffe CGU is equal to Euro 13,147 thousand.

4. Risk Management

Group risk management is based on the principle that operating risk or financial risk is managed by the manager in charge of the business process involved.

The main risks are reported and discussed at Group top management level in order to create the conditions for their coverage, assurance and assessment of residual risk.

Exchange and interest rate risk

Currently the financial risk management policies of the companies of the Group do not provide for the use of derivative instruments to mitigate interest rate risk (except for the loan with Unicredit S.p.A.) since, as of today, the risk of incurring higher interest costs following unfavorable changes in market interest rates, as better analyzed afterwards, is of moderate amount when compared to the economic and financial parameters of the Group and is considered acceptable when compared to the costs that should be incurred to reduce or eliminate such risk.

The interest rate on the bank loan from Crédit Agricole Cariparma S.p.A., obtained on June 28, 2018, is equal to 3-month Euribor increased by 0.90%, and it is subject to a change during the length of the contract based on the change of the ratio between Net Financial Indebtedness and EBITDA.

The interest rate on the loan from Banca Popolare di Milano S.p.A., obtained on September 27, 2018, is equal to 6-month Euribor increased by 1.10% on the amortizing credit line equal to Euro 15,000 thousand, and equal to 6-month Euribor increased by 1.30% on the bullet credit line equal to Euro 5,000 thousand. The interest rate is subject to variation at each payment date based on the ratio between the Net Financial Indebtedness and EBITDA.

The interest rate on the loan from Unicredit S.p.A., obtained on February 26, 2021, is equal to 3-month Euribor increased by 1.60%. On such loan the Issuer subscribed a derivative hedging the variable rate, which converts the 3-months Euribor interest rate into a yearly fixed rate of -0.15%, and whose fair value as of June 30, 2021 is negative Euro 63 thousand.

All the other main outstanding loans are fixed rate.

A possible unfavorable variation of the reference interest rates, equal to 1%, should produce an additional expense equal to Euro 183 thousand in the second half of 2021.

It is also worth pointing out that the Group pursues a policy for the management of available liquidity by investing it in bank deposits or other low-risk and/or promptly disposable financial assets.

As regards to the coverage of exchange rate risk, it is worth pointing out that as of the reference date of this report, there are no significant assets or liabilities denominated in currencies different from the Euro and such risk is therefore not significant.

Credit risk

The current assets of the Group, different from cash and cash equivalents, are mainly composed of trade receivables for an amount of Euro 123,266 thousand, of which the overdue portion as of June 30, 2021 is equal to Euro 39,663 thousand, of which Euro 5,676 thousand is overdue for over 90 days.

Most of the gross overdue receivables were paid by clients during July and August 2021. As of the date of approval of this report, receivables not yet collected, overdue as of June 30, 2021, amount to Euro 13,125 thousand, of which Euro 4,981 thousand refer to receivables already overdue for over 90 days as of June 30, 2021.

These trade receivables are mainly from banks and other financial institutions, insurance companies and leasing/rental companies, considered highly creditworthy; however, against receivables for which credit risk is possible, there is an allowance for doubtful receivables equal to Euro 5,618 thousand.

Liquidity risk

Liquidity risk arises when a company is not able to obtain the necessary financial resources to support short term operations.

In order to mitigate the liquidity risk, the majority of the Group's indebtedness is at a medium-long term.

The total amount of liquidity as of June 30, 2021 is Euro 126,020 thousand, and, in the light of the value of net working capital as of June 30, 2021, the management believes that liquidity risk for the Group is limited.

Risk linked to Covid-19 Epidemic

This scenario, which has already been examined in the consolidated financial statement as of December 31, 2020, is having significant impacts on the economy, financial markets and consumer confidence in Italy and worldwide.

The Group has taken prompt action, also on the basis of directives issued by the Government, to stem the possible impacts of health threats for its employees, and it has equipped its personnel with all the necessary tools to continue working safely and, where appropriate, remotely.

With regard to the impact of this scenario on the Group's economic results in 2020, please refer to the consolidated financial statements as of December 31, 2020, while with reference to 2021, it should be noted that the current scenario did not have a significant impact on the economic results achieved in the six months ended June 30, 2021.

As of the date of approval of this report, it is not possible to predict the duration of this situation and therefore assess its economic and financial impact on the results of the Group in the medium term.

It should be noted, anyway, that:

- so far there have not been significant delays in payments from customers, nor news of particular difficulties on their part;
- no financial tensions are expected in the coming months;
- there are no elements that could put into question the going concern assumption according to which the financial statements have been prepared.

Operating risk and going concern

The technological component is an essential element for the operating activities of the Group; therefore, there is the risk that the possible malfunctioning of the technological infrastructure may cause an interruption of the client service or loss of data. However, the companies of the Group have developed a series of plans, procedures, and tools to guarantee business continuity and data security.

Considering the current economic and financial situation, in particular the available reserves, and taking into account the trend of the net working capital, of the cash generation and of the economic and financial situation, the consolidated financial report has been prepared with a perspective of business continuity.

It should also be considered that the Group, as in previous years, has achieved positive economic results, and that future economic forecasts are also positive. Finally, the Group has adequate

financial resources to meet its future obligations over a period of at least 12 months from the date of approval of this report, and it can, where necessary, activate additional levers to rapidly liquidate significant invested amounts.

5. *Fair value of assets and liabilities valued with the amortized cost method*

The book value of the following assets and liabilities stated at amortized cost approximates their fair value:

- financial assets at fair value;
- trade receivables;
- other current assets;
- trade and other payables;
- borrowings and other financial liabilities;
- other current liabilities.

Among financial assets as of June 30, 2021 there are the shares of Cerved Group S.p.A., measured at fair value (category 1) through “other comprehensive income” (“OCI”) reserve, and insurance policies attributable to Lercari Group measured at fair value (category 2) through profit and loss.

All the financial liabilities recorded in the balance sheet as of June 30, 2021 and December 31, 2020 are stated at amortized cost, except earn outs, measured at fair value (category 3). The method for the assessment at fair value of these liabilities is based on the income approach.

6. *Segment information*

The segment reporting adopted by the Issuer is by business segments, where the two business segments identified are the Broking and BPO Divisions.

The following tables show the main economic and financial indicators of the two Divisions:

Revenues by Division

<i>(euro thousand)</i>	Six months ended	
	June 30, 2021	June 30, 2020
Broking Division revenues	65,336	50,620
BPO Division revenues	93,453	69,476
Total revenues	158,789	120,096

Operating income by Division

<i>(euro thousand)</i>	Six months ended	
	June 30, 2021	June 30, 2020
Broking Division operating income	20,201	18,089
BPO Division operating income	11,425	9,497
Total operating income	31,626	27,586
Financial income	371	169
Financial expenses	(1,367)	(667)
Income/(losses) from investments	(304)	(53)
Income/(losses) from financial assets/liabilities	3,550	(183)
Net income before income tax expense	33,876	26,852

The allocation of the costs of the Issuer and of PP&E S.r.l., not directly attributable to a specific Division, is based on the headcount of the Italian subsidiaries of the Group at the end of the period.

Assets by Division

The allocation of property, plant and equipment shared by both Divisions is based on space occupied.

<i>(euro thousand)</i>	As of June 30, 2021	As of December 31, 2020
Broking Division assets	245,199	236,436
BPO Division assets	209,005	212,190
Not allocated	60,118	54,593
Cash and cash equivalents	126,020	122,371
Total assets	640,342	625,590

The item “Not allocated” mainly includes the value of Cerved Group S.p.A. shares, equal to Euro 57,451 thousand as of June 30, 2021 (Euro 55,915 thousand as of December 31, 2020), and the assets attributable to the Issuer and subsidiary P.P.&E. S.r.l..

Liabilities by Division

<i>(euro thousand)</i>	As of June 30, 2021	As of December 31, 2020
Broking Division liabilities	34,680	38,388
BPO Division liabilities	101,085	122,082
Not allocated	236,315	228,288
Total liabilities	372,080	388,758

The item “Not allocated” mainly includes the financial liabilities of the Issuer, for Euro 198,839 thousand, and other liabilities attributable to the holding and subsidiary P.P.&E. S.r.l..

7. Business combinations

Acquisition of Gruppo Lercari

On November 16, 2020 the Group acquired from the Lercari family a 50.1% stake of Gruppo Lercari S.r.l., the parent company of the namesake group of companies (“**Lercari Group**”), leader in the Italian market for claims appraisals, third party administration and after-sales services for the insurance sector, also active internationally through exclusive agreements with the Sedgwick Group. The agreed price for the purchase of the shares of Gruppo Lercari S.r.l. is Euro 35,664 thousand, which includes Euro 10,843 thousand of net cash balance, to which a conditional price component of up to Euro 4,000 thousand is added.

Following the analysis aimed at determining the fair value of the assets, mainly represented by the software platform and the brand, the liabilities and potential liabilities, the management, also through the support of a specifically appointed independent advisor, defined the allocation of the purchase price paid for the acquisition of the Lercari Group, as follows:

Cash and cash equivalent	10,843
Non-current assets	3,655
Current assets	14,351
Non-current liabilities	(1,601)
Current liabilities	(19,088)
Minorities	(20)
Fair value of net assets purchased	8,140
Price Paid (A)	39,664
Difference between price paid and fair value of net purchas	31,524
Recognition of minorities at fair value	33,697
Total to be allocated	65,221
Higher value allocated to software	24,100
Higher value allocated to trademark	5,000
Deferrex tax liabilities on higher values allocated	(8,119)
Goodwill	44,240
Cash of the entity at the date of the acquisition (B)	10,843
Net cash flow absorbed by the acquisition (A-B)	28,821

All the quotas of Gruppo Lercari S.r.l. will be subject to a lock-up of 5 years. At the end of this period, as well as upon the possible occurrence of specific events, reciprocal put/call options were agreed for the residual 49.9% stake. The liability related to the put/call option as of December 31, 2020 was equal to Euro 33,697 thousand (Euro 32,532 thousand as of June 30, 2021), based on the operating cash flows resulting from the 2021 budget and the strategic plans prepared by the company for the period 2022-2023.

It should be noted that, as described in note 3 above, the final allocation of the price paid for this acquisition led to the restatement of the comparative balance sheet figures as of December 31, 2020.

Acquisition of SOS Tariffe

On November 27, 2020 the Group acquired from the founders and from minority shareholder Noosalab S.r.l., 100% of the share capital of SOS Tariffe S.r.l. (“**SOS Tariffe**”), an historical operator with a leadership position in Italian market for the comparison and promotion of telecommunication and energy contracts through the portal SOStariffe.it. The agreed price for the purchase of the shares of SOS Tariffe is Euro 28,746 thousand (of which Euro 26,146 thousand already paid as of June 30, 2021), which includes Euro 2,287 thousand of net cash balance, to which a conditional price component of up to Euro 800 thousand is added.

Following the analysis aimed at determining the fair value of the assets, mainly represented by the software platform and the brand, the liabilities and potential liabilities, the management, also through the support of a specifically appointed independent advisor, defined the allocation of the purchase price paid for the acquisition of SOS Tariffe and its subsidiaries, as follows:

Cash and cash equivalent	2,287
Non-current assets	1,437
Current assets	5,547
Non-current liabilities	(593)
Current liabilities	(5,063)
Fair value of net assets purchased	3,615
Price Paid (A)	29,546
Difference between price paid and fair value of net purchased assets	25,931
Higher value allocated to software	14,736
Higher value allocated to trademark	2,995
Defferex tax liabilities on higher values allocated	(4,947)
Goodwill	13,147
Cash of the entity at the date of the acquisition (B)	2,287
Net cash flow absorbed by the acquisition (A-B)	27,259

It should be noted that, as described in note 3 above, the final allocation of the price paid for this acquisition led to the restatement of the comparative balance sheet figures as of December 31, 2020.

Acquisition of Zoorate S.r.l.

On May 26, 2021 the Group acquired, through subsidiary 7Pixel S.r.l., the remaining 60% stake of the share capital of Zoorate S.r.l., for a price of Euro 4,585 thousand, in line with the current liability previously recorded in the financial statements, as a result of the forward purchase already agreed between the parties. In addition, a deferred price component of Euro 1,052 thousand is provided, subject to the occurrence of certain events, which may be paid by April 2022.

The higher price paid with respect to the portion of net equity acquired was provisionally allocated, as of June 30, 2021, for Euro 4,587 thousand to the proprietary software (platform that enables the provision of all services offered by the company, including the integration and recording of the flow of purchases from e-commerce platforms, and the publication of opinions) and for Euro 746 thousand as goodwill, as follows:

Cash and cash equivalent	2,390
Non-current assets	14
Current assets	462
Non-current liabilities	(95)
Current liabilities	(1,490)
Fair value of net assets purchased	1,281
Price Paid (A)	6,614
Difference between price paid and fair value of net purchased assets	5,333
Higher value provisionally allocated to software	4,587
Goodwill	746
Cash of the entity at the date of the acquisition (B)	2,390
Net cash flow absorbed by the acquisition (A-B)	4,224

NOTES TO THE MAIN ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NON-CURRENT ASSETS

8. *Intangible assets and property, plant and equipment*

The following table presents the variation of the intangible assets and of property, plant and equipment, in the six months ended June 30, 2021 and 2020.

<i>(euro thousand)</i>	Intangible assets	Property, plant and equipment	Total
Total as of January 1, 2020	107,282	25,512	132,794
Purchases	2,016	2,491	4,507
Depreciation and amortization	(4,106)	(2,594)	(6,700)
<i>of which ex IFRS 16</i>	-	(1,455)	(1,455)
Total as of June 30, 2020	105,192	25,409	130,601
Total as of January 1, 2021 (restated)	209,283	27,841	237,124
Purchases	2,341	1,866	4,207
Increases through acquisitions	5,334	5	5,339
Depreciation	(2,801)	-	(2,801)
Amortization	(7,396)	(2,817)	(10,213)
<i>of which ex IFRS 16</i>	-	(1,604)	(1,604)
Total as of June 30, 2021	206,762	26,895	233,657

Intangible assets

As of June 30, 2021, the net book value of intangible assets amounts to Euro 206,762 thousand (Euro 209,283 thousand as of December 31, 2020). The purchases of intangible assets during the six months ended June 30, 2021 are equal to Euro 2,341 thousand related to software assets (of which Euro 2,134 thousand for the capitalization of staff costs for internal development).

The item “Increases through acquisitions” mainly includes the higher values provisionally allocated following the acquisition of Zoorate S.r.l., and in particular Euro 4,587 thousand related to the higher value of the software, and Euro 746 thousand related to goodwill.

The following table presents the details of intangible assets as of June 30, 2021 and December 31, 2020:

<i>(euro thousand)</i>	As of June 30, 2021	As of December 31, 2020 (restated)
Proprietary software	44,867	44,689
Trademarks, licenses and other rights	9,501	10,144
Goodwill	152,395	154,450
Total intangible assets	206,762	209,283

The increase of the item “Proprietary software” is due to the provisionally allocation of the higher value of the software following the acquisition of Zoorate S.r.l. for Euro 4,587 thousand, to purchases and capitalizations of the period for Euro 2,155 thousand, and it is partially offset by the amortization of the period for Euro 6,564 thousand.

The decrease of the item “Trademarks, licenses and similar rights” is mainly due to the amortization of the period for Euro 832 thousand.

The following table presents the details of the goodwill as of June 30, 2021 and December 31, 2020:

<i>(euro thousand)</i>	As of June 30, 2021	As of December 31, 2020 (restated)
Agenzia Italia S.p.A.	45,288	45,288
Gruppo Lercari	44,240	44,240
7Pixel S.r.l.	33,374	33,374
SOS Tariffe S.r.l.	13,147	13,147
Eagle&Wise Service S.r.l.	8,292	8,292
Quinservizi S.p.A.	6,583	6,583
Zoorate S.r.l.	746	-
CESAM S.r.l.	595	595
EuroServizi per i Notai S.r.l.	130	130
Centro Processi Assicurativi S.r.l.	-	2,801
Total goodwill	152,395	154,450

The Group performs the impairment test of goodwill annually (as of December 31) and when circumstances show impairment indicators of the recoverable amount of goodwill. The impairment test of goodwill is based on the calculation of the value in use. The different assumptions to assess the recoverable amount of the CGUs are described in the consolidated financial report for the year ended December 31, 2020.

During the six months ended June 30, 2021, based on the analysis of the main internal and external sources of information, no impairment indicators of the recoverable amount of the CGUs have emerged, with the exception of the CGU Centro Processi Assicurativi S.r.l., for which an impairment test was carried out, from which the need to make a full write-down of the value of goodwill emerged, due to a change in expectations regarding the future development of the business, also in relation to the constraints and opportunities arising from the acquisition of the Lercari Group in the development of the insurance claims management and settlement business.

In light of the above, the directors prepared revised economic and financial forecasts, on the basis of which an impairment test was carried out, which showed the need to write down the value of goodwill by Euro 2,801 thousand.

The WACC discount rate used to perform the impairment test is equal to 7.90%, and the perpetual growth rate g is equal to 1.30%.

Property plant and equipment

As of June 30, 2021, the net book value of property, plant and equipment amounts to Euro 26,895 thousand (Euro 27,841 thousand as of December 31, 2020). During the six months ended June 30, 2021, the increases of property, plant and equipment amount to Euro 1,866 thousand (of which Euro 432 thousand related to IFRS 16 effect). Net of IFRS 16, the purchases refer to plant and machinery for Euro 491 thousand, to land and buildings for Euro 133 thousand and to other long-term assets for Euro 810 thousand.

Changes in the values of the rights of use and the leasing liabilities occurred in the six months ended June 30, 2021 are shown below:

<i>(euro thousand)</i>	Buildings	Vehicles	Total property, plant and equipment	Leasing liabilities
As of January 1, 2021	10,363	488	10,851	11,343
Increases / (decreases)	139	293	432	(954)
Amortization	(1,489)	(115)	(1,604)	-
Financial expenses	-	-	-	(55)
As of June 30, 2021	9,013	666	9,679	10,334

9. Investments in associates measured with the equity method

The item is represented by the shareholdings in the associated companies Fin.it S.r.l., Generale Fiduciaria S.p.A., Generale Servizi Amministrativi S.r.l., LC Servizi S.r.l., Sircus Gandino S.r.l., and in the joint venture PrestiPro S.r.l..

The following table shows the changes in this item for the six months ended June 30, 2021:

<i>(Euro thousand)</i>	As of December 31, 2020	Net income of the year attributable to the Group	Others	As of June 30, 2021
Fin.it S.r.l.	276	-	-	276
Generale Fiduciaria S.p.A.	515	1	-	516
Global Care S.r.l. in liquidazione	8	-	(8)	-
GSA S.r.l.	352	36	(160)	228
LC Servizi S.r.l.	39	-	-	39
Prestipro S.r.l.	-	-	-	-
Sircus Gandino S.r.l.	13	-	-	13
Zoorate S.r.l.	978	-	(978)	-
Other participations in SOS Consulting S.r.l.	139	-	(139)	-
Total	2,320	37	(1,285)	1,072

During the six months ended June 30, 2021, the income deriving from the valuation with the equity method of the investments in associated companies and joint ventures was equal to Euro 37 thousand; this value is recognized in the income statement as “Incomes/(Losses) from investments”.

Other movements include the dividend received from Generale Servizi Amministrativi S.r.l. for Euro 160 thousand, the disposal of certain irrelevant participations held by SOS Tariffe S.r.l. for Euro 139 thousand, and the decrease in the carrying amount of the participations in Zoorate S.r.l. and Global Care S.r.l., following the acquisition of control of these companies by the Group.

10. *Financial assets at fair value*

The following table shows the variation of the item as of and for the six months ended June 30, 2021:

<i>(euro thousand)</i>	As of December 31, 2020	Revaluations / (Depreciations)	Reimbursements	As of June 30, 2021
Cerved Group S.p.A. shares	55,915	13,777	(12,241)	57,451
BFF Bond	3,064	-	(3,064)	-
Fenice 2014-1 ABS	13	-	-	13
Insurance policies	1,510	-	-	1,510
Financial assets at fair value	60,502	13,777	(15,305)	58,974

Financial assets at fair value are equal to Euro 58,974 thousand as of June 30, 2021 (Euro 60,502 thousand as of December 31, 2020), and include 5,862,321 ordinary shares of Cerved Group S.p.A., for an amount equal to Euro 57,451 thousand. Regarding Cerved Group S.p.A. shares, during the period we sold 1,643,050 shares at an average price of 9.63 per share. The item “Revaluations/(Depreciations)” refers to the higher market value of the shares already owned as of December 31, 2020, for Euro 13,777 thousand. Such financial assets are measured at fair value through OCI.

The item also includes insurance policies subscribed by the subsidiary Gruppo Lercari S.r.l. for Euro 1,510 thousand, acquired with the entry of Lercari Group in the consolidation area. Such financial assets are measured at fair value through profit and loss.

The cancellation of the value of the BFF Bond, which as of December 31, 2020 was equal to Euro 3,064 thousand, refers to the sale of the bond during the six months ended June 30, 2021.

11. *Deferred tax assets and liabilities*

The following table shows the variation of the item as of and for the six months ended June 30, 2021:

<i>(euro thousand)</i>	Deferred tax assets
As of January 1, 2021 (restated)	86,064
Reversal of deferred tax assets on revaluations	(4,621)
Estimate of current taxes	(5,841)
Other movements	(382)
As of June 30, 2021	75,220

Deferred tax assets, shown net of deferred tax liabilities, include Euro 77,699 thousand related to the revaluation of software, trademarks and real estate assets owned by some entities of the Group, according to the measures introduced by the Art. 110 of the Law Decree n. 104/2020, converted in

the Law n. 126/2020, enacting “Urgent measures to support and relaunch the economy”. Such measures allow the revaluation of tangible and intangible assets, fiscally recognizable against payment of a substitute tax of 3% of the increase in value. It is worth pointing out that such amount is shown net of deferred tax liabilities related to the higher values recognized to software and trademark of Lercari Group at the acquisition of the participation (for Euro 7,377 thousand) and to the higher values recognized to software and trademark of SOS Tariffe at the acquisition of the participation (for Euro 4,494 thousand). The amount of deferred tax assets related to such revaluation that will be used within the financial year amounts to Euro 9,243 thousand, while the reversal related to six months ended June 30, 2021 is equal to Euro 4,621 thousand.

The item also includes deferred tax assets for Euro 1,088 thousand, deriving from the tax release, performed in the financial year ended December 31, 2012, of the consolidation differences emerged after the purchase of the participations in Key Service S.r.l. by Quinservizi S.p.A., and in Quinservizi S.p.A. itself by Centro Perizie S.r.l. (now Eagle & Wise Service S.r.l.), and Euro 761 thousand, referring to costs with different tax deductibility.

Among deferred tax liabilities are Euro 5,841 thousand related to the estimation of the income taxes as of June 30, 2021, calculated based on the best estimate of the expected tax rate for the full financial year.

CURRENT ASSETS

12. Cash and cash equivalents

The item includes cash in hand and bank deposits. There is no obligation or restriction on available cash.

The following table presents the net financial position, as defined in the CONSOB communication No. DEM/6064293 dated July 28, 2006, as of June 30, 2021 and December 31, 2020:

<i>(euro thousand)</i>	As of		Change	%
	June 30, 2021	December 31, 2020		
A. Cash and cash equivalents	126,020	122,371	3,649	3.0%
B. Other cash equivalents	-	-	-	N/A
C. Financial assets held to maturity or for trading	1,523	4,588	(3,065)	-66.8%
D. Liquidity (A) + (B) + (C)	127,543	126,959	584	0.5%
E. Current financial receivables	896	356	540	151.7%
F. Current bank borrowings	(10,238)	(6,512)	(3,726)	57.2%
G. Current portion of long-term borrowings	(31,478)	(34,643)	3,165	-9.1%
H. Other short-term financial liabilities	(3,224)	(38,167)	34,943	-91.6%
I. Current indebtedness (F) + (G) + (H)	(44,940)	(79,322)	34,382	-43.3%
J. Net current financial position (I) + (E) + (D)	83,499	47,993	35,506	74.0%
K. Non-current portion of long-term bank borrowings	(127,574)	(78,549)	(49,025)	62.4%
L. Bonds issued	-	-	-	N/A
M. Other non-current financial liabilities	(55,837)	(41,868)	(13,969)	33.4%
N. Non-current indebtedness (K) + (L) + (M)	(183,411)	(120,417)	(62,994)	52.3%
O. Net financial position (J) + (N)	(99,912)	(72,424)	(27,488)	38.0%

The item “Current financial receivables” consists of the receivable from Fin.it S.r.l., outside the scope of full consolidation as it is not a subsidiary, regarding the cash pooling activity of Agenzia Italia S.p.A..

The item “Other non-current financial liabilities” is represented by the estimated liability for the exercise of the new put/call option on the residual 15.50% stake of Agenzia Italia S.p.A. for Euro 16,139 thousand, the estimated liability for the exercise of the put/call option on the residual 49.90% stake of Gruppo Lercari S.r.l. for Euro 32,532 thousand, and the non-current leasing liabilities deriving from the adoption of the IFRS 16 standard for Euro 7,166 thousand.

13. Trade receivables

The following table presents the situation of trade receivables as of June 30, 2021 and December 31, 2020:

<i>(euro thousand)</i>	As of June 30, 2021	As of December 31, 2020
Trade receivables	128,884	110,736
(allowance for doubtful receivables)	(5,618)	(5,204)
Total trade receivables	123,266	105,532

Trade receivables refer to ordinary sales to national customers of the banking, financial, insurance and leasing sector, as well as, for what concerns 7Pixel S.r.l., to e-commerce operators.

The following table presents the variation and the situation of the provision for bad debts as of and for the six months ended June 30, 2021:

<i>(euro thousand)</i>	As of December 31, 2020	Accrual	Utilization	As of June 30, 2021
Provision for bad debts	5,204	469	(55)	5,618
Total	5,204	469	(55)	5,618

The accrual has been recorded in the “Other operating costs” item of the income statement.

The accrual for the six months mainly includes the adjustments to the bad debt provision booked by subsidiary Agenzia Italia S.p.A..

14. Tax receivables

Tax receivables include advance payments to the tax authorities which can be collected or offset in the short term in relation to income taxes. As of June 30, 2021, tax receivables amount to Euro 11,467 thousand and include the advances and receivables on IRES and IRAP.

15. Other current assets

The following table presents the details of the item as of June 30, 2021 and December 31, 2020:

<i>(euro thousand)</i>	As of June 30, 2021	As of December 31, 2020
VAT receivables	3,313	3,932
Accruals and prepayments	1,978	1,394
Advances to suppliers	1,827	1,440
Receivables from associated companies	908	368
Others	1,894	700
Total other current assets	9,920	7,834

The increase of the item “Accruals and prepayments” if compared to December 31, 2020, is mainly due to advance payments of yearly fees for the rental of software, for telephone services and the maintenance of the hardware of the Group.

Receivables from associated companies are mainly composed of the receivable from Fin.it S.r.l. as part of the cash pooling activity managed by Agenzia Italia S.p.A..

The item “Others” includes receivables from employees for Euro 937 thousand, related to the advance taxation on the exercise of stock options.

NON-CURRENT LIABILITIES

16. Long-term debts and other financial liabilities

The following table presents the details of the item as of June 30, 2021 and December 31, 2020:

<i>(euro thousand)</i>	As of June 30, 2021	As of December 31, 2020
Bank borrowings	127,574	78,549
1 - 5 years	94,948	74,808
More than 5 years	32,626	3,741
Other non-current financial liabilities	55,837	41,868
<i>Estimated liability for Lercari Group put/call option</i>	32,532	33,697
<i>Estimated liability for Agenzia Italia S.p.A. put/call option</i>	16,139	-
<i>Leasing liabilities (IFRS 16)</i>	7,166	8,171
Total long-term debts and other non-current financial liabilities	183,411	120,417

Bank loans

The bank borrowings, for the non-current portion, mainly refer to the outstanding loans from Intesa SanPaolo S.p.A., for an amount equal to Euro 79,880 thousand, Crédit Agricole Cariparma S.p.A., for an amount equal to Euro 23,115 thousand, Unicredit S.p.A. for an amount equal to Euro 7,485 thousand, and Banco BPM S.p.A., for an amount equal to Euro 17,095 thousand (of which Euro 6,294 thousand related to the loan obtained by the subsidiary Agenzia Italia S.p.A.).

The increase of non-current bank borrowings is mainly due to the subscription, by the Issuer, of:

- a loan with Unicredit S.p.A., on February 26, 2021, for an amount equal to Euro 10,000 thousand, expiring February 28, 2026, with a variable interest rate, equal to 3-Month Euribor increased by 1.60%;
- a loan with Intesa SanPaolo S.p.A., on March 30, 2021, for an amount equal to Euro 80,000 thousand, expiring March 30, 2028, with a fixed interest rate equal to 1.45%. We point out that such loan was partially used for the early reimbursement of the previous loans, with a residual debt equal to Euro 37,009 thousand.

Such increase is partially offset by the reimbursement of the expiring current portions of the outstanding loans, for Euro 5,585 thousand.

The repayment schedule is presented in the following table:

<i>(euro thousand)</i>	As of June 30, 2021	As of December 31, 2020
- between one and two years	11,616	19,270
- between two and three years	27,357	33,605
- between three and four years	33,641	13,351
- between four and five years	22,334	8,582
- more than five years	32,626	3,741
Total	127,574	78,549

Interest rates

The interest rate on the bank loan from Crédit Agricole Cariparma S.p.A., obtained on June 28, 2018, is equal to 3-month Euribor increased by a spread equal to 0.90%, and is subject to variation at each payment date based on the ratio between the Net Financial Indebtedness and EBITDA.

The interest rate on the loan from Banca Popolare di Milano S.p.A., obtained on September 27, 2018, is equal to 6-month Euribor increased by 1.10% on the amortizing credit line equal to Euro 15,000 thousand, and equal to 6-month Euribor increased by 1.30% on the bullet credit line equal to Euro 5,000 thousand. The interest rate is subject to variation at each payment date based on the ratio between the Net Financial Indebtedness and EBITDA.

The bank loan from Crédit Agricole Cariparma S.p.A., obtained on March 30, 2020, for an amount equal to Euro 15,000 thousand, carries a yearly fixed rate equal to 1.05%.

The bank loan from Banco BPM S.p.A., obtained by Agenzia Italia S.p.A. on May 21, 2020, for an amount equal to Euro 10,000 thousand, carries a yearly fixed rate equal to 1.09%.

The bullet loan from Credito Emiliano S.p.A., obtained on March 23, 2020, for an amount equal to Euro 12,000 thousand, carries a yearly fixed rate equal to 0.22%.

The bank loan from Credito Emiliano S.p.A., obtained on November 25, 2020, for an amount equal to Euro 8,000 thousand, carries a yearly fixed rate equal to 0.28%.

The bank loan from Unicredit S.p.A., obtained on February 26, 2021, for an amount equal to Euro 10,000 thousand, carries a yearly variable rate equal to 3-month Euribor increased by 1.60%. A derivative hedging the variable rate, was put in place on this loan, which converts the 3-months Euribor interest rate in a yearly fixed rate of -0.15% and whose fair value as of June 30, 2021 shows a negative amount equal to 63 thousand.

The bank loan from Intesa SanPaolo S.p.A., obtained on March 30, 2021, for an amount equal to Euro 80,000 thousand, carries a yearly fixed rate equal to 1.45%.

Such interest rates are representative of the actual interest rates paid. The book value of the financial liabilities represents their fair value as of the date of the financial statement.

Financial covenants

As regards the loans obtained from Crédit Agricole Cariparma S.p.A., the Group is obliged to comply with the following consolidated financial covenant: ratio between Net Financial Position and EBITDA: (i) not over 2.50, with reference to the consolidated annual report ended December 31 of each year; (ii) not over 2.75, with reference to the consolidated half year report ended June 30 of each year.

As regard the loan obtained from Banca Popolare di Milano S.p.A., the Group is obliged to comply with the following consolidated financial covenant, as resulting from the consolidated financial statements for each full and half year, clarifying that the economic data are to be considered on a yearly basis: ratio between Net Financial Position and EBITDA not over 3.0.

As regard the loan obtained from Unicredit S.p.A., the Group is obliged to comply with the following consolidated financial covenant, as resulting from the consolidated financial statements for each full and half year, clarifying that the economic data are to be considered on a yearly basis: ratio between Net Financial Position and EBITDA not over 3.0. In addition, in the event that such ratio should be higher than 2.25, the Issuer is obliged not to distribute or resolve the distribution of profits of the year in amounts exceeding 50% of the consolidated annual net income.

As regard the loan obtained from Intesa SanPaolo S.p.A., the Group is obliged to comply with the following consolidated financial covenants: i) ratio between Net Financial Position and EBITDA not over 2.5; ii) ratio between Net Financial Position and Equity not over 2.0. In addition, in the event that the ratio between Net Financial Position and EBITDA should result higher than 2.0, the Issuer is obliged not to distribute profits and/or reserves made up of undistributed profits from previous years in excess of 50%.

Financial covenants related to the loans obtained from Crédit Agricole Cariparma S.p.A., Banca Popolare di Milano S.p.A. and Unicredit S.p.A. having a half-yearly basis, have been complied with as of June 30, 2021.

It should be noted that for the calculation of the above ratios, according to the contractual agreements in force with the banks, except for the loan with Intesa SanPaolo S.p.A., the Net Financial Position is always determined excluding the liabilities linked to future purchase obligations of participations and the leasing liabilities deriving from the adoption of IFRS 16.

Other non-current financial liabilities

Finally, the other non-current financial liabilities are represented by the estimated liability for the exercise of the new put/call option for the residual 15.50% stake of Agenzia Italia S.p.A., for Euro 16,139 thousand, the estimated liability for the exercise of the put/call option for the residual 49.90% stake of Gruppo Lercari S.r.l., for Euro 32,532 thousand, and the leasing liabilities deriving from the adoption of the IFRS 16 standard, for Euro 7,166 thousand.

17. Provisions for risks and charges

The following table presents the variation and the situation of the provisions for risks and charges during the six months ended June 30, 2021:

<i>(euro thousand)</i>	As of December 31, 2020	Change in the scope of consolidation	Utilization	As of June 30, 2021
Provision for early repayment of mortgages	174	-	-	174
Other provisions for risks	1,676	76	(69)	1,683
Total	1,850	76	(69)	1,857

The provision for early repayment of mortgages includes the estimation of possible repayment of commissions received for mortgages intermediated in the year ended at the financial statements date, if particular clauses of the agreements with the banks provide for the reversal of the fees in case of loan prepayment or borrower default. The item also includes a provision, booked during 2019, of Euro 120 thousand, which refers to an estimation of the economic indemnities that may have to be paid to customers and/or assignees by a company of the Group which provides loans subsequently transferred to other intermediaries, in the event of requests for early repayment, pursuant to the judgment of the Court of Justice of the European Union of September 11, 2019 about the repayment of upfront costs in case of early reimbursement of loans.

The “Other provisions for risks” include, for Euro 875 thousand, the estimation of the liability deriving from the probable charging by some suppliers of the Group of additional costs compared to the previously foreseeable amount, related to professional services supplied to the Mortgage BPO Business Line. The management considers it appropriate to allot those amounts since, based on the agreements with these suppliers, the Group must bear the direct costs incurred by the suppliers in the provision of these services. The item also includes the measurement of the liability considered probable related to labor claims, for Euro 725 thousand.

18. Defined benefit program liabilities

The following table presents the variation and the item during the six months ended June 30, 2021:

<i>(euro thousand)</i>	As of December 31, 2020	Change in the scope of consolidation	Accrual	Utilization	Other movements	As of June 30, 2021
Employee termination benefits	16,337	54	1,360	(817)	(601)	16,333
Directors' termination benefits	242	-	30	-	-	272
Total	16,579	54	1,390	(817)	(601)	16,605

The item “Other movements” refers to the actuarial gains deriving from the redetermination of the employee termination benefits according to IAS 19.

19. Non-current portion of tax liabilities

The item is equal to Euro 3,691 thousand as of June 30, 2021 (Euro 7,281 thousand as of December 31, 2020) and includes the non-current portion of the debts for substitute tax included in the financial statements of some of the Group companies, as a result of the revaluations of software and trademarks already previously described. The decrease compared to December 31, 2020 is due to the payment of the first instalment of the debt, occurred during the period.

20. Other non-current liabilities

Other non-current liabilities, equal to Euro 4,062 thousand as of June 30, 2021, mainly include the non-current portion of the considerations still to be paid for the purchase of Gruppo Lercari S.r.l., for Euro 2,000 thousand, and SOS Tariffe S.r.l., for Euro 2,000 thousand.

CURRENT LIABILITIES

21. Short-term debts and other financial liabilities

Short-term borrowings amount to Euro 44,940 thousand as of June 30, 2021 (Euro 79,322 thousand as of December 31, 2020) and include the current portion of medium-long term bank borrowings for Euro 31,478 thousand, the current portion of the leasing liabilities (IFRS 16) for Euro 3,161 thousand, the liabilities related to the short-term loans and credit lines for an amount equal to Euro 10,238 thousand, and the negative fair value related to the derivative contract, to hedge the interest rate risk on the loan with Unicredit S.p.A., for Euro 63 thousand.

The significant decrease compared to December 31, 2020 is mainly due to the payment of the previous liability related to the put/call option for the acquisition of the 50% stake of Agenzia Italia S.p.A., equal to Euro 35,000 thousand.

22. Trade and other payables

Trade and other payables, equal to Euro 45,957 thousand (Euro 44,501 thousand as of December 31, 2020) include the payables to suppliers for the purchase of goods and services.

There are no trade payables due over 12 months.

23. Tax payables

The item mainly includes the current portion of substitute tax payables for Euro 3,831 thousand, of which Euro 3,691 thousand related to the already described asset revaluation of certain Group companies.

24. Other current liabilities

The following table presents the situation of the item as of June 30, 2021 and December 31, 2020:

<i>(euro thousand)</i>	As of June 30, 2021	As of December 31, 2020
Liabilities to personnel	16,103	15,476
Social security liabilities	4,840	4,945
Social security liabilities on behalf of employees	5,118	4,478
Accruals	2,445	1,219
VAT liabilities	2,426	1,564
Advances from clients	15,523	36,549
Consideration for Zoorate S.r.l. acquisition	1,052	4,460
Other liabilities	19,799	34,019
Total other current liabilities	67,306	102,710

The item “Liabilities to personnel”, mainly includes liabilities for salaries and wages accrued in June, paid at the beginning of July 2021, for accrued holidays and for deferred expenses as of June 30, 2021 that are still to be paid, and liabilities to directors.

The item “Advances from clients” mainly includes the liabilities to clients of the Leasing/Rental BPO Business Line, for advances received from clients of subsidiary Agenzia Italia S.p.A. in relation to car taxes to be paid shortly, equal to Euro 2,048 thousand, the liabilities to clients of the Insurance

BPO Business Line for advances received for claim settlement, for Euro 8,477 thousand, and the liabilities of subsidiary Centro Finanziamenti S.p.A. to its loan buyers for expected early repayments on the transferred loans for Euro 2,450 thousand. The decrease of the item compared to December 31, 2020 is attributable to the lower advances received from the clients of subsidiary Agenzia Italia S.p.A., following the return to normal management of the settlement of car taxes during the six-month ended June 30, 2021.

The item “Consideration for Zoorate S.r.l. acquisition” refers to the portion of the conditional consideration for the purchase of the residual 60% stake of Zoorate S.r.l.. The decrease of such item compared to December 31, 2020 refers to the payment of the consideration for the purchase of the company.

The item “Other liabilities” mainly includes the current portion of the consideration still to be paid for the purchase of Lercari Group for Euro 16,332 thousand, and for the purchase of SOS Tariffe for Euro 1,400 thousand. The decrease of the item compared to December 31, 2020 refers to the payments occurred during the period, for Euro 11,732 thousand.

25. Shareholders' equity

For an analysis of the changes in shareholder's equity refer to the relevant report. In particular, the item “Other movements” mainly includes the change in the estimated liability for the exercise of the put/call option on the residual 49.90% stake of Gruppo Lercari S.r.l., compared to December 31, 2020, for Euro 1,165 thousand.

On April 29, 2021, the shareholders' meeting resolved a dividend distribution of Euro 0.40 per share. This dividend was distributed with ex-dividend date May 17, 2021, record date May 18, 2021 and payment date May 19, 2021.

Following this resolution, the Issuer paid dividends for a total amount of Euro 14,738 thousand.

As of June 30, 2021, Company's share capital is composed by 40,000,000 shares, with no nominal value.

26. Purchase and sale of own shares

Over the six months ended June 30, 2021, following the exercise of stock options by Group employees, the Issuer sold 480,764 own shares, equal to 1.202% of share capital.

As of June 30, 2021, the Issuer hold a total of 1,828,791 own shares, equal to 4.572% of ordinary share capital, for a total cost of Euro 10,948 thousand. Being the shares without nominal value, the purchase cost is deducted from the share capital for an amount implicitly corresponding to the nominal value, equal to Euro 45 thousand as of June 30, 2021, and from available reserves for an amount equal to the remaining part of the purchase cost.

As of June 30, 2021, there are 38,171,209 outstanding shares, equal to 95.428% of share capital.

27. Stock option plans

Personnel costs for the six months ended June 30, 2021 include Euro 312 thousand related to the Group stock option plan. In the six months ended June 30, 2020, personnel costs related to the Group stock option plan amount to Euro 625 thousand.

No further stock option allocations were made during the six months ended June 30, 2021.

As of June 30, 2021, the outstanding stock options are detailed as follows:

Date of shareholders' meeting resolution	Date of assignment	Vesting date	Expiry date	# options	Strike price	Value of the option
April 27, 2017	March 12, 2018	March 12, 2021	March 11, 2024	704,336	13.549	2.61
April 27, 2017	July 5, 2019	July 8, 2022	July 7, 2025	160,000	15.887	3.21
April 27, 2017	September 1, 2020	September 1, 2023	August 31, 2026	24,000	22.755	4.90
Total options				888,336		

INCOME STATEMENT

28. Revenues

The following table presents the details of the item during the six months ended June 30, 2021 and 2020:

<i>(euro thousand)</i>	Six months ended	
	June 30, 2021	June 30, 2020
Broking Division revenues	65,336	50,620
BPO Division revenues	93,453	69,476
Total revenues	158,789	120,096

For further details about the revenues, and the increase compared to six months ended June 30, 2020 please refer to the interim directors' report on operations.

29. Other income

The item, equal to Euro 2,407 thousand for six months ended June 30, 2021, contains mainly income for the reimbursement of postage and courier expenses of the BPO Division.

30. Services costs

The following table presents the details of the item during the six months ended June 30, 2021 and 2020:

<i>(euro thousand)</i>	Six months ended	
	June 30, 2021	June 30, 2020
Marketing and commercial expenses	24,874	18,418
Notarial and appraisal services	24,511	15,561
Technical, legal and administrative consultancy	6,225	5,151
Commission payout	2,453	2,230
Postage and courier expenses	1,730	1,364
Other services costs	9,221	6,605
Total services costs	69,014	49,329

“Marketing and commercial expenses” refer to activities aimed at increasing the awareness and reputation of the Group and of its brands and to acquire new perspective clients. The growth

compared to the previous six months is due to the increase of spending within the Broking Division, and to the entry of SOS Tariffe into the consolidation area.

“Notary and appraisal services” mainly refer to services purchased by the BPO Division and show a growth compared to the previous six months mainly as a result of the entry of Lercari Group into the consolidation area, and secondarily for the growth of activity volumes.

“Technical, legal and administrative consultancy” costs refer to expenses incurred for professional advice for legal, financial and fiscal matters, for audit activities, for administrative and operating support, as well as for IT and technology consulting. The increase compared to six months ended June 30, 2020 is mainly due to the entry of Lercari Group into the consolidation area.

The “Other services costs” include IT services for Euro 1,388 thousand, rental and lease expenses for Euro 2,206 thousand, telephone and communication costs for Euro 873 thousand and other general expenses for Euro 3,902 thousand. The increase compared to six months ended June 30, 2020 is mainly due to the entry of Lercari Group into the consolidation area, to higher IT service costs within the Leasing/Rental Business Line and to higher costs for the use of third-party software.

31. Personnel costs

Personnel costs amount to Euro 44,950 thousand for the six months ended June 30, 2021 (Euro 35,664 thousand for the six months ended June 30, 2020) and mainly include employee wages and salaries equal to Euro 30,676 thousand for the six months ended June 30, 2021 (Euro 23,750 thousand for the six months ended June 30, 2020) and social security contributions equal to Euro 7,873 thousand (Euro 6,561 thousand for the six months ended June 30, 2020).

The increase of the item is due to the growth of the average headcount, in relation to the growth of operating activities and to the entry of Lercari Group and of SOS Tariffe S.r.l. into the consolidation area.

We highlight that in the six months ended June 30, 2021 there are costs related to the stock option plan for Euro 312 thousand, for which please refer to note 276 (Euro 625 thousand in the six months ended June 30, 2020).

32. Other operating costs

The item “Other operating costs”, equal to Euro 4,726 thousand (Euro 4,661 thousand in the six months ended June 30, 2020), includes Euro 3,084 thousand (Euro 2,600 thousand for the six months ended June 30, 2020) relative to non-deductible VAT costs, Euro 343 thousand for purchase of small equipment and consumables (Euro 571 thousand for the six months ended June 30, 2020), Euro 469 thousand related to accruals (Euro 524 thousand for the six months ended June 30, 2020), and Euro 349 thousand related to tax and administrative charges (Euro 454 thousand for the six months ended June 30, 2020).

33. Depreciation and amortization

The following table presents the details of the item for the six months ended June 30, 2021 and 2020:

<i>(euro thousand)</i>	Six months ended	
	June 30, 2021	June 30, 2020
Amortization of intangible assets	(7,396)	(4,106)
<i>of which PPA effect</i>	<i>(5,958)</i>	<i>(2,780)</i>
Depreciation of property, plant and equipment	(2,817)	(2,594)
<i>of which IFRS 16 effect</i>	<i>(1,604)</i>	<i>(1,455)</i>
Total depreciation and amortization	(10,213)	(6,700)

The increase of the amortization of intangible assets is attributable to the higher values of the software and trademark recognized following the purchase price allocation of the Lercari Group, whose amortization amounts to Euro 2,660 thousand as of June 30, 2021, and to the higher values of the software and trademark recognized following the purchase price allocation of SOS Tariffe, whose amortization amounts to Euro 1,623 thousand. Such increase is partially offset by the completion of the amortization of the higher value of the software of 7Pixel S.r.l., which led to lower amortization for Euro 429 thousand, and by the completion of the amortization of the higher value of the software of Agenzia Italia S.p.A., which led to lower amortization for Euro 675 thousand.

With reference to intangible assets, following the analysis carried out for the statutory financial statements of Group companies as of December 31, 2020 related to the revaluation of certain intangible assets (proprietary software and trademarks) by the Issuer's subsidiaries, which are not visible except for their tax effects in this consolidated financial statements, also in the light of the considerations developed by the experts who prepared the reports on such revaluations, the Group companies that used a 3 or 4 year amortization period for their proprietary software, have started to use since January 1, 2021 a 5-year amortization period, considered more representative of the residual useful life of the intangible assets. The adoption of a longer amortization period is reflected in the consolidated financial statements only with reference to capitalized software development costs and software values recognized at the time of new acquisitions, as revaluations made by subsidiaries are not relevant for the purposes of international accounting standards.

34. Impairment of intangible assets

This item, equal to Euro 2,801 thousand as of June 30, 2021, refers to the impairment of goodwill related to the Centro Processi Assicurativi S.r.l. CGU.

In particular, during the six months ended June 30, 2021, indicators of impairment emerged for the CGU in question, following a change in expectations in relation to the future development of the business, also in relation to the constraints and opportunities arising from the acquisition of the Lercari Group in the development of the insurance claims management and settlement business.

In light of the above, the directors prepared revised economic and financial forecasts, on the basis of which an impairment test was carried out, which showed the need to write down the value of goodwill by Euro 2,801 thousand.

35. Financial incomes/expenses

During the six months ended June 30, 2021 we record a positive financial result equal to Euro 2,250 thousand, mainly due to the capital gain realized with the disposal of some of the Cerved Group S.p.A. shares for Euro 3,550 thousand, partially offset by the interest expense on the outstanding loans in the period for Euro 696 thousand, and to the dividends paid by Agenzia Italia S.p.A. to third party shareholders for Euro 465 thousand.

36. *Income tax expense*

The following table presents the details of the item for the six months ended June 30, 2021 and 2020:

<i>(euro thousand)</i>	Six months ended	
	June 30, 2021	June 30, 2020
Current taxes	(5,841)	(9,312)
Reversal of deferred taxes	(4,593)	2,868
Total income tax expenses	(10,434)	(6,444)

Income taxes in the six months ended June 30, 2021 are accounted based on the best estimate of the effective tax rate for the entire financial year. The estimated tax rate for the financial year 2021 is equal to 30.8%, compared to an effective tax rate equal to 28.5% (net of deferred taxes and substitutive taxes on revaluations) for financial year 2020.

The lower estimate of current taxes is due to the tax recognition of amortization of software and trademarks of certain Group companies, which were revalued in 2020. These assets are only recognized in the statutory financial statements of these companies, which are prepared in accordance with Italian GAAP.

The reversal of deferred tax assets, which as of June 30, 2021 shows a net negative value of Euro 4,593 thousand, mainly includes the reversal of deferred tax assets related to the revaluations of intangible assets described above. This item showed a positive balance of Euro 2,868 thousand as of June 30, 2020, which mainly included the reversal of deferred tax liabilities recognized in the financial statements following the consolidation of Agenzia Italia S.p.A. and Eagle & Wise Service S.r.l.

37. *Earnings per share*

Earnings per share for the six months ended June 30, 2021, equal to Euro 0.60, have been computed by dividing the net income for the period attributable to the shareholders of the Issuer (Euro 22,548 thousand) by the weighted average number of Issuer shares outstanding during the six months ended June 30, 2021 (37,884,722 shares).

The diluted earnings per share for the six months ended June 30, 2021, equal to Euro 0.58, are determined considering the average number of potential shares with dilutive effect during the half year ended June 30, 2021, which are represented by stock options assigned to employees of the Group with a strike price below the official price of the shares of the Issuer. The average number of those financial instruments in the half year is equal to 923,911.

38. *Potential liabilities*

We do not report any potential liabilities, except those which gave origin to the provisions in the item "Provisions for risks and charges", described above.

It should be noted that on May 21, 2021 the subsidiary CercAssicurazioni.it S.r.l., other insurance aggregators and the main direct insurance companies operating in Italy were notified of the initiation of preliminary investigation proceedings by the Italian Antitrust Authority, aimed at ascertaining whether the companies that offer price comparison services and the insurance companies involved

in the proceedings have entered into an agreement that restricts competition by exchanging sensitive information on the economic conditions of direct sales of third-party motor liability policies.

In this regard, our subsidiary believes that it has always acted correctly and contributed to the reduction of the prices of insurance policies subject to comparison, always ensuring maximum transparency, for the benefit of consumers; it therefore believes that it has valid arguments to defend itself in any litigation that may arise. As a result, no provision has been set aside in the financial report as of June 30, 2021.

39. Related parties

Related party transactions, including intra-group transactions, are part of the ordinary business operations of the Group, and do not include any unusual or atypical transactions.

Key management compensation

The overall cost of the compensation of executive directors and/or managers with strategic responsibilities, i.e. those persons having authority and responsibility for planning, directing and controlling directly or indirectly the activities of the Group, amounts to Euro 1,611 thousand in the six months ended June 30, 2021 (Euro 1,098 thousand in the six months ended June 30, 2020). The increase compared to the six months ended June 30, 2020 is due to the increase of remuneration for the board of directors, approved by the shareholders' meeting of April 29, 2021, and to a higher variable remuneration for the manager with strategic responsibilities.

As of the date of approval of this interim consolidated financial report, the directors of the Company hold, directly or indirectly, 33.49% of the share capital of the Issuer, while the members of governing or controlling bodies and the managers with strategic responsibilities of the companies of the Group together hold 34.21% of the share capital of the Issuer.

40. Seasonality

The Group is subject to the seasonality trends of the mortgage market with regard to the Mortgage Broking and Mortgage BPO Business Lines. Typically, compared with our total monthly average revenues, revenues in July and December are generally higher, and revenues in January and August are lower.

As regards the E-Commerce Price Comparison Business Line, the trend of revenues presents a seasonal peak in the fourth quarter of the year.

41. Events and significant non-recurring operations and positions or transactions deriving from atypical or unusual operations

In the six months ended June 30, 2021, in addition to the above-described transactions, there are no further significant non-recurring events or transactions and there are no positions or transactions deriving from atypical or unusual operations.

42. Subsequent events

Exercise of stock options

After June 30, 2021, following the exercise of stock options by employees of the Group, the Issuer sold a total of 226,206 own shares in portfolio, equal to 0.566% of share capital.

As of the date of approval of this consolidated financial report the Issuer holds 1,602,585 own shares, equal to 4.006% of share capital, for a total cost equal to Euro 10,948 thousand.

Sale of SOS Broker S.r.l.

On July 20, 2021, as already agreed at the time of the acquisition of SOS Tariffe S.r.l., the Group sold 100% of the share capital of SOS Broker S.r.l. to the previous shareholders for a consideration equal to Euro 15 thousand.

43. Directors' approval

This report was approved by the Board of Directors for publication on September 7, 2021.

Milan, September 7, 2021

For the Board of Directors
The Chairman
(Ing. Marco Pescarmona)

4. DECLARATION PURSUANT TO ART. 154-BIS PAR. 5 OF LAW DECREE 58/1998

The undersigned Marco Pescarmona and Francesco Masciandaro, respectively chairman of the board of directors and manager in charge of preparing the accounting documents of Gruppo MutuiOnline S.p.A., hereby certify, taking into account the provision of art. 154-bis, paragraph 3 and 4, of Law Decree n. 58 dated February 24, 1998:

- the adequacy in relation to the features of the company; and
- the actual application of the administrative and accounting procedures for the preparation of the consolidated interim financial report as of and for the six months ended June 30, 2021.

In this respect no relevant issues have arisen, such as anomalies or problems that could alter the information presented in this document or such modify the judgment of its readers.

Besides, we certify that the consolidated interim financial report:

1. corresponds to the results of the accounting books and book entries;
2. is prepared in accordance with IFRS, understood as the International Financial Reporting Standards, the International Accounting Standards (“IAS”), the interpretations of the International Financial Reporting Interpretation Committee (“IFRIC”), previously denominated Standing Interpretations Committee (“SIC”), as adopted by the European Commission as of June 30, 2021 and published in the EU regulations as of this date;
3. as far as we know, is appropriate to give a true and fair representation of the financial and economic situation of the Issuer and of all the companies included in the scope of consolidation;
4. the interim directors’ report on operations contains information about the significant events of the first half of the year and their impact on the consolidated interim financial report, together with a description of the main risks and uncertainties for the second half of the year.

Milan, September 7, 2021

For the Board of Directors
The Chairman
(Ing. Marco Pescarmona)

The Manager in charge of preparing the
accounting statements
(Dott. Francesco Masciandaro)

5. AUDITORS' REPORT ON THE REVIEW OF CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS