Openjobmetis Group

Annual Report

(Translation from the Italian original which remains the definitive version.
This translation of the Annual Report 2022 constitutes a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815)

2023

Openjobmetis Group

Openjobmetis S.p.A. - Employment Agency Auth. Prot. no. 1111-SG of 26/11/2004

Registered Office
Via Assietta, 19 - 20161 Milan - Italy
Headquarters and Offices
Via Marsala 40/C Centro Direzionale Le Torri, 21013 Gallarate (VA)

Legal Information
Joint-stock company
Approved and subscribed share capital EUR 13,712,000
Registered in the Milan Register of Companies under tax code 13343690155

Contents

openjobmetis

LETTER TO THE SHAREHOLDERS

Dear Shareholders,

in the year just ended we proved to be a point of reference for our customers, who have renewed their trust in us and have been able to appreciate the quality of the service.
Our efforts resulted in an increase in the first contribution margin of 12.9%.
In 2023 we generated revenue of EUR 748.8 million, an even more remarkable result considering the complicated and unpredictable economic environment, permeated by the spectre of inflation and aggressive monetary policies.

The successful completion of extraordinary transactions has always been a distinctive element of the Group: in January 2024 we completed the acquisition of Just On Business.
We renew our commitment to continue to seek opportunities that can create value for a successful future. Together with all our collaborators, who with their passion have become indispensable in the growth path we have undertaken so far, we are sure that we will achieve new important goals.

I would like to take this opportunity to thank the shareholders and all stakeholders who, by strongly supporting Openjobmetis, have enabled us to be one of the leading players in the Italian market today.

The Chairman

Marco Vittorelli

CORPORATE BODIES

The Ordinary Shareholders' Meeting of 30 April 2021 appointed the Board of Directors and the Board of Statutory Auditors in office until the Shareholders' Meeting that will be called to approve the financial statements as at 31 December 2023.

Board of Directors

Chairman	Marco Vittorelli
Deputy Chairman	Biagio La Porta
Managing Director	Rosario Rasizza
Directors	Alberica Brivio Sforza[1]
	Laura Guazzoni[1]
	Barbara Napolitano[1]
	Lucia Giancaspro[1]
	Alessandro Potestà[1]
	Alberto Rosati[1]
	Corrado Vittorelli

Board of Statutory Auditors

Chair	Chiara Segala
Standing Auditors	Manuela Paola Pagliarello
	Roberto Tribuno
Alternate Auditors	Alvise Deganello
	Marco Sironi

[1] Independent Director

Committees

Control, Risks and Sustainability Committee[2]	Alberto Rosati (Chair)[1] Laura Guazzoni[1] Lucia Giancaspro[1]
Remuneration Committee	Alberica Brivio Sforza (Chair)[1] Barbara Napolitano[1] Alberto Rosati[1]

* * *

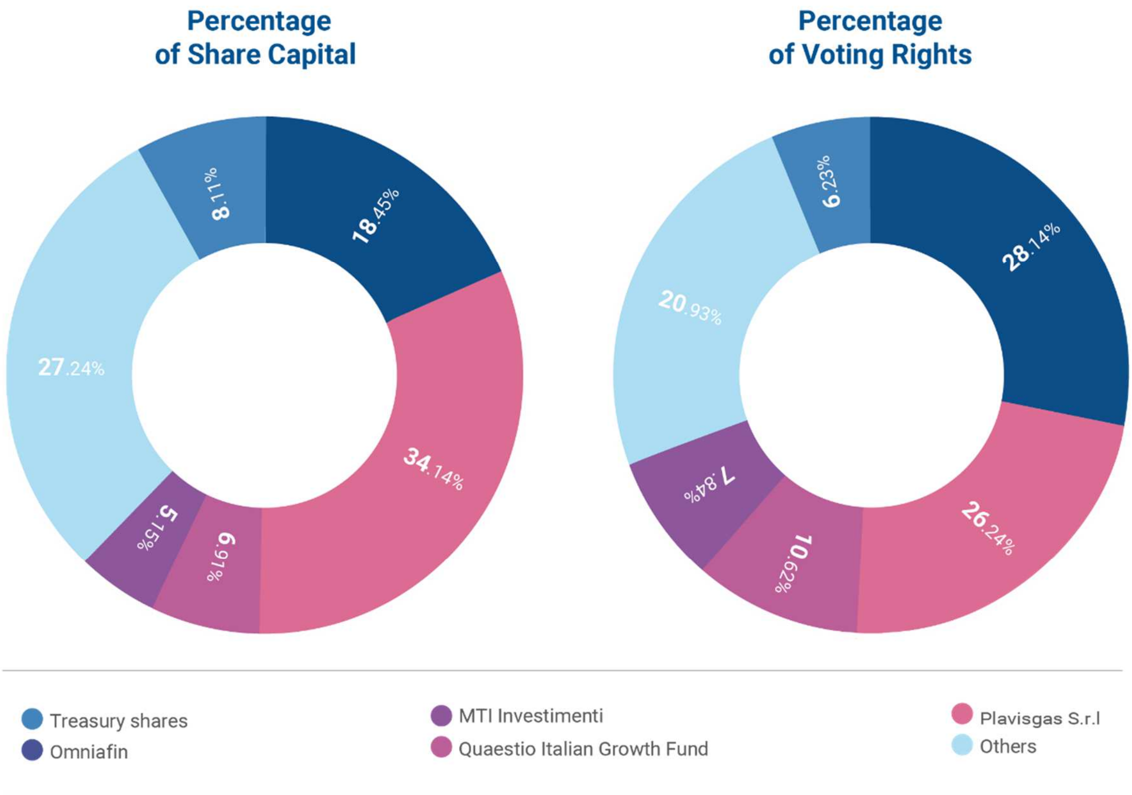
Manager in charge of financial reporting	Alessandro Esposti

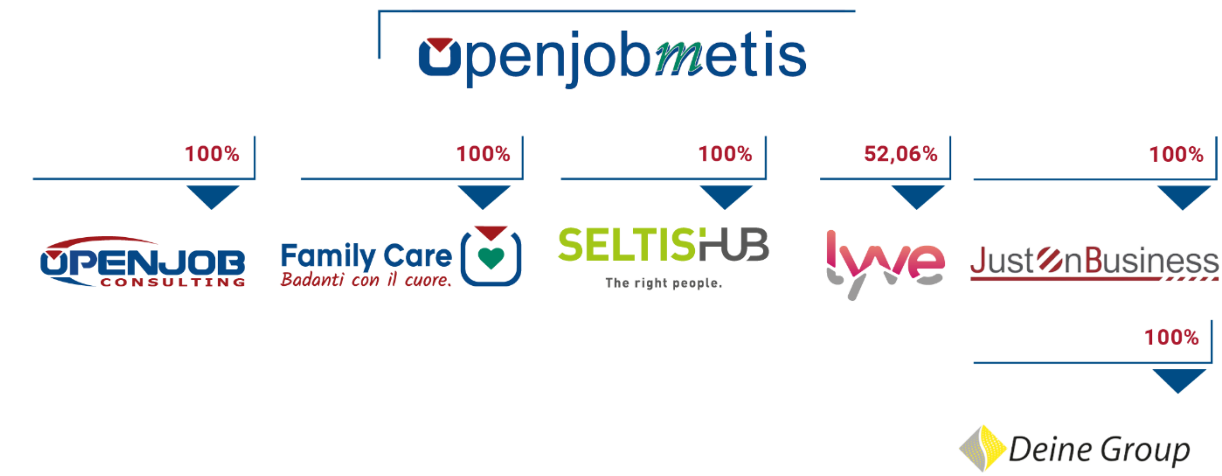
* * *

Independent Auditors[3]	KPMG S.p.A.

[2] The Control, Risks and Sustainability Committee also acts as Related Parties Committee.
[3] In office until 31/12/2023

STRUCTURE OF THE GROUP[4]





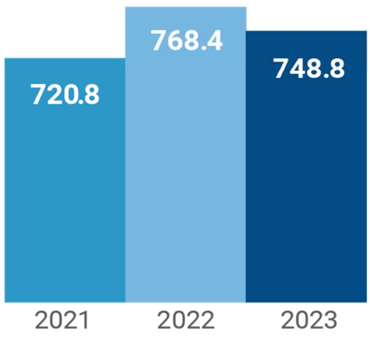
[4]Share capital structure and voting rights as at 13 March 2024 on the basis of the information received pursuant to articles 120 and 122 of the Consolidated Law on Finance (TUF). The above figures may not reflect the number of shares held by each of the parties after disclosure.

Subsidiaries of Openjobmetis S.p.A. at the date of approval of the financial statements. On 15 January 2024, Openjobmetis S.p.A. finalised the acquisition of Just on Business S.p.A. and its subsidiary Deine Group S.r.l.

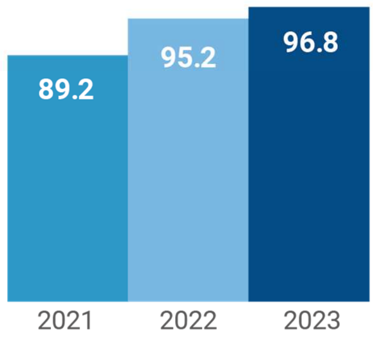
Directors' Report on Operations

Highlights (amounts in millions of EUR)

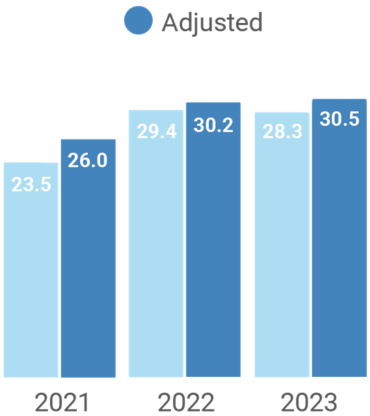
Revenue



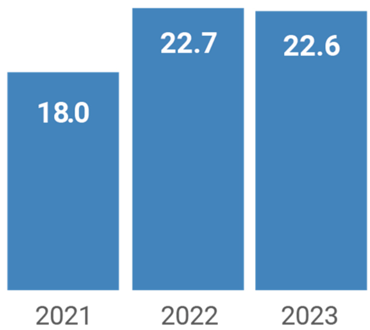
First contribution margin



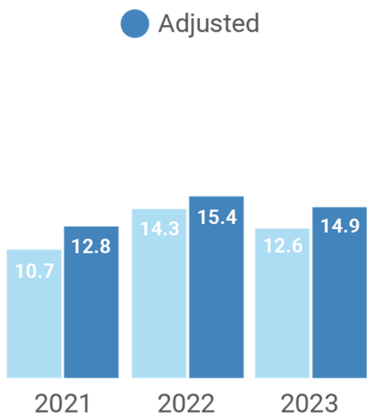
EBITDA



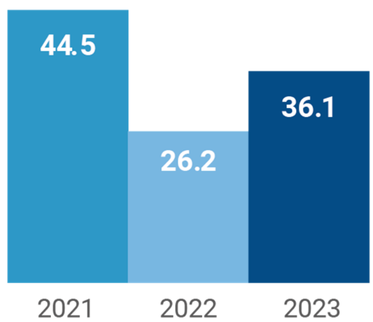
Adjusted EBITA



Profit (loss) for the period



Net Financial Indebtedness (NFI)



Notes: the adjusted values are calculated as indicated in the section "Trends in key financial and operating indicators - alternative performance indicators". Where not specified, the data are to be considered "Reported".

Trends in key financial and operating indicators - alternative performance indicators

Income Statement indicators	2023		2022		2021		Δ 23 vs. 22	
	EUR	%	EUR	%	EUR	%	EUR	%
First contribution margin (millions/margin) (1)	96.8	12.9%	95.2	12.4%	89.2	12.4%	1.6	1.7%
EBITDA (millions/margin) (2)	28.3	3.8%	29.4	3.8%	23.5	3.3%	(1.1)	(3.7%)
Adjusted EBITDA (millions/margin) (3)	30.5	4.1%	30.2	3.9%	26.0	3.6%	0.3	1.0%
EBITA (millions/margin) (4)	20.5	2.7%	21.9	2.8%	15.6	2.2%	(1.4)	(6.4%)
Adjusted EBITA (millions/margin) (5)	22.6	3.0%	22.7	3.0%	18.0	2.4%	(0.1)	(0.4%)
Profit (loss) for the year (millions/margin)	12.6	1.7%	14.3	1.9%	10.7	1.5%	(1.7)	(11.9%)
Adjusted profit (loss) for the year (millions/margin) (6)	14.9	2.0%	15.4	2.0%	12.8	1.8%	(0.5)	(3.2%)
Net earnings (loss) per share outstanding* (EUR)	1.02	-	1.10	-	0.80	-	(0.08)	(7.3%)
Adjusted earnings (loss) per share outstanding* (EUR)	1.21	-	1.18	-	0.95	-	0.03	2.5%

Other indicators	2023	2022	2021	Δ 23 vs. 22	
				Value	%
Net financial indebtedness (EUR million) (7)	36.1	26.2	44.5	9.9	37.8%
Net financial indebtedness/EBITDA	1.3	0.9	1.9	0.4	44.4%
Number of shares (thousand)	13,369	13,712	13,712	(343)	(2.5%)
ROE - Net profit (loss)/average equity (%)	8.9%	10.4%	8.3%	(1.6%)	(15.4%)
Average no. of days to collect trade receivables (days) (8)	70	68	69**	2	2.9%

** The number of shares is calculated net of treasury shares purchased following the buyback programme and the voluntary partial public tender offer, as described in more detail in point 19 of the Notes to the consolidated financial statements, to which reference is made. ** Net of the effects of the consolidation of "Quanta".*

(1) The first contribution margin is calculated as the difference between Revenue and Cost of contract work and outsourcing.

(2) EBITDA is calculated as Profit (loss) for the period before income taxes, net financial expense, amortisation/depreciation, provisions and impairment losses on trade receivables and other assets.

(3) Adjusted EBITDA is calculated as EBITDA before charges mainly relating to costs for consultancy, due diligence, personnel reorganisation and extraordinary bonuses in relation to acquisitions, costs for professional services for regulated market transactions and provision for tax litigation risk (as indicated in the following pages of this report).

(4) EBITA is calculated as Profit (loss) for the period before income taxes, net financial expense and amortisation of the intangible assets included in the balance of Intangible assets and goodwill (amortisation of customer relations and non-compete agreement signed as part of the acquisition of "Quanta").

(5) Adjusted EBITA is calculated as EBITA before charges mainly relating to costs for consultancy, due diligence, personnel reorganisation and extraordinary bonuses in relation to acquisitions, costs for professional services for regulated market transactions and provision for tax litigation risk (as indicated in the following pages of this report).

(6) Adjusted Profit/Loss for the period is calculated as Profit (loss) for the period before charges mainly relating to costs for consultancy, due diligence, personnel reorganisation and extraordinary bonus in relation to

acquisitions, costs for professional services for regulated market transactions and the provision for tax litigation risk, as well as the amortisation of the intangible assets included in the balance of Intangible assets and goodwill (amortisation of customer relations and the non-compete agreement signed as part of the acquisition of "Quanta") and net of the related tax effect (as indicated in the following pages of this report).
(7) Net financial indebtedness shows the company's financial exposure to lenders and is the difference between financial assets and the sum of current and non-current financial liabilities (see the section on "Operating performance and results of the Group" for its detail).
(8) Average no. of days to collect trade receivables: as at 31 December, trade receivables/revenue from sales x 360. (for 2021 it should be noted that trade receivables and revenue from sales have been considered net of the amounts included in the consolidated financial statements relating to Quanta S.p.A. and Quanta Risorse Umane S.p.A.).

The costs subject to adjustment as part of the aforementioned alternative performance indicators (costs for consultancy, due diligence, personnel reorganisation and extraordinary bonus in relation to acquisitions, costs for professional services for regulated market transactions and the provision for tax litigation risk as well as amortisation of the intangible assets included in the balance of Intangible assets and goodwill) with the related reconciliations to the financial statements data are provided in the "Analysis of the operating performance of the Openjobmetis Group" section of this report.

The aforementioned alternative performance indicators facilitate analysis of business performance, ensuring better comparability of results over time.

The above indicators are not identified as accounting measures under IFRS, therefore the quantitative determination thereof may not be unique. The determination criteria applied by the Group for these indicators may not be consistent and comparable with those determined by other operators.

General economic scenario[5]

Political, economic and financial market trends

The first quarter of 2023 recorded an unexpected recovery in GDP, after the slowdown recorded at the end of 2022. The "Quarterly Economic Accounts", published by ISTAT on 31 May 2023, have shown an increase in gross domestic product for the first quarter of the year of 0.6% on a quarterly basis and 1.9% on a yearly basis, driven by the positive contribution of private consumption and public investments.

More than a year after the invasion of Ukraine, Italian companies, at the end of the first three months of the year, have improved their expectations concerning operating conditions, thanks to the increase in consumer demand and the easing of difficulties linked to energy prices and raw material procurement[6].

The monetary policy undertaken by the ECB in the first half of the year led to aggressive reference rate hikes (+4% in June) aimed at counteracting strong inflationary pressures. The macroeconomic scenario was therefore affected by the tightening of monetary conditions resulting from the strategy promoted by the Bank chaired by Christine Lagarde.

After the negative decline in the Italian economy in the second quarter of the year (-0.4% compared to the previous quarter), the following three months saw a timid growth in GDP in economic terms (+0.1%), driven by a positive contribution to a renewed climate of consumers' confidence starting from July.

The beginning of the last quarter of the year saw a sharp drop in consumer inflation, especially thanks to the slowdown in energy prices as a result of the ECB's restrictive policies, bringing the overall rate estimates for 2023 to 5.7%.

This development also affected the European context, as a result of which the estimates made by Eurosystem experts have revised downwards the inflation rate projections also for 2024. However, the Governing Council of the ECB, which met on 14 December 2023, decided to maintain a conservative stance (deposits rate unchanged at 4%), pending further detailed data on the performance in inflation, wages and general economy.[7]

The economic scenario in 2023 was impacted by the geopolitical context, which to date remains one of the main factors of instability as it can give rise to consequences related to the increase in the prices of raw materials and a deterioration of confidence both from the point of view of end consumers and of businesses and investors.[8]

The projections drawn up by the Bank of Italy provide for an expansion, albeit contained (+0.7%), of GDP in 2024, also considering more balanced inflation risks.

In light of the above, the Group Management continues to carefully and closely monitor the economic and geopolitical development. In addition, there are currently no critical issues regarding turnover trends, the recoverability of trade receivables and intangible assets and goodwill recorded in the financial statements.

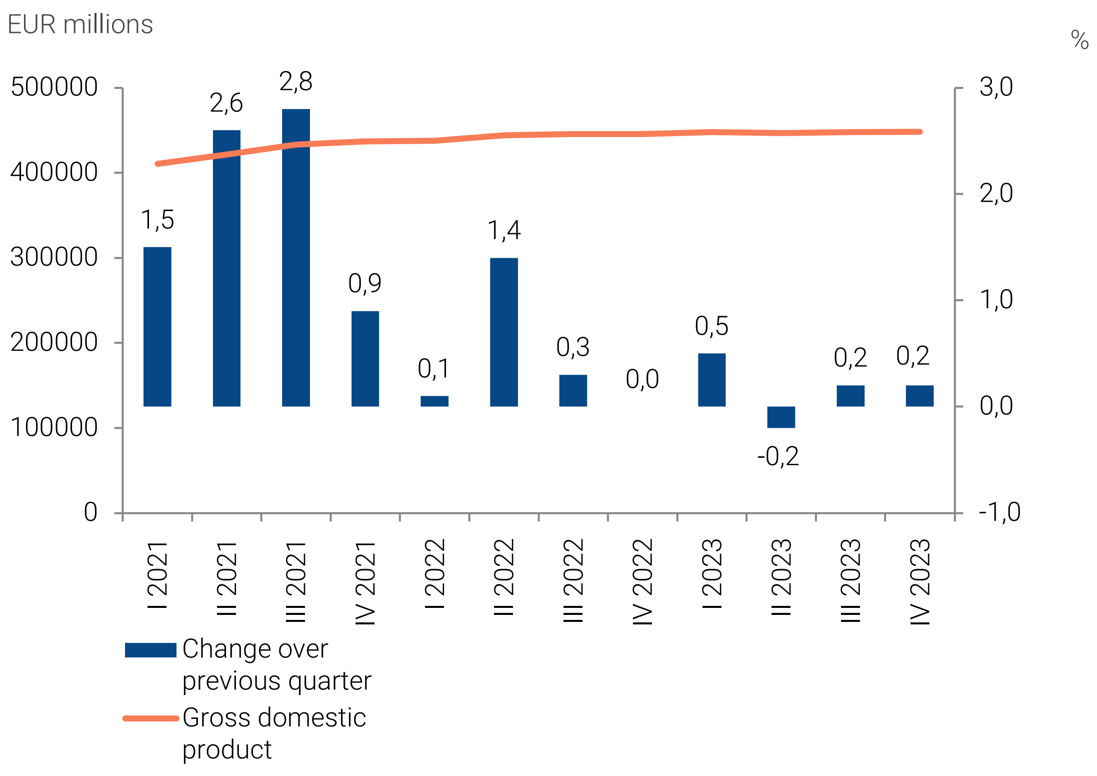
It should be noted that the contribution margin increased in percentage and absolute terms during the year, from 12.4% as at 31 December 2022 (EUR 95,162 thousand) to 12.9% as at 31 December 2023 (EUR 96,757 thousand).

[5] Source: ISTAT
[6] Bank of Italy, Survey on inflation and growth expectations, 6 April 2023
[7] Sole 24 Ore, "Inflation is falling but for the ECB the rate cut is not yet in sight", 14 December 2023
[8] Bank of Italy, "Macroeconomic projections for the Italian economy", 15 December 2023

To date, there are no particular risk situations relating to the solvency of Openjobmetis Group customers, as demonstrated by the average collection times (DSO), i.e. 70 days.

With regard to the financial markets, Euronext is the main European infrastructure, hosting almost 1,900 issuers on its platform for a value of EUR 6.6 trillion in market capitalisation (figure as at 28 December 2023). In the press release at the end of the year, Euronext stressed the importance of launching ESG solutions for accelerating the transition to sustainable finance. In fact, it is the first stock exchange to make the non-financial data of its issuers available in a standardised form.

After a negative trend that began in the first week of August and lasted until October, 2023 ended with optimism on the equity market thanks to the steady maintenance of interest rates combined with falling inflation.
The Openjobmetis (OJM.MI) share opened on 2 January 2023 at EUR 16.00 per share, the same value recorded on the last trading date of the year (29 December 2023). The positive leap in the last few days of December is attributable to the publication of the press release relating to the agreement for the acquisition of a majority stake by Groupe Crit at a price of EUR 16.5 per OJM share.



YoY%	1,5	18,2	6,5	8,1	6,6	5,4	2,8	2,0	2,3	0,6	0,5	0,6

Table 1: Italian GDP trend by quarter (Source ISTAT)

The Openjobmetis Group and the labour market

Performance of the labour market[9]

On the labour market front, in the first quarter of 2023 GDP growth translated into an increase in employment (+513 thousand employed compared to the first quarter of 2022 and +104 thousand compared to the previous quarter), marking the eighth consecutive quarter with a year-on-year increase.

In detail, the growth was characterised by a quarterly increase in indefinite term employees (+0.6%), while the number of temporary workers was down slightly (-0.5%).

At the same time, in the first quarter Istat reported a significant increase on a quarterly basis in the labour cost per unit of employment, which reached its highest values in recent years, recording +1.2% for the remuneration component and +3% for social security contributions. This effect was primarily attributable to the disbursement of one-off amounts and the restriction of the contribution reduction measures applied in 2021 and 2022.

Demand for workers was driven by the tertiary sector (particularly tourism) and the resumption of the energy-intensive manufacturing sectors, which benefited from the drop in consumer prices.

This trend was also confirmed in the second quarter of the year, where in June the unemployment rate fell further to 7.4%, compared to 7.8% at the end of the first quarter of the year.

Although the increase in employment in the first half of 2023 was driven by permanent contracts, there was an increase in the propensity to use temporary work due to the renewed inclination of companies to take up new fixed-term positions.[10]

After a slowdown due to the summer period, September saw a positive acceleration: employment reached 23.6 million units, with a stable unemployment rate compared to the end of the first half year.

In the autumn months, labour market conditions remain strong. In November, the number of employees with fixed-term contracts started to rise again (around +15 thousand people) also due to the seasonality component related to the arrival of the Christmas period.

The year ended with a further positive boost in terms of employment with a rate of 61.9%. In December, the number of fixed-term employees reached 2 million and 986 thousand.

As emerged from the 2023 annual Bulletin of the Excelsior information system by Unioncamere-Anpal, the labour market is characterised by a strong mismatch. The misalignment between supply and demand is particularly impactful with regard to the search for skilled workers (60.3% of the total positions sought). The positions of greatest interest in the manufacturing sector, which represents one of the main sectors to which Openjobmetis S.p.A. customers belong, are metalworkers and maintenance workers. In addition, the labour shortage[11] is characterising the demand for unqualified profiles such as porters, cleaners, farm labourers, unskilled workers or general workers in the construction and manufacturing sector.[12]

[9] Source: ISTAT
[10] Bank of Italy, The labour market: data and analysis, 19 May 2023
[11] A problem particularly present in Italy where there are not enough candidates to cover market demands due to a lack of skills, lack of candidates and frequent exits.
[12] Sole 24 Ore, "If there is work, there is often a lack of skills. Doubled the number of companies looking for new hires", 24 November 2023

The Macroeconomic Projections for the Italian Economy[13] also predict a sharp increase in employment for 2024, reflecting the trend of the year just ended. In terms of units of work (AWU), the increase will be in line with the estimated GDP growth of +0.8%.[14]

Main regulatory aspects

From a regulatory perspective, the first few months of 2023 were characterised by a strong turmoil.

The "Meloni Government" immediately implemented its policies with initiatives aimed at making fixed-term contracts more user-friendly. The government's objective is to ensure greater flexibility in order to meet the needs of a constantly changing labour market.

In February, with an amendment to the Milleproroghe Decree, the option of using contract workers for periods of more than 24 months was extended by one year, from 30 June 2024 to 30 June 2025 without the need to establish a permanent employment contract, even if the employment contract between the employment agency and the contract worker is permanent.

On 5 May 2023, the Labour Decree was published in the Official Gazette, which provides, inter alia, for the introduction of the Inclusion Allowance and new reasons for entering into fixed-term employment contracts.

A few days after the publication of the Labour Decree, Minister of Labour Marina Calderone stressed: "In a transition phase such as the current one, in which the needs of businesses are changing, new requirements are emerging in terms of professionalism and new challenges for the world of work [...]".

The Labour Decree has substantially affected the configuration of the reasons for fixed-term contracts with a duration of between 12 and 24 months, moving away from the rigidity of the Dignity Decree (Decree Law 87/2018).

Indeed, there are now three clusters of reasons, i.e., specific requirements set forth by collective agreements, technical, organisational and production requirements (by 30 April 2024) and the replacement of other workers.

The Inclusion Allowance represents the new economic, social and professional support measure to replace Citizens' Income and became active as of 1 January 2024. The presence in the household of a person with a disability, a minor or a person over sixty, in addition to the citizenship requirements, is required for the entitlement. The monthly contribution is disbursed for a maximum period of 18 months, renewable for a further year after a one-month suspension.

In order to favour the intersection between supply and demand, the Decree established the Information System for social and work inclusion (SIISL), created by INPS.

The platform is fundamental to overcome infrastructural and geographical limits, intersecting communication between regions, municipalities, Ministries and Employment Agencies. By profiling candidates by expertise, training and personal skills, Employment Agencies will have the opportunity to effectively match the needs of companies with potential employees. Inclusion Allowance beneficiaries, once they have signed the digital activation pact on the above-mentioned platform, will have to adhere to a customised social or labour inclusion process.

Beneficiaries will be required to accept a job offer of no less than one month (part-time not less than 60%) and with a salary no lower than the minimum wage set forth in collective agreements throughout the country if on a permanent basis or within the 80 km from home if on a fixed-term basis.

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[13] Projections prepared by the Bank of Italy and published on 15 December 2023
[14] Istat, Outlook for the Italian economy 2023-2024, 5 December 2023

The group of interested parties included approximately 737 thousand households, who were able to submit their application starting from 18 December 2023 through the INPS website and the patronages, and from 1 January 2024 also through the Cafs (Centri di Assistenza Fiscale - Tax Assistance Centers). Minister Calderone, in reference to the Inclusion Allowance, has declared "a paradigm shift in favour of an active inclusion measure that looks at the concrete support of the most vulnerable people while aiming at social and labour integration".[15]
Circular no. 111 of 29 December has provided guidelines for the management of social security obligations relating to the relief from contributions for the recruitment of beneficiaries of the Inclusion Allowance.
For APL, a contribution equal to 30% of the amount paid to the employer is recognised for each person hired following specific mediation activities carried out through the use of the SIISL platform (exemption from the payment of 100% of social security contributions, excluding INAIL and bonuses, up to EUR 8 thousand per year for permanent hires; of 50%, up to EUR 4 thousand per year for fixed-term).
In addition to the contribution, the same Employment Agencies can also benefit from the incentive expressly recognised in the case of recruitment by them.

[15] Sole 24 Ore, "Inclusion Allowance: applications now open, Citizens' Income replaced", 18 December 2023

Operating performance and results of the Group

Analysis of the operating performance of the Openjobmetis Group for the year 2023

Revenue from sales for the full year 2023 amounted to EUR 748.8 million compared to EUR 768.4 million in the previous year. In 2023 the operating result (or EBIT, earnings before financial income/expenses and taxes) amounted to EUR 19.8 million (EUR 21.2 million in 2022). Net profit was EUR 12.6 million compared to EUR 14.3 million in 2022. The Group's consolidated financial figures for the years ended 31 December 2022, 2023 and 2021 are shown in the table below.

(amounts in thousands of EUR)	Financial statements for the year ended 31 December					Change in 2023/2022	
	2023	% of Revenue	2022	% of Revenue	2021[16]	Value	%
Revenue	748,790	100.0%	768,373	100.0%	720,789	(19,583)	(2.5%)
Cost of contract work and outsourcing	(652,033)	(87.1%)	(673,211)	(87.6%)	(631,557)	21,178	(3.1%)
First contribution margin	96,757	12.9%	95,162	12.4%	89,232	1,595	1.7%
Other income	15,087	2.0%	15,306	2.0%	15,586	(219)	(1.4%)
Personnel expenses	(43,173)	(5.8%)	(42,546)	(5.5%)	(42,458)	(627)	1.5%
Cost of raw materials and consumables	(200)	(0.0%)	(199)	(0.0%)	(202)	(1)	0.5%
Costs for services	(38,239)	(5.1%)	(37,493)	(4.9%)	(37,569)	(746)	2.0%
Other operating expenses	(1,910)	(0.3%)	(862)	(0.1%)	(1,046)	(1,048)	121.6%
EBITDA	28,322	3.8%	29,368	3.8%	23,543	(1,046)	(3.6%)
Provisions and impairment losses	(2,072)	(0.3%)	(1,685)	(0.2%)	(2,178)	(387)	23.0%
Amortisation/Depreciation	(5,786)	(0.8%)	(5,820)	(0.8%)	(5,785)	34	(0.6%)
EBITA	20,464	2.7%	21,863	2.8%	15,580	(1,399)	(6.4%)
Amortisation of intangible assets[17]	(688)	(0.1%)	(667)	(0.1%)	(403)	(21)	3.1%
EBIT	19,776	2.6%	21,196	2.8%	15,177	(1,420)	(6.7%)
Financial income	1,427	0.2%	36	0.0%	40	1,391	3,863.9%
Financial expense	(2,334)	(0.3%)	(693)	(0.1%)	(719)	(1,641)	236.8%
Profit (loss) before taxes	18,869	2.5%	20,539	2.7%	14,499	(1,670)	(8.1%)
Income taxes	(6,302)	(0.8%)	(6,225)	(0.8%)	(3,786)	(77)	1.2%
Profit (loss) for the year	12,567	1.7%	14,314	1.9%	10,713	(1,747)	(12.2%)

[16] It should be noted that following the acquisition of 100% of Quanta S.p.A. and of 100% of its subsidiary Quanta Risorse Umane S.p.A., completed on 26 May 2021, the figures for the year 2021 include the above-mentioned companies in the scope of consolidation since June.

[17] Amortisation of intangible assets included in the balance of "Intangible assets and goodwill" (amortisation of customer relations, non-compete agreement signed as part of the acquisition of "Quanta" and other sundry assets) has been represented separately from the total of "Amortisation".

The table below provides a breakdown of the costs that have been adjusted for the purposes of determining the Alternative Performance Indicators (APIs).

(In thousands of EUR)		2023	2022
Costs for services	Charges mainly relating to costs for consultancy and due diligence in relation to acquisitions and costs for professional services for regulated market transactions	1,139	145
Personnel expenses	Costs for personnel reorganisation and extraordinary bonus	-	709
Other operating expenses	Provision for tax litigation risk	1,000	-
Total		2,139	854
Amortisation	Amortisation of customer relations and non-compete agreements included in intangible assets and goodwill	688	667
Total costs		2,827	1,521
Tax effect		(510)	(424)
Total impact on the Income Statement		2,317	1,097

In 2023, charges mainly related to costs for consultancy and due diligence in connection with acquisitions and costs for professional services for regulated market transactions amounted to EUR 1,139 thousand, while the provision for tax litigation risk amounted to EUR 1,000 thousand. Amortisation of intangible assets includes the amortisation of the non-compete agreement for EUR 300 thousand and the amortisation of customer relations for EUR 367 thousand recorded in the financial statements following the "Quanta" transaction in 2021 and other minor costs for EUR 21 thousand. The above resulted in an adjusted net profit of EUR 14,884 thousand, taking into account a negative tax effect of EUR 510 thousand.

Revenue

Revenue in 2023 amounted to EUR 748,790 thousand compared to EUR 768,373 thousand in 2022.

The slight decrease compared to the previous year reflects the trend of the Italian general contract work market. It should be noted that the subsidiary Family Care S.r.l. - Employment Agency, a company specialised in the provision of assistants to elderly people, recorded an increase in turnover of 16%. At the same time, the subsidiary Seltis Hub, specialised in recruitment and selection, continues its path of growth with a 14% increase in volumes.

The following table provides a breakdown of revenue by type of service:

(In thousands of EUR)	2023	2022	Change
Revenue from contract work	727,223	746,273	(19,050)
Revenue from personnel recruitment and selection	7,576	5,712	1,864
Revenue from outsourced services	6,397	6,310	87
Revenue from other activities	7,594	10,078	(2,484)
Total Revenue	748,790	768,373	(19,583)

Cost of contract work and outsourcing

Cost of contract work and for outsourced services amounted to EUR 652,033 thousand in 2023 compared to EUR 673,211 thousand in 2022, equal to 87.1% of revenue, down from the previous year (87.6%).

The table below shows details of costs of contract work and outsourcing:

(In thousands of EUR)	2023	2022	Change
Wages and salaries of contract workers	465,133	478,180	(13,047)
Social security charges of contract workers	130,847	137,972	(7,125)
Post-employment benefits of contract workers	26,148	26,789	(641)
Forma.Temp contributions for contract workers	17,866	18,497	(631)
Other costs of contract workers	6,101	6,225	(124)
Other costs for outsourced and other services	5,938	5,548	390
Total cost of contract work and outsourcing	652,033	673,211	(21,178)

First contribution margin

In 2023, the Group's first contribution margin amounted to EUR 96,757 thousand, compared to EUR 95,162 thousand in 2022. The year was characterised by an upward trend in the first margin as a percentage of revenue, which stood at 12.9% compared to 12.4% as at 31 December 2022.

Other income

Other income for 2023 was EUR 15,087 thousand, compared to EUR 15,306 thousand in 2022.

The item mostly includes contributions from Forma.Temp (EUR 13,972 thousand in 2023, compared with EUR 13,430 thousand in 2022) for costs incurred by the Group to deliver training courses for contract workers through qualified trainers. These contributions are issued by Forma.Temp on the basis of the specific cost reports of equal amounts - recorded for the organisation and performance of training activities - carried out for each individual initiative.

Furthermore, the item includes other sundry income amounting to EUR 1,115 thousand in 2023, compared with EUR 1,876 thousand in 2022. The decrease, compared with the previous year, is mainly attributable to the reduction in benefits deriving from the allocations of assets referring to previously written down receivables.

Personnel expenses

The average number of Full-time Equivalent (FTE) employees in 2023 is 775, compared with 769 in 2022, and includes staff employed at the headquarters and at the Group's subsidiaries and staff at the branch offices located throughout the country.

In 2023, Personnel expenses amounted to EUR 43,173 thousand, slightly up compared to 2022, (EUR 42,546 thousand).

The disbursement of the one-off payment envisaged at the time of the contractual renewal of the national tertiary labour agreement had an impact on the first quarter of EUR 359 thousand. The extraordinary sector protocol envisaged the recognition of an amount of EUR 350 gross at the fourth level (divided between the January and March paychecks) to be re-measured on the different levels of classification. Subsequently, starting from April, a paycheck increase was recognised as an advance to be absorbed by future contractual increases of EUR 30 gross at the fourth commerce level, also to be re-measured on the other levels.

Costs for services

In 2023, costs for services amounted to EUR 38,239 thousand, compared to EUR 37,493 thousand in 2022.

Costs for services include the costs incurred for the organisation of training courses for contract workers, amounting to EUR 14,015 thousand for 2023, compared to EUR 13,453 thousand in 2022. The Group receives contributions from Forma.Temp to fully cover the costs incurred for training, following accurate and timely reporting of said costs.

The figure as at 31 December 2023 includes charges for consultancy and due diligence costs in connection with acquisitions and costs for professional services for regulated market transactions amounting to EUR 1,139 thousand, whereas in the previous year they amounted to EUR 145 thousand. These charges are subject to disclosure for the purposes of calculating Adjusted EBITDA, as described below.

The following table shows the breakdown of the item costs for services:

(In thousands of EUR)	2023	2022	Change
Costs for organising courses for contract workers	14,015	13,453	562
Costs for updating skills of contract workers	284	-	284
Costs for tax, legal, IT, business consultancy	6,864	7,277	(413)
Costs for marketing consultancy	2,244	2,309	(65)
Fees to sourcers and professional advisors	4,745	4,814	(69)
Costs for advertising and sponsorships	2,195	2,377	(182)
Costs for utilities	1,189	1,431	(242)
Remuneration to the Board of Statutory Auditors	114	114	-
Costs for due diligence and consultancy services	1,139	145	994
Other	5,450	5,573	(123)
Total costs for services	38,239	37,493	746

Net of costs for the organisation of courses for contract workers, the incidence on revenue of remaining costs for services, which refer mainly to the costs for tax, legal, IT, commercial and business consultancy, and fees to sourcers and professional advisors, stands at 3.2% (3.1% in 2022).

Other operating expenses

Other operating expenses amounted to EUR 1,910 thousand in 2023, compared to 862 thousand as at 31 December 2022. The item includes the provision for tax litigation risk of EUR 1,000 thousand, evidenced in terms of calculating the adjusted EBITDA in relation to amounts already provisionally paid. For further information, please refer to the paragraph "Contingent liabilities" of this Report.

EBITDA, EBITA and the respective adjusted values

EBITDA amounted to EUR 28,322 thousand in 2023, compared to EUR 29,368 thousand in 2022. Adjusted EBITDA[18] was EUR 30,461 thousand in 2023, compared to EUR 30,222 thousand in 2022.

EBITA[19] in 2023 amounted to EUR 20,464 thousand compared to EUR 21,863 thousand in 2022 and Adjusted EBITA[20] amounted to EUR 22,603 thousand compared to EUR 22,717 thousand in 2022.

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[18] Adjusted EBITDA was calculated as EBITDA before charges mainly related to costs for consultancy, due diligence, personnel reorganisation and extraordinary bonuses in connection with acquisitions, costs for professional services for regulated market transactions and provision for tax litigation risk.

[19] EBITA is calculated as Profit (loss) for the period before income taxes, net financial expense and amortisation of the intangible assets included in the balance of Intangible assets and goodwill (amortisation of customer relations and non-compete agreement signed as part of the acquisition of "Quanta").

[20] Adjusted EBITA was calculated as EBITA before charges mainly related to costs for consultancy, due diligence, personnel reorganisation and extraordinary bonuses in connection with acquisitions, costs for professional services for regulated market transactions and provision for tax litigation risk.

Amortisation/Depreciation

Amortisation/depreciation amounted to EUR 6,474 thousand in 2023 (EUR 6,487 thousand in 2022).
The amortisation charge for intangible assets was EUR 688 thousand in 2023 (EUR 667 thousand in 2022). Primarily, it includes the amortisation of the intangible asset recorded in relation to the non-compete agreement with the seller for the "Quanta" transaction amounting to EUR 300 thousand and the amortisation charge for customer relations amounting to EUR 367 thousand.

Impairment loss on trade receivables and other assets

Impairment losses on trade receivables and other assets in 2023 totalled EUR 2,072 thousand, compared to EUR 1,685 thousand in 2022. The incidence of impairment losses on turnover was approximately 0.3%, in line with the natural trend of the Group.

EBIT

As a result of the above, the Group's operating profit for 2023 was EUR 19,776 thousand, compared to EUR 21,196 thousand in 2022.

Financial income and financial expense

Net financial income and expense showed a net negative balance of EUR 907 thousand in 2023, compared to EUR 657 thousand in 2022. It should be noted that the figure includes the accounting of financial expense relating to lease liabilities (for EUR 323 thousand).
Financial income includes "bank interest and other income" referring to income deriving from the agreement that the Parent entered into with Banca Intesa Sanpaolo during this year for the transfer of tax receivables.

Income taxes

Income taxes of negative EUR 6,302 thousand were recorded in 2023, compared to negative EUR 6,225 thousand in 2022. The item mainly consists of current taxes of EUR 5,656 thousand, which refer to EUR 1,559 thousand for IRAP and EUR 4,097 thousand for IRES charges, compared to EUR 5,670 thousand in the previous year, which referred to EUR 1,556 thousand for IRAP and EUR 4,114 thousand for IRES charges. For further details, please refer to point 28 of the Notes to the consolidated financial statements.

Net Profit/(Loss) for the year and adjusted Net Profit/(Loss) for the year

As a result of the above, the result for the year showed a net profit of EUR 12,567 thousand in 2023, compared to a net profit of EUR 14,314 thousand in the previous year.
Adjusted net profit for the year, as reported in the following table, amounted to EUR 14,884 thousand in 2023, compared to an adjusted net profit of EUR 15,411 thousand in 2022.

Adjusted Profit *(In thousands of EUR)*	2023	2022
Profit for the period	12,567	14,314
Costs for services (Charges mainly relating to costs for consultancy and due diligence in relation to acquisitions and costs for professional services for extraordinary regulated market transactions)	1,139	145
Personnel expenses (Personnel reorganisation and extraordinary bonus)	-	709
Other operating expenses (Provision for tax litigation risk)	1,000	-
Amortisation of intangible assets	688	667
Tax effect	(510)	(424)
Adjusted profit for the period	14,884	15,411

Statement of Financial Position

The table below shows the Group's consolidated statement of financial position reclassified on a financial basis as at 31 December 2023, 2022, and 2021.

(In thousands of EUR)	Financial statements for the year ended 31 December					Change in 2023/2022	
	2023	% on NIC* or Total sources	2022	% on NIC* or Total sources	2021	Value	%
Intangible assets and goodwill	102,074	57.0%	102,842	60.8%	103,854	(768)	(0.7%)
Property, plant and equipment	3,553	2.0%	3,493	2.1%	3,412	60	1.7%
Right of use for leases	14,007	7.8%	13,838	8.2%	14,818	169	1.2%
Other net non-current assets and liabilities	20,309	11.4%	20,654	12.2%	20,611	(345)	(1.7%)
Total non-current assets/liabilities	139,943	78.2%	140,827	83.3%	142,696	(884)	(0.6%)
Trade receivables	145,020	81.1%	144,584	85.5%	153,040	436	0.3%
Other assets	10,374	5.8%	8,423	5.0%	13,073	1,951	23.2%
Current tax assets	116	0.1%	81	0.0%	354	35	43.2%
Trade payables	(13,494)	(7.5%)	(14,752)	(8.7%)	(14,779)	1,258	(8.5%)
Current employee benefits	(56,882)	(31.8%)	(62,861)	(37.2%)	(63,865)	5,979	(9.5%)
Other liabilities	(41,301)	(23.1%)	(40,879)	(24.2%)	(43,591)	(422)	1.0%
Current tax liabilities	(73)	(0.0%)	(2,512)	(1.5%)	(1,519)	2,439	(97.1%)
Provisions for current risks and charges	(4,779)	(2.7%)	(3,757)	(2.2%)	(4,544)	(1,022)	27.2%
Net working capital	38,981	21.8%	28,327	16.7%	38,168	10,654	37.6%
Total loans - net invested capital	178,924	100.0%	169,154	100.0%	180,864	9,770	5.8%
Equity	141,372	79.0%	141,521	83.7%	134,722	(149)	(0.1%)
Net Financial Indebtedness (NFI)	36,133	20.2%	26,216	15.5%	44,464	9,917	37.8%
Non-current employee benefits	1,419	0.8%	1,417	0.8%	1,678	2	0.1%
Total sources	178,924	100.0%	169,154	100.0%	180,864	9,770	5.8%

* Net Invested Capital

Intangible assets and goodwill

Intangible assets and goodwill totalled EUR 102,074 thousand as at 31 December 2023, compared to EUR 102,842 thousand as at 31 December 2022, and consist primarily of goodwill, customer relations, software and other intangible assets under development and payments on account.

Goodwill, amounting to EUR 99,228 thousand as at 31 December 2023, unchanged from the previous year, is attributable for EUR 45,999 thousand to acquisitions carried out before 2011 and the merger with WM S.r.l. carried out in 2007, for EUR 27,164 thousand to the acquisition and subsequent merger of Metis S.p.A. carried out in 2011, and for EUR 383 thousand to the acquisition of the subsidiary Corium S.r.l. carried out in 2013. Subsequently, the goodwill value increased in relation to the acquisitions of Meritocracy S.r.l. and HC S.r.l., respectively for amounts equal to EUR 288 thousand and EUR 604 thousand. The acquisition of Jobdisabili S.r.l. in January 2020 led to an increase of EUR 169 thousand, and the acquisition of 50.66% of Lyve S.r.l. in November 2020 resulted in an increase of EUR 519 thousand. Finally, following the acquisition of Quanta S.p.A. and its subsidiary Quanta Risorse Umane S.p.A., which took place on 26 May 2021, and consolidated from the financial statements as at 30 June 2021, the value of goodwill increased by EUR 24,100 thousand.

For further information, please refer to note 5 in the Consolidated Financial Statements section of this Annual Report.

Other net non-current assets and liabilities

The item, amounting to EUR 20,309 thousand (EUR 20,645 thousand as at 31 December 2022), mainly includes the net effect deriving from the realignment of the tax value of the goodwill of the Parent, as provided for by Decree Law 104/2020, Article 110, paragraphs 8 and 8-bis, for which EUR 18,948 thousand has been recorded for deferred tax assets as at 31 December 2023. Also included are payables for non-compete agreements of EUR 300 thousand (EUR 600 thousand as at 31 December 2022).

Trade receivables

Trade receivables as at 31 December 2023 amounted to EUR 145,020 thousand, compared to EUR 144,584 thousand as at 31 December 2022. The item is recorded in the consolidated financial statements net of a loss allowance of EUR 7,028 thousand (EUR 7,598 thousand as at 31 December 2022).

As a result of the acquisition of Quanta, trade receivables at fair value were recorded in the financial statements and totally written down by EUR 72 thousand as at 31 December 2023 (EUR 88 thousand as at 31 December 2022).

The days sales outstanding (DSO) granted to customers is 70, compared to 68 reported as at 31 December 2022.

There are no trade receivables with insurance coverage.

There are no credit risk profiles for related parties.

There are no particular concentrations of trade receivables in specific sectors.

Exposure to the top ten customers' accounts for approximately 18% of total receivables as at 31 December 2023.

Other assets

As at 31 December 2023, other assets amounted to a total of EUR 10,374 thousand, compared to EUR 8,423 thousand as at 31 December 2022, and relate to receivables from Forma.Temp for EUR 3,499 thousand (EUR 2,724 thousand as at 31 December 2022), mainly referring to the reimbursement of the Advance of salary supplement (Anticipazione all'Integrazione Salariale - AIS) paid in advance to contract workers, receivables from the INPS treasury funds for post-employment benefits for EUR 1,829 thousand (EUR 1,574 thousand as at 31 December 2022), prepayments for EUR 1,144 thousand (EUR 1,242 thousand as at 31 December 2022), other disputed receivables for EUR 1,095 thousand relating to a receivable from a former director of Metis S.p.A. for unjustified expenses (unchanged compared to 31 December 2022), receivables from the tax authorities for reimbursements for EUR 1,359 thousand (EUR 152 thousand as at 31 December 2022) and other sundry receivables for EUR 276 thousand (EUR 236 thousand as at 31 December 2022).
The change in the amount due from the INPS treasury fund for post-employment benefits is mainly due to the seasonal nature of contract work, the contracts of which generally terminate prior to the customer companies' closure for the holidays.
Prepayments mainly refer to advance costs entirely recognised during the current year, relating to sponsorships, bank fees and sundry rentals not related to lease agreements.

As at 31 December 2023 there finally remained receivables of EUR 1,172 thousand related to other liabilities covered by a guarantee from the selling party of Quanta S.p.A., for which there is a provision for risks of the same amount (EUR 1,400 thousand as at 31 December 2022). The change compared to 31 December 2022 relates to guaranteed positions as part of the acquisition transaction that were settled during the year.

Trade payables

As at 31 December 2023, trade payables amounted to EUR 13,494 thousand, compared to EUR 14,752 thousand as at 31 December 2022. The main suppliers of the Group are implementing bodies for the organisation of courses for contract workers.

Current employee benefits

As at 31 December 2023, payables for current employee benefits amounted to EUR 56,882 thousand, compared to EUR 62,861 thousand as at 31 December 2022. The item mainly refers to payables for salaries and compensation due to contract workers and company employees, in addition to the payable for post-employment benefits due to contract workers. The decrease is mainly due to the decrease in volumes compared to the previous year.
Given the nature of business carried out by the Group and the average duration of employment contracts with contract workers, employee benefits represented by the post-employment benefits of contract workers are paid periodically and were consequently regarded as current liabilities. Therefore, there was no need to make any actuarial valuation and the liability corresponds to the amount due to contract workers at the end of the contract.

Current tax liabilities

The current tax payable as at 31 December 2023 is equal to EUR 73 thousand and refers to EUR 5 thousand for tax liabilities for IRAP and the residual amount of EUR 68 thousand refers to tax liabilities for IRAP of the subsidiary Seltis Hub S.r.l.
For further details, please refer to point 28 of the Notes to the consolidated financial statements.

Current tax liabilities as at 31 December 2022 amounted to EUR 2,512 thousand and referred to EUR 717 thousand for the third instalment of the substitute tax pursuant to Decree Law 104/2020, Article 110, paragraphs 8 and 8-bis (for further details, see Note 28), EUR 1,253 thousand to the tax authorities for IRES tax consolidation and EUR 533 thousand to the tax authorities for IRAP. The rest, amounting to EUR 9 thousand, referred to the tax liability for IRAP for the subsidiary Lyve S.r.l.

Other current liabilities

As at 31 December 2023, other liabilities amounted to EUR 41,301 thousand, compared to EUR 40,879 thousand as at 31 December 2022. The item mainly relates to social security charges payable for EUR 22,256 thousand (EUR 25,872 thousand as at 31 December 2022) and tax payables mainly in respect of employee withholding taxes for the amount of EUR 15,140 thousand (EUR 11,408 thousand as at 31 December 2022). In addition, the item includes payables to Forma.Temp for EUR 1,415 thousand (EUR 1,117 thousand as at 31 December 2022) and other liabilities for a total amount of EUR 2,490 thousand (EUR 2,482 thousand as at 31 December 2022), mainly including the valorisation of put-options provided for in the agreements for the purchase of the remaining shares of the subsidiaries.

Equity

As at 31 December 2023, equity amounted to EUR 141,372 thousand, compared to EUR 141,521 thousand as at 31 December 2022. The change in equity recorded between 31 December 2022 and 31 December 2023 is mainly attributable to the distribution of dividends for EUR 6,513 thousand and the change in the reserve for the purchase of treasury shares for EUR 6,670 thousand, in addition to the profit for the period.

Net Financial Indebtedness (NFI)

Net financial indebtedness shows a negative balance of EUR 36,133 thousand as at 31 December 2023, compared to a negative balance of EUR 26,216 thousand as at 31 December 2022.

Below is the net financial indebtedness of the Group as at 31 December 2023, 2022 and 2021, calculated in accordance with the *Guidelines on disclosure requirements* published by ESMA on 4 March 2021 and CONSOB *Call to attention no. 5/21* of 29 April 2021.

	(In thousands of EUR)	Financial statements for the year ended 31 December			2023 vs 2022 Change	
		2023	2022	2021	Value	%
A	Cash	31	46	38	(15)	(32.6%)
B	Cash and cash equivalents	7,921	10,244	16,830	(2,323)	(22.7%)
C	Other current financial assets	2,672	3,095	-	(423)	(13.7%)
D	**Cash and cash equivalents (A+B+C)**	**10,624**	**13,385**	**16,868**	**(2,761)**	**(20.6%)**
E	Current financial debt	(19,308)	(22,831)	(37,025)	3,523	(15.4%)
F	Current portion of non-current financial debt	(3,827)	(4,025)	(4,311)	198	(4.9%)
G	**Current financial indebtedness (E+F)**	**(23,135)**	**(26,856)**	**(41,336)**	**3,721**	**(13.9%)**
H	**Net current financial indebtedness (G+D)**	**(12,511)**	**(13,471)**	**(24,468)**	**960**	**(7.1%)**
I	Non-current financial debt	(23,622)	(12,745)	(19,997)	(10,877)	85.3%

J	Debt instruments	-	-	-	-	-
K	Trade payables and other non-current liabilities	-	-	-	-	-
L	Non-current financial indebtedness (I+J+K)	(23,622)	(12,745)	(19,997)	(10,877)	85.3%
M	Total financial indebtedness (H+L)	(36,133)	(26,216)	(44,464)	(9,917)	37.8%

Other current financial assets of EUR 2,672 thousand refers to receivables from factoring companies referring to trade receivables assigned as at 31 December 2023, for which the Group has not requested early settlement. Net financial indebtedness showed a negative balance of EUR 36,133 thousand as at 31 December 2023. Net of lease liabilities, the net financial indebtedness would have been a negative EUR 22.086 thousand.

Contingent liabilities

The Group is a party to pending disputes and lawsuits. Based on the opinion of legal and tax advisors, the Directors do not expect that the outcome of these ongoing actions will have a significant effect on the financial position of the Group, in addition to that already allocated in the financial statements.

Specifically:

- During 2020, Quanta S.p.A., now merged by incorporation into Openjobmetis S.p.A. as of 1 January 2022, received a questionnaire from the Italian Tax Authorities concerning the VAT treatment of the financed professional training activities, intended for contract workers in 2015, 2016 and 2017.
  On 30 November 2020, the Italian Tax Authorities communicated assessment notice no. TMB067O00388/2020, concerning the alleged non-deductibility of VAT for the year 2015, equal to EUR 592,801.18, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest.
  On 28 April 2021, Quanta S.p.A. filed an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 15 March 2022, who, in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal.
  On 13 April 2023, the Italian Tax Authorities filed an appeal against the ruling of the First Instance Commission, whose second instance hearing was held on 4 December 2023; the Tax Court, in a judgment filed on 17 January 2024, upheld the appeal filed by the Italian Tax Authorities, which requested the payment of the tax and related interest totalling EUR 779,777.56, while confirming the cancellation of the penalties imposed.
  Openjobmetis S.p.A. will proceed with the submission of the appeal to the Court of Cassation within the terms established by law and the application for the suspension of the enforceability of the ruling to the Second Instance Tax Court.

- On 28 October 2021, the Italian Tax Authorities communicated an assessment notice no. TMB067O00227/2021 for 2016 with the same requirements as the previous one, for EUR 595,569.72. On 22 December 2021, Quanta S.p.A. served an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 21 June 2022, who in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal.

On 20 March 2023, the Italian Tax Authorities filed an appeal against the ruling of the First Instance Commission. Following the second instance hearing held on 20 September 2023, with a ruling filed on 28 September 2023 the validity of the Company's arguments was also recognised in that case. It is not excluded that the Italian Tax Authorities may appeal to the Court of Cassation against the ruling of the Second Instance Commission.

- On 11 April 2022, the Italian Tax Authorities served an additional assessment notice no. TMB061T00096/2022 for 2017 to Openjobmetis S.p.A., as the incorporator of Quanta S.p.A., with the same requirements as the previous ones, for EUR 572,322.77. On 9 June 2022, the Company filed an appeal with a request for discussion at a public hearing on 17 January 2023, which, in a ruling handed down on 8 August 2023, acknowledged the merits of the Company's reasons set forth and granted its appeal.
  The Parent, following the rejection of the application for the suspension of the provisional collection pending the proceedings and in accordance with current legislation, had paid EUR 190,774.26, plus interest, simultaneously recognising a receivable from the tax authorities in the same amount.
  On 19 February 2024, the Italian Tax Authorities filed an appeal with a request for discussion at a public hearing, against which the Company will appear before the court within the terms established by law.

- On 11 March 2024, the Parent, as the merging entity company of Quanta SpA, received an invitation from the Italian Tax Authorities with reference to the VAT treatment on professional training services for the annuity 2018; the Parent will respond within the terms provided for by the Law.

  Pursuant to the contractual agreements in place, the seller of Quanta S.p.A., FDQ S.r.l., has issued a specific guarantee to cover any liability that may arise in relation to assessment notices concerning the undue deduction of VAT for the year 2015 and onward until 2020.

- In 2021, the Italian Tax Authorities - Regional Lombardy Division - Office of Major Taxpayers, initiated a tax audit activity against the Parent, Openjobmetis S.p.A., with reference to the 2016 and 2017 tax periods.
  The audit concerned the VAT treatment of financed professional training received by the Company in its capacity as client, aimed at contract workers.

  On 23 December 2021, the Italian Tax Authorities communicated assessment notice no. TMB061T00556/2021, concerning the alleged non-deductibility of VAT for the year 2017, equal to EUR 2,727,981.88, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest. On 21 May 2022, the Company filed an appeal with a petition for discussion at a public hearing held subsequently on 29 November 2022, following which the Tax Commission handed down a favourable ruling on 3 January 2023, acknowledging the merits of the reasons set out in the appeal. On 28 March 2023, the Italian Tax Authorities filed an appeal against the ruling of the First Instance Commission.

On 9 October 2023, the second instance hearing was held, the ruling of which was filed on 27 October 2023. On that basis, the Italian Tax Authorities asked the Company to pay the tax and related interest for a total of EUR 3,342,244.12; with the above-mentioned ruling, the Tax Court partially accepted the appeal filed by the Italian Tax Authorities, while also recognising a regulatory uncertainty so as to order the total cancellation of the administrative sanctions against the Company.

Openjobmetis S.p.A. challenged this negative ruling before the Court of Cassation by means of an appeal filed on 5 February 2024; the Company will also proceed to file a petition to suspend the enforceability of the aforementioned ruling within the terms provided by law.

- On 13 October 2022, the Italian Tax Authorities communicated assessment notice no. TMB061T00552/2021, concerning the alleged non-deductibility of VAT for the year 2016, amounting to EUR 2,072,364.00 with the same assumptions applied with reference to the year 2017.

  On 12 March 2023, the Company filed an appeal with a petition for discussion at a public hearing held subsequently on 19 September 2023, following which the Tax Commission handed down a favourable ruling on 1 December 2023, acknowledging the merits of the reasons set out in the appeal.

  On 16 June 2023, the Company, following the rejection of the application for the suspension of the provisional collection pending the proceedings and in accordance with current legislation, had paid EUR 690,788.00, plus interest, simultaneously recognising a receivable from the tax authorities in the same amount.

  It is not excluded that the Italian Tax Authorities may appeal against the first instance ruling.

  Openjobmetis S.p.A., after consulting its advisors, believes that it has various reasons to support its actions and the actions of Quanta, for which it has taken over all legal relations and obligations following the merger by incorporation carried out on 1 January 2022 and stresses its firm opposition to the objections raised by the Italian Tax Authorities and its willingness to proceed with litigation to the extent necessary for the recognition of its reasons.

  Given the degree of uncertainty of the issue in question, the Parent in any case has requested an opinion from an independent third-party professional, who has confirmed the assessments made by the Group's advisors.

  The objections raised by the Italian Tax Authorities are part of a line of argument that has, to date, involved various Employment Agencies; consequently, the publication of new case law potentially favourable to the Company's defence cannot be ruled out in the coming months. To protect the interests of the category, associations representing Employment Agencies intervened, supporting initiatives directed at the competent institutional venues, including the complaint before the European Commission. Therefore, a favourable legislative intervention should not be excluded.

- The subsidiary Openjob Consulting S.r.l., at an event held in Perugia, underwent a tax inspection by the competent Local Labour Office that led to the preparation of a report which alleged violations concerning forms of contract used on this occasion with consequent possible administrative sanctions. In September 2018, an order was issued by the Local Labour Inspectorate of Perugia, which in June 2019 was the subject of a settlement agreement following which approximately EUR 29 thousand was paid in settlement of any claims. Following the aforementioned report, INPS also issued a charge notice, which was subsequently effectively suspended by the Labour Court of Perugia, declaring its lack of local jurisdiction in favour of the Court of Varese, and is to date still pending an outcome; a possible settlement agreement in terms similar to that concluded with the Labour Inspectorate of Perugia is not excluded.

Also in light of the above, the Group believes that it has adequate grounds for its actions and therefore it is not expected that the outcome of such actions will have any effect on the Group's financial position beyond that which is already reflected in the financial statements.

Operating performance and results of the Parent Openjobmetis S.p.A.

Analysis of the operating performance of Openjobmetis S.p.A. for the year 2023

Revenue from sales for 2023 came to EUR 703.3 million, compared to EUR 727.1 million in the previous year. In 2023, operating profit (or EBIT, earnings before financial income/expenses and taxes) amounted to EUR 12.7 million (EUR 11.7 million in 2022). Net profit was EUR 13.6 million compared to EUR 11.7 million in 2022. The Parent's income statements for the years 2023 and 2022 are shown in the table below.

(Amounts in EUR)	Financial statements for the year ended 31 December				Change in 2023/2022	
	2023	% of Revenue	2022	% of Revenue	Value	%
Revenue	703,285,323	100.0%	727,095,252	100.0%	(23,809,929)	(3.3%)
Cost of contract work and outsourcing	(622,859,986)	(88.6%)	(648,081,722)	(88.9%)	25,221,736	(3.9%)
First contribution margin	80,425,337	11.4%	79,013,530	11.1%	1,411,807	1.8%
Other income	14,737,152	2.1%	14,483,983	2.0%	253,169	1.7%
Personnel expenses	(36,871,910)	(5.2%)	(35,375,447)	(5.0%)	(1,496,463)	4.2%
Cost of raw materials and consumables	(188,863)	(0.0%)	(176,158)	(0.0%)	(12,705)	7.2%
Costs for services	(35,878,386)	(5.1%)	(35,027,072)	(5.0%)	(851,314)	2.4%
Other operating expenses	(1,772,672)	(0.3%)	(734,672)	(0.1%)	(1,038,000)	141.3%
EBITDA	20,450,658	2.9%	22,184,164	3.0%	(1,733,506)	(7.8%)
Provisions and impairment losses	(1,950,000)	(0.3%)	(1,585,000)	(0.2%)	(365,000)	23.0%
Amortisation, depreciation and impairment losses	(5,175,168)	(0.7%)	(8,229,710)	(0.7%)	3,054,542	(37.1%)
EBITA	13,325,490	1.9%	12,369,454	2.1%	956,036	7.7%
Amortisation of intangible assets[21]	(672,771)	(0.1%)	(651,812)	(0.0%)	(20,959)	3.2%
EBIT	12,652,719	1.8%	11,717,642	2.1%	935,077	8.0%
Financial income	7,499,756	1.1%	4,944,673	0.2%	2,555,083	51.7%
Financial expense	(2,312,572)	(0.3%)	(627,894)	(0.1%)	(1,684,678)	268.3%
Profit (loss) before taxes	17,839,903	2.5%	16,034,421	2.2%	1,805,482	11.3%
Income taxes	(4,230,447)	(0.6%)	(4,328,010)	(0.5%)	97,563	(2.3%)
Profit (loss) for the year	13,609,456	1.9%	11,706,411	1.7%	1,903,045	16.3%

[21]Amortisation of intangible assets included in the balance of "Intangible assets and goodwill" (amortisation of customer relations, non-compete agreement signed as part of the acquisition of "Quanta" and other sundry assets) has been represented separately from the total of "Amortisation".

The table below provides a breakdown of the costs that have been adjusted for the purposes of determining the Alternative Performance Indicators (APIs).

(In EUR)		2023	2022
Costs for services	Charges mainly relating to costs for consultancy and due diligence in relation to acquisitions and costs for professional services for regulated market transactions	1,139,498	141,559
Personnel expenses	Costs for personnel reorganisation and extraordinary bonus	-	709,000
Other operating expenses	Provision for tax litigation risk	1,000,000	-
Total		2,139,498	850,559
Amortisation	Amortisation of customer relations and non-compete agreements included in intangible assets and goodwill	672,771	651,812
Total costs		2,812,269	1,502,371
Tax effect		(505,623)	(419,162)
Total impact on the Income Statement		2,306,646	1,083,209

In 2023, charges mainly related to costs for consultancy and due diligence in connection with acquisitions and costs for professional services for regulated market transactions amounted to EUR 1,139,498 thousand, while the provision for tax litigation risk amounted to EUR 1,000,000. Amortisation of intangible assets includes the amortisation of the non-compete agreement for EUR 300,000 and the amortisation of customer relations for EUR 351,812 recorded in the financial statements following the "Quanta" transaction in 2021 and other minor costs for EUR 20,959. This resulted in an adjusted Net Profit of EUR 15,916,102, considering a negative tax effect of EUR 505,623.

Revenue

In 2023, the Parent's revenue amounted to EUR 703,285 thousand, compared to EUR 727,095 thousand in 2022. The slight decrease compared to the previous year reflects the trend of the Italian general contract work market. The following table provides a breakdown of revenue by type of service:

(In thousands of EUR)	2023	2022	Change
Revenue from contract work	701,128	724,434	(23,306)
Revenue from personnel recruitment and selection	299	430	(131)
Revenue from other activities	1,185	1,540	(355)
Expenses charged to Group companies	673	691	(18)
Total Revenue	703,285	727,095	(23,810)

Cost of contract work

Cost of contract work amounted to EUR 622,860 thousand in 2023 compared to EUR 648,082 thousand in 2022, equal to 88.6% of revenue, basically in line with the previous year (88.9%).

The table below shows details of costs of contract work:

(In thousands of EUR)	2023	2022	Change
Wages and salaries of contract workers	446,635	462,481	(15,846)
Social security charges of contract workers	128,025	135,566	(7,541)
Post-employment benefits of contract workers	24,925	25,752	(827)
Forma.Temp contributions for contract workers	17,168	17,904	(736)
Other costs of contract workers	5,979	6,170	(191)
Other costs for services provided	128	209	(81)
Total cost of contract work and outsourcing	622,860	648,082	(25,222)

First contribution margin

The Parent's first contribution margin was EUR 80,425 thousand in 2023, compared to EUR 79,013 thousand in 2022.

The year was characterised by a constant growth trend in the first contribution margin, whose incidence on revenue was 11.4% compared to 11.1% as at 31 December 2022.

Other income

Other income for 2023 amounted to EUR 14,737 thousand, compared to EUR 14,484 thousand in 2022.

The item mostly includes contributions from Forma.Temp (EUR 13,471 thousand in 2023, compared to EUR 13,005 thousand in 2022) for costs incurred by Openjobmetis S.p.A. to deliver training courses for contract workers through qualified trainers.

These contributions are issued by Forma.Temp on the basis of the specific cost reports of equal amounts - recorded for the organisation and performance of training activities - carried out for each individual initiative. In addition, the item includes other sundry income for EUR 1,266 thousand as at 31 December 2023, compared to EUR 1,479 thousand in 2022. The decrease, compared with the previous year, is attributable to the reduction in benefits deriving from the allocations of assets referring to previously written down receivables.

Personnel expenses

The average number of Full-time Equivalent (FTE) employees for 2023 is 663, compared with 648 in 2022, and includes staff employed at the headquarters and staff at the branch offices located throughout the country.

Personnel expenses in 2023 amounted to EUR 36,871 thousand compared to EUR 35,375 thousand in 2022.

As a percentage of revenue, it stood at 5.2%, slightly up from the figure reported in 2022 (5.0%).

The disbursement of the one-off payment envisaged at the time of the contractual renewal of the national tertiary labour agreement had an impact on the first quarter of EUR 318 thousand. The extraordinary sector protocol envisaged the recognition of an amount of EUR 350 gross at the fourth level (divided between the January and March paychecks) to be re-measured on the different levels of classification. Subsequently, starting from April, a paycheck increase was recognised as an advance to be absorbed by future contractual increases of EUR 30 gross at the fourth commerce level, also to be re-measured on the other levels.

Costs for services

In 2023, costs for services amounted to EUR 35,878 thousand, compared to EUR 35,027 thousand in 2022.

Costs for services include the costs incurred for the organisation of training courses for contract workers, amounting to EUR 13,514 thousand for 2023, compared to EUR 13,028 thousand in 2022. Openjobmetis receives grants from Forma.Temp to fully cover the costs incurred for training, following accurate and timely reporting of said costs.

The figure as at 31 December 2023 includes costs for consultancy and due diligence in connection with acquisitions and costs for professional services for regulated market transactions amounting to EUR 1,139 thousand, whereas in the previous year they amounted to EUR 142 thousand. These charges are subject to disclosure for the purposes of calculating Adjusted EBITDA, as described below.

The following table shows the breakdown of the item costs for services:

(In thousands of EUR)	2023	2022	Change
Costs for organising courses for contract workers	13,514	13,028	486
Costs for updating skills of contract workers	284	-	284
Costs for tax, legal, IT, business consultancy	6,407	6,771	(364)
Costs for marketing consultancy	1,972	2,034	(62)
Fees to sourcers and professional advisors	4,584	4,647	(63)
Costs for advertising and sponsorships	1,896	2,020	(124)
Costs for utilities	1,068	1,284	(216)
Remuneration to the Board of Statutory Auditors	88	88	-
Costs for due diligence and consultancy services	1,139	142	997
Other	4,926	5,013	(87)
Total costs for services	35,878	35,027	851

Net of costs for the organisation of courses for contract workers, the incidence on revenue of remaining costs for services, which refer mainly to the costs for tax, legal, IT, commercial and business consultancy, and fees to sourcers and professional advisors, stands at 3.2% (3.0% in 2022).

Other operating expenses

Other operating expenses amounted to EUR 1,773 thousand in 2023, compared to 735 thousand as at 31 December 2022. The item includes the provision for tax litigation risk of EUR 1,000 thousand, evidenced in terms of calculating the adjusted EBITDA in relation to amounts already provisionally paid. For further information, please refer to the paragraph "Contingent liabilities" of this Report.

EBITDA, EBITA and the respective adjusted values

In 2023, EBITDA amounted to EUR 20,451 thousand compared to EUR 22,184 thousand in 2022. Adjusted EBITDA[22] was EUR 22,590 thousand in 2023, compared to EUR 23,035 thousand in 2022.

Actual EBITA[23] in 2023 was EUR 13,325 thousand compared to EUR 12,369 thousand in 2022 and Adjusted EBITA[24] was EUR 15,465 thousand compared to EUR 13,220 thousand in 2022.

Amortisation, depreciation and impairment losses

Amortisation/depreciation amounted to EUR 5,848 thousand in 2023, compared to EUR 8,882 thousand in 2022. The amortisation charge for intangible assets, amounting to EUR 673 thousand, includes primarily amortisation for the non-compete agreement with the seller for the "Quanta" transaction of EUR 300 thousand and amortisation for relations of EUR 352 thousand.

[22] Adjusted EBITDA was calculated as EBITDA before charges mainly related to costs for consultancy, due diligence, personnel reorganisation and extraordinary bonuses in connection with acquisitions, costs for professional services for regulated market transactions and provision for tax litigation risk.

[23] EBITA is calculated as Profit (loss) for the period before income taxes, net financial expense and amortisation of the intangible assets included in the balance of Intangible assets and goodwill (amortisation of customer relations and non-compete agreement signed as part of the acquisition of "Quanta").

[24] Adjusted EBITA was calculated as EBITA before charges mainly related to costs for consultancy, due diligence, personnel reorganisation and extraordinary bonuses in connection with acquisitions, costs for professional services for regulated market transactions and provision for tax litigation risk.

In 2023, the item includes impairment of equity investments of EUR 188 thousand; for further information, please refer to point 5 of the notes to the separate financial statements.

Impairment loss on trade receivables and other assets

Impairment losses on trade receivables and other assets in 2023 totalled EUR 1,950 thousand, compared to EUR 1,585 thousand in 2022. The ratio to total revenue was 0.3%, in line with the physiological trend.

EBIT

As a result of the above, Openjobmetis S.p.A.'s operating profit was EUR 12,653 thousand in 2023, compared with EUR 11,718 in 2022.

Financial income and financial expense

Net financial income and expense show a net positive balance of EUR 5,187 in 2023 compared to a positive EUR 4,317 thousand in 2022. It should be noted that the figure includes the accounting of financial expense relating to lease liabilities (for EUR 308 thousand).

The increase in the item is attributable to the higher dividends from subsidiaries, which amounted to EUR 6,074 thousand in 2023, compared to EUR 4,911 thousand in 2022, and to the recognition of "bank interest and other income" in the amount of EUR 1,383 thousand, referring to income deriving from the agreement signed with Banca Intesa Sanpaolo during the current year for the transfer of tax receivables.

Income taxes

Income taxes of negative EUR 4,230 thousand were recorded in 2023, compared to negative EUR 4,328 thousand in 2022. The item includes current IRES and IRAP taxes amounting to EUR 3,491 thousand, compared to EUR 4,111 thousand in the previous year, and deferred taxes amounting to EUR 739 thousand.

For further information, please refer to point 27 of the Notes to the separate financial statements.

Net Profit/(Loss) for the year and adjusted Net Profit/(Loss) for the year

As a result of the above, net profit for 2023 totalled EUR 13,609 thousand, compared to a net profit of EUR 11,706 thousand in the previous year.

Adjusted net profit for the year, as shown in the following table, amounted to EUR 15,915 thousand in 2023, compared to an adjusted profit of EUR 12,790 thousand in the year 2022.

Adjusted Profit *(In EUR)*	2023	2022
Profit for the period	13,609,456	11,706,411
Costs for services (Charges mainly relating to costs for consultancy and due diligence in relation to acquisitions and costs for professional services for regulated market transactions)	1,139,498	141,559
Personnel expenses (Personnel reorganisation and extraordinary bonus)	-	709,000
Other operating expenses (Provision for tax litigation risk)	1,000,000	-
Amortisation of intangible assets	672,771	651,812
Tax effect	(505,623)	(419,162)
Adjusted profit for the period	15,916,102	12,789,620

Statement of Financial Position

The table below shows the Parent's separate statement of financial position reclassified on a financial basis for the years ended 31 December 2023 and 31 December 2022.

(In EUR)	Financial statements for the year ended 31 December				Change in 2023/2022	
	2023	% on NIC* or Total sources	2022	% on NIC* or Total sources	Value	%
Intangible assets and goodwill	98,399,591	54.5%	98,917,823	58.4%	(518,232)	(0.5%)
Property, plant and equipment	3,356,182	1.9%	3,222,125	1.9%	134,057	4.2%
Right of use for leases	13,049,614	7.2%	12,369,287	7.3%	680,327	5.5%
Other net non-current assets and liabilities	25,763,678	14.3%	25,795,567	15.2%	(31,889)	(0.1%)
Total non-current assets/liabilities	140,569,065	77.9%	140,304,802	82.9%	264,263	0.2%
Trade receivables	136,963,913	75.9%	136,300,197	80.5%	663,716	0.5%
Other assets	11,066,870	6.1%	9,061,832	5.4%	2,005,038	22.1%
Current tax assets	36,320	0.0%	-	0.0%	36,320	100%
Trade payables	(10,851,912)	(6.0%)	(11,931,271)	(7.0%)	1,079,359	(9.0%)
Current employee benefits	(53,969,673)	(29.9%)	(59,969,389)	(35.4%)	5,999,716	(10.0%)
Other liabilities	(39,059,700)	(21.7%)	(38,433,249)	(22.7%)	(626,451)	1.6%
Current tax liabilities	(5,278)	(0.0%)	(2,419,787)	(1.4%)	2,414,509	(99.8%)
Provisions for current risks and charges	(4,342,074)	(2.4%)	(3,647,112)	(2.2%)	(694,962)	19.1%
Net working capital	39,838,466	22.1%	28,961,221	17.1%	10,877,245	37.6%
Total loans - net invested capital	180,407,531	100.0%	169,266,023	100.0%	11,141,508	6.6%
Equity	136,551,935	75.7%	135,783,033	80.2%	768,902	0.6%
Net Financial Indebtedness (NFI)	43,288,954	24.0%	32,896,416	19.4%	10,392,538	31.6%
Non-current employee benefits	566,642	0.3%	586,574	0.3%	(19,932)	(3.4%)
Total sources	180,407,531	100.0%	169,266,023	100.0%	11,141,508	6.6%

* Net Invested Capital

Intangible assets and goodwill

Intangible assets and goodwill totalled EUR 98,400 thousand as at 31 December 2023, compared to EUR 98,918 thousand as at 31 December 2022, and consist primarily of goodwill, customer relations, software and other intangible assets under development and payments on account.

Goodwill is attributable for EUR 44,572 thousand to acquisitions carried out before 2011 and the merger with WM S.r.l. carried out in 2007, and for EUR 27,164 thousand to the acquisition and subsequent merger of Metis S.p.A. carried out in 2011.

In 2022, goodwill increased by a further EUR 23,846 thousand following the merger by incorporation of Quanta S.p.A. on 1 January.

In addition, following the merger, customer relations were recognised for EUR 2,815 thousand with a useful life of 8 years, in addition to software and trademarks for EUR 191 thousand.

The above was recognised in continuity of values with respect to those already included in the Group's consolidated financial statements as at 31 December 2023.

Other net non-current assets and liabilities

The item, amounting to EUR 25,764 thousand in 2023 (EUR 25,796 thousand in 2022), mainly includes the net effect from the realignment of the tax value of goodwill, as provided for by Decree Law 104/2020, Article 110, paragraphs 8 and 8-bis as recorded from 2020 (EUR 18,948 thousand as at 31 December 2023 compared to EUR 19,351 as at 31 December 2022).

Furthermore, the item includes equity investments in subsidiaries for EUR 5,567 thousand in 2023 (EUR 5,152 thousand in 2022).

Lastly, the payable relating to the non-compete agreement signed with the seller of "Quanta", to be paid in five years, is included in the amount of EUR 300 thousand (EUR 600 thousand as at 31 December 2022).

Trade receivables

Trade receivables totalled EUR 136,964 thousand as at 31 December 2023, compared to EUR 136,300 thousand as at 31 December 2022, and include trade receivables from related parties for EUR 3 thousand (EUR 177 thousand as at 31 December 2022). The item is recorded in the separate financial statements net of a loss allowance of EUR 6,719 thousand (EUR 7,388 thousand as at 31 December 2022).

As a result of the acquisition of Quanta, trade receivables at fair value were recorded in the financial statements and totally written down by EUR 72 thousand as at 31 December 2023 (EUR 88 thousand as at 31 December 2022).

The days sales outstanding (DSO) granted to customers is 70, compared to 67 reported as at 31 December 2022.

There are no trade receivables with insurance coverage.

There are no credit risk profiles for related parties.

There are no particular concentrations of trade receivables in specific sectors.

Exposure to the top ten customers' accounts for approximately 18% of total receivables as at 31 December 2023.

Other assets

As at 31 December 2023, other assets amounted to a total of EUR 11,067 thousand compared to EUR 9,062 thousand as at 31 December 2022, and refer mainly to amounts due from Forma.Temp for EUR 3,520 thousand (EUR 2,743 thousand as at 31 December 2022), referring to the reimbursement of the salary supplement (Trattamento di Integrazione Salariale - TIS) paid in advance to contract workers, receivables from the INPS treasury funds for post-employment benefits for EUR 1,819 thousand (EUR 1,574 thousand as at 31 December 2022), prepayments for EUR 1,093 thousand (EUR 1,176 thousand as at 31 December 2022), receivables from tax authorities for reimbursements for EUR 1,365 thousand (EUR 150 thousand as at 31 December 2022), receivables for domestic tax consolidation for EUR 746 thousand (EUR 705 thousand in 2022), other disputed receivables for EUR 1,095 thousand relating to a receivable from a former director of Metis S.p.A. for unjustified expenses (unchanged from 31 December 2022), and other sundry receivables for EUR 257 thousand (EUR 219 thousand in 2022).

The item Receivables from INPS treasury funds for post-employment benefits relates to the amount of post-employment benefits due to contract workers, which is paid in advance by Openjobmetis S.p.A. to the worker and requested as a reimbursement from the INPS treasury, to which it had been previously paid.

Prepayments mainly refer to advance costs entirely recognised during the current year, relating to sponsorships, bank fees and sundry rentals not related to lease agreements.

The item receivable for domestic tax consolidation scheme regards the Company's receivables from the subsidiary Seltis Hub S.r.l. due to participation in the domestic tax consolidation scheme.

As at 31 December 2023 there finally remained receivables of EUR 1,172 thousand related to other liabilities covered by a guarantee from the selling party of Quanta S.p.A., for which there is a provision for risks of the same amount (EUR 1,400 thousand as at 31 December 2022). The change compared to 31 December 2022 relates to guaranteed positions as part of the acquisition transaction that were settled during the year.

Trade payables

As at 31 December 2023, trade payables amounted to EUR 10,852 thousand, compared to EUR 11,931 thousand as at 31 December 2022. The main suppliers of Openjobmetis S.p.A. are implementing bodies for the organisation of courses for contract workers.

Current employee benefits

As at 31 December 2023, payables for current employee benefits amounted to EUR 59,970 thousand, compared with EUR 59,970 thousand as at 31 December 2022. The item mainly refers to payables for salaries and compensation due to contract workers and company employees, in addition to the payable for post-employment benefits due to contract workers. The decrease is mainly due to the decrease in volumes compared to the previous year.

Given the nature of business carried out by the Company and the average duration of employment contracts with contract workers, employee benefits represented by the post-employment benefits of contract workers are paid periodically and were consequently regarded as current liabilities. Therefore, there was no need to make any actuarial valuation and the liability corresponds to the amount due to contract workers at the end of the contract.

Current tax liabilities

Current tax liabilities as at 31 December 2023 amounted to EUR 5 thousand and related to the tax liability for IRAP (EUR 2,420 thousand as at 31 December 2022). As at 31 December 2022, they referred to the second instalment of the substitute tax pursuant to Decree Law 104/2020, Article 110, paragraphs 8 and 8-bis in the amount of EUR 717 thousand, to the tax liability for IRES tax consolidation in the amount of EUR 1,253 thousand, and to IRAP payable in the amount of EUR 450 thousand. For further details, please refer to point 27 of the Notes to the separate financial statements.

Other current liabilities

As at 31 December 2023, other liabilities amounted to EUR 39,060 thousand, compared to EUR 38,433 thousand as at 31 December 2022. The item mainly relates to social security charges payable for EUR 21,656 thousand as at 31 December 2023 (EUR 25,258 thousand as at 31 December 2022), tax payables mainly for employee withholding taxes in the amount of Euro 14,788 thousand (EUR 11,117 thousand as at 31 December 2022). In addition, the item includes payables to Forma.Temp for EUR 1,364 thousand (EUR 1,160 thousand as at 31 December 2022), payables to subsidiaries for tax consolidation amounting to EUR 432 thousand (EUR 293 thousand as at 31 December 2022) and other liabilities amounting to EUR 495 thousand (EUR 305 thousand as at 31 December 2022).

With the finalisation of the acquisition of Quanta S.p.A. in May 2021, the current liability relating to the contractual agreement reached with the seller, concerning the limitation on the performance of professional activities in competition with the company, which will be recorded in five years (EUR 300 thousand), was recognised in the item Other current liabilities.

Equity

As at 31 December 2023, equity amounted to EUR 136,552 thousand, compared to EUR 135,783 thousand as at 31 December 2022.

The change in equity recorded between 31 December 2022 and 31 December 2023 is mainly attributable to the distribution of dividends for EUR 6,513 thousand and the change in the reserve for the purchase of treasury shares for EUR 6,670 thousand, in addition to the profit for the period.

Net Financial Indebtedness (NFI)

Net financial indebtedness shows a negative balance of EUR 43,289 thousand as at 31 December 2023, compared to a negative balance of EUR 32,896 thousand as at 31 December 2022.

Below is the net financial indebtedness of the Parent as at 31 December 2023 and as at 31 December 2022, calculated in accordance with the *Guidelines on disclosure requirements* published by ESMA on 4 March 2021 and CONSOB *Call to attention no. 5/21* of 29 April 2021.

(In thousands of EUR)		Financial statements for the year ended 31 December		2023 vs 2022 Change	
		2023	2022	Value	%
A	Cash	23	33	(10)	(30.3%)
B	Cash and cash equivalents	6,897	1,878	5,019	267.3%
C	Other current financial assets	2,672	3,095	(423)	(13.7%)
D	Cash and cash equivalents (A+B+C)	9,592	5,006	4,586	91.6%
E	Current financial debt	(26,423)	(22,632)	(3,791)	16.8%
F	Current portion of non-current financial debt	(3,393)	(3,511)	118	(3.4%)
G	Current financial indebtedness (E+F)	(29,816)	(26,143)	(3,673)	14.0%
H	Net current financial indebtedness (G+D)	(20,224)	(21,137)	913	(4.3%)
I	Non-current financial debt	(23,064)	(11,759)	(11,305)	96.1%
J	Debt instruments	-	-	-	-
K	Trade payables and other non-current liabilities	-	-	-	-
L	Non-current financial indebtedness (I+J+K)	(23,064)	(11,759)	(11,305)	96.1%
M	Total financial indebtedness (H+L)	(43,288)	(32,896)	(10,392)	31.6%

Other current financial assets of EUR 2,672 thousand refers to receivables from factoring companies referring to trade receivables assigned as at 31 December 2023, for which the Company has not requested early settlement.

Contingent liabilities

The Company is a party to pending disputes and lawsuits. Based on the opinion of legal and tax advisors, the directors do not expect that the outcome of these ongoing actions will have a significant effect on the financial position of the Company, in addition to what was already allocated in the consolidated financial statements.

Specifically:

- During 2020, Quanta S.p.A., now merged by incorporation into Openjobmetis S.p.A. as of 1 January 2022, received a questionnaire from the Italian Tax Authorities concerning the VAT treatment of the financed professional training activities, intended for contract workers in 2015, 2016 and 2017.

  On 30 November 2020, the Italian Tax Authorities communicated assessment notice no. TMB067O00388/2020, concerning the alleged non-deductibility of VAT for the year 2015, equal to EUR 592,801.18, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest.

  On 28 April 2021, Quanta S.p.A. filed an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 15 March 2022, who, in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal.

  On 13 April 2023, the Italian Tax Authorities filed an appeal against the ruling of the First Instance Commission, whose second instance hearing was held on 4 December 2023; the Tax Court, in a judgment filed on 17 January 2024, upheld the appeal filed by the Italian Tax Authorities, which

requested the payment of the tax and related interest totalling EUR 779,777.56, while confirming the cancellation of the penalties imposed.
Openjobmetis S.p.A. will proceed with the submission of the appeal to the Court of Cassation within the terms established by law and the application for the suspension of the enforceability of the ruling to the Second Instance Tax Court.

- On 28 October 2021, the Italian Tax Authorities communicated an assessment notice no. TMB067O00227/2021 for 2016 with the same requirements as the previous one, for EUR 595,569.72. On 22 December 2021, Quanta S.p.A. served an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 21 June 2022, who in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal.
  On 20 March 2023, the Italian Tax Authorities filed an appeal against the ruling of the First Instance Commission. Following the second instance hearing held on 20 September 2023, with a ruling filed on 28 September 2023 the validity of the Company's arguments was also recognised in that case. It is not excluded that the Italian Tax Authorities may appeal to the Court of Cassation against the ruling of the Second Instance Commission.

- On 11 April 2022, the Italian Tax Authorities served an additional assessment notice no. TMB061T00096/2022 for 2017 to Openjobmetis S.p.A., as the incorporator of Quanta S.p.A., with the same requirements as the previous ones, for EUR 572,322.77. On 9 June 2022, the Company filed an appeal with a request for discussion at a public hearing on 17 January 2023, which, in a ruling handed down on 8 August 2023, acknowledged the merits of the Company's reasons set forth and granted its appeal.
  The Company, following the rejection of the application for the suspension of the provisional collection pending the proceedings and in accordance with current legislation, had paid EUR 190,774.26, plus interest, simultaneously recognising a receivable from the tax authorities in the same amount.
  On 19 February 2024, the Italian Tax Authorities filed an appeal with a request for discussion at a public hearing, against which the Company will appear before the court within the terms established by law.

- On 11 March 2024, the Parent, as the merging entity company of Quanta SpA, received an invitation from the Italian Tax Authorities with reference to the VAT treatment on professional training services for the annuity 2018; the Parent will respond within the terms provided for by the Law.

  Pursuant to the contractual agreements in place, the seller of Quanta S.p.A., FDQ S.r.l., has issued a specific guarantee to cover any liability that may arise in relation to assessment notices concerning the undue deduction of VAT for the year 2015 and onward until 2020.

- In 2021, the Italian Tax Authorities - Regional Lombardy Division - Office of Major Taxpayers, initiated a tax audit activity against the Parent, Openjobmetis S.p.A., with reference to the 2016 and 2017 tax periods.
  The audit concerned the VAT treatment of financed professional training received by the Company in its capacity as client, aimed at contract workers.

On 23 December 2021, the Italian Tax Authorities communicated assessment notice no. TMB061T00556/2021, concerning the alleged non-deductibility of VAT for the year 2017, equal to EUR 2,727,981.88, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest. On 21 May 2022, the Company filed an appeal with a petition for discussion at a public hearing held subsequently on 29 November 2022, following which the Tax Commission handed down a favourable ruling on 3 January 2023, acknowledging the merits of the reasons set out in the appeal. On 28 March 2023, the Italian Tax Authorities filed an appeal against the ruling of the First Instance Commission.

On 9 October 2023, the second instance hearing was held, the ruling of which was filed on 27 October 2023. On that basis, the Italian Tax Authorities asked the Company to pay the tax and related interest for a total of EUR 3,342,244.12; with the above-mentioned ruling, the Tax Court partially accepted the appeal filed by the Italian Tax Authorities, while also recognising a regulatory uncertainty so as to order the total cancellation of the administrative sanctions against the Company.

Openjobmetis S.p.A. challenged this negative ruling before the Court of Cassation by means of an appeal filed on 5 February 2024; the Company will also proceed to file a petition to suspend the enforceability of the aforementioned ruling within the terms provided by law.

- On 13 October 2022, the Italian Tax Authorities communicated assessment notice no. TMB061T00552/2021, concerning the alleged non-deductibility of VAT for the year 2016, amounting to EUR 2,072,364.00 with the same assumptions applied with reference to the year 2017.

  On 12 March 2023, the Company filed an appeal with a petition for discussion at a public hearing held subsequently on 19 September 2023, following which the Tax Commission handed down a favourable ruling on 1 December 2023, acknowledging the merits of the reasons set out in the appeal.

  On 16 June 2023, the Company, following the rejection of the application for the suspension of the provisional collection pending the proceedings and in accordance with current legislation, had paid EUR 690,788.00, plus interest, simultaneously recognising a receivable from the tax authorities in the same amount.

  It is not excluded that the Italian Tax Authorities may appeal against the first instance ruling.

  Openjobmetis S.p.A., after consulting its advisors, believes that it has various reasons to support its actions and the actions of Quanta, for which it has taken over all legal relations and obligations following the merger by incorporation carried out on 1 January 2022 and stresses its firm opposition to the objections raised by the Italian Tax Authorities and its willingness to proceed with litigation to the extent necessary for the recognition of its reasons.

  Given the degree of uncertainty of the issue in question, the Company in any case has requested an opinion from an independent third-party professional, who has confirmed the assessments made by the Company's advisors.

  The objections raised by the Italian Tax Authorities are part of a line of argument that has, to date, involved various Employment Agencies; consequently, the publication of new case law potentially favourable to the Company's defence cannot be ruled out in the coming months. To protect the interests of the category, associations representing Employment Agencies intervened, supporting initiatives directed at the competent institutional venues, including the complaint before the European Commission. Therefore, a favourable legislative intervention should not be excluded.

Risks related to operations

Risks related to the general operating performance

The general trend in the contract work market is affected by a number of factors beyond the Group's control, including the general economic environment and the employment level. Demand for contract workers is correlated with the GDP trend.

Negative economic conditions in Italy, also resulting from the effects of the ongoing geopolitical crisis related to the conflict between Russia and Ukraine, could adversely affect the demand for contract workers and lead to a proliferation of unlawful arrangements on the labour market, with consequent negative effects on the Group's business and expected results.

Risks relating to market competition

The contract work industry is highly competitive and some of the competitors are large multinationals that are able to adapt quickly to market changes and offer services at competitive prices, thanks to their financial strength, the marketing tools they can deploy and the economies of scale they can take advantage of.

Therefore, it cannot be excluded that the current structure of Openjobmetis S.p.A. will prove inadequate in this competitive environment, and that in order to maintain its competitiveness it may have to take certain initiatives that other market players have resorted to, and consequently may incur unexpected costs, with possible impacts on the Group's financial position, results of operations and cash flows.

Risks associated with changes in the national regulatory framework

Since its introduction in 2003, the temporary work contract has been the subject of subsequent legislative amendments that have progressively changed the scope of application.

Within the framework of these constantly evolving regulations, however, it cannot be ruled out that future legislative measures could reduce the number of cases where the use of the temporary work contract, whether open ended or fixed-term, is allowed, or the possible future introduction of types of contracts alternative to employment.

Any changes in the legislation and/or collective bargaining schemes regarding training services may adversely affect the possibility for the Group to manage professional training courses for contract workers, and ultimately the ability to provide companies that use contract workers with adequate and competitive training under the same conditions as apply today, and the Group's financial position, results of operations and cash flows.

The Group carefully monitors regulatory and collective bargaining developments relating to temporary work contract and training services, also through membership of the Assosomm trade association.

Risks to reputation and to the maintenance of Ministerial authorisations

The Group could suffer negative consequences from possible damage to its reputation in the future.

Openjobmetis S.p.A. and the Group companies Seltis Hub S.r.l., and Family Care S.r.l. - Employment Agency, conduct their business on the basis of authorisations issued by the Ministry of Labour and Social Affairs, which are mandatory for the performance of their activities.

Specifically: a) Openjobmetis S.p.A. and Family Care S.r.l. - Employment Agency conduct their business as providers of contract work employment by virtue of a ministerial authorisation pursuant to Article 4, paragraph

1(a) of Italian Legislative Decree 276/2003; b) Seltis Hub S.r.l. holds a ministerial authorisation pursuant to Article 2, paragraph 1, letter c) of Legislative Decree 276/2003, to provide personnel recruitment and selection services; it should be noted that the companies Lyve S.r.l. and Openjob Consulting S.r.l. do not hold any ministerial authorisation.

Over the previous years and during the current year, the ministerial authorisations granted to Group companies were not subject to revocation or suspension. In addition, during the same period, Group companies have not received any remarks from the competent authorities, nor were they involved in proceedings in connection with the ministerial authorisations.

The Group carefully monitors the correct application of the regulatory provisions and the fulfilment of the obligations required to maintain the conditions provided for by the ministerial authorisations in force.

Although to date there is no reason to believe that the above authorisations may be suspended or revoked, it cannot be excluded that this may happen in the future, including as a result of any developments in the applicable regulatory requirements, with the possible consequence that the Group's continuing operation would be compromised.

Risks associated with debt exposure and the ability to meet financial requirements

The Group uses bank loans to finance its working capital to meet its cash requirements and obligations to pay the salaries of its employees and contract workers.

This means that any withdrawal by banks of the credit lines or facilities in place could negatively affect the Group's financial position, with the risk that, to honour its commitments, the Group may be forced to find other sources of funding - possibly at less advantageous conditions.

As at 31 December 2023, the Group's financial exposure amounted to approximately EUR 46,757 thousand, gross of cash and cash equivalents. With reference to the previous year, the Group's debt exposure gross of cash and cash equivalents (including banks and other financial institutions) as at 31 December 2022 amounted to EUR 39,601 thousand.

With particular reference to the senior loan entered into in 2023, it should be noted that it provides for: (a) the obligation of the Company to comply with specific financial parameters, to be calculated annually on the items of the consolidated financial statements of the Group, (b) certain non-performance events involving the lenders' right to terminate the loan agreement, or to withdraw therefrom and declare the Company's benefit of postponed payment to be forfeited, depending on the circumstances.

Risks associated with court and/or arbitration proceedings and the possible inadequacy of provisions for risks

As at 31 December 2023, the Group companies are party to ongoing civil and tax disputes and litigation.

Considering the sector in which they operate, they are exposed to the risk of being involved in legal and/or arbitration proceedings of a labour law nature, both with reference to contract workers and to Group employees and in relation to contracts with independent collaborators, including commercial advisors, sourcers and professional advisors, with potential adverse effects on the Group's financial position.

Interest rate risk

The Group's financial indebtedness has variable interest rates, therefore the Group could be exposed to the risks related to fluctuations in these rates.

It cannot be ruled out that rising interest rates, as a result of the ECB's interventions also to combat inflation and any other unforeseeable fluctuations in interest rates, will have negative consequences on the Group's financial situation.

Credit risk

The Group keeps the customer base diversified, and consequently it reduces the risks associated with debt recovery; the consolidated financial statements as at 31 December 2023 show that the Group's receivables from customers amounted to EUR 145,020 thousand, net of the loss allowance of EUR 7,028 thousand. Receivables from customers amounted to EUR 144,584 thousand as at 31 December 2022, net of the loss allowance of EUR 7,598 thousand.

It cannot be excluded that any breach of customers' payment obligations, or the mere delay in the execution of such payments, may reduce the liquid funds available to the Company and the Group, increasing the need for additional sources of funding.

Additionally, any deterioration in the economic environment or negative market developments could have adverse effects on customer relations, compromising the possibility for the Group to recover its trade receivables, with possible negative impacts on the Group's business and on its financial position, results of operations and cash flows.

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Lastly, please note that financial risk management objectives and policies are described in the dedicated paragraphs of the Notes to the separate and consolidated financial statements.

Relations with subsidiaries and related parties

The relationships between Group companies and by the Group with related parties, as identified on the basis of the criteria defined in IAS 24 - Related Party transactions - and CONSOB (the Italian Commission for listed companies and the stock exchange) provisions issued in this regard, are mainly commercial in nature and relate to transactions carried out on an arm's length basis.

During the meeting of 12 October 2015, the Board of Directors approved and subsequently updated, most recently on 29 June 2021, the related party transactions policy and procedure, in accordance with Article 2391-bis of the Italian Civil Code and with the "Related party transactions regulations" adopted by CONSOB with resolution no. 17221 of 12 March 2010 and subsequent amendments. The aforementioned procedure can be downloaded from the Group's website.

Relationships with Subsidiaries

Openjobmetis S.p.A., whose core business is the provision of contract work, owns 100% of:

- Seltis Hub S.r.l., a company mainly involved in personnel search and selection, with a main focus on Management Search (Middle & Top Management), D&I (Jobmetoo) and ICT&Digital.
- Openjob Consulting S.r.l., a company focused on supporting the parent with payroll management tasks, training-related activities and outsourcing services.
- Family Care S.r.l. - Employment Agency, a company focused on providing family assistants for the care of the elderly and non-self-sufficient people.

Openjobmetis S.p.A. also directly controls 52.06% of Lyve S.r.l., a training company that designs and implements training opportunities covering legislative, technical, management and sales contexts. During the first half of the year, the latter merged HC S.r.l. by incorporation, a company focused on training and coaching, previously 100% owned by the Parent.

Openjobmetis S.p.A. maintains relations with the other Group companies in matters of commercial transactions under market conditions. The revenue invoiced by Openjobmetis S.p.A. to the subsidiaries relates primarily to a range of general management, accounting and administrative support, operational control, personnel management, sales management, debt collection, EDP and data processing, call centre and procurement services provided by the Parent to the other Group companies, as well as secondment. The revenue invoiced by Openjob Consulting S.r.l. to Openjobmetis S.p.A. and Family Care S.r.l. - Employment Agency mainly pertains to the processing of contract workers' payslips, including the calculation of taxes and social security contributions (withholdings) and the processing of required periodic and annual reporting in addition to training services, as well as secondment of staff.
Pursuant to Articles 117 to 129 of the Consolidated Income Tax Act (TUIR), agreements were signed between Openjobmetis S.p.A. and its subsidiaries Openjob Consulting S.r.l., Seltis Hub S.r.l., Family Care S.r.l. and Lyve S.r.l. on the exercise of the option for the domestic tax consolidation scheme, thus benefiting from the possibility of offsetting taxable income against tax losses in a single tax return. The three-year agreements will be tacitly renewed for the following three-year period unless they are revoked.

On 4 August 2023, the Board of Directors expressed a favourable opinion on the centralised treasury management, in order to optimise the flows between Openjobmetis (*pooler/centraliser*) and the subsidiaries Seltis Hub S.r.l., Openjob Consulting S.r.l. e Family Care S.r.l. (*recipients*). Relations between the pooler and the companies participating in the service are appropriately regulated by a separate contract.

The following table shows the economic and equity relationships between the various Group companies in the periods indicated (values eliminated in the consolidated financial statements):

Intercompany Revenue/Costs among Openjobmetis S.p.A. Group companies

(Amounts in thousands of EUR)

Year	2023	2022
Revenue		
Openjobmetis vs Openjob Consulting	634	911
Openjobmetis vs Seltis Hub	265	232
Openjobmetis vs HC	-	86
Openjobmetis vs Family Care	145	178
Openjobmetis vs Lyve	45	45
Seltis Hub vs Openjobmetis	26	-
Seltis Hub vs HC	-	7
Family Care vs Openjobmetis	10	-
Family Care vs Openjob Consulting	48	-
HC vs Openjobmetis	11	13
HC vs Seltis Hub	-	1
Lyve vs Openjobmetis	56	62
Openjob Consulting vs Openjobmetis	1,380	1,659
Openjob Consulting vs Family Care	30	107
Openjob Consulting vs Seltis Hub	1	-
Total Revenue/Costs	2,651	3,301

Intercompany Receivables/Payables among Openjobmetis S.p.A. group companies

(Amounts in thousands of EUR)

Year	31/12/2023	31/12/2022
Receivables		
Openjobmetis vs Openjob Consulting	3	252
Openjobmetis vs Seltis Hub	746	485
Openjobmetis vs HC	-	144
Openjob Consulting vs Openjobmetis	2,582	-
Seltis Hub vs Openjobmetis	3,545	-
Family Care vs Openjobmetis	1,649	229
Lyve vs Openjobmetis	31	1
HC vs Openjobmetis	-	64
Total Receivables/Payables	8,556	1,175

Remuneration of key management personnel

The total remuneration to key management personnel amounted to EUR 2,045 thousand as at 31 December 2023 and 3,185 thousand as at 31 December 2022. For further details, please refer to point 32 of the Notes to the separate and consolidated financial statements.

The Board of Directors of Openjobmetis S.p.A. identified the beneficiaries of the second tranche of the 2022 - 2024 LTI Performance Shares Plan approved at the Shareholders' Meeting of 19 April 2022, including the Chairman of the Board of Directors Marco Vittorelli, the Deputy Chairman Biagio La Porta, the Managing Director Rosario Rasizza and key management personnel of Openjobmetis, as well as the number of rights assigned to each beneficiary. For further information, please refer to the press release issued on 21 April 2023 by Openjobmetis S.p.A.

In addition to salaries, the Group also offers certain key management personnel benefits in kind according to the ordinary contractual practice for company managers, such as company cars, company mobiles, health and injury insurance coverage.

It should also be noted that, on 13 March 2024, the Chairman of the Board of Directors Marco Vittorelli and the Director Corrado Vittorelli indirectly held 18.45% through Omniafin S.p.A. (of which they are shareholders with equal stakes) and that the Managing Director Rosario Rasizza indirectly holds 5.15% through MTI Investimenti S.r.l., of which he is the majority shareholder.

Other related party transactions

In the course of normal business, the Group has provided contract worker supply services and has collaborated with related parties for insignificant amounts and under normal market conditions.

For details on related party transactions, please refer to section 32 of the Notes to the consolidated financial statements and section 31 of the Notes to the separate financial statements.

Significant events in 2023

On 27 February 2023, the Parent Openjobmetis S.p.A. acquired the minority interest equal to 7.14% of HC S.r.l., becoming the sole shareholder.

On 13 March 2023, the Boards of Directors of Lyve S.r.l. and HC S.r.l. presented and approved the plan for the merger by incorporation of HC S.r.l. into Lyve S.r.l.

On 21 April 2023, the Extraordinary Shareholders' Meeting approved the elimination of the nominal amount of the ordinary shares (previously equal to EUR 1.00 each). Taking into account the previous resolution, the Extraordinary Shareholders' Meeting ordered the cancellation of 342,800 treasury shares with nominal amount equal to 2.5% of the share capital, already held in the portfolio as of the date, and up to a maximum of 1,336,920 treasury shares of the additional ones that may have been purchased by virtue of authorisations by the Shareholders' Meeting, without reducing the share capital. For further information, please refer to the relevant press release.

On 21 April 2023, the Ordinary Shareholders' Meeting approved the financial statements as at 31 December 2022, resolving to allocate the profit for the year and distribute a unit dividend of EUR 0.50 for each entitled share. The Ordinary Shareholders' Meeting then approved the appointment of the external auditing company Ernst & Young S.p.A. for the nine-year period 2024-2032. Furthermore, the Ordinary Shareholders' Meeting resolved to authorise the Board of Directors to buy back and dispose of treasury shares, subject to revocation of the previous authorisation granted by the Shareholders' Meeting of 19 April 2022, up to a maximum of shares not exceeding 20% of the pro-tempore share capital of Openjobmetis S.p.A. For further information, please refer to the relevant press release.

On 21 April 2023, the Board of Directors of Openjobmetis S.p.A. identified the beneficiaries of the second tranche of the 2022-2024 LTI Performance Shares Plan approved at the Shareholders' Meeting of 19 April 2022, including the Chairman of the Board of Directors Marco Vittorelli, the Deputy Chairman Biagio La Porta, the Managing Director Rosario Rasizza and key management personnel, as well as the number of rights assigned to each beneficiary. For further information, please refer to the relevant press release.

On 24 May 2023, Openjobmetis S.p.A. received an ESG Rating from Sustainalytics for the third year, for a value of 9.6 points compared to 10.4 points in 2022 (on a scale from 0 - zero risk - to 40 - very high risk). This score allowed Openjobmetis to change its ESG risk classification from the "low" level of 2022 to the "negligible" level, i.e. zero risk.

On 1 June 2023, the subsidiary Lyve S.r.l. merged by incorporation HC S.r.l., a company focused on training and coaching, previously 100% owned by the Parent.

On 29 June 2023, the Board of Directors of Openjobmetis S.p.A. communicated its decision to promote a partial voluntary tender offer pursuant to articles 102 et seq. of the Consolidated Law on Finance (TUF) on a maximum of no. 1,500,000 shares, equal to 11.22% of the share capital, at the price of EUR 9.00 per share and for a maximum value of EUR 13,500,000. For further information, please refer to the relevant press release.

On 26 July 2023, CONSOB, with resolution no. 22791, approved the offer document relating to the partial voluntary tender offer, previously filed on 11 July 2023 with the same control body.

On 4 August 2023, by publishing the document mentioned above, the Company announced the offer acceptance period, i.e. all trading days from 7 August 2023 to 8 September 2023 from 8:30 a.m. to 5:30 p.m., for which there were no further extensions. On 13 September, Openjobmetis announced the final results of the partial voluntary tender offer referred to above. The offer was accepted for 741,147 shares, equal to approximately 49.41% of the shares subject to the offer and roughly 5.54% of the share capital, so the application of the allocation ratio was not necessary.
On 15 September 2023, against the simultaneous transfer to Openjobmetis S.p.A. of full ownership of the shares, the consideration totalling EUR 6,670,323 was paid. For further information, please refer to the *Investor relations-Public Purchase Offers section.*

On 19 December 2023, Openjobmetis S.p.A. announced the execution of a preliminary contract for the acquisition of 100% of Just On Business S.p.A. and its subsidiary Deine Group S.r.l., carried out on 15 January 2024.
The agreed upon consideration is EUR 29.7 million to be paid in cash. A 3-year non-compete agreement was signed with the founding shareholders, for a total of EUR 2.2 million. The transaction was financed by using the bank credit lines already available and it has provided for collateral in relation to which specific indemnity obligations have been agreed upon and secured by escrow agreements. For further information, please refer to the relevant press release.

On 21 December 2023, the Board of Directors has reviewed the communication received from Groupe Crit S.A., concerning the subscription of a Memorandum of Understanding for the purchase thereby, directly and indirectly, of all the shares of OJM held by the shareholders Omniafin S.p.A., M.T.I. Investimenti S.r.l. and Plavisgas S.r.l. for a consideration of EUR 16.5 each. If the purchase of the equity investments is completed, a mandatory public tender offer is launched at a price equal to the above-mentioned consideration for all outstanding Openjobmetis ordinary shares and aimed at delisting them.
On the same date, the Board of Directors has also authorised the performance of a confirmatory due diligence activity. For further information, please refer to the relevant press release.

Main significant subsequent events

On 15 January 2024, Openjobmetis S.p.A. finalised the acquisition of Just on Business S.p.A. and its subsidiary Deine Group S.r.l. For further information, please refer to the relevant press release.

On 1 February 2024, following the successful completion of the confirmatory due diligence activity, Groupe Crit S.A. confirmed the price of EUR 16.5 per OJM share in view of the direct or indirect purchase of all the shares of Openjobmetis held by the shareholders Omniafin S.p.A., M.T.I. Investimenti S.r.l. and Plavisgas S.r.l.

On 23 February 2024, Groupe Crit S.A. announced that it had signed preliminary contracts for the purchase of the entire share capital of Plavisgas S.r.l., which holds a 34.14% stake in the capital of Openjobmetis S.p.A., and all the OJM shares held by Omniafin S.p.A. and M.T.I. Investimenti S.r.l., equal to 18.45% and 5.15% of the total share capital, respectively.
Openjobmetis S.p.A. has also been informed of the execution of a preliminary contract for the purchase of the entirety of the OJM shares held by Quaestio Capital SGR S.p.A. equal to 6.91% of the share capital of OJM, at a price per share of EUR 16.5. For further information, please refer to the relevant press release.

Outlook

Based on the results achieved in 2023, the Group expects an essentially stable organic performance in 2024. The acquisition of the company Just On Business S.p.A. and its subsidiary, completed on 15 January 2024, will also allow for greater penetration into the Italian contract work market.

Finally, the execution of the preliminary agreements with the main shareholders of Openjobmetis S.p.A. aimed at obtaining control by Groupe Crit S.A., will enable the Group to step into a new international dimension.

Information relating to employees

For the Openjobmetis Group, its people are at the heart of all business activities and are its most important strategic asset. They are the promoters of a modus operandi marked by continuous growth and specialisation, high professionalism and innovation in the search for the best solutions for its customers and contract workers. People are key to retaining a sustainable competitive edge over time.

The success of Openjobmetis S.p.A. is based on the added value provided by the constructive collaboration of those who work within the Company. The satisfaction of our people, is the very foundation of various strategic choices and a key requirement for the implementation of the various initiatives for internal staff.

In managing relations with its direct personnel, Openjobmetis S.p.A. adopts behaviours that are legal, ethical and respectful of internationally recognised standards and principles regarding the treatment of workers, with particular attention to health and safety, respect for human rights and working conditions, inclusion and enhancement of diversity and non-discrimination.

For additional information on employees, please refer to the Consolidated Non-Financial Statement as at 31 December 2023 prepared pursuant to Legislative Decree 254/2016, which is submitted with the financial statements and will be made available to the public at the registered office and at Borsa Italiana S.p.A. within the time limits prescribed by law, and will also be made available on the company's website at the following address: https://www.openjobmetis.it/it/investitori/investor-relations/bilanci-e-relazioni

Information on environmental matters

All organisations should reflect on topics such as emissions, climate change and the consumption of natural resources. Specifically, it is necessary to evaluate the impacts that business activities have on the external environment in detail. Considering the type of services offered, the activities of the Openjobmetis group have limited environmental impacts in terms of energy consumption, greenhouse gas emissions and the consumption of natural resources. However, the Group makes daily efforts in conducting its business to ensure that energy consumption is reduced and that environmental protection regulations are continuously complied with, as well as fostering a culture of respect for the environment.

Some initiatives aimed at reducing environmental impact and developing employee and contract worker awareness with respect to these matters are listed below:

- safeguarding of the environment as a topic laid out within the Code of Ethics;
- drafting of the Environmental Policy, approved on 2 February 2023, following approval by the Control, Risks and Sustainability Committee;
- initiatives aimed at reducing environmental impact:
    - installation of new LED lamps in all newly opened branches, when possible;
    - use of IT platforms that allow clients to choose to enter into digital contracts with contract workers. The same procedure may also be used to send payslips to contract workers, who can decide to receive them via email instead of picking up the paper copy at the branch;
    - supply of FSC (Forests for all forever) certified paper for the Group, highlighting its commitment and rigour with regard to environmental issues;
    - with a view to safeguarding the environment, the Group has chosen ECONATURA as its supplier for the supply of cups for its cup dispensers, and has decided to provide its employees with diaries for the following year with covers made using apple peel ("MELAVIR" project);
    - to encourage zero-impact travel by its employees, Openjobmetis has equipped its head offices with electric bicycles and scooters which staff can book and use free of charge;
    - provision of environmental training courses for all employees;
    - waste separation and disposal in accordance with the law with particular reference to paper, printer toners, iron, wood also through accredited suppliers.

In 2021, Openjobmetis S.p.A. hired a Mobility Manager in order to promote and implement measures for organising and managing the mobility required by human resources. The ultimate goal is the structural reduction of the environmental impact of vehicle traffic in urban and metropolitan areas caused by the travel needs of employees. Openjobmetis S.p.A. thus developed a sustainable mobility project with the aim of optimising internal travel for employees at the Gallarate offices by making home-to-work journeys more efficient.

For further information on environmental matters, please refer to the aforementioned Consolidated Non-Financial Statement as at 31 December 2023.

Reconciliation between the Parent's financial statements and the consolidated financial statements

In compliance with the requirements set out in Consob communication no. DEM/6064293 of 28 July 2006, the following table shows the reconciliation between the net profit for the year and equity in the separate financial statements of the Parent Openjobmetis S.p.A., and the net profit for the year and equity in the consolidated financial statements of the Openjobmetis Group for 2023 and 2022.

(Amounts in thousands of EUR)	Net profit for 2023	Equity as at 31.12.2023
Openjobmetis S.p.A. Financial Statements	13,609	135,552
Profit for the year and reserves of the consolidated companies net of elimination of equity investments	5,167	3,173
Derecognition of dividends for the year	(6,074)	-
Recognition of goodwill, Lyve lease and Meritocracy software gross of the tax effect	(174)	3,652
Reserve for the exercise of the option to purchase the remaining share of Lyve S.r.l.	-	(1,500)
Derecognition of equity investment impairment loss	188	-
Other consolidation adjustments	32	13
Non-controlling interests	(181)	482
Group consolidated financial statements	12,567	141,372

(Amounts in thousands of EUR)	Net profit for 2022	Equity as at 31.12.2022
Openjobmetis S.p.A. Financial Statements	11,706	135,783
Profit for the year and reserves of the consolidated companies net of elimination of equity investments	4,356	2,507
Derecognition of dividends for the year	(4,911)	-
Recognition of goodwill, Lyve lease and Meritocracy software gross of the tax effect	(231)	3,786
Reserve for the exercise of the option to purchase the remaining share of Lyve S.r.l.	-	(1,500)
Derecognition of equity investment impairment loss	3,272	350
Other consolidation adjustments	183	(104)
Non-controlling interests	(61)	699
Group consolidated financial statements	14,314	141,521

Other information

Treasury shares

The Shareholders' Meeting called on 21 April 2023 authorised the Board of Directors to buy back and dispose of treasury shares, subject to revocation of the previous authorisation granted by the Shareholders' Meeting of 19 April 2022, up to a maximum of 20% of the pro tempore share capital of Openjobmetis S.p.A., pursuant to the combined provisions of Articles 2357 and 2357-ter of the Italian Civil Code, as well as Article 132 of Legislative Decree 58 of 24 February 1998.

On 21 April 2023, the Extraordinary Shareholders' Meeting of Openjobmetis S.p.A. approved the elimination of the nominal amount of the ordinary shares and also ordered the cancellation of 342,800 treasury shares already held in the portfolio.

Also due to the transfer of ownership of the shares received in acceptance of the partial voluntary tender offer, the acceptance period of which ended on 8 September 2023, it should be noted that as at 31 December 2023, the Company directly held 1,083,906 treasury shares, equal to 8.11% of the share capital of Openjobmetis S.p.A.

Dividend policy

On 12 November 2021, the Board of Directors of Openjobmetis S.p.A. resolved to adopt, starting from the approval of the financial statements as at 31 December 2021, a new dividend policy that provides for the proposed distribution of between 25% and 50% of consolidated net profit for the three-year period 2021-2023.

On 21 April 2023, the Shareholders' Meeting resolved to distribute a dividend of EUR 0.50 for each eligible share. The Shareholders' Meeting also resolved that the aforementioned dividend was paid, gross of withholding taxes mandated by the law, from 10 May 2023 with coupon no. 5 to be detached on 8 May 2023 and the dividend record date (i.e. the date when entitlement to the payment of the dividend is established pursuant to Article 83-terdecies of the Consolidated Law on Finance (TUF), and Article 2.6.6., second paragraph of the Regulation of the Markets organised and managed by Borsa Italiana S.p.A.) on 9 May 2023.

Management and coordination

In accordance with Article 2497-bis of the Italian Civil Code, the Parent is not subject to the management and coordination of other corporate structures, as all business decisions are taken independently by the Board of Directors.

Atypical or unusual transactions

The 2023 financial statements do not show any income components or financial items, arising from atypical and/or unusual events and transactions, as defined in Consob communication no. DEM/6064293 of 28 July 2006.

Report on Corporate Governance and the Ownership Structures

The report on Corporate Governance and Ownership Structures is submitted at the same time as the financial statements and will be made available to the public at the registered office and at Borsa Italiana S.p.A. within the time limits prescribed by law.

The documentation will also be available on the company's website at: http://www.openjobmetis.it.

Consolidated Non-Financial Statement as at 31 December 2023 pursuant to Legislative Decree no. 254/2016

The Consolidated Non-Financial Statement as at 31 December 2023 pursuant to Legislative Decree no. 254/2016 is submitted at the same time as the financial statements and will be made available to the public at the registered office and at Borsa Italiana S.p.A. within the time limits prescribed by law.

The documentation will also be available on the company's website at: http://www.openjobmetis.it.

Please note that in accordance with the exemption laid out in Article 6 of Legislative Decree 254/2016, the Non-Financial Statement was prepared only on a consolidated basis.

Procedure adopted to ensure the transparency and fairness of related party transactions

Pursuant to Article 2391-bis of the Italian Civil Code and the Consob Related Parties Regulation, on 3 December 2015 the Board of Directors approved the Related Party Procedure regarding the regulation of transactions with related parties.

The aforementioned Procedure, most recently amended on 29 June 2021, contains the rules for identification, approval and execution of related party transactions carried out by the Company, directly or through subsidiaries, for the purpose of ensuring both the essential and procedural correctness and transparency of said transactions. Following the entry into office of the new Board of Directors, on 30 April 2021, the Control, Risks and Sustainability Committee was appointed to which the prerogatives of the Related Parties Committee were assigned.

Domestic tax consolidation scheme

Pursuant to Articles 117 to 129 of the Consolidated Income Tax Act (TUIR), agreements were signed between Openjobmetis S.p.A. and its subsidiaries Openjob Consulting S.r.l., Seltis Hub S.r.l., Family Care S.r.l. and Lyve S.r.l. on the exercise of the option for the domestic tax consolidation scheme, thus benefiting from the possibility of offsetting taxable income against tax losses in a single tax return.

The three-year agreements will be tacitly renewed for the following three-year period unless they are revoked.

Amount paid to directors, statutory auditors and key management personnel

The table contained in paragraph 33 of the notes to the consolidated financial statements shows the compensation paid as at 31 December 2023 by Openjobmetis S.p.A. and its subsidiaries to members of the governing and control bodies and other key management personnel. This includes all the individuals who have held these positions even for just part of the year.

Information pursuant to Articles 70 and 71 of the Issuers' Regulation approved by Consob Resolution no. 11971 of 14 May 1999 and subsequent amendments

The company relies on the option, introduced by Consob with Resolution no. 18079 of 20 January 2012, to waive the obligation to make an information document available to the public about significant transactions related to mergers, demergers, share capital increases by way of contributions in kind, acquisitions and sales.

Proposed allocation of the Parent's profit for the year

The Board of Directors, taking into account the company's development projects, proposes to resolve as follows with respect to the profit for the year 2023:

- Allocation of a dividend to the shareholders of EUR 0.50 per each entitled share (excluding treasury shares) up to a maximum of EUR 6,142,647.00
- Allocation to other reserves: EUR 7,466,809.00
- There was no allocation to the legal reserve, having reached one fifth of the share capital, as required by Article 2430 of the Italian Civil Code.

Milan, 13 March 2024

On behalf of the Board of Directors
The Chairman
Marco Vittorelli

Consolidated Financial Statements

Statement of Financial Position

(In thousands of EUR)	Notes	31/12/2023	31/12/2022
ASSETS			
Non-current assets			
Property, plant and equipment	*4 a*	3,553	3,493
Right of use for leases	*4 b*	14,007	13,838
Intangible assets and goodwill	*5*	102,074	102,842
Financial assets	*6*	174	181
Deferred tax assets	*7*	20,435	21,073
Total non-current assets		140,243	141,427
Current assets			
Cash and cash equivalents	*8*	7,952	10,290
Trade receivables	*10*	145,020	144,584
Other assets	*11*	10,374	8,423
Financial assets	*9*	2,672	3,095
Current tax assets	*12*	116	81
Total current assets		166,134	166,473
Total assets		306,377	307,900
LIABILITIES AND EQUITY			
Non-current liabilities			
Financial liabilities	*13*	13,402	2,917
Lease liabilities	*13*	10,220	9,828
Employee benefits	*14*	1,419	1,417
Other liabilities	*16*	300	600
Total non-current liabilities		25,341	14,762
Current liabilities			
Bank loans and borrowings and other financial liabilities	*13*	19,308	22,831
Lease liabilities	*13*	3,827	4,025
Trade payables	*15*	13,494	14,752
Employee benefits	*14*	56,882	62,861
Other liabilities	*16*	41,301	40,879
Current tax liabilities	*17*	73	2,512
Provisions	*18*	4,779	3,757
Total current liabilities		139,664	151,617
Total liabilities		165,005	166,379
EQUITY			
Share capital		13,712	13,712
Legal reserve		2,855	2,855
Share premium reserve		31,193	31,193
Other reserves		80,347	78,687
Profit (loss) for the year attributable to the owners of the Parent		12,748	14,375
Equity attributable to:			
Owners of the Parent		140,855	140,822
Non-controlling interests		517	699
Total equity	*19*	141,372	141,521
Total liabilities and equity		306,377	307,900

Statement of Comprehensive Income

(In thousands of EUR)	Notes	2023	2022
Revenue	*20*	748,790	768,373
Cost of contract work and outsourcing	*22 a*	(652,033)	(673,211)
First contribution margin		96,757	95,162
Other income	*21*	15,087	15,306
Personnel expense	*22 b*	(43,173)	(42,546)
Cost of raw materials and consumables	*23*	(200)	(199)
Costs for services	*24*	(38,239)	(37,493)
Amortisation, depreciation and impairment loss	*4 a, 4 b, 5*	(6,474)	(6,487)
Impairment losses on trade receivables and other assets	*26*	(2,072)	(1,685)
Other operating expenses	*25*	(1,910)	(862)
Operating profit		19,776	21,196
Financial income	*27*	1,427	36
Financial expense	*27*	(2,334)	(693)
Profit (loss) before taxes		18,869	20,539
Income taxes	*28*	(6,302)	(6,225)
Profit (loss) for the year		12,567	14,314
Other comprehensive income (expense)			
Items that are or may subsequently be reclassified to profit or loss:			
Fair value gain (loss) on cash flow hedges		-	14
Items that will not be reclassified to profit/loss:			
Actuarial gain (loss) on defined benefit plans		(39)	250
Total other comprehensive income (expense) for the year		(39)	264
Total comprehensive income (expense) for the year		12,528	14,578
Profit for the period attributable to:			
Owners of the Parent		12,748	14,375
Non-controlling interests		(181)	(61)
Profit (loss) for the period		12,567	14,314
Comprehensive income (expense) for the year attributable to:			
Owners of the Parent		12,709	14,639
Non-controlling interests		(181)	(61)
Total comprehensive income (expense) for the year		12,528	14,578
Earnings (loss) per share (in EUR):			
Basic	*38*	*0.98*	*1.07*
Diluted	*38*	*0.98*	*1.07*

Statement of Changes in Equity

(In thousands of EUR)	Share capital	Legal reserve	Share premium reserve	Hedging reserve and actuarial reserve	Treasury shares reserve	Other reserves	Profit (loss) for the period	Equity attributable to owners of the Parent	Equity attributable to non-controlling interests	Total Equity
Balances as at 01/01/2021	13,712	2,834	31,193	(258)	(5,645)	55,968	23,629	121,433	653	122,086
Fair value gain (loss) on cash flow hedges				21				21		21
Actuarial gain (loss) on defined benefit plans				(36)				(36)		(36)
Profit (loss) for the year							10,606	10,606	107	10,713
Total comprehensive income (expense)	-	-	-	(15)	-	-	10,606	10,591	107	10,698
Allocation of profit (loss) for the year		10				23,619	(23,629)	-		-
Dividend distribution						(1,433)		(1,433)		(1,433)
Fair value share-based plans						277		277		277
Repurchase of treasury shares					(1,721)			(1,721)		(1,721)
Acquisition of subsidiaries				(44)	4,349	512		4,817		4,817
Other adjustments						(2)		(2)		(2)
Balances as at 31/12/2021	13,712	2,844	31,193	(317)	(3,017)	78,941	10,606	133,962	760	134,722
Fair value gain (loss) on cash flow hedges				14				14		14
Actuarial gain (loss) on defined benefit plans				250				250		250
Profit (loss) for the year							14,375	14,375	(61)	14,314
Total comprehensive income (expense)	-	-	-	264	-	-	14,375	14,639	(61)	14,578
Allocation of profit (loss) for the year		11				10,595	(10,606)	-		-
Dividend distribution						(4,140)		(4,140)		(4,140)
Fair value share-based plans					495	(289)		206		206
Repurchase of treasury shares					(3,839)			(3,839)		(3,839)
Other adjustments				2		(8)		(6)		(6)
Balances as at 31/12/2022	13,712	2,855	31,193	(51)	(6,361)	85,099	14,375	140,822	699	141,521
Actuarial gain (loss) on defined benefit plans				(39)				(39)		(39)
Profit (loss) for the period							12,748	12,748	(181)	12,567
Total comprehensive income (expense)	-	-	-	(39)	-	-	12,748	12,709	(181)	12,528
Allocation of profit (loss) for the year						14,375	(14,375)	-		-
Dividend distribution						(6,513)		(6,513)		(6,513)
Fair value share-based plans						372		372		372
Acquisition of non-controlling interests in a previous subsidiary						148		148	(1)	147
Cancellation of treasury shares					3,181	(3,181)		-		-
Repurchase of treasury shares					(6,670)			(6,670)		(6,670)
Other adjustments						(13)		(13)		(13)
Balances as at 31.12.2023	13,712	2,855	31,193	(90)	(9,850)	90,287	12,748	140,855	517	141,372

Statement of Cash Flows

(In thousands of EUR)	Notes	2023	2022
Cash flows from operating activities			
Profit (loss) for the year		12,567	14,314
Adjustments for:			
Depreciation of the right of use of leased assets	4 b	4,756	4,715
Depreciation of property, plant and equipment	4 a	811	730
Amortisation of intangible assets	5	907	1,041
Capital losses/(gains) on sales of property, plant and equipment		24	(317)
Impairment loss on trade receivables	26, 30	2,072	1,685
Current and deferred taxes	28	6,302	6,225
Net financial expense	27	907	657
Cash flows before changes in working capital and provisions		28,346	29,050
Change in trade receivables and other assets gross of impairment loss	10, 11	(4,457)	11,420
Change in trade payables and other liabilities	15, 16	(853)	(2,665)
Change in employee benefits	14	(5,977)	(1,266)
Change in current and deferred tax assets and liabilities net of paid taxes for the year and current and deferred taxes for the year	7	252	292
Change in provisions	18	1,021	(785)
Paid income taxes		(8,390)	(5,024)
Cash flows generated/(absorbed) by operating activities (a)		9,942	31,022
Purchase of property, plant and equipment	4 a	(1,023)	(1,195)
Proceeds from sales of property, plant and equipment		128	1,048
Other net increases in intangible assets	5	(465)	(331)
Purchase of equity investment from third parties		(3)	-
Change in other financial assets	6, 9	431	(3,066)
Cash flows generated/(absorbed) by investing activities (b)		(932)	(3,544)
Lease payments		(5,042)	(4,916)
Interest paid		(555)	(309)
Interest received		1,383	0
New loan disbursement	13	20,500	-
Dividend distribution		(6,513)	(4,140)
Repayment of loan instalments	13	(10,534)	(8,841)
Repurchase of treasury shares	19	(6,670)	(3,839)
Change in current bank loans and borrowings and repayments of other loans		(3,917)	(12,011)
Cash flows generated/(absorbed) by financing activities (c)		(11,348)	(34,056)
Cash flows for the period (a) + (b) + (c)	8	(2,338)	(6,578)
Net cash and cash equivalents as at 1 January	8	10,290	16,868
Net cash and cash equivalents as at 31 December	8	7,952	10,290

Notes to the Consolidated Financial Statements

General information

Openjobmetis S.p.A. (hereinafter also the "Parent") is based in Italy, Via Assietta 19, Milan (Italy).
The Group operates in the staffing industry i.e. the professional supply of permanent or fixed-term labour, pursuant to Article 20 of Legislative Decree no. 276/2003 as amended and supplemented, pursuant to Article 4.1. a) thereof.
As from 3 December 2015, the Parent Openjobmetis S.p.A. is listed on Euronext Milan, in the STAR segment, organised and managed by Borsa Italiana S.p.A.
At the approval date, the Parent is not a subsidiary in accordance with Article 93 of the Consolidated Law on Finance (TUF).

Accounting standards and basis of presentation adopted in preparing the financial statements

1. Accounting standards and statement of compliance

These consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and interpretations thereof in force as at 31 December 2023, as well as measures issued in implementation of Art. 9 of Legislative Decree no. 38/05. The rules of national legislation implementing directive 2013/34 EU also apply, insofar as they are compatible, to companies that prepare IFRS financial statements. Therefore, the financial statements incorporate what is laid out in the articles of the Italian Civil Code and the corresponding rules of the T.U.F. for listed companies on the matter of the directors' report, auditing and the publication of financial statements. The consolidated financial statements and the related notes also provide the details and supplementary information required by other rules and provisions of Consob on the financial statements. The consolidated financial statements contain the statement of financial position, the statement of comprehensive income, the statement of cash flows, the statement of changes in equity and the related notes.
In preparing these consolidated financial statements, the following formats, selected from the various options allowed by IAS 1, were used:

- the consolidated statement of financial position was prepared by classifying the assets and liabilities as current/non-current assets/liabilities;
- the consolidated statement of comprehensive income was prepared by classifying the items by nature;
- the consolidated statement of cash flows was prepared using the indirect method.

The purpose of the notes is to illustrate the preparation criteria adopted and to provide the information required by IFRS and not contained in other parts of the financial statements, as well as any additional information that is not shown in the financial statements but is necessary for a reliable representation of the Group's activities.
The consolidated financial statements were prepared on the basis of the accounting records as at 31 December 2023 on a going concern basis and are accompanied by the directors' report.
The Group's consolidated financial statements for the year ended 31 December 2023 were approved by the Board of Directors of the Parent at the meeting held on 13 March 2024, when the sharing of the results through

a press release dated 13 March 2024 containing the main elements of the financial statements was authorised. The Parent's Board of Directors has the authority to amend the consolidated financial statements until the date of the Shareholders' Meeting called to approve the Parent's financial statements. The Shareholders' Meeting has the authority to request changes to these consolidated financial statements.
The consolidated financial statements and related notes were prepared with amounts rounded to the nearest thousand Euros, the functional currency of the Group. Moreover, for the purpose of transparency, the mandatory items pursuant to IAS 1 with zero balances were omitted in the schedules and tables, in both periods presented for comparison.
In compliance with Consob resolution no. 15519 of 27 July 2006 and Consob Communication no. DEM/6064293 of 28 July 2006, note 36 indicates separately the events or transactions whose occurrence is non-recurring or those transactions or events which do not occur frequently in the ordinary course of business. Also in application of the same Consob references, any incidences of non-recurring significant events and transactions are reported in note 36, while in note 32 the related incidences regarding positions and transactions with related parties are indicated separately.
The most important accounting policies and standards used by the Group to prepare the consolidated financial statements are described below.

2. Material accounting policies

(a) General, adoption of new accounting standards, amendments and interpretations issued by the IASB

New accounting standards adopted by the Group from 1 January 2023

These consolidated financial statements have been prepared using the same accounting standards applied by the Group in the last annual financial statements. Starting from 1 January 2023, the Group adopted the "Amendments to IAS 1 and IFRS Practice Statement 2"; in consideration of these additions, disclosure was made of "material" accounting policies, instead of "significant" accounting policies. There are no other new standards or amendments that became effective from 1 January 2023 that have a material impact on the consolidated financial statements.

Use of estimates and valuations

While preparing the financial statements, company management had to formulate valuations, estimates and assumptions that affect the application of the accounting policies and the amounts of assets, liabilities, costs and revenue recognised in the financial statements; however, it should be underlined that, since these are estimates, the results achieved will not necessarily be the same as the amounts shown in the financial statements.
These estimates and assumptions are regularly revised; any changes resulting from the revision of accounting estimates are recognised in the year in which the revision is carried out and in future years.
The main subjective assessments made by Group management in applying the accounting standards and the main sources of uncertainty in estimates were the same as those applied for the preparation of the financial statements for the year ended 31 December 2022.
In particular, information on the areas of greater uncertainty in the formulation of estimates and valuations during the process of application of IFRS that have a significant effect on the amounts recognised in the financial statements together with aspects of particular significance are provided below:

- *Impairment testing on goodwill*

Goodwill is subject to impairment tests at least annually or more often if there are indicators of an impairment loss.
Impairment testing is carried out using the discounted cash flow method: this method is highly sensitive to the assumptions contained in the estimate of future cash flows, with reference to changes in revenue, margins and collection terms from customers, and of interest rates used.
For this assessment, the Group uses plans approved by the administrative body and financial parameters in line with those resulting from the current performance of the reference markets.
Details regarding the procedures for preparing the goodwill impairment test are provided in note 5.

- *Measurement of receivables*

The Group *accrues a provision for impairment* that reflects the estimate of impairment losses on trade receivables, the main components of which are the individual impairment losses of significant exposures or those subject to disputes and collective impairment of homogeneous groups of trade receivables against losses that have not yet been identified. Collective impairment is determined on the basis of historical losses, adjusted if necessary by scale factors reflecting the differences between the economic conditions of the period during which the historical data was collected and the Group's point of view about the economic conditions over the entire expected life of the assets. Therefore, the loss allowance is calculated based on estimates of impairment losses that the Group expects to incur and takes into account multiple elements, including:

- the age of the trade receivable;
- the customer's solvency;
- historical figures, possibly adjusted by scalar factors to reflect the expected market conditions over the trade receivables' life.

When there is certainty that it will not be possible to recover the amount due, the amount considered irrecoverable is written off directly from the related financial asset.
The above requires the management to make significant estimates with regard to general economic conditions and any possible negative trends in the credit markets that could negatively impact on customer relations.

- *Provisions*

The Group companies are parties in certain proceedings, arising from the conduct of business and from events of a civil and tax nature involving the companies.
In addition, in view of the sector in which they operate, they are exposed to the risk of being involved in legal and/or arbitration proceedings of a labour law nature, both with reference to contract workers and to the organisational structure of the Group and in relation to contracts with independent collaborators.
In the event that it is considered probable that as a result of the dispute a disbursement of resources - the amount of which can be reliably estimated - will be required, this amount, discounted to take account of the time horizon along which the disbursement will take place, is included in the provisions for risks. Disputes for which the occurrence of a liability is considered only possible but not probable are disclosed in the relevant section on commitments and risks and, as a result, no allocations are made with respect thereto.
Assessing the development of such disputes can be complicated and requires the management to make significant estimates.

- *Leases*

The Group estimates the lease term of certain contracts in which it acts as a lessee and that provide for renewal options. The Group's assessment of whether or not there is a reasonable certainty of exercising the option affects the estimate of the lease term, significantly impacting the amount of lease liabilities and right-of-use assets recognised.

(b) *Consolidation criteria and scope*

(i) Business combinations

The Group records business combinations by applying the acquisition method on the date on which it actually obtains control of the acquiree. The transferred consideration and the identifiable net assets acquired are usually recognised at fair value. The carrying amount of goodwill is tested for impairment on an annual basis to identify any impairment losses. Any gain arising from a bargain purchase is recognised immediately in profit or loss for the year, whereas costs related to the business combination, other than those related to the issue of debt or equity instruments, are recognised as expense in profit or loss for the year when incurred.

The amounts related to the termination of a pre-existing relationship are excluded from the transferred consideration. Normally, these amounts are recognised in profit or loss for the year.

The contingent consideration is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not recalculated and its subsequent settlement is directly accounted for in equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss for the year.

If the incentives recognised in share-based payments (replacement awards) are exchanged with awards held by employees of the acquiree (acquiree awards), the amount of these replacement awards of the acquiree is fully or partially included in the measurement of the transferred consideration for the business combination. This measurement considers the difference of the market value of the replacement awards compared to that of the acquiree awards and the proportion of replacement awards that refers to services provided before the business combination.

(ii) Non-controlling interests

Non-controlling interests are measured in proportion to the relevant share of identifiable net assets of the acquiree on the acquisition date.

The changes in the equity investment of the Group in a subsidiary that do not imply the loss of control are accounted for as transactions between owners.

(iii) Subsidiaries

Subsidiaries are companies controlled by the Group, or for which the Group is exposed to variable returns deriving from its relationship with the body, or has claims over those returns, having at the same time, the ability to affect them by exercising its power over the body. The financial statements of subsidiaries are included in the consolidated financial statements from the time when the parent starts to exercise control until the time when this control ends. Where necessary, the accounting policies of subsidiaries were changed to align them with the Group's accounting policies.

The subsidiaries included in the consolidation scope as at 31 December 2023 are shown below:

Company name	% held as at 31/12/2023	Registered office	Share capital
Openjob Consulting S.r.l.	100%	Gallarate, Via Marsala 40/C	EUR 100,000
Seltis Hub S.r.l.	100%	Milan, Via Assietta 19	EUR 110,000
Family Care S.r.l. Employment Agency	100%	Milan, Via Assietta 19	EUR 1,100,000
Lyve S.r.l.	52.06%	Milan, Via Assietta 19	EUR 464,950

The subsidiaries included in the consolidation scope as at 31 December 2022 are shown below:

Company name	% held as at 31/12/2022	Registered office	Share capital
Openjob Consulting S.r.l.	100%	Gallarate, Via Marsala 40/C	EUR 100,000
Seltis Hub S.r.l.	100%	Milan, Via Assietta 19	EUR 110,000
H.C. S.r.l. (*)	92.86%	Milan, Via Assietta 19	EUR 40,727
Family Care S.r.l. Employment Agency	100%	Milan, Via Assietta 19	EUR 1,100,000
Lyve S.r.l.	50.66%	Milan, Via Assietta 19	EUR 451,758

(*) merged by incorporation into the company Lyve Srl in 2023.

(iv) Loss of control

In the case of loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and other equity components related to the subsidiaries. Any profit or loss deriving from the loss of control is recognised in profit or loss for the year. Any equity investment retained in the former subsidiary is measured at fair value at the date of loss of control.

(v) Transactions derecognised during the consolidation

During the preparation of the consolidated financial statements, the balances of intragroup transactions as well as intragroup unrealised revenue and costs are derecognised. Unrealised gains deriving from transactions with equity-accounted investees are derecognised in proportion to the Group's interest in the body. Unrealised losses are derecognised in the same way as unrealised gains to the extent that there are no indicators showing impairment.

(c) Cash and cash equivalents

Cash and cash equivalents include cash balances and sight deposits and are recognised at their nominal amount, which corresponds to their fair value.

(d) Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments include investments in equities and debt instruments, trade receivables and other assets, financial liabilities, trade payables and other liabilities.

Trade receivables and debt securities issued are recognised when they arise. All other financial assets and financial liabilities are initially recognised at the trade date, i.e. when the Group becomes a contractual party to the financial instrument.

Except for trade receivables that do not contain a significant financing component, financial assets are initially measured at fair value plus or minus, in the case of financial assets or financial liabilities not measured at FVTPL, the transaction costs directly attributable to the acquisition or issue of the financial asset. At the time of initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price.

At the time of initial recognition, a financial asset is classified according to its assessment: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, unless the Group changes its business model for the management of financial assets. In this case, all financial assets concerned are reclassified on the first day of the first year following the change in business model.

A financial asset shall be measured at amortised cost if both of the following conditions are met and it is not designated at FVTPL: the financial asset is held within the framework of a business model whose objective is the possession of financial assets aimed at collecting the related contractual cash flows; and the contractual terms of the financial assets involve, at certain dates, cash flows exclusively represented by payments of capital and interest on the amount of capital to be returned.

At the time of initial recognition of an equity instrument not held for trading purposes, the Group may make the irrevocable decision to present subsequent changes in fair value in other comprehensive income (expense). This decision is made for each asset.

A financial asset shall be measured at FVOCI if both of the following conditions are met and it is not designated at FVTPL: the financial asset is held within the framework of a business model whose objective is achieved either through the collection of the contractual cash flows or through the sale of the financial assets, and the contractual terms of the financial assets involve, at certain dates, cash flows exclusively represented by payments of capital and interest on the amount of capital to be returned.

At the time of initial recognition of an equity instrument not held for trading purposes, the Group may make the irrevocable decision to present subsequent changes in fair value in other comprehensive income (expense). This decision is made for each asset.

All financial assets not classified as measured at amortised cost or FVOCI, as indicated above, are measured at FVTPL.

At the time of initial recognition, the Group may irrevocably designate the financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting asymmetry that otherwise would result from the measurement of the financial asset at amortised cost or FVOCI.

For the purposes of assessment, the "capital" is the fair value of the financial asset at the time of initial recognition, while the "interest" constitutes consideration for the time value of money, for the credit risk associated with the amount of capital to be returned during a given period of time and for other risks and base costs linked to the loan (for example, liquidity risk and administrative costs), as well as the profit margin.

In assessing whether the contractual cash flows are represented exclusively by payments of principal and interest, the Group considers the contractual terms of the instrument. Therefore, it assesses, among other things, whether the financial asset contains a contractual clause that changes the timing or the amount of the contractual cash flows so as to not meet the following condition. For the purposes of the assessment, the Group considers: contingent events which would alter the timing or amount of the cash flows; clauses which may adjust the contractual interest rate of the coupon, including variable rate components; prepayment and extension components; and clauses which limit requests of cash flows by the Group from specific assets (for example, non-recourse components).

The financial assets of the Group, relating to trade receivables and other assets, are classified as measured at amortised cost. These financial assets are then recognised as described above, and subsequently measured at amortised cost in accordance with the effective interest method. Impairment losses are deducted from the amortised cost. Interest income, exchange rate gains and losses and impairment losses are recognised in profit or loss for the year as well as any gains or losses on derecognition.

Before 1 January 2018, these financial assets were measured at amortised cost using the effective interest method, less impairment losses.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified at FVTPL when it is held for trading, represents a derivative or is designated as such upon initial recognition.

Financial liabilities at FVTPL are measured at fair value and any changes, including interest expense, are recognised in the profit or loss for the year. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and exchange rate gains and losses are recognised in profit or loss for the year, as well as any gains or losses deriving from derecognition. The Group's financial liabilities are classified as measured at amortised cost.

Financial assets are derecognised when the contractual rights to the cash flows arising therefrom expire, when the contractual rights to receive the cash flows within the scope of a transaction in which substantially all the risks and rewards incidental to the ownership of the financial asset are transferred or when the Group neither transfers nor retains substantially all the risks and rewards incidental to the ownership of the financial asset and does not maintain control of the financial asset.

The Group proceeds to derecognise a financial liability when the obligation specified in the contract has been fulfilled or cancelled or has expired. The Group also derecognises a financial liability when the associated contractual terms are changed and the cash flows of the modified liability are substantially different. In this case, a new financial liability is recognised at fair value on the basis of the modified contractual terms. The difference between the accounting value of the extinguished financial liability and the consideration paid (including assets not represented by cash transferred or liabilities assumed) is recognised in the profit or loss for the year.

Financial assets and liabilities may be offset and the amount resulting from offsetting is presented in the statement of financial position if, and only if, the Group currently has the legal right to offset such amounts and intends to adjust the balance on net bases or recover the asset and adjust the liability simultaneously.

Trade receivables and other assets

Trade receivables and other assets are identified as financial assets measured at amortised cost, and are initially recognised at the transaction price for trade receivables and at fair value for other assets, which generally corresponds to their nominal amount, and subsequently measured at amortised cost net of any impairment losses identified. The impairment test of receivables is based on the present value of expected cash flows.

Loss allowances are always measured at an amount equal to the expected losses along the life of the receivable; the Group takes into consideration reasonable and supportable information that is relevant and available. This includes quantitative and qualitative information and analyses, based on the past experience of the Group, on credit assessment as well as forward-looking information.

Loans and borrowings

Payments on account and loans and borrowings are initially recognised at the fair value of the amount received, net of directly attributable additional charges. Subsequently, they are measured at amortised cost using the effective interest rate method. They are classified as current liabilities or non-current liabilities according to their settlement date.

Trade payables and other liabilities

Trade payables and other liabilities, the due date of which falls within normal current commercial terms, are initially recognised at fair value and subsequently recorded at amortised cost.

Derivative financial instruments

The Group uses financial derivatives to hedge its exposure to risks of changes in interest rates. Derivatives are initially recognised at fair value; attributable transaction costs are recognised in profit or loss when incurred. After initial recognition, derivatives are measured at fair value. Their changes are accounted for as described below. At the initial designation of the hedge, the Group documents the relationship between the hedging instruments and the hedged item, including the risk management objectives, the strategy for undertaking the

hedge, together with the methods that will be used to assess the effectiveness of the hedging instrument. Both at the beginning of the hedge and during its period of validity, the Group assesses whether the hedge is expected to be highly effective in offsetting the changes in fair value or cash flows attributable to their hedged items during the period for which the hedge is designated and if the actual results of each hedging range from 80% to 125%.
In cash flow hedging transactions of a forecast transaction, the transaction must have a high probability of occurring and must present an exposure to changes in cash flows that could have an effect on profit or loss.
Changes in the fair value of the derivative designated as a cash flow hedge are recognised directly in equity to the extent that the hedge is effective. For the ineffective portion, changes in fair value are recognised in profit or loss.
Hedge accounting, as indicated above, is discontinued prospectively if the instrument designated as a hedge no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised. The accumulated gain or loss is kept in equity until the envisaged transaction occurs. When the hedged item is a non-financial asset, the amount recognised in equity is transferred to the carrying amount at the time at which it is recognised. In other cases, the amount recognised in equity is transferred to profit or loss in the same year in which the hedged item affects profit or loss.

(e) Share capital - purchase and reissue of ordinary shares (treasury shares)

In the event of the repurchase of shares recognised in equity, the consideration paid, including any costs directly attributable to the transaction are recognised as a decrease in equity. Repurchased shares are classified as treasury shares and recorded in the reserve for treasury shares. The consideration received from the subsequent sale or reissue of treasury shares is recorded as an increase in equity. Any increase or decrease resulting from the transaction is recorded in the share premium reserve.

(f) Property, plant and equipment

An item of property, plant and equipment is measured at cost less accumulated depreciation and impairment losses.
The historical cost includes any costs directly attributable to the acquisition of the asset.
If significant components have different useful lives, these components are recorded separately.
The cost of an asset produced on a time and materials basis includes the cost of materials used and of direct labour as well as other directly attributable costs for taking the asset to the location and under the conditions required for working as intended by company management.
Costs incurred after initial recognition of an item of property, plant and equipment are added to the carrying amount of the asset to which they refer if it is probable that the related future benefits will flow to the Group and if the cost of the item can be reliably measured. Ordinary maintenance costs of property, plant and equipment are recognised in profit or loss during the year in which they are incurred.
The gains and losses generated by the sale of any property, plant or equipment are determined as the difference between the net proceeds on the sale and the carrying amount of the asset, and are recognised in profit or loss at the time of the disposal.
Depreciation is charged to profit or loss on a straight-line basis over the expected useful life of each item of property, plant and equipment estimated by the Group, which is reviewed every year and changes, where necessary, are applied prospectively.
The estimated useful lives in the years under review are as follows:

Assets	Depreciation
Property	33.3 years
Telephone systems	4 years
Electric installations	6.6 years
Furniture and fixtures	8.3 years
Electronic office machines	5 years
Signs	6.6 years
Sundry equipment	6.6 years
Motor vehicles	4 years
Alarm systems	3.3 years

Leasehold improvements are depreciated over the shorter between the useful life and the term of the contract to which they refer.

(g) Leased assets

At the inception of the lease, the Group recognises the right-of-use asset and the lease liability. The right-of-use asset is initially measured at cost, including the amount of the initial measurement of the lease liability, adjusted by the payments due for the lease made at or before the start date, increased by the initial direct costs incurred and an estimate of the costs that the lessee will have to incur to dismantle and remove of the underlying asset or to restore the underlying asset or site where it is located, net of lease incentives received.

The right-of-use asset is subsequently depreciated on a straight-line basis from the start date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group at the end of the lease term or, considering the cost, for the right of use, it is expected that the Group will exercise the purchase option. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, determined on the same basis as that of property and equipment. In addition, the right-of-use asset is regularly reduced by any impairment losses and adjusted to reflect any changes resulting from subsequent valuations of the lease liability.

The Group measures the lease liability at the present value of the lease payments not paid at the inception date, discounting them using the interest rate implicit in the lease. Where it is not possible to determine this rate easily, the Group uses the incremental borrowing rate. Generally, the Group uses the incremental borrowing rate as the discount rate.

The marginal borrowing rate of the Group is calculated on the basis of the interest rates obtained from various external sources of financing by making some adjustments that reflect the conditions of the lease and the type of leased asset.

The lease liability is measured at amortised cost using the effective interest method and remeasured in the event of a change in future lease payments resulting from a change in an index or a rate, in the event of a change in the amount expected by the Group to be due under residual value guarantees or when the Group changes its assessment with reference to whether it will exercise a purchase, extension or termination option, or in the event of a revision of in-substance fixed lease payments.

When the lease liability is remeasured, the lessee makes a corresponding change to the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero, the lessee recognises the change in the profit or loss for the year.

The Group recognised new assets and liabilities mainly for its leases on properties at the headquarters and from which its branches operate, and for leases on company cars. In general, real estate leases have a term of six years and contain an option to renew for a further six years exercisable at the end of the binding period, while

car leases have a term of three or four years and do not contain an option to renew. Real estate leases allow the Group to withdraw from the contract with six months' notice.
The Group decided not to recognise right-of-use assets and lease liabilities relating to low-value assets and short-term leases. The Group recognises the related lease payments as an expense on a straight-line basis over the lease term.

(h) Intangible assets and goodwill

(h1) Goodwill

Goodwill is recognised at cost, net of accumulated impairment losses, calculated as indicated below.
Goodwill is tested for impairment based on expected future cash flows on an annual basis or more frequently if events or changes in circumstances that may give rise to any impairment losses occur. The impairment loss is not reversed if the reasons that generated it no longer exist. Please see section (i) Impairment losses below.

(h.2) Customer relations

The value of customer relations was recorded based on the fair value identified on 30 June 2007, the business combination date between "Wm S.r.l." and the former "Openjob S.p.A.". The historical cost increased due to the acquisition of the business unit of "J.O.B. S.p.A." in 2009, the business combination with "Metis S.p.A" in 2011 and, lastly, the acquisition of the "Noi per Voi S.r.l" customer database on 1 July 2016 and, finally, following the acquisition of the company "Quanta S.p.A." in the course of 2021.
The value of customer relations was amortised based on the economic useful life estimated by the appraisals prepared by independent experts: 7.5 years for the business combination between "Wm S.r.l." and the former "Openjob S.p.A." and the acquisition of the business unit "J.O.B. S.p.A.", and 4.5 years for the business combination with Metis S.p.A. and for the acquisition of the "Noi per Voi S.r.l." Customer Database, and finally 8 years for the acquisition of "Quanta S.p.A.".

(h.3) Other intangible assets

Other intangible assets acquired by the Group, which have a finite useful life, are recognised at cost, less accumulated amortisation and accumulated impairment losses and mainly include the software purchased from third parties and amortised over three years, and the value of the Databook software developed internally (in use from 2017) and the Meritocracy platform, both amortised over five years.

(i) Impairment losses

(i.1) Financial assets

A financial asset is impaired if there is any objective evidence that one or more events have had a negative effect on the expected estimated cash flows of that asset.
An impairment loss on a financial asset measured at amortised cost is the difference between the carrying amount and the present value of the estimated cash flows, discounted at the original effective interest rate.
Individually significant financial assets are tested separately to determine whether they have been impaired. The other financial assets are tested collectively for groups with similar credit risk characteristics.
All expected impairment losses are recognised in profit or loss.
Expected impairment losses are reversed if the subsequent increase in value can be objectively related to an event that occurred after the impairment. The reversal is recognised in profit or loss.

(i.1.1) Trade receivables

The Group allocates a loss allowance that reflects the estimate of impairment losses on trade receivables, whose main components are the individual impairment losses of significant exposures or those subject to disputes and the collective impairment loss of homogeneous groups by nature and maturity of receivables against losses that have not yet been identified. Collective impairment is determined on the basis of historical losses, adjusted if necessary by scale factors reflecting the differences between the economic conditions of the period during which the historical data was collected and the Group's point of view about the economic conditions over the entire expected life of the assets. Therefore, the loss allowance is calculated based on estimates of impairment losses that the Group expects to incur and takes into account multiple elements, including:

- the age of the trade receivable;
- the customer's solvency;
- historical figures, possibly adjusted by scalar factors to reflect the expected market conditions over the trade receivables' life.

When there is certainty that it will not be possible to recover the amount due, the amount considered irrecoverable is written off directly from the related financial asset.

The allowance for impairment of financial assets measured at amortised cost is deducted from the gross carrying amount of the assets.

(i.2) Non-financial assets

At the end of each reporting period, the Group tests the carrying amounts of its financial assets for impairment. If this test shows that the assets have actually been impaired, the Group estimates their recoverable amount. The recoverable amount of goodwill and of the intangible assets that are not yet available for use is estimated at each reporting date.

When the carrying amount of an asset or of a cash generating unit exceeds its recoverable amount, the Group recognises the related impairment loss. A cash generating unit is the smallest identifiable group of assets that generates cash inflows largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognised in profit or loss. Impairment losses of cash generating units are charged first of all as a reduction of the carrying amount of the goodwill assigned to the cash generating unit and, secondly, as a reduction of the other assets of the unit (group of units) proportionally to the carrying amount.

The recoverable amount of an asset or of a cash generating unit is the higher of its value in use and its fair value less costs to sell. To determine the value in use, the Group uses the estimated expected cash flow discounting method. The cash flows are discounted by using a discount rate that reflects the current market evaluations of the time value of money and of the asset's specific risks (WACC - weighted average cost of capital). Expected cash flows are inferred from plans approved by the competent Board of Directors.

Impairment losses of goodwill cannot be reversed. In the case of other assets, at each reporting date, impairment losses recognised in previous years are measured in order to recognise the existence of any indication suggesting the possible reduction or non-existence of the loss. The impairment of an asset is reversed when a change occurs in the valuations used for calculating the recoverable amount. The carrying amount resulting from the reversal of the impairment loss must not exceed the carrying amount that would have been determined (net of amortisation) if the impairment loss on the asset had never been recorded.

(j) Taxes

Taxes for the year include current taxes and deferred taxes. Income taxes are recognised in profit or loss, except those related to transactions recognised directly in equity that are accounted for in it.
Current taxes represent the estimate of the amount of the income taxes due, calculated on the taxable profit for the year, determined by applying the tax rates in force or essentially in force at the end of the reporting period and any adjustment to the amount related to the previous years.
Deferred taxes are allocated in compliance with the equity method, calculating the temporary differences between the carrying amounts of assets and liabilities recorded in the separate financial statements and the corresponding values recognised for tax purposes. Deferred taxes are not allocated for the following temporary differences: initial recognition of goodwill, initial recognition of assets or liabilities in a transaction other than a business combination that does not affect the accounting profit or the taxable profit, as well as in the case of differences relating to investments in subsidiaries and companies subject to joint control for which it is possible to control the cancellation time and it is likely that in the foreseeable future the temporary difference will not be reversed. Deferred tax assets and liabilities are measured using the tax rates that are expected to be applicable in the year in which the asset or the liability to which they refer will be realised or discharged, respectively, on the basis of tax rates established by the measures in force or essentially in force at the reporting date.
Deferred tax assets are recognised to the extent that a future taxable profit against which these assets can be used may be available. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be achieved.
Additional income taxes resulting from the distribution of dividends are accounted for when the liability for the dividend payment is recognised. There are no reserves that will be taxed when distributed.

(k) Provisions

The Group recognises a provision when it has assumed a (legal or constructive) obligation, which can be reliably estimated and is the result of a past event, and it is also likely that the utilisation of resources that can produce economic benefits will be necessary to fulfil the obligation. The amount of the provision is represented by the present value of expected estimated cash flows discounted at a pre-tax rate that reflects current market evaluations of the present value of money and the risks specific to the liability.
The Group recognises a provision for restructuring when the detailed and formal programme for restructuring has been approved and the restructuring has either started or been publicly announced. No provisions have been set aside for future operating costs.

(l) Employee benefits

Defined contribution plans

Contributions to defined contribution plans are recognised as a cost in profit or loss in the year in which they are incurred. Contributions paid in advance are recognised under Assets to the extent that the advance payment will result in a reduction of future payments or a refund.

Defined benefit plans

The Group's net liability deriving from defined benefit plans is calculated separately for each plan by estimating the amount of the future benefit that the employees accrued in exchange for their services carried out in the current year and in prior years; this benefit is discounted and the fair value of plan assets is deducted from the liabilities.

The calculation is carried out by a third-party advisor using the projected unit credit method. If the calculation generates a benefit for the Group, the amount of the asset recognised is limited to the present value of the economic benefits available in the form of repayments from the plan or of reductions in future contributions of the plan. In order to determine the present value of the economic benefits, minimum funding requirements that apply to any plan in the Group are considered.

Actuarial gains and losses, returns on plan assets (excluding interest) and the effect of the ceiling of the asset (excluding any interest) that arise as a result of revaluations of the net liability for defined benefit plans are immediately recognised in other comprehensive income (expense). Net interest for the year on the liability/(asset) for defined benefits are calculated by applying the discount rate used for discounting the defined-benefit obligation to the liability/(asset), calculated at the beginning of the year, considering any changes in the liability/(asset) for defined benefits occurred during the year following the payment of contributions and benefits. Net interest and other costs relating to defined benefit plans are recognised in the profit or loss for the year.

When changes are made to the benefits of a plan or when the plan is curtailed, the portion of the economic benefit related to past services or the gain or loss deriving from the curtailment of the plan are recognised in profit or loss for the year when the adjustment or the reduction occurs.

The post-employment benefits due to the employees pursuant to Article 2120 of the Italian Civil Code fall within defined benefit pension plans, plans based on the working life of employees and on the remuneration received by the employee during a previously established service period.

In particular, the liability for post-employment benefits is recorded in the financial statements based on its actuarial value, as it qualifies as an employee benefit payable under a defined benefit plan. Recognition in the financial statements requires estimating with actuarial techniques the amount of employee benefits accrued in exchange for the work carried out in the current and prior years and the discounting of these benefits in order to determine the present value of the commitments of the Group.

Italian law no. 296 of 27 December 2006 (2007 Finance Act) introduced new rules for post-employment benefits accruing from 1 January 2007.

Following the supplementary pension reform:

- the portions of post-employment benefits accrued up until 31 December 2006 remain at the company;
- the portions of post-employment benefits accruing since 1 January 2007 must, at the employee's option, according to explicit or tacit acceptance:

a) be allocated to supplementary pension plans;

b) be held by the company, which will transfer the portions of post-employment benefits to the treasury fund managed by INPS (the Italian Social Security Institution).

In both cases, the portions of post-employment benefits accrued after 1 January 2007 (or on the date the choice is made in the case of allocation to supplementary pension plans) are considered as a defined contribution plan. The 2007 Finance Act did not involve any amendment in the accrued post-employment benefits as at 31 December 2006, which therefore fall within the defined benefit pension plans. Moreover, as a result of the new regulations introduced by the 2007 Finance Act, the post-employment benefits "accrued" before 1 January 2007 (or on the date the choice is made in the case of allocation to supplementary pension plans) undergo a significant change in calculation since the actuarial assumptions previously linked to salary increases no longer exist. More specifically, the liability related to the "accrued post-employment benefits" is measured using actuarial techniques as at 1 January 2007 (or on the date the choice is made in the case of allocation to supplementary pension plans) without applying the pro-rata (years of service already worked/total years of service), in that the employee benefits up until 31 December 2006 (or on the date the choice is made in the case of allocation to supplementary pension plans) can be considered almost entirely accrued (with the sole exception of revaluation). It follows that, for the purposes of this calculation, "current service costs" related to future employee work must be considered null and void in that they are represented by payments of contributions to supplementary pension funds or to the INPS treasury fund.

Current benefits

Current employee benefits are recognised as a cost on an undiscounted basis when the service giving rise to such benefits is supplied.

The Group recognises a liability for the amount expected to be paid in the form of profit sharing and incentive schemes when it has an actual, legal or constructive obligation to make such payments as a result of past events and the obligation can be reliably estimated.

Non-current employee benefits

The Group's liability as a result of non-current employee benefits corresponds with the amount of the future benefit that the employees have earned for work done in the current year and in previous years. This benefit is discounted. Revaluations are recognised in profit or loss for the year when they arise.

Termination benefits

Termination benefits are recognised as an expense when the Group has committed without possibility of withdrawal to provide such benefits, or when the Group recognises restructuring costs, whichever is earlier. Benefits that are entirely payable more than twelve months after the end of the financial year are discounted.

Share-Based Payments

The fair value of the amount due to employees with regard to the share revaluation rights, settled in cash, is recognised as a cost with a corresponding increase in liabilities over the period during which employees become entitled to the unconditional right to receive the payment. The liability is measured at the end of each reporting period and at the settlement date on the basis of the fair value of the rights of share revaluation. Any changes in the fair value of the liability are recognised in profit or loss as personnel costs.

The fair value of the amount payable to employees with regard to the share revaluation rights, settled in shares, is recognised as a cost with a corresponding increase in equity over the period during which employees become entitled to the unconditional right to receive the shares. Any changes in fair value after the date of assignment do not affect the initial valuation. At the end of each financial year, the estimate of the number of rights that will accrue at maturity ("non-market based" component) is updated.

(m) Revenue

The Group operates primarily in the provision of services relating to the supply of contract workers, for which a single performance obligation can be identified and it is deemed that the customer simultaneously receives and consumes the benefits of the services provided by the Group. The measurement of the degree of progress in fulfilling the contract obligation is related to the physical presence of the worker at the customer's premises and the service provided is invoiced on a monthly basis. In the determination of the contract consideration, there are no significant variable amounts, significant advance or deferred payment conditions with respect to sector practices or amounts paid to customers that are not considered a reduction of the contract consideration.

(n) Contributions

Capital contributions and grants related to income are recognised when there is a reasonable certainty that the Group will meet the conditions for obtaining the grants and that the grants will be received. Capital contributions are recorded in the statement of financial position as deferred revenue under "Other liabilities" and systematically recognised in profit or loss against depreciation of the assets for which the grant was received. Grants related to income are recognised in profit or loss under the item "Other income".

(o) Financial income and expense

Financial income includes interest income on invested cash, dividends, income from the sale of available-for-sale financial assets, changes in fair value of financial assets measured through profit or loss, exchange rate gains and gains on hedging instruments through profit or loss. Interest income is recognised in profit or loss on an accruals basis using the effective interest method. Dividends are recognised when the right of the Group to receive payment is established.

Financial expense includes interest expense on loans and finance leases, exchange rate losses, changes in fair value of financial assets measured at fair value through profit or loss, expected impairment losses on financial assets and losses on hedging instruments recognised in profit or loss. Costs related to loans and finance leases are recognised in profit or loss using the effective interest method.

(p) New standards published but not yet adopted

The new accounting standards applicable for years beginning after 1 January 2023 and for which early application is permitted are indicated below. The Group has, however, decided not to adopt them in advance for the preparation of these consolidated financial statements.

The following new standards or amendments to the standards are not expected to have significant effects on the consolidated financial statements of the Group:

- Classification of liabilities as current or non-current (amendments to IAS 1);
- Non-current liabilities with covenants (amendments to IAS 1);
- Lease liabilities in a sale and leaseback (amendments to IFRS 16);
- Supplier finance arrangements (amendments to IAS 7 and IFRS 7);
- Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28);
- International tax reform - Pillar Two (amendments to IAS 12);
- Insurance contracts (IFRS 17);
- Lack of exchangeability (amendments to IAS 21).

(q) Financial risk management

The Group is exposed to the following risks arising from the use of financial instruments:

- credit risk;
- liquidity risk;
- interest rate risk.

This section provides information on the Group's exposure to each of the above risks, the objectives, policies and processes for managing those risks and the methods used to measure them, as well as the management of the Group's capital.

The Board of Directors of Openjobmetis S.p.A. is responsible for creating and overseeing the Group's risk management system.

The purpose of the risk management policies of the Group is to identify and analyse the risks to which it is exposed, establish proper limits, and control and monitor the risks and the observance of such limits. These policies and related systems are revised regularly to reflect any changes in the market conditions and the Group's activities. Through training, standards and management procedures, the Group aims to create a regulated and constructive control environment in which its employees are aware of their roles and responsibilities.

(i) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will cause a financial loss by failing to fulfil an obligation, and mainly derives from the Group's trade receivables.

The Group's exposure to credit risk mainly depends on the specific characteristics of each customer. The Group's customer portfolio consists of many customers, and does not show significant levels of concentration in a few customers. The main type of customer consists of medium-small sized companies, operating in almost all sectors. There is no strong geographic concentration; part of it is mainly located in the regions of central and northern Italy. Any deterioration in the general economic environment or negative credit market developments could have adverse effects on customer relations, compromising the possibility for the Group to recover its trade receivables and influencing the management of working capital.

It cannot be excluded that any breach of customers' payment obligations, or the mere delay in the execution of such payments, may reduce the liquidity available to the Group, increasing the need for additional sources of funding.

The Group keeps the customer base diversified, and consequently it reduces the risks associated with debt recovery.

Before contract workers are supplied, a proper assessment is carried out requiring individual analysis of the creditworthiness of each new customer before the standard conditions in terms of payment and supply are offered. This analysis also includes external assessments, where available, and, in some cases, bank information. Supply limits, representing the maximum credit line beyond which the direct approval of management is required, are established for each customer.

The overall amount due from customers mainly consists of the total expense of the contract worker's remuneration, which in addition to the elements of normal remuneration as per the National labour agreement of reference, also includes remuneration accrued but not paid (thirteenth month and fourteenth month pay, holidays plus any other element), the margin and VAT calculated only on the margin of the Group.

Splitting the macro items that determine the value of the trade receivable offers a different degree of legal protection of the trade receivable. In fact, in case of customer bankruptcy, only the portion of receivable representing the remuneration of the contract worker is secured during repayment.

For the measurement, please see section i) Impairment losses (i.1) Financial assets.

(ii) Liquidity risk

Liquidity risk is the risk that the Group has difficulty in meeting the obligations related to financial liabilities. The approach of the Group to liquidity management is to ensure, as much as possible, that there are always sufficient funds to fulfil its obligations when due, both in normal conditions and during financial tension, without having to bear excessive costs or run the risk of damaging its reputation.

The Group monitors the economic and financial performance of each branch thus facilitating the monitoring of liquidity requirements and optimising the return on investments. Generally, the Group makes sure that there are sufficient cash and cash equivalents to cover expected operating costs for a period of 60 days, including those relating to liabilities represented by "Contract Worker Benefits" and to related social security contribution liabilities.

Moreover, the Group has had the following credit lines over the years:

Financial year 2023:

- EUR 5 million of revolving credit lines, at an average interest rate equal to the 3-month Euribor plus 1.55%, subject to compliance with an economic and financial covenant as described below;
- EUR 108 million of credit lines that can be used against presentation of short-term trade receivables, generally at a variable rate linked to the Euribor.

Financial year 2022:

- EUR 5 million of revolving credit lines, at an average interest rate equal to the six-month Euribor plus 1.50%, subject to compliance with an economic and financial covenant as described below;
- EUR 102 million of credit lines that can be used against presentation of short-term trade receivables, generally at a variable rate linked to the Euribor.

As described below, the Group is subject to compliance with the financial covenant included in the Loan and calculated on the Group's consolidated financial statements once a year.

The Loan as at 31 December 2023, provides for certain non-performance events involving the right for the lenders to terminate the loan agreement, or to withdraw therefrom and declare the Company's benefit of postponed payment to be forfeited, as the case may be.

Moreover, the Group has the following financial guarantees in place:

(In thousands of EUR)

Beneficiary	Type	2023	2022	Change
A.N.P.A.L.	Authorisation pursuant to Italian Legislative Decree no. 276	37,342	36,627	715
Third Parties	Sureties for participating in tenders	611	491	120
Third Parties	Sureties for leases	802	1,012	(210)
Total		38,755	38,130	625

The guarantees given in favour of the A.N.P.A.L. (Italian National Agency for Active Labour Market Policies) refer to the legal requirement to issue appropriate guarantees for the amount due to workers employed on temporary employment contracts.

Sureties for leases refer to guarantees given in favour of various owners of the buildings in which the head office of the Group and some branches are located.

(iii) Interest rate risk

The Group's financial indebtedness has variable interest rates, therefore the Group could be exposed to the risks related to fluctuations in these rates.

It cannot be excluded that any unpredictable fluctuations in interest rates may have adverse effects on the Group's financial position.

(r) Segment reporting

For the purposes of IFRS 8 Operating Segments, the Group only has one operating segment. For a more detailed analysis of the outlook and the operating indicators, please refer to the directors' report.

3. Acquisitions of subsidiaries and non-controlling interests

The original goodwill of EUR 45,999 thousand generated as from 1 July 2007 mainly refers to the skills and technological knowledge of the personnel of the Openjob S.p.A. group (with particular reference to Openjob S.p.A., In Time S.p.A. and Quandoccorre S.p.A.) acquired in June 2007 by WM S.r.l., which was subsequently the subject of a reverse merger into Openjob S.p.A.

Moreover, during this business combination, the customer relations of Openjob S.p.A. and of the subsidiary Intime S.p.A. amounted to EUR 2,472 thousand and EUR 1,390 thousand, respectively, on the basis of an appraisal drawn up by an independent expert.

Following the acquisition and subsequent merger by incorporation of Metis S.p.A., which took place on 31 December 2011, the difference between the consideration paid and the fair value of the net assets acquired amounted to EUR 27,164 thousand.

In the following years, in relation to various acquisitions, goodwill increased by EUR 26,063 as shown below:

- In 2013 for Corium by EUR 383 thousand;
- In 2018 for Meritocracy by EUR 288 thousand;
- In 2018 for HC by EUR 604 thousand;
- In 2020 for Jobdisabili by EUR 169 thousand;
- In 2020 for Lyve by EUR 519 thousand.
- Lastly, in 2021 for Quanta and Quanta RU by EUR 24,100 thousand; at this time, the value of the related customer relationship was then recognised for an amount of EUR 2,815 thousand, on the basis of an appraisal drawn up by an independent third-party professional.

4a. Property, plant and equipment

The following tables show the changes occurred in this item.

(In thousands of EUR)	Land and buildings	Plant and equipment	Other items of property, plant and equipment	Other assets	Leasehold improvements	Total
Cost:						
Balances as at 1 January 2023	1,201	1,156	6,404	103	135	8,999
Increases	-	72	950	-	-	1,022
Decreases	-	(96)	(1,955)	-	-	(2,051)
Balances as at 31 December 2023	1,201	1,132	5,399	103	135	7,970
Depreciation and impairment losses:						
Balances as at 1 January 2023	343	913	4,012	103	135	5,506
Increases	36	67	708	-	-	811
Decreases	-	(87)	(1,813)	-	-	(1,900)
Balances as at 31 December 2023	379	893	2,907	103	135	4,417
Carrying amounts:						
As at 1 January 2023	858	243	2,392	-	-	3,493
As at 31 December 2023	822	239	2,492	-	-	3,553

(In thousands of EUR)	Land and buildings	Plant and equipment	Other items of property, plant and equipment	Other assets	Leasehold improvements	Total
Cost:						
Balances as at 1 January 2022	1,211	1,126	6,101	106	179	8,723
Increases	683	60	759	-	-	1,502

(In thousands of EUR)	Land and buildings	Plant and equipment	Other items of property, plant and equipment	Other assets	Leasehold improvements	Total
Decreases	(693)	(30)	(456)	(3)	(44)	(1,226)
Balances as at 31 December 2022	1,201	1,156	6,404	103	135	8,999
Depreciation and impairment losses:						
Balances as at 1 January 2022	319	868	3,839	106	179	5,311
Increases	29	72	629	-	-	730
Decreases	(5)	(27)	(456)	(3)	(44)	(535)
Balances as at 31 December 2022	343	913	4,012	103	135	5,506
Carrying amounts:						
As at 1 January 2022	892	258	2,262	-	-	3,412
As at 31 December 2022	858	243	2,392	-	-	3,493

Land and buildings

The item includes buildings in the province of Udine, Brescia and Latina.

Plant and equipment

The Group has some non-current assets mainly related to equipment, plant and furniture at the branches.

Other items of property, plant and equipment

The item mainly includes electronic office machines, furniture and fittings, illuminated signs and motor vehicles.

The increase recorded during the year is mainly attributable to purchases of IT equipment.

4b. Right of use for leases

The following table shows the changes in this item:

(In thousands of EUR)	Motor vehicles	Property	Total
Cost:			
Balances as at 1 January 2023	4,946	18,609	23,555
Increases	1,625	3,823	5,448
Decreases	(1,973)	(2,891)	(4,864)
Balances as at 31 December 2023	4,598	19,541	24,139
Depreciation and impairment losses:			
Balances as at 1 January 2023	2,585	7,132	9,717
Increases	1,339	3,417	4,756
Decreases	(1,917)	(2,424)	(4,341)
Balances as at 31 December 2023	2,007	8,125	10,132
Carrying amounts:			
As at 1 January 2023	2,361	11,477	13,838
As at 31 December 2023	2,591	11,416	14,007

(In thousands of EUR)	Motor vehicles	Property	Other fixed assets	Total
Cost:				
Balances as at 1 January 2022	4,784	18,089	43	22,916
Increases	1,431	3,510	-	4,941
Decreases	(1,269)	(2,990)	(43)	(4,302)
Balances as at 31 December 2022	4,946	18,609	-	23,555
Depreciation and impairment losses:				
Balances as at 1 January 2022	2,363	5,700	35	8,098
Increases	1,412	3,295	8	4,715
Decreases	(1,190)	(1,863)	(43)	(3,096)
Balances as at 31 December 2022	2,585	7,132	-	9,717

(In thousands of EUR)	Motor vehicles	Property	Other fixed assets	Total
Carrying amounts:				
As at 1 January 2022	2,421	12,389	8	14,818
As at 31 December 2022	2,361	11,477	-	13,838

Motor vehicles

This item mainly includes vehicles assigned to personnel under lease agreements. The increases represent the new agreements signed during the period.

Property

This item mainly includes property owned by the Group's head office and operating branches under lease agreements. The increases refer to new lease agreements signed during the year following the opening of new branches and the renewals of existing agreements concluded during the period.

Other fixed assets

This item mainly included electronic equipment held by the Group under lease agreements.

5. Intangible assets and goodwill

The following table shows the changes in this item.

(In thousands of EUR)	Goodwill	Customer relations	Software and Trademarks	Non-compete agreement	Research and development costs	Assets under development and payments on account	Total
Cost:							
Balances as at 1 January 2023	99,227	11,037	6,514	1,500	110	-	118,388
Increases	-	-	55	50	-	35	140
Decreases	-	-	(14)	-	-	-	(14)
Balances as at 31 December 2023	99,227	11,037	6,555	1,550	110	35	118,514
Amortisation and impairment losses:							
Balances as at 1 January 2023	-	8,747	6,213	476	110	-	15,546
Increases	-	369	218	321	-	-	908
Decreases	-	-	(14)	-	-	-	(14)
Balances as at 31 December 2023	-	9,116	6,417	797	110	-	16,440
Carrying amounts:							
As at 1 January 2023	99,227	2,290	301	1,024	-	-	102,842
As at 31 December 2023	99,227	1,921	138	753	-	35	102,074

(In thousands of EUR)	Goodwill	Customer relations	Software and Trademarks	Non-compete agreement	Research and development costs	Assets under development and payments on account	Total
Cost:							
Balances as at 1 January 2022	99,227	11,037	6,484	1,500	113	-	118,361
Increases	-	-	30	-	-	-	30
Decreases	-	-	-	-	(3)	-	(3)
Balances as at 31 December 2022	99,227	11,037	6,514	1,500	110	-	118,388

Amortisation and impairment losses:							
Balances as at 1 January 2022	-	8,380	5,839	176	112	-	14,507
Increases	-	367	374	300	-	-	1,041
Decreases	-	-	-	-	(2)	-	(2)
Balances as at 31 December 2022	-	8,747	6,213	476	110	-	15,546
Carrying amounts:							
As at 1 January 2022	99,227	2,657	645	1,324	1	-	103,854
As at 31 December 2022	99,227	2,290	301	1,024	-	-	102,842

Goodwill

At the end of each year, the Group tests goodwill for impairment. The impairment test on goodwill is carried out on the basis of the value in use through calculations based on projected cash flows taken from the approved five-year business plan.

It should be noted that a re-assessment of CGUs took place during 2021; until 31 December 2020, all of the Group's operating assets and liabilities were identified as a single CGU. The analysis carried out was made necessary by the acquisition of Quanta in 2021, in respect of which an amount of goodwill equal to EUR 24.1 million was recorded, and by the Group reorganisation process initiated in the recent past, which led to the aggregation of several subsidiaries and the establishment of the subsidiary Family Care.

As of 2021, two separate CGUs have been identified with reference to:

- all the operating assets and liabilities of the Parent and its subsidiaries, excluding Family Care S.r.l. ("Main CGU");
- the subsidiary, Family Care S.r.l., mainly due to the specific nature of the services provided (personal welfare) and the customers it caters for (private individuals) compared with the rest of the Group, and the use of a dedicated branch network for its business. This is also in view of the growth in the subsidiary's business volumes recorded in recent years and the development prospects envisaged for the future.

The above is consistent with management's strategic and operational vision, as well as with the level of analytical reporting monitored by management.

The volume of goodwill recorded in the financial statements is fully allocated to the main CGU, considering that the business of Family Care S.r.l. was initiated within the Group and not related to acquisitions made in previous years.

The impairment test as at 31 December 2023 was carried out using the main CGU as a reference for the above.

The value of the main CGU, to which all of the goodwill recorded in the financial statements has been allocated, was verified by determining the value in use, understood as the current value of expected cash flows (discounted cash flow) using a rate that reflects the specific risks at the valuation date (WACC).

The measurement was carried out on the basis of the 2024-2028 business plan and directly based on that approved by the Board of Directors on 20 February 2024, prepared by management on the basis of the historical economic and financial performance of the main CGU, and expected outlook.

The impairment test is the result of economic estimates with a medium- to long-term time period (or rather temporally indefinite, assuming the so-called "going concern") that are discounted and compared with the invested capital at the reporting date. With this perspective in mind, it is on the rate front that it was appropriate to make a careful consideration. Indeed, several elements seem to confirm a change in scenario compared to previous years: on one hand, we are witnessing a change in monetary policy, not only in Europe - currently aimed at combating inflation through rate hikes.

In view of the Group's strategy, the expected trend of the reference market and the overall macroeconomic situation, projected cash flows were estimated on the basis of the following assumptions:

- Revenue: the assumption for revenue is 4.8% growth in 2024 and from 3.8% to 2.2% from 2025 to 2028, on the basis of expected GDP and inflation trends;

For the purpose of the terminal value calculation, a G-rate growth rate of 2% was assumed, which is consistent with the available evidence on long-term growth rates that return values in the range of 2.0%-2.5%, even in the reference sector. The obtainable cash flow on a like-for-like basis and from the year following the year related to the analytical forecasts, was estimated based on the following main assumptions:

- EBITDA, normal average equal to the last year of analytical forecast;
- Capex par to that expected at the end of the plan time horizon (0.9%);
- maintenance investments in right-of-use assets (IFRS 16), equal to EUR 4.7 million per year;
- maintenance investments, equal to approximately EUR 2 million per year;
- constant working capital;
- constant provisions.

These projections reflect the current conditions of all the operating assets and liabilities of the main CGU being measured and the values used are consistent with the historical performance of the same and with expectations of management in relation to the expected trends in the market of reference.

The terminal value was determined based on the last year of the business plan, as indicated above.

Projected cash flows were discounted taking into account a cost of unlevered risk capital, calculated on the basis of the Capital Asset Pricing Model (CAPM), of 13.3% (previous year equal to 13.8%) gross of the related tax effect. This rate reflects the current market evaluation of the time value of money for the period in question and the specific risks of the sector and country, Italy, where the Group operates. The WACC as at 31 December 2023 was estimated on the basis of the following assumptions:

- the risk-free rate adopted (3.8%);
- the estimated beta coefficient (unlevered) was 1.31 on the basis of the characteristics of the sector concerned and of the betas recognised with reference to a sample of listed companies belonging to the sector concerned;
- the equity risk premium used is 5%;
- small size premium recognised of 2.9%.

The value in use as at 31 December 2023 calculated in this way was greater than the carrying amount of the cash generating unit. Therefore, no impairment losses were recognised as at 31 December 2023, as in previous years.

The carrying amount and recoverable amount of the main CGU as recognised in 2023, 2022 and 2021 are shown below:

(In thousands of EUR)

Years	Carrying amount of the group	Recoverable amount	Amount in excess, recoverable with respect to the carrying amount
2021	157,802	192,337	34,535
2022	147,183	156,410	9,227
2023	158,827	161,300	2,473

Due to their nature, the forecasts used for impairment testing are subject to unforeseen elements that could still affect them, such as GDP not increasing as expected, changes in interest rates and inflation rates, changes in revenue, profit margins and collection terms from customers because of the macroeconomic trend. Such unforeseen elements could therefore result in having to amend the above-described impairment test. It is noted in this regard that the sensitivity analysis as at 31 December 2023 shows that the value in use is equal to the carrying amount of the Cash Generating Unit in the event of an increase in the discount rate of approximately 0.20 percentage points, all the other conditions being equal; similarly, in the case of a reduction in non-discounted cash flows by approximately 2% throughout the plan period and for the cash flows on which the terminal value is based, the value in use would equal the carrying amount of the Cash Generating Unit.
The reasonableness of the test results must also be assessed by taking into consideration the transaction promoted by Groupe Crit on the share capital of Openjobmetis S.p.A., aimed at delisting. On 23 February 2024[25], Groupe Crit S.A. signed preliminary contracts for the acquisition of the share capital of Plavisgas S.r.l., owner of 34.13% of OJM's capital, and of all the shares held by Omniafin S.p.A. and M.T.I. Investimenti S.r.l. equal to 18.45% and 5.15% of OJM's share capital at a valuation per share of EUR 16.5 each. Upon completion of the acquisitions mentioned above, Groupe Crit S.A. will launch a mandatory public tender offer on all outstanding ordinary shares at the same price per share. This value corresponds to an enterprise value of the Group of approximately EUR 240 million, well above the carrying amount of the main CGU.
It should also be noted that appraisals drawn up by independent experts were used in the preparation of the impairment test as at 31 December 2023 approved by the Board of Directors of the Company on 13 March 2024.
Finally, it should be noted that the Parent, whose shares are traded in the STAR segment on the Euronext Italia managed by Borsa Italiana S.p.A., had a capitalisation of about EUR 196,565 thousand as at 31 December 2023.

Customer relations
In May 2021, with the acquisition of the Subsidiary Quanta S.p.A., customer relations were identified for EUR 2,815 thousand with a recognised useful life of 8 years. This valuation was carried out with the assistance of an independent external professional, adopting the "excess earning method".
Software
The item Software refers to the operating and management programmes acquired by the Group.
In 2018, on the basis of the appraisal prepared by a professional independent expert, the fair value of the platform owned by Meritocracy (now Seltis Hub S.r.l.), was recorded as EUR 1,157 thousand, and its useful life was reasonably assumed to be five years.
Assets under development
The value of fixed assets in progress recognised as at 31 December 2023 for EUR 80 thousand refers to a new IT application that is expected to come into operation in 2024.

6. Non-current financial assets

This item mainly consists of guarantee deposits paid for utilities of the registered office and the Branches.

[25] Please refer to the relevant press release for further information in the Investor section of the institutional website

7. Deferred tax assets and liabilities

Deferred tax assets and liabilities refer to the following items:

(In thousands of EUR)	Assets		Liabilities		Equity	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Property, plant and equipment	-	-	175	205	(175)	(205)
Intangible assets	9	9	532	678	(523)	(669)
Employee benefits	-	-	7	14	(7)	(14)
Provisions	476	466	-	-	476	466
Loss allowance	1,506	1,654	-	-	1,506	1,654
Costs with deferred deductibility	210	490	-	-	210	490
Goodwill realignment	18,948	19,351	-	-	18,948	19,351
Total	21,149	21,970	714	897	20,435	21,073

Temporary differences between the tax base of assets and liabilities and their carrying amounts were not excluded from the calculation of deferred taxes.

Tax assets and liabilities are measured using the tax rates that are expected to be applicable in the period in which the asset or the liability to which they refer will be realised or discharged, respectively, on the basis of tax rates established by measures in force.

Starting from 2020, deferred tax assets were recognised relating to the realignment of the tax value of the Parent's goodwill, in accordance with the provisions of Article 110, paragraphs 8 and 8-bis of Decree Law 104/2020. For further details, please refer to Note 28.

Changes in net deferred tax assets and liabilities were as follows:

(In thousands of EUR)	Balance as at 31 December 2022	Increases in the statement of financial position	Changes in profit or loss	Balance as at 31 December 2023
Property, plant and equipment	(205)	-	30	(175)
Intangible assets	(669)	-	146	(523)
Employee benefits	(14)	-	7	(7)
Provisions	466	8	2	476
Trade receivables and other assets	1,654	-	(148)	1,506
Costs with deferred deductibility	490	-	(280)	210
Goodwill realignment	19,351	-	(403)	18,948
Total	21,073	8	(646)	20,435

8. Cash and cash equivalents

The item includes the credit balance of bank and postal deposits and cash in hand.

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Bank and postal deposits	7,921	10,244	(2,323)
Cash in hand and cash equivalents	31	46	(15)
Total cash and cash equivalents	7,952	10,290	(2,338)

With reference to the net financial indebtedness, in accordance with the Guidelines on disclosure requirements published by ESMA on 4 March 2021 and Consob Call to attention no. 5/21 of 29 April 2021, please refer to Note 13 below.

9. Other short-term financial assets

The item refers to receivables from factoring companies for the amount of EUR 2,672 thousand in relation to trade receivables assigned as at 31 December 2023, for which the Group has not requested early settlement.

10. Trade receivables

The item is made up as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
From third-party customers	152,048	152,182	(134)
Loss allowance	(7,028)	(7,598)	570
Total trade receivables	145,020	144,584	436

As at 31 December 2023 and 2022, there were no receivables from customers arising from factoring with recourse. Total trade receivables are exclusively related to Italian customers; therefore there are no receivables in currencies other than the euro. At the reporting dates, there was no concentration of trade receivables from a limited number of customers.

The item is recorded in the consolidated financial statements net of a loss allowance of EUR 7,028 thousand. The receivables are also recorded net of an amount of EUR 72 thousand corresponding to the valuation arising from the measurement at fair value of the trade receivables of Quanta S.p.A., a company acquired in 2021.

The days sales outstanding (DSO) granted to customers is 70, compared to 68 reported as at 31 December 2022.

Refer to note 30 (a) "Impairment losses" for further information about the analysis of trade receivables exposure at the reporting date.

11. Other assets

The item is made up as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Receivable from tax authorities for reimbursements	1,359	152	1,207
Receivable from the INPS treasury funds for post-employment benefits	1,829	1,574	255
Prepayments	1,144	1,242	(98)
Other disputed receivables	1,095	1,095	-
Receivables from the seller of Quanta S.p.A.	1,172	1,400	(228)
Receivables from Forma.Temp	3,499	2,724	775
Other sundry receivables	276	236	40
Total other assets	10,374	8,423	1,951

The item "Other disputed receivables" refers to the receivable from a former Director of Metis who left office in 2009; the Provisions for risks reflect the considerations made for this litigation.

Prepayments as at 31 December 2023 of EUR 1,144 thousand mainly refer to advance costs entirely recognised during the current year, relating to sponsorships, bank fees and sundry rentals not related to lease agreements.

The item "Receivables from seller of Quanta S.p.A." as at 31 December 2023 refers to contingent liabilities for which a provision for risks has been set aside, covered by the guarantee of the seller. The change compared to 31 December 2022 relates to guaranteed positions as part of the acquisition transaction that were settled during the year.

The item "Receivables from Forma.Temp" for EUR 3,499 thousand refers mainly to the reimbursement of the salary supplement paid in advance to contract workers.

12. Current tax assets

As at 31 December 2023, the receivable for current income taxes amounted to EUR 116 thousand and referred to the receivable from the tax authorities for IRES from tax consolidation in the amount of EUR 36 thousand, the receivable from the tax authorities for IRAP in the amount of EUR 40 thousand from the subsidiary Openjob Consulting S.r.l. and the receivable from the tax authorities for IRAP in the amount of EUR 40 thousand from the subsidiary Lyve S.r.l.

As at 31 December 2022, the receivable for current income taxes amounted to EUR 81 thousand and referred to the receivable from tax authorities for IRAP in the amount of EUR 10 thousand from the subsidiary HC S.r.l. and the receivable from tax authorities for IRES in the amount of EUR 71 thousand from the subsidiary Lyve S.r.l.

13. Bank loans and borrowings and other financial liabilities

This note illustrates the contractual conditions that regulate the Group's financial liabilities. For further information on the Group's exposure to interest rate risk, reference is made to Note 30.

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Non-current liabilities:			
Line A Loan	-	1,491	(1,491)
Line B2 Loan	-	1,426	(1,426)
BPM Line A loan 31/07/2023	13,402	-	13,402
Lease liabilities	10,220	9,828	392
Total non-current liabilities	23,622	12,745	10,877
Current liabilities			
Line A Loan	-	3,000	(3,000)
Line B2 Loan	-	2,858	(2,858)
BPM Line A loan 4/07/2023	5,975	-	5,975
Loans	250	1,000	(750)
Non-guaranteed bank loans and borrowings	13,082	15,973	(2,891)
Lease liabilities	3,827	4,025	(198)
Total current liabilities	23,134	26,856	(3,722)
Total current and non-current liabilities	46,757	39,601	7,156

On 28 June 2023, the Parent signed a loan agreement for a total of EUR 35 million, consisting of two medium and long-term amortising lines for EUR 30 million, of which EUR 24 million can be used for acquisitions and the purchase of treasury shares, and a revolving credit line of EUR 5 million.

In July 2023 the Parent partially used the two amortising lines for a total of EUR 19.5 million, of which EUR 6 million intended for the early repayment of the residual principal portions of the Line A and Line B2 Loan.

In January 2024, the Parent used the remaining part of the two amortising lines for a total of EUR 10.5 million, mainly to finance the purchase of the equity investment in Just on Business S.p.A.; for further details, please refer to paragraph 39. Subsequent events.

The medium/long-term loan, taken out during the year, requires compliance with a financial covenant known as the leverage ratio, which is the NFI/EBITDA ratio as defined in the loan agreement. This financial covenant has to be measured on an annual basis as at 31 December, since it is based on the Group's consolidated financial statements. The lending bank has the right to request the termination of the loan agreement if, at the date of calculation, the restriction is not complied with.

The financial covenant that must be complied with at consolidated level is shown below:

Calculation Dates	NFI/EBITDA <
31 December 2023	2.25
31 December 2024	2.25
31 December 2025	2.25
31 December 2026	2.25
31 December 2027	2.25
31 December 2028	2.25

NFI = Net Financial Indebtedness

EBITDA = Consolidated net profit for the period before income taxes, net financial expense, amortisation/depreciation, provisions and impairment losses

It should be noted that as at 31 December 2023 the financial covenant had been complied with.

The contractual conditions of bank loans and borrowings and other financial liabilities, excluding financial instruments, are set below:

(In thousands of EUR)				31 December 2023		31 December 2022	
	Curr.	Nominal interest rate	Year of maturity	Nominal amount	Carrying amount	Nominal amount	Carrying amount
Line A Loan	Euro	Euribor*	2024	-	-	4,500	4,491
Line B2 Loan	Euro	Euribor*	2024	-	-	4,284	4,284
BPM Line A loan 4/07/2023	Euro	Euribor*	2024	6,000	5,975	-	-
BPM Line A loan 31/07/2023	Euro	Euribor*	2029	13,500	13,402	-	-
M/L Loans	Euro	4.88%**	2024	250	250	1,000	1,000
Non-guaranteed bank loans and borrowings	Euro	4.38%**	-	13,082	13,082	15,973	15,973
Lease liabilities	Euro	2.97%***	2024/29	15,152	14,047	14,503	13,853
Total interest-bearing liabilities				47,984	46,757	40,260	39,601

* Six-month Euribor plus a spread ranging from a minimum of 1.40% to a maximum of 1.70% in relation to compliance with a financial covenant

** These are approximate average rates

*** Weighted average incremental interest rate

Branch leases contain extension options that can be exercised up to 6 months before the end of the binding period. If, at their respective deadlines, all extension options should be exercised, the potential cash flows that are not currently reflected in the lease liability would amount to approximately EUR 25,191 thousand.

Below is the reconciliation of the changes in lease liabilities, bank borrowings and other financial liabilities arising from financing activities:

(In thousands of EUR)	Lease liabilities	Financial liabilities, bank loans and borrowings and other liabilities
Balance as at 1 January 2023	13,853	25,748
Changes in financial liabilities		
Lease payments	(5,042)	-
Interest expense	323	-
New leases, renewals and contract terminations	4,913	-

(In thousands of EUR)	Lease liabilities	Financial liabilities, bank loans and borrowings and other liabilities
Balance as at 1 January 2023	13,853	25,748
New loan disbursement	-	19,378
Repayment of loan instalments	-	(9,525)
Other financial payables and interest	-	(2,891)
Total changes in financial liabilities	194	6,962
Balance as at 31 December 2023	14,047	32,710

Below is the net financial indebtedness of the Group as at 31 December 2023 and as at 31 December 2022, calculated in accordance with the guidelines on disclosure requirements published by ESMA on 4 March 2021 and CONSOB Warning notice no. 5/21 of 29 April 2021 by CONSOB.

	(In thousands of EUR)	Financial statements for the year ended 31 December			2023 vs 2022 Change	
		2023	2022	2021	Value	%
A	Cash	31	46	38	(15)	(32.6%)
B	Cash and cash equivalents	7,921	10,244	16,830	(2,323)	(22.7%)
C	Other current financial assets	2,672	3,095	-	(423)	(13.7%)
D	Cash and cash equivalents (A+B+C)	10,624	13,385	16,868	(2,761)	(20.6%)
E	Current financial debt	(19,308)	(22,831)	(37,025)	3,523	(15.4%)
F	Current portion of non-current financial debt	(3,827)	(4,025)	(4,311)	198	(4.9%)
G	Current financial indebtedness (E+F)	(23,135)	(26,856)	(41,336)	3,721	(13.9%)
H	Net current financial indebtedness (G+D)	(12,511)	(13,471)	(24,468)	960	(7.1%)
I	Non-current financial debt	(23,622)	(12,745)	(19,997)	(10,877)	85.3%
J	Debt instruments	-	-	-	-	-
K	Trade payables and other non-current liabilities	-	-	-	-	-
L	Non-current financial indebtedness (I+J+K)	(23,622)	(12,745)	(19,997)	(10,877)	85.3%
M	Total financial indebtedness (H+L)	(36,133)	(26,216)	(44,464)	(9,917)	37.8%

14. Employee benefits

(a) current

The balance of the item current employee benefits includes:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Salaries payable to contract workers	36,801	40,951	(4,150)
Remuneration payable to contract workers	16,014	15,700	314
Post-employment benefits of contract workers	432	373	59
Remuneration payable to employees	3,635	5,837	(2,202)
Total liabilities for employee benefits	56,882	62,861	(5,979)

Given the nature of business carried out by the Group and the average duration of employment contracts with contract workers, employee benefits represented by the post-employment benefits of contract workers were paid periodically and were consequently regarded as current liabilities. Therefore, the liability was not discounted and corresponds to the obligation due to contract workers at the end of the contract.

The decrease compared to the previous year is mainly related to the contraction in sales volumes.

(b) non-current

The balance of the item Employee benefits relates to post-employment benefits due to employees. The change in the amount related to employee benefits in the different years is summarised as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Liabilities for employee benefits as at 1 January	1,417	1,678	(261)
Cost recognised in profit or loss	182	192	(10)
Payments during the period	(219)	(203)	(16)
Actuarial valuation	39	(250)	289
Total liabilities for employee benefits	1,419	1,417	2

The amount is recognised in profit or loss as per the following table:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Current service cost	132	161	(29)
Interest expense on the obligation	50	31	19
Total	182	192	(10)

The liability related to post-employment benefits is based on the actuarial valuation made by independent experts according to the following main parameters:

	31/12/2023	31/12/2022
Projected future salary increases (average amount)	1.00%	1.00%
Projected staff turnover	9.00%	9.00%
Discount rate	3,36%	4.17%
Average inflation rate	2.00%	2.30%

15. Trade payables

The item includes trade payables for the provision of services and consultancy.

Total trade payables at the reporting date are mainly due to Italian suppliers. Moreover, there are no trade payables in currencies other than the euro.

The item is broken down as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Trade payables to third parties	13,494	14,752	(1,258)
Total trade payables	13,494	14,752	(1,258)

16. Other liabilities

The item is broken down as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Social security charges payable	22,256	25,872	(3,616)
Tax payables	15,140	11,408	3,732
Payables to Forma.Temp	1,415	1,117	298
Current liability linked to the non-compete agreement	325	300	25
Other liabilities	2,165	2,182	(17)
Total other current liabilities	41,301	40,879	422
Non-current liability linked to the non-compete agreement	300	600	(300)
Total other non-current liabilities	300	600	(300)
Total other liabilities	41,601	41,479	122

Social security charges payable mainly refers to amount due to INPS (the Italian Social Security Institution), INAIL (the Italian National Institute for Insurance against Accidents at Work) and other social security institutions referring to wages and salaries to contract workers and employees.
Payables to Forma.Temp refer to the management contribution and the contribution for the training of permanent personnel hired in December.
With the finalisation of the acquisition of Quanta S.p.A. in May 2021, the liability relating to the contractual agreement reached with the seller, concerning the limitation on the performance of professional activities in competition with the company, which will be recorded in five years, was recognised in the item Other current and non-current liabilities.
Finally, other liabilities mainly refer to the valuation of put-options under agreements to purchase shares in companies acquired in previous years.

17. Current and non-current tax liabilities

The current tax payable as at 31 December 2023 is equal to EUR 73 thousand and refers to EUR 5 thousand for tax liabilities for IRAP and the residual amount of EUR 68 thousand refers to tax liabilities for IRAP of the subsidiary Seltis Hub S.r.l.
As at 31 December 2023 there were no non-current tax liabilities.
Current tax liabilities as at 31 December 2022 amounted to EUR 2,512 thousand and referred to EUR 717 thousand for the third instalment of the substitute tax pursuant to Decree Law 104/2020, Article 110, paragraphs 8 and 8-bis (for further details, see Note 28), EUR 1,253 thousand to the tax authorities for IRES tax consolidation and EUR 533 thousand to the tax authorities for IRAP. The rest, amounting to EUR 9 thousand, referred to the tax liability for IRAP for the subsidiary Lyve S.r.l.
As at 31 December 2022 there were no non-current tax liabilities.

18. Provisions

Changes in this item are broken down as follows:

(In thousands of EUR)	
Balance as at 1 January 2023	3,757
Increases	1,216
Uses	(194)
Balance as at 31 December 2023	4,779

The item refers to possible future charges relating to a number of disputes, to a dispute relating to a non-commercial receivable, to potential liabilities relating to the companies acquired during the previous year for which there is, however, the guarantee from the previous shareholder, which led to the simultaneous recognition of a credit position under current assets, in addition to other minor risks.

19. Equity

(a) Share capital

	2023	2022
Ordinary shares		
Issued as at 1 January	13,712,000	13,712,000
Issued as at 31 December	13,369,200	13,712,000

As at 31 December 2023, the approved share capital of EUR 13,712 thousand consisted of 13,369,200 ordinary shares, the ownership percentages of which are specified in the section "Group structure", to which explicit reference is made.
On 21 April 2023, the Shareholders' Meeting approved the elimination of the nominal amount of the ordinary shares, previously equal to EUR 1.00 each. At the same time, the Shareholders' Meeting also approved the cancellation of 342,800 treasury shares, without proceeding with a share capital reduction; the transaction was finalised when the deeds were filed at the Register of Companies on 4 May 2023.

The Shareholders' Meeting on 21 April 2023 also authorised the Board of Directors to buy back, on one or more occasions, and dispose of treasury shares pursuant to the combined provisions of Articles 2357 and 2357-ter of the Italian Civil Code, as well as Article 132 of Legislative Decree 58 of 24 February 1998, up to a maximum of ordinary shares such so as not to exceed 20% of the share capital pro tempore, after revoking the prior shareholders' authorisation granted on 19 April 2022.
On 29 June 2023, the Company launched a voluntary partial tender offer pursuant to Articles 102 et seq. of the T.U.F. on a maximum of 1,500,000 shares, equal to 11.22% of the share capital, whose offer document was approved by Consob, by resolution no. 22791, on 26 July 2023.
At the end of the offer acceptance period, which ran from 7 August 2023 to 8 September 2023, no. 741,147 shares were received.
Following the buybacks made during the year, it should be noted that as at 31 December 2023 Openjobmetis S.p.A. directly held 1,083,906 treasury shares, equal to approximately 8.11% of the share capital.

The Company did not issue any preference shares.
The share capital has been fully paid up.

(b) Share premium reserve

The item Share premium reserve includes the share premium paid as a result of the share capital increase made during the extraordinary Shareholders' Meeting of 18 March 2005 (EUR 3,899 thousand), the share premium recognised as a result of the share capital increase made on 11 June 2007 (EUR 51 thousand), the share premium recognised as a result of the share capital increase made by injection on 14 March 2011 (EUR 5,030 thousand), the share premium paid as a result of the share capital increase on 14 March 2011 (EUR 7,833 thousand), the share premium recognised as a result of the conversion of the bond issue on 26 June 2015 (EUR 700 thousand), and the share premium recognised as a result of the Public Offering of Sale and Subscription made on 3 December 2015 (EUR 16,240 thousand). Moreover, the reserve was reduced by EUR 2,208 thousand for the portion of the listing costs related to the public subscription offering (i.e. costs directly attributable to the latter and portion pro rata of the other listing costs, in proportion to the number of shares related to the public subscription offering, relative to the total number of shares of the initial public offering, including the greenshoe option). Finally, upon the approval of the 2018 profit for the year, the subsidiary Seltis S.r.l. distributed part of the reserve for EUR 360 thousand.

(c) Other Reserves

The item Other Reserves includes the residual portion of EUR 15,602 thousand of the equity-related reserve of WM S.r.l. originally of EUR 25,959 thousand. This reserve was used in part to cover losses for 2007, and increased following the negative goodwill arising on the merger with Quandoccorre S.p.A.; subsequently, it decreased to cover the 2009 losses carried forward.

As at 31 December 2023, in accordance with IAS 19, the net actuarial loss of EUR 39 thousand, resulting from the difference between the amount of expected benefits calculated for the period of reference and the actual benefit resulting from the new measurement assumptions at the end of the period, was accounted for in equity.

The amount of Other reserves is net of the separate negative reserve for the buyback of treasury shares held, equal to EUR 9,850 thousand as at 31 December 2023 and the reserve for the put option of the remaining share of the subsidiary Lyve S.r.l. for a total value of EUR 1,500 thousand.

Other reserves also include the reserve of EUR 793 thousand related to the 2019-2021 Performance Shares Plan and the 2022-2024 Performance Shares Plan, as better specified in Note 22b and the reserve of EUR 257 thousand, originally generated for EUR 468 thousand following the assignment of treasury shares in the "Quanta" purchasing transaction, relating to the difference between the carrying amount of the shares at the various acquisition dates (EUR 4,349 thousand) and their fair value at the acquisition date (EUR 4,817 thousand), and partially utilised during the year in the amount of EUR 211 thousand for the allocation of the first tranche of treasury shares under the 2019-2021 Performance Shares Plan.

20. Revenue

A breakdown of revenue by type of service, all in Euro and from Italian customers, is summarised in the following table:

(In thousands of EUR)	2023	2022	Change
Revenue from contract work	727,223	746,273	(19,050)
Revenue from personnel recruitment and selection	7,576	5,712	1,864
Revenue from outsourced services	6,397	6,310	87
Revenue from other activities	7,594	10,078	(2,484)
Total Revenue	748,790	768,373	(19,583)

Revenue in 2023 amounted to EUR 748,790 thousand compared to EUR 768,373 thousand in 2022.

The slight decrease compared to the previous year reflects the trend of the Italian general contract work market. It should be noted that the subsidiary Family Care S.r.l. - Employment Agency, a company specialised in the provision of assistants to elderly people, recorded an increase in turnover of 16%. At the same time, the subsidiary Seltis Hub, specialised in recruitment and selection, continues its path of growth with a 14% increase in volumes.

The item "Revenue from other activities" mainly refers to consultancy on administration and organisational matters as part of the training activities, training courses as well as courses dedicated to the development and motivation of employees and other minor revenue.

21. Other income

The item includes:

(In thousands of EUR)	2023	2022	Change
Recognition of contributions from Forma.Temp	13,972	13,430	542
Other sundry income	1,115	1,876	(761)
Total other income	15,087	15,306	(219)

The recognition of contributions from Forma.Temp refers to contributions received from said body for the repayment of the costs incurred for training courses for contract workers, included in the item costs for services. The contributions are recognised by the body on the basis of the specific reporting of costs to organise and carry out the training activities. The relevant revenue recognition occurs in a timely manner on the basis of the reporting of costs incurred for each course.

22a. Cost of contract work and outsourcing

The item includes:

(In thousands of EUR)	2023	2022	Change
Wages and salaries of contract workers	465,133	478,180	(13,047)
Social security charges of contract workers	130,847	137,972	(7,125)
Post-employment benefits of contract workers	26,148	26,789	(641)
Forma.Temp contributions for contract workers	17,866	18,497	(631)
Other costs of contract workers	6,101	6,225	(124)
Other costs for outsourced and other services	5,938	5,548	390
Total cost of contract work and outsourcing	652,033	673,211	(21,178)

Forma.Temp contributions refer to the compulsory payment to the bilateral body of approximately 4% of some elements of gross salaries of contract workers, to be allocated to promoting qualification courses for the workers themselves.

The cost of wages/salaries and social security charges, as at 31 December 2023, is shown net of the salary supplement (Trattamento di Integrazione Salariale - TIS) amounting to EUR 1,207 thousand (EUR 936 thousand as at 31 December 2022), the value of which is reimbursed by Forma.temp.

Other employee costs mainly refer to additional charges such as luncheon vouchers and various refunds.

22b. Personnel expenses

(In thousands of EUR)	2023	2022	Change
Salaries and wages of employees	28,579	27,890	689
Social security costs of employees	8,406	7,962	444
Post-employment benefits of employees	1,674	1,971	(297)
Remuneration to the Board of Directors and committees	1,567	2,257	(690)
Social security costs of the Board of Directors	90	134	(44)
Other employee costs	2,486	2,125	361
Long-term incentive	371	207	164
Total personnel expense	43,173	42,546	627

Other employee costs mainly refer to additional charges such as luncheon vouchers and various refunds.

The remuneration of key management personnel is indicated in Note 33.

The average number of employees is set out below:

Average number of employees	2023	2022	Change
Executives - employees	4	4	-
White-collar staff - employees	771	765	6
Total	775	769	6

Long-term incentive

The Shareholders' Meeting of 17 April 2019 approved the adoption of a 2019-2021 Performance Shares Plan which provides for the right of some directors, key management personnel and other key employees to receive, at the end of the three-year vesting period, ordinary shares of the Parent Openjobmetis S.p.A. subject to the achievement of certain Performance Objectives as described in the above Plan (to which explicit reference is made).

The Board of Directors identified the beneficiaries of each of the first three tranches of the Plan on 25 June 2019, 15 May 2020 and 14 May 2021.

The assessment of the cost assigned was estimated by considering the performance components related to the achievement of the adjusted, consolidated and cumulative three-year EBITDA targets compared to the plan targets (with 50% weight) and the Company's performance in terms of Total Shareholder Return compared to the companies that make up the FTSE Italia STAR index (with 50% weight), estimated using the Monte Carlo method, which, on the basis of suitable assumptions, made it possible to define a considerable number of alternative scenarios.

In May 2022, the first tranche was allocated to the beneficiaries, as defined by the relevant Plan, the total cost of which amounted to EUR 283 thousand over the three-year reference period.

The objectives linked to the second tranche were not reached, so nothing was attributed to the beneficiaries.

The EUR 194 thousand estimated cost for the period of the remaining tranche of Performance Shares assigned corresponds to the change in the liability measured at fair value, representative of the value of the shares actually accrued by the beneficiaries in relation to the tranches allocated in 2021. The related liabilities as at the reporting date,

is included in the Equity item "Other reserves".

The metrics used in the fair value measurement at the allocation and valuation dates of the plan are the following: share price at the valuation date of EUR 8.87; expected dividend rate 3.5%, discounting rate (0.26%), percentage entitled to accrual of the "market based" component equal to 49%, annual volatility 29%, applying a reasonable estimate on the basis of the historical volatility calculated in reference to the valuation date.

The unitary fair value of the right to receive the free shares was EUR 8.28 at the reporting date.

The Shareholders' Meeting of 19 April 2022 approved the adoption of a 2022-2024 Performance Shares Plan which provides for the right of some directors, key management personnel and other key employees to receive, at the end of the three-year vesting period, ordinary shares of the Parent Openjobmetis S.p.A. subject to the achievement of certain Performance Objectives as described in the above Plan (to which explicit reference is made).

On 19 April 2022 and 21 April 2023, the Board of Directors identified the beneficiaries of the first two tranches of the Plan.

The assessment of the cost assigned was estimated by considering the performance components related to the achievement of the adjusted, consolidated and cumulative three-year EBITDA targets compared to the plan targets (with 50% weight) and the Parent's performance in terms of Total Shareholder Return compared to the companies that make up the FTSE Italia STAR index (with 50% weight), estimated using the Monte Carlo method, which, on the basis of suitable assumptions, made it possible to define a considerable number of alternative scenarios, and based on the Group's ESG performance, as determined by Sustainalytics, a leader in the provision of ESG research and ratings.

The EUR 178 thousand estimated cost for the period of the two tranches of Performance Shares assigned corresponds to the change in the liability measured at fair value, representative of the value of the shares actually accrued by the beneficiaries in relation to the tranche allocated during the period. The related liability is included in the Equity item "Other reserves" at the reporting date.

The parameters used in the fair value measurement at the date of assignment and valuation of the two tranches of the plan are as follows: share price at the valuation date of the first tranche of EUR 11.16 and of the second tranche of EUR 10.00; expected dividend rate of 4% for both tranches; discount rate equal to 0.66% for the first tranche and 3.31% for the second; annual volatility of 34% for the first tranche and of 33.2% for the second, applying a reasonable estimate based on historical volatility calculated with reference to the valuation date, and ESG rating as determined by Sustainalytics expected to be equal to 10 for both tranches.

The per-unit fair value of the right to receive the free shares as at the reporting date with regard to the first tranche was determined to be EUR 9.92 for the "non-market" component, and EUR 4.80 for the "market" component. On the other hand, with reference to the second tranche, it was determined as EUR 8.89 for the "non-market" component, and EUR 5.21 for the "market" component.

23. Cost of raw materials and consumables

The item mainly includes costs for consumables, stationery and other minor expenses.

24. Costs for services

The item includes:

(In thousands of EUR)	2023	2022	Change
Costs for organising courses for contract workers	14,015	13,453	562
Costs for updating skills of contract workers	284	-	284
Costs for tax, legal, IT, business consultancy	6,864	7,277	(413)
Costs for marketing consultancy	2,244	2,309	(65)
Fees to sourcers and professional advisors	4,745	4,814	(69)
Costs for advertising and sponsorships	2,195	2,377	(182)
Costs for utilities	1,189	1,431	(242)
Remuneration to the Board of Statutory Auditors	114	114	-
Costs for due diligence and consultancy services	1,139	145	994
Other	5,450	5,573	(123)
Total costs for services	38,239	37,493	746

Costs for organising courses for contract workers mainly refer to costs charged by training companies, for organising training activities carried out for contract workers, in addition to additional charges. The costs borne by the organisational bodies mainly consist of services invoiced by independent experts. Against the precise and timely reporting of the costs incurred for the courses, Openjobmetis S.p.A. and Family Care S.r.l. receive a specific refund from Forma.Temp and other bodies.

The item marketing consultancy includes the costs incurred for commercial development projects in certain geographical areas.

The item fees to sourcers and professional advisors refers to costs incurred to promote meetings with potential customers.

Costs for advertising and sponsorship refer to ads, costs to promote of the corporate image and the contribution as the main sponsor of a sports company.

Other costs mainly include costs incurred for insurance, information on customer solvency, independent auditors' fees, published notices and sundry non-lease fees.

25. Other operating expenses

The item includes:

(In thousands of EUR)	2023	2022	Change
Other expenses	1,910	862	1,048
Total other operating expenses	1,910	862	1,048

Other expenses include donations, stamps, membership fees, other taxes such as waste taxes and advertising, as well as minor taxes and penalties.

The increase from the previous year is mainly related (EUR 1,000 thousand) to the allocation of a provision for risks made with reference to a tax litigation, regarding the amounts provisionally paid; for a more detailed description, please refer to note no. 29 Contingent liabilities.

26. Impairment losses on trade receivables and other assets

For further details on the loss allowance, refer to the directors' report and note 30 below.

27. Net financial income (expense)

Net financial income and expense are shown in the following table:

(In thousands of EUR)	2023	2022	Change
Bank interest and other income	18	1	17
Interest income on receivables from customers	26	35	(9)
Income from purchases of tax credits	1,383	-	1,383
Total financial income	1,427	36	1,391
Interest expense on loans	(665)	(205)	(460)
Interest expense on current accounts	(1,209)	(219)	(990)
Other interest expense	(460)	(269)	(191)
Total financial expense	(2,334)	(693)	(1,641)
Total financial income (expense)	(907)	(657)	(250)

The item "Bank interest and other income" mainly includes income deriving from the agreement that the Parent entered into with Banca Intesa Sanpaolo during the year for the transfer of tax receivables.

The agreement provides for the purchase of tax receivables pursuant to Articles 119 and 121 of Decree Law 34 of 19 May 2020 - containing "Urgent measures on health, support for labour and the economy, as well as social policies relating to the Covid-19 epidemiological emergency" and converted with Law 77 of 17 July 2020, as amended, for a total maximum amount of EUR 600 million, from the current year until 31 December 2026, based on capacity in terms of accrued contribution and social security payables.

The tax receivables being purchased derive from various tax incentive measures aimed at the redevelopment and the improvement of real estate properties (referred to as the "Superbonus 110%", "Ecobonus", "Earthquake bonus" and "Facades Bonus", as well as others intended to overcome architectural barriers and for the installation of electric vehicle charging points) as governed by Articles 119-121 of Decree Law 34 of 19 May 2020. These receivables, purchased on a monthly basis according to the terms and conditions of the without

recourse transactions, are subsequently offset by the Parent pursuant to Article 17 of Legislative Decree 241 of 9 July 1997, with the accrued contribution and social security payables.
The income recognised in the income statement derives from the difference between the nominal amount of the receivables purchased and the amount paid by the Parent to Intesa Sanpaolo for the transaction.
The Parent believes that the guarantees received by the Banking Institution, subject to it obtaining compliance approvals and the declarations and other certifications referred to in Articles 119 and 121, paragraph 1-ter, of the Superbonus Law, are sufficient to exclude joint and several liability for any tax violations associated with the receivables offset by the Parent as transferee. It should be noted that Intesa Sanpaolo has signed a contract with a leading consultancy firm concerning, in addition to the collection and verification of the documentation underlying each transfer, the archiving and storage of the above-mentioned documentation in a dedicated IT platform, access to which was granted to the Parent within the scope of its responsibilities.
Lastly, it should be noted that the Bank has made a specific indemnity agreement so that the Parent is held harmless from any claim of the competent assessing bodies.
The agreement described above was valued as an executory contract and, therefore, no liabilities or assets were recognised in relation to it as at 31 December 2023.

Other interest expense mainly refers to the portion of costs attributable to each year deriving from application of the amortised cost method to the loan in accordance with IFRS 9, and the expense relating to the recognition of the right of use pursuant to IFRS 16, amounting to EUR 323 thousand.

28. Income taxes for the year

Income taxes recognised in profit or loss are broken down as follows:

(In thousands of EUR)	2023	2022	Change
Current taxes	5,656	5,670	(14)
Deferred tax assets	800	975	(175)
Deferred tax liabilities	(154)	(30)	(124)
Tax from previous years	-	(390)	390
Total income taxes	6,302	6,225	77

Current taxes as at 31 December 2023 totalling EUR 5,656 thousand refer to IRAP of EUR 1,559 thousand and to IRES of EUR 4,097 thousand.
Current taxes as at 31 December 2022 totalling EUR 5,670 thousand refer to IRAP of EUR 1,556 thousand and to IRES of EUR 4,114 thousand.
As at 31 December 2020, the Parent benefited from the possibility of realigning the tax on the higher amounts of the assets recorded in the financial statements, specifically the amount of goodwill of EUR 71,736 thousand, in accordance with Decree Law 104/2020, Article 110, paragraphs 8 and 8-bis. This decision resulted in the recognition on that date of deferred tax assets of EUR 20,158 thousand against the payment of a substitute tax of 3% of the realigned value (EUR 2,152 thousand). In addition, a tax suspension restriction was placed on reserves already existing in the equity for the amount of EUR 69,583 thousand.
Article 1, paragraphs 622-624 of Law 234/2021 (2022 Budget Law) subsequently intervened, retroactively modifying the tax regime of the amortisation of realigned goodwill pursuant to Article 110 of Decree Law 104/2020, providing for the increase of the minimum tax amortisation period from the ordinary 18 years to 50 years. In view of the extension of the tax amortisation plan, companies were essentially granted three

alternatives: (i) accept that dilution and deduct a share of amortisation referring to the higher realigned values to an extent not to exceed one-fiftieth for each tax period, (ii) benefit from the originally applicable depreciation in eighteenths by supplementing the substitute tax to the extent corresponding to that established by Article 176, paragraph 2-ter of the TUIR, (iii) revoke, even partially, the application of the tax regulations of the above-mentioned Article 110, according to methods and terms to be adopted by Measure of the Director of the Italian Tax Authorities.

The Parent, taking note of the regulatory change, decided to maintain the goodwill realignment option, thus diluting the tax amortisation period in fifty years. Based on the forecasts of taxable income generations in the 2024-2028 plan approved by the Board of Directors on 20 February 2024 and historical data, deferred tax assets, decreased by EUR 403 thousand in the course of 2023, were deemed fully recoverable in consideration of the possibility of absorption through the Group's future taxable income.

The following table shows the items that reconcile the difference between the theoretical tax burden at Italian rate and taxes actually charged to the year:

(In thousands of EUR)	2023	Rate	2022	Rate
Profit (loss) before taxes	18,801		20,540	
Theoretical income taxes (a)	4,512	24.00%	4,930	24.00%
Tax effect of permanent differences including:				
- cars	293		241	
- telephony	94		90	
- prior year income and expense	270		19	
- board and lodging	55		52	
- other changes	(4)		100	
- ACE (Aiuto alla crescita economica, Aid to economic growth)	(298)		(301)	
- 10% IRAP deduction	(234)		(120)	
Subtotal (b)	176		81	
Income taxes recorded in the Financial Statements				
(current and deferred) excluding IRAP and realignment effect (a + b)	4,688	24.94%	5,011	24.39%
IRAP (current and deferred, excluding realignment)	1,614	8.58%	1,604	7.81%
Income taxes recorded in the Financial Statements (current and deferred)	6,302	33.52%	6,615	32.20%
Tax from previous years		0.00%	(390)	(1.90%)
Total taxes	6,302	33.52%	6,225	30.30%

Pursuant to Articles 117 to 129 of the Consolidated Income Tax Act (TUIR), agreements were signed between Openjobmetis S.p.A. and its subsidiaries Openjob Consulting S.r.l., Seltis Hub S.r.l., Lyve S.r.l. and Family Care S.r.l. on the exercise of the option for the domestic tax consolidation scheme, thus benefiting from the possibility of offsetting taxable income against tax losses in a single tax return. The three-year agreements will be tacitly renewed for the following three-year period unless they are revoked.

29. Contingent liabilities

The Group is a party to pending disputes and lawsuits. Based on the opinion of legal and tax advisors, the Directors do not expect that the outcome of these ongoing actions will have a significant effect on the financial position of the Group, in addition to that already allocated in the financial statements.

Specifically:

- During 2020, Quanta S.p.A., now merged by incorporation into Openjobmetis S.p.A. as of 1 January 2022, received a questionnaire from the Italian Tax Authorities concerning the VAT treatment of the financed professional training activities, intended for contract workers in 2015, 2016 and 2017.

On 30 November 2020, the Italian Tax Authorities communicated assessment notice no. TMB067O00388/2020, concerning the alleged non-deductibility of VAT for the year 2015, equal to EUR 592,801.18, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest.
On 28 April 2021, Quanta S.p.A. filed an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 15 March 2022, who, in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal.
On 13 April 2023, the Italian Tax Authorities filed an appeal against the ruling of the First Instance Commission, whose second instance hearing was held on 4 December 2023; the Tax Court, in a judgment filed on 17 January 2024, upheld the appeal filed by the Italian Tax Authorities, which requested the payment of the tax and related interest totalling EUR 779,777.56, while confirming the cancellation of the penalties imposed.
Openjobmetis S.p.A. will proceed with the submission of the appeal to the Court of Cassation within the terms established by law and the application for the suspension of the enforceability of the ruling to the Second Instance Tax Court.

- On 28 October 2021, the Italian Tax Authorities communicated an assessment notice no. TMB067O00227/2021 for 2016 with the same requirements as the previous one, for EUR 595,569.72.
On 22 December 2021, Quanta S.p.A. served an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 21 June 2022, who in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal.
On 20 March 2023, the Italian Tax Authorities filed an appeal against the ruling of the First Instance Commission. Following the second instance hearing held on 20 September 2023, with a ruling filed on 28 September 2023 the validity of the Company's arguments was also recognised in that case. It is not excluded that the Italian Tax Authorities may appeal to the Court of Cassation against the ruling of the Second Instance Commission.

- On 11 April 2022, the Italian Tax Authorities served an additional assessment notice no. TMB061T00096/2022 for 2017 to Openjobmetis S.p.A., as the incorporator of Quanta S.p.A., with the same requirements as the previous ones, for EUR 572,322.77. On 9 June 2022, the Company filed an appeal with a request for discussion at a public hearing on 17 January 2023, which, in a ruling handed down on 8 August 2023, acknowledged the merits of the Company's reasons set forth and granted its appeal.
The Parent, following the rejection of the application for the suspension of the provisional collection pending the proceedings and in accordance with current legislation, had paid EUR 190,774.26, plus interest, simultaneously recognising a receivable from the tax authorities in the same amount.
On 19 February 2024, the Italian Tax Authorities filed an appeal with a request for discussion at a public hearing, against which the Company will appear before the court within the terms established by law.

- On 11 March 2024, the Parent, as the merging entity company of Quanta SpA, received an invitation from the Italian Tax Authorities with reference to the VAT treatment on professional training services for the annuity 2018; the Parent will respond within the terms provided for by the Law.

  Pursuant to the contractual agreements in place, the seller of Quanta S.p.A., FDQ S.r.l., has issued a specific guarantee to cover any liability that may arise in relation to assessment notices concerning the undue deduction of VAT for the year 2015 and onward until 2020.

- In 2021, the Italian Tax Authorities - Regional Lombardy Division - Office of Major Taxpayers, initiated a tax audit activity against the Parent, Openjobmetis S.p.A., with reference to the 2016 and 2017 tax periods.
  The audit concerned the VAT treatment of financed professional training received by the Company in its capacity as client, aimed at contract workers.

  On 23 December 2021, the Italian Tax Authorities communicated assessment notice no. TMB061T00556/2021, concerning the alleged non-deductibility of VAT for the year 2017, equal to EUR 2,727,981.88, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest. On 21 May 2022, the Company filed an appeal with a petition for discussion at a public hearing held subsequently on 29 November 2022, following which the Tax Commission handed down a favourable ruling on 3 January 2023, acknowledging the merits of the reasons set out in the appeal. On 28 March 2023, the Italian Tax Authorities filed an appeal against the ruling of the First Instance Commission.
  On 9 October 2023, the second instance hearing was held, the ruling of which was filed on 27 October 2023. On that basis, the Italian Tax Authorities asked the Company to pay the tax and related interest for a total of EUR 3,342,244.12; with the above-mentioned ruling, the Tax Court partially accepted the appeal filed by the Italian Tax Authorities, while also recognising a regulatory uncertainty so as to order the total cancellation of the administrative sanctions against the Company.
  Openjobmetis S.p.A. challenged this negative ruling before the Court of Cassation by means of an appeal filed on 5 February 2024; the Company will also proceed to file a petition to suspend the enforceability of the aforementioned ruling within the terms provided by law.

- On 13 October 2022, the Italian Tax Authorities communicated assessment notice no. TMB061T00552/2021, concerning the alleged non-deductibility of VAT for the year 2016, amounting to EUR 2,072,364.00 with the same assumptions applied with reference to the year 2017.
  On 12 March 2023, the Company filed an appeal with a petition for discussion at a public hearing held subsequently on 19 September 2023, following which the Tax Commission handed down a favourable ruling on 1 December 2023, acknowledging the merits of the reasons set out in the appeal.
  On 16 June 2023, the Company, following the rejection of the application for the suspension of the provisional collection pending the proceedings and in accordance with current legislation, had paid EUR 690,788.00, plus interest, simultaneously recognising a receivable from the tax authorities in the same amount.

It is not excluded that the Italian Tax Authorities may appeal against the first instance ruling.

Openjobmetis S.p.A., after consulting its advisors, believes that it has various reasons to support its actions and the actions of Quanta, for which it has taken over all legal relations and obligations following the merger by incorporation carried out on 1 January 2022 and stresses its firm opposition to the objections raised by the Italian Tax Authorities and its willingness to proceed with litigation to the extent necessary for the recognition of its reasons.

Given the degree of uncertainty of the issue in question, the Parent in any case has requested an opinion from an independent third-party professional, who has confirmed the assessments made by the Group's advisors.

The objections raised by the Italian Tax Authorities are part of a line of argument that has, to date, involved various Employment Agencies; consequently, the publication of new case law potentially favourable to the Company's defence cannot be ruled out in the coming months. To protect the interests of the category, associations representing Employment Agencies intervened, supporting initiatives directed at the competent institutional venues, including the complaint before the European Commission. Therefore, a favourable legislative intervention should not be excluded.

- The subsidiary Openjob Consulting S.r.l., at an event held in Perugia, underwent a tax inspection by the competent Local Labour Office that led to the preparation of a report which alleged violations concerning forms of contract used on this occasion with consequent possible administrative sanctions. In September 2018, an order was issued by the Local Labour Inspectorate of Perugia, which in June 2019 was the subject of a settlement agreement following which approximately EUR 29 thousand was paid in settlement of any claims. Following the aforementioned report, INPS also issued a charge notice, which was subsequently effectively suspended by the Labour Court of Perugia, declaring its lack of local jurisdiction in favour of the Court of Varese, and is to date still pending an outcome; a possible settlement agreement in terms similar to that concluded with the Labour Inspectorate of Perugia is not excluded.

  Also in light of the above, the Group believes that it has adequate grounds for its actions and therefore it is not expected that the outcome of such actions will have any effect on the Group's financial position beyond that which is already reflected in the financial statements.

30. Financial instruments

(a) Credit risk

Exposure to credit risk

The carrying amount of the financial assets represents the Group's maximum exposure to credit risk. At the end of the reporting period, this exposure is set out below:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Held-to-maturity investments	2,846	3,276	(430)
Trade receivables	145,020	144,584	436
Cash and cash equivalents	7,952	10,290	(2,338)
Total	155,818	158,150	(2,332)

Trade receivables mainly refer to Italian customers.

There are no particular concentrations of trade receivables in specific sectors.

Exposure to the top ten customers' accounts for approximately 18% of total receivables as at 31 December 2023.

Impairment losses

The ageing of trade receivables at the end of the reporting period was as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Falling due	121,280	122,037	(757)
Past due from 0 to 90 days	22,496	20,478	2,018
Past due from 91 to 360 days	2,329	3,069	(740)
Past due 360 days or more	5,943	6,598	(655)
Total trade receivables	152,048	152,182	(134)

The changes in the loss allowance for trade receivables during the period were as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Opening balance	7,598	6,699	899
Impairment losses for the period	2,072	1,685	387
Use during the period	(2,642)	(786)	(1,856)
Closing balance	7,028	7,598	(570)

It should be noted that the value of receivables shown above is recorded net of an amount of EUR 72 thousand corresponding to the impairment loss arising from the measurement at fair value of trade receivables inherited from the acquisition of Quanta S.p.A. during 2021, mainly relating to receivables due beyond 360 days.

The Group allocates a loss allowance that reflects the estimate of impairment losses on trade receivables and on other assets, whose main components are the individual impairment losses on significant exposures and the collective impairment loss on homogeneous groups of assets against losses that have not yet been identified. Collective impairment is determined on the basis of historical losses, adjusted if necessary by scale factors reflecting the differences between the economic conditions of the period during which the historical data was collected and the Group's point of view about the economic conditions over the entire expected life of the assets. The impairment loss for the period refers to the provision for estimated impairment losses on trade receivables as described above.

The Group constantly monitors its exposure to credit risk relating to relations with its customers, and adopts appropriate measures to mitigate them. Specifically, on the basis of the policies adopted by the Group, receivables that are past due are the subject of specific reminders and recovery actions, even forced. The result of these actions is considered in determining the loss allowance.

The Group did not recognise expected impairment losses on held-to-maturity investments in the course of the period.

The Group uses loss allowances to recognise the impairment losses on trade receivables and on held-to-maturity investments; however, when there is the certainty that the amount due cannot be recovered, the amount considered irrecoverable is written off directly from the related financial asset.

(b) Liquidity risk

The contractual maturities of financial liabilities, including interest to be paid and excluding the effects of offsetting agreements, are shown in the following table:

Non-derivative financial liabilities	31 December 2023					
(In thousands of EUR)	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-5 years	More than 5 years
BPM Line A loan 04/07/2023	(5,975)	(6,249)	(3,166)	(3,083)	-	-
BPM Line A loan 31/07/2023	(13,402)	(16,337)	(379)	(379)	(15,579)	-
Loans	(250)	(252)	(252)	-	-	-
Non-guaranteed bank loans and borrowings	(13,082)	(13,082)	(13,082)	-	-	-
Lease liabilities	(14,047)	(15,152)	(1,722)	(2,159)	(10,520)	(751)
Trade payables	(13,494)	(13,544)	(13,544)	-	-	-
Other liabilities	(41,601)	(41,546)	(41,246)	-	(300)	-
Employee benefits *	(56,882)	(56,882)	(56,882)	-	-	-
Total	(158,734)	(163,044)	(130,273)	(5,621)	(26,399)	(751)

Non-derivative financial liabilities	31 December 2022					
(In thousands of EUR)	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-5 years	More than 5 years
Line A Loan	(4,491)	(4,574)	(1,537)	(1,525)	(1,512)	-
Line B2 Loan	(4,284)	(4,345)	(1,460)	(1,449)	(1,436)	-
Loans	(1,000)	(1,000)	(1,000)		-	-
Non-guaranteed bank loans and borrowings	(15,973)	(15,973)	(15,973)	-	-	-
Lease liabilities	(13,853)	(14,503)	(2,204)	(2,204)	(9,506)	(589)
Trade payables	(14,752)	(14,752)	(14,752)	-	-	-
Other liabilities	(41,479)	(41,479)	(40,879)	-	(600)	-
Employee benefits *	(62,861)	(62,861)	(62,861)	-	-	-
Total	(158,693)	(159,487)	(140,666)	(5,178)	(13,054)	(589)

* the item Employee benefits considers only short-term benefits that will generally be settled periodically.

The cash flows included in the above-mentioned tables are not expected to occur significantly in advance or for considerably different amounts.

(c) Interest rate risk

Floating rate financial liabilities are summarised below:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Non-guaranteed bank loans and borrowings	13,082	15,973	(2,891)
Line A Loan	-	4,491	(4,491)
Line B2 Loan	-	4,284	(4,284)
BPM Line A loan 04/07/2023	5,975	-	5,975
BPM Line A loan 31/07/2023	13,402	-	13,402
Loans	250	1,000	(750)
Total financial liabilities	32,710	25,748	6,962

(d) Fair value

Fair value and carrying amount

The following table shows the carrying amount recorded in the statement of financial position and the fair value of each financial asset and liability:

(In thousands of EUR)	31 December 2023		31 December 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Held-to-maturity investments	2,846	2,846	3,276	3,276
Trade receivables and other assets	155,394	155,394	153,007	153,007
Cash and cash equivalents	7,952	7,952	10,290	10,290
Lease liabilities	(14,047)	(14,047)	(13,853)	(13,853)
Line A Loan	-	-	(4,491)	(4,491)
Line B2 Loan	-	-	(4,284)	(4,284)
BPM Line A loan 04/07/2023	(5,975)	(5,975)	-	-
BPM Line A loan 31/07/2023	(13,402)	(13,402)	-	-
M/L Loans	(250)	(250)	(1,000)	(1,000)
Non-guaranteed bank loans and borrowings	(13,082)	(13,082)	(15,973)	(15,973)
Trade payables and other liabilities	(55,095)	(55,095)	(56,231)	(56,231)
Employee benefits	(58,301)	(58,301)	(64,278)	(64,278)
Total	6,039	6,039	6,463	6,463

Methods for determining fair value

The methods and main assumptions used for measuring the fair value of the financial instruments are shown below:

- *Non-derivative financial liabilities*

  Bank loans and borrowings and other financial liabilities bear interest at floating rate and therefore, also considering that they are indicated net of the related charges, no significant differences between the carrying amount and fair value were identified.

- *Trade receivables and other assets*

  The fair value of trade receivables and other assets is estimated based on future cash flows discounted using market interest rates at the reporting date. The fair value matches the carrying amount as it already reflects the impairment loss.

  For information concerning the interest rates used to discount the expected cash flows, where applicable, on the elements listed in the above table, mainly used for calculating the financial liabilities at amortised cost, refer to Note 13.

31. Leases

The Group, for the purposes of its business, makes use of several leases, mainly for car rental and property leases for the branches and offices.

32. Related parties

Some members of the Board of Directors hold a position in other bodies and may be in a position to exercise control or significant influence on the financial and management policies of such bodies.

The relationships between Group companies and the Group with related parties, as identified on the basis of the criteria defined in IAS 24 - Related Party Disclosures, are mainly commercial in nature.

During the period, the Group carried out transactions with some of the above-mentioned bodies as shown below.

The general conditions that regulate said transactions have been carried out on an arm's length basis.

During the meeting of 12 October 2015, the Board of Directors approved and subsequently updated, most recently on 29 June 2021, the related party transactions policy and procedure, in accordance with Article 2391-

bis of the Italian Civil Code and with the "Related party transactions regulations" adopted by CONSOB with resolution no. 17221 of 12 March 2010 and subsequent amendments.

The total value of the transactions and residual balances is as follows:

Description *(in thousands of EUR)*	Total 2023	Other related parties	Total related parties	% weight on financial statement items
Personnel expenses	43,173	2,215	2,215	5.13%
Description *(in thousands of EUR)*	**Total 2022**	**Other related parties**	**Total related parties**	**% weight on financial statement items**
Personnel expenses	42,546	3,481	3,481	8.18%

As shown in note 33 below, the item Personnel expenses from Other related parties includes costs equal to EUR 1,567 thousand in 2023 (EUR 2,257 thousand in 2022) for the Board of Directors, EUR 364 thousand in 2023 (EUR 815 thousand in 2022) for Key Management Personnel and EUR 284 thousand in 2023 (EUR 409 thousand in 2022) for salaries paid to close relatives of the latter.

In the course of normal business, the Group has provided contract worker supply services and has collaborated with related parties for immaterial amounts and under market conditions.

33. Remuneration of members of the Boards of Directors, key management personnel and members of the Board of Statutory Auditors

The general conditions that regulate the transactions with key management personnel and their related parties are not more favourable than those applied, or that could reasonably be applied, in the case of similar transactions with non-key management personnel associated with the same bodies at normal market conditions.

The total remuneration of Group key management personnel, recorded in the item Personnel expense and costs for services, amounted to EUR 2,046 thousand, of which EUR 1,567 thousand for members of the Board of Directors and EUR 364 thousand for key management personnel (EUR 3,185 thousand in 2022, of which EUR 2,257 thousand for the members of the Board of Directors and EUR 815 thousand for key management personnel). In addition to salaries, the Group also offers certain key management personnel benefits in kind according to the ordinary contractual practice for company managers. The Shareholders' Meeting on 17 April 2019 resolved the adoption of a 2019-2021 Performance Shares Plan, and on 19 April 2022 approved the adoption of a 2022-2024 Performance Shares Plan, which provide for the right of directors, key management personnel and other key employees to receive, at the end of the three-year vesting period, ordinary shares of Openjobmetis S.p.A. subject to the achievement of certain Performance Objectives as described in the above Plan (to which explicit reference is made).

It should also be noted that the remuneration to certain Directors has been paid to their respective companies rather than to individual beneficiaries, according to an agreement between them and the companies in question, for a total of EUR 91 thousand in 2023 (unchanged from 2022).

For more information regarding fees of said managers, reference is made to the 2023-24 Remuneration Report published in the "Corporate Governance" section of the company website.

Remuneration to the Board of Statutory Auditors for 2023 amounted to EUR 114 thousand (EUR 113 thousand in 2022).

The total amount of transactions with said key management personnel and bodies over which they exercise control or significant influence is as follows:

Remuneration *(in thousands of EUR)*	Remuneration of the parent	Non-monetary benefits	Bonuses and other incentives	Remuneration of subsidiaries	Total remuneration
Members of the Board of Directors	1,011	None	163	393	1,567
Key Management Personnel	328	None	36	-	364
Total BoD and Key management personnel	1,339	None	199	393	1,931

Remuneration *(in thousands of EUR)*	Remuneration of the parent	Non-monetary benefits	Bonuses and other incentives	Remuneration of subsidiaries	Total remuneration
Board of Statutory Auditors	88	None	-	26	114
Total Board of Statutory Auditors	88	None	-	26	114

Total remuneration of key management personnel	1,427	None	199	419	2,045

34. Compensation to the audit company

Type of services	Service provider	Recipient	Remuneration *(in thousands of EUR)*
Audit	KPMG S.p.A.	Openjobmetis S.p.A.	193
Audit	KPMG S.p.A.	Openjob Consulting S.r.l.	13
Audit	KPMG S.p.A.	Seltis Hub S.r.l.	13
Audit	KPMG S.p.A.	Family Care S.r.l.	29
Total compensation for audit services			248
Forma.Temp statement	KPMG S.p.A.	Openjobmetis S.p.A.	5
Forma.Temp statement	KPMG S.p.A.	Family Care S.r.l.	5
Non-financial statement	KPMG S.p.A.	Openjobmetis S.p.A.	17
Total			274

Auditing services include the statutory audit of the consolidated financial statements as at and for the year ended 31 December 2023 as well as the review of the interim consolidated financial statements as at 30 June 2023.

35. Atypical and/or unusual transactions

The consolidated financial statements as at 31 December 2023 do not show any income components or capital and financial items, either positive or negative, arising from atypical and/or unusual events and transactions, as defined in Consob communication no. DEM/606493 of 28 July 2006.

36. Significant non-recurring events and transactions

In compliance with Consob communication no. DEM/6064293 of 28 July 2006, as regards events or transactions whose occurrence is non-recurring or those transactions or events which do not occur frequently in the ordinary course of business, reference should be made to the comments made in Note 24, in relation to due diligence and consultancy services for acquisitions and professional service costs for regulated market transactions for EUR 1,139 thousand (approximately 3% of costs for services), and Note 25, in connection with the provision for a tax dispute in the amount of EUR 1,000 thousand (approximately 52% of other operating expenses).

37. Information required by Law no. 124/2017, Article 1, paragraphs 125-129

It should be noted that during the year the company did not receive any public grants, subsidies, benefits, contributions or aid, in cash or in kind, which are not general in nature and are not a form of consideration, remuneration or compensation, in addition to what has already been published on the site:
https://www.rna.gov.it/RegistroNazionaleTrasparenza/faces/pages/TrasparenzaAiuto.jspx

38. Earnings (loss) per share

The calculation of earnings per share for the years ended 31 December 2023 and 31 December 2022 is shown in the following table and is based on the ratio of profit (loss) attributable to the Group to the weighted average number of issued outstanding shares.

(In thousands of EUR)	2023	2022
Profit (loss) for the period	12,567	14,314
Average number of shares in thousands*	12,809	13,347
Basic earnings (loss) per share (in EUR)	0.98	1.07
Diluted earnings (loss) per share (in EUR)	0.98	1.07

* The average number of shares is calculated net of treasury shares purchased following the buy-back programme and the partial voluntary tender offer, as described in more detail in Note 19, to which reference is made.

Taking into account the characteristics of the existing Stock Option plan, there are no significant impacts on Diluted earnings (loss) per share.

39. Subsequent events

On 15 January 2024, Openjobmetis S.p.A. finalised the acquisition of Just on Business S.p.A. and its subsidiary Deine Group S.r.l. For further information, please refer to the relevant press release.

On 1 February 2024, following the successful completion of the confirmatory due diligence activity, Groupe Crit S.A. confirmed the price of EUR 16.5 per OJM share in view of the direct or indirect purchase of all the shares of Openjobmetis held by the shareholders Omniafin S.p.A., M.T.I. Investimenti S.r.l. and Plavisgas S.r.l.

On 23 February 2024, Groupe Crit S.A. announced that it had signed preliminary contracts for the purchase of the entire share capital of Plavisgas S.r.l., which holds a 34.14% stake in the capital of Openjobmetis S.p.A., and

all the OJM shares held by Omniafin S.p.A. and M.T.I. Investimenti S.r.l., equal to 18.45% and 5.15% of the total share capital, respectively.
Openjobmetis S.p.A. has also been informed of the execution of a preliminary contract for the purchase of the entirety of the OJM shares held by Quaestio Capital SGR S.p.A. equal to 6.91% of the share capital of OJM, at a price per share of EUR 16.5. For further information, please refer to the relevant press release.

Milan, 13 March 2024

On behalf of the Board of Directors
The Chairman
Marco Vittorelli

STATEMENT ON THE CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH ARTICLE 154-BIS OF LEGISLATIVE DECREE 58/98 AS AMENDED AND SUPPLEMENTED

1. We the undersigned Rosario Rasizza, Managing Director, and Alessandro Esposti, Manager in charge of financial reporting of Openjobmetis S.p.A., hereby certify, taking into account, inter alia, the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree 58 of 24 February 1998:

- the adequacy in relation to the characteristics of the company and
- the actual application of the administrative and accounting procedures for the preparation of the consolidated financial statements, in the year from 01/01/2023 to 31/12/2023.

2. In this regard, it should be noted that the assessment of the adequacy of the administrative and accounting procedures for the preparation of the consolidated financial statements for the year ended 31 December 2023 was based on the assessment of the system of internal controls and audit of the processes relating, even indirectly, to the preparation of the accounting and financial statement figures.

3. We confirm that:

I. The consolidated financial statements as at and for the year ended 31 December 2023:

- correspond with the information contained in the accounting ledgers and records;
- have been prepared in accordance with applicable international accounting standards recognised by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 as well as the provisions issued in implementation of Legislative Decree 38/2005;
- provide a true and fair view of the financial position, results of operations and cash flows of the issuer and all its consolidated companies.

II. The Directors' Report of the separate and consolidated financial statements includes a reliable analysis of the operating performance and results, as well as the situation of the issuer, the events that have occurred during the year and their impact on the financial statements, together with the description of the main risks and uncertainties to which the Group is exposed. The Director's Report also contains information on significant transactions with related parties. Pursuant to the provisions of Article 154-ter of Legislative Decree 58/98

Milan, 13 March 2024

Managing Director	Manager in charge of financial reporting
Rosario Rasizza	Alessandro Esposti

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(The accompanying translated consolidated financial statements of the Openjobmetis Group constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Openjobmetis S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Openjobmetis Group (the "Group"), which comprise the statement of financial position as at 31 December 2023, the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Openjobmetis Group as at 31 December 2023 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Openjobmetis S.p.A. (the "Parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of goodwill

Notes to the consolidated financial statements: 2 "Material accounting policies" and 5 "Intangible assets and goodwill"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2023 include goodwill of €99,227 thousand arising from non-recurring transactions and acquisitions carried out, unchanged from 31 December 2022. This goodwill is allocated to the cash-generating unit comprising the Parent and its subsidiaries' operating assets and liabilities, excluding Family Care S.r.l., which has been identified as a separate CGU. With the assistance of external advisors, the directors tested the carrying amount of goodwill for impairment to identify any impairment losses compared to its recoverable amount. The impairment test was approved by the board of directors on 13 March 2024. The directors estimated the recoverable amount based on its value in use, calculated using the discounted cash flow model by discounting the expected cash flows set out in the 2024-2028 business plan approved by the board of directors on 20 February 2024, also taking into consideration the transaction recently promoted by Groupe Crit on the Parent's share capital. Impairment testing requires a high level of judgement, especially in relation to: • the expected cash flows, calculated by taking into account the general economic performance and that of the Group's sector and the actual cash flows generated by the cash-generating unit in recent years; • the financial parameters to be used to discount the above cash flows. For the above reasons and considering the materiality of the financial statements caption, we believe that the measurement of goodwill is a key audit matter.	Our audit procedures, which also involved our own specialists, included: • updating our understanding of the process adopted to prepare the 2024-2028 business plan and the impairment test and assessing the design and implementation of relevant controls; • checking any discrepancies between previous years forecast and actual figures, in order to check the accuracy of the estimation process; • analysing the reasonableness of the expected cash flows and the key assumptions used by the directors to prepare the business plan used for impairment testing. We also compared the expected cash flows and key assumptions to the CGU's historical figures and external information, where available; • assessing the reasonableness of the impairment testing model and related assumptions, especially in relation to the discount rate, based on the related components, and comparing them to publicly-available data and information; • checking any discrepancies between the most recent actual figures and the business plan forecasts and understanding the underlying reasons; • comparing the value in use arising from the impairment test to the market capitalisation and with the reference values of the transaction recently promoted by Groupe Crit on the Parent's share capital; • checking the sensitivity analysis presented in the notes in relation to the main assumptions used for impairment testing; • assessing the appropriateness of the disclosures provided in the notes about the measurement of goodwill.

Measurement of trade receivables

Notes to the consolidated financial statements: 2 "Material accounting policies", 10 "Trade receivables" and 30 (a) "Financial instruments – credit risk"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2023 include trade receivables of €145,020 thousand, net of the loss allowance of €7,028 thousand. In Italy, the Group has a large number of customers operating in various sectors, especially small to medium sized companies. Accordingly, any worsening in the general market conditions or a negative performance of the credit market could have an adverse impact on the Group's transactions with these customers, affecting its ability to collect its trade receivables and affecting its working capital management. Considering the nature of existing trade receivables, the Group estimated the impairment losses on trade receivables based on a specific assessment of the exposures individually significant or under dispute. It also performed a collective assessment by groups of similar exposures. The loss allowance is based on the lifetime expected credit losses, estimated considering many factors, including: • the age of the trade receivable; • the customer's solvency; • historical figures, possibly adjusted by scalar factors to reflect the expected market conditions over the trade receivables' life. Accordingly, calculating the loss allowance requires a high level of judgement. For the above reasons and considering the materiality of the financial statements caption, we believe that the measurement of trade receivables is a key audit matter.	Our audit procedures included: • updating our understanding of the process adopted to monitor and manage credit risk; • assessing the design and implementation of relevant controls, including the Group's checks of its customers' solvency and assignment of a credit rating to them, the regular monitoring of past due exposures and of the implementation of the related recovery measures; • assessing the reasonableness of the trade receivable measurement model adopted by the Group, in relation to the collective and individual assessments, through discussions with the relevant internal departments and considering the Group's past experience and expectations about the market conditions over the trade receivables' life and our knowledge of its sector; • sample-based analysis of collections from customers after the reporting date relating to trade receivables existing at the reporting date; • on a sample basis and with reference to the main past due exposures, discussing the recoverability prospects with the relevant internal departments and checking their consistency, by assessing the reasonableness of estimates based on our understanding of the Group's business, its past experience, the reference environment and publicly-available information about its customers' financial position and performance; • sending written requests for information to the legal advisors assisting the Group with credit recovery and checking the individual assessments made by the Group for consistency with the information obtained; • assessing the appropriateness of the disclosures provided in the notes about the measurement of trade receivables.

Responsibilities of the Parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the Parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 12 October 2015, the shareholders of Openjobmetis S.p.A. appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2015 to 31 December 2023.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the Parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The directors of Openjobmetis S.p.A. are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2023 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2023 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The directors of Openjobmetis S.p.A. are responsible for the preparation of the directors' report and the report on corporate governance and ownership structures at 31 December 2023 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the directors' report and the specific information presented in the report on corporate governance and ownership structures indicated by article 123-bis.4 of Legislative decree no. 58/98 with the Group's consolidated financial statements at 31 December 2023 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structures referred to above are consistent with the Group's consolidated financial statements at 31 December 2023 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Statement pursuant to article 4 of the Consob regulation implementing Legislative decree no. 254/16

The directors of Openjobmetis S.p.A. are responsible for the preparation of a consolidated non-financial statement pursuant to Legislative decree no. 254/16. We have checked that the directors had approved such consolidated non-financial statement. In accordance with article 3.10 of Legislative decree no. 254/16, we attested the compliance of the consolidated non-financial statement separately.

Milan, 25 March 2024

KPMG S.p.A.

(signed on the original)

Luisa Polignano
Director of Audit

Separate Financial Statements

Statement of Financial Position

(In thousands of EUR)	Notes	31/12/2023	31/12/2022
ASSETS			
Non-current assets			
Property, plant and equipment	*3 a*	3,356,182	3,222,125
Right of use for leases	*3 b*	13,049,614	12,369,287
Intangible assets and goodwill	*4*	98,399,591	98,917,823
Equity investments in subsidiaries	*5*	5,566,776	5,152,034
Financial assets	*6*	160,880	168,225
Deferred tax assets	*7*	20,336,022	21,075,308
Total non-current assets		140,869,065	140,904,802
Current assets			
Cash and cash equivalents	*8*	6,919,700	1,910,519
Trade receivables	*9*	136,963,913	136,300,197
Other assets	*10*	11,066,870	9,061,832
Current tax assets	*11*	36,320	-
Financial assets	*6*	2,671,844	3,094,969
Total current assets		157,658,647	150,367,517
Total assets		298,527,712	291,272,319
LIABILITIES AND EQUITY			
Non-current liabilities			
Financial liabilities	*12*	13,402,331	2,916,627
Lease liabilities	*12*	9,662,020	8,842,769
Other liabilities	*15*	300,000	600,000
Employee benefits	*13*	566,642	586,574
Total non-current liabilities		23,930,993	12,945,970
Current liabilities			
Bank loans and borrowings and other financial liabilities	*12*	26,422,856	22,631,672
Lease liabilities	*12*	3,393,291	3,510,836
Trade payables	*14*	10,851,912	11,931,271
Employee benefits	*13*	53,969,673	59,969,389
Other liabilities	*15*	39,059,700	38,433,249
Current tax liabilities	*16*	5,278	2,419,787
Provisions	*17*	4,342,074	3,647,112
Total current liabilities		138,044,784	142,543,316
Total liabilities		161,975,777	155,489,286
EQUITY			
Share capital		13,712,000	13,712,000
Legal reserve		2,811,996	2,811,996
Share premium reserve		31,545,661	31,545,661
Other reserves		74,872,822	76,006,965
Profit (loss) for the year		13,609,456	11,706,411
Total equity	*18*	136,551,935	135,783,033
Total liabilities and equity		298,527,712	291,272,319

Statement of Comprehensive Income

(In thousands of EUR)	Notes	2023	2022
Revenue	*19*	703,285,323	727,095,252
Cost of contract work and outsourcing	*21 a*	(622,859,986)	(648,081,722)
First contribution margin		80,425,337	79,013,530
Other income	*20*	14,737,152	14,483,983
Personnel expense	*21 b*	(36,871,910)	(35,375,447)
Cost of raw materials and consumables	*22*	(188,863)	(176,158)
Costs for services	*23*	(35,878,386)	(35,027,072)
Amortisation, depreciation and impairment losses	*3, 4*	(5,847,939)	(8,881,522)
Impairment loss on trade receivables and other assets	*25*	(1,950,000)	(1,585,000)
Other operating expenses	*24*	(1,772,672)	(734,672)
Operating profit		12,652,719	11,717,642
Financial income	*26*	7,499,756	4,944,673
Financial expense	*26*	(2,312,572)	(627,894)
Profit (loss) before taxes		17,839,903	16,034,421
Income taxes	*27*	(4,230,447)	(4,328,010)
Profit (loss) for the year		13,609,456	11,706,411
Other comprehensive income (expense)			
Items that are or may subsequently be reclassified to profit or loss:			
Fair value gain (loss) on cash flow hedges		-	13,687
Items that will not be reclassified to profit/loss:			
Actuarial gain (loss) on defined benefit plans		(14,850)	86,602
Total other comprehensive income (expense) for the year		(14,850)	100,289
Total comprehensive income (expense) for the year		13,594,606	11,806,700

Statement of Changes in Equity

(In thousands of EUR)	Share capital	Legal reserve	Share premium reserve	Hedging reserve and actuarial reserve	Treasury shares reserve	Other reserves	Profit (loss) for the year	Total Equity
Balances as at 01/01/2021	13,712	2,812	31,546	(127)	(5,645)	53,543	24,536	120,376
Fair value gain (loss) on cash flow hedges				19				19
Actuarial gain (loss) on defined benefit plans				(13)				(13)
Profit (loss) for the year							10,541	10,541
Total comprehensive income (expense)	-	-	-	6	-	-	10,541	10,547
Allocation of profit (loss) for the year						24,536	(24,536)	-
Dividend distribution						(1,433)		(1,433)
Fair value share-based plans						277		277
Repurchase of treasury shares					(1,721)			(1,721)
Acquisition of subsidiaries					4,349	468		4,817
Balances as at 31/12/2021	13,712	2,812	31,546	(121)	(3,017)	77,391	10,541	132,863
Fair value gain (loss) on cash flow hedges				14				14
Actuarial gain (loss) on defined benefit plans				87				87
Profit (loss) for the year							11,706	11,706
Total comprehensive income (expense)	-	-	-	101	-	-	11,706	11,807
Allocation of profit (loss) for the year						10,541	(10,541)	-
Fair value share-based plans					495	(289)		206
Dividend distribution						(4,140)		(4,140)
Repurchase of treasury shares					(3,839)			(3,839)
Effects of merger						(1,114)		(1,114)
Balances as at 31/12/2022	13,712	2,812	31,546	(20)	(6,361)	82,389	11,706	135,783
Actuarial gain (loss) on defined benefit plans				(15)				(15)
Profit (loss) for the year							13,609	13,609
Total comprehensive income (expense)	-	-	-	(15)	-	-	13,609	13,594
Allocation of profit (loss) for the year						11,706	(11,706)	-
Fair value share-based plans					-	372		372
Dividend distribution						(6,513)		(6,513)
Cancellation of treasury shares					3,181	(3,181)		-
Repurchase of treasury shares					(6,670)			(6,670)
Other adjustments				(12)		(2)		(14)
Balances as at 31.12.2023	13,712	2,812	31,546	(47)	(9,850)	84,771	13,609	136,552

Statement of Cash Flows

(In thousands of EUR)	Notes	2023	2022
Cash flows from operating activities			
Profit (loss) for the year		13,609,456	11,706,411
Adjustments for:			
Depreciation of the right of use of leased assets	3b	4,214,433	4,178,035
Depreciation of property, plant and equipment	3a	737,606	649,131
Amortisation of intangible assets	4	707,733	781,902
Capital losses/(gains) on sales of property, plant and equipment		17,097	(30,222)
Impairment of equity investments in subsidiaries	5	188,167	3,272,453
Impairment loss on trade receivables	25, 29	1,950,000	1,585,000
Current and deferred taxes	27	4,230,447	4,328,011
Net financial expense	26	(5,187,183)	(4,316,780)
Cash flows before changes in working capital and provisions		20,467,756	22,153,941
Change in trade receivables and other assets gross of impairment loss	9, 10, 25	(4,618,754)	12,602,989
Change in trade payables and other liabilities	14, 15	(429,132)	(3,084,704)
Change in employee benefits	13	(6,019,649)	(1,592,675)
Change in current and deferred tax assets and liabilities net of paid taxes for the year and current and deferred taxes for the year	7, 11, 16, 27	1,989,549	1,435,734
Change in provisions	17	694,962	(947,483)
Paid income taxes		(7,931,539)	(4,507,417)
Cash flows generated/(absorbed) by operating activities (a)		4,153,193	26,060,385
Purchase of property, plant and equipment	3a	(1,015,871)	(762,451)
Proceeds from sales of property, plant and equipment		128,337	33,303
Other net increases in intangible assets	4	(514,500)	(300,000)
Acquisition of non-controlling interests in a subsidiary		(2,909)	-
Change in other financial assets	6	430,468	(3,065,581)
Cash flows generated/(absorbed) by investing activities (b)		(974,475)	(4,094,729)
Lease payments	12	(4,485,317)	(4,331,043)
Interest paid		(548,712)	(296,663)
Interest and dividends received	26	7,456,569	4,910,963
New loan disbursement	12	19,500,000	-
Repayment of loan instalments	12	(9,784,000)	(7,858,000)
Dividend distribution		(6,513,221)	(4,140,245)
Repurchase of treasury shares	18	(6,670,323)	(3,839,188)
Capital payment	5	(950,000)	(1,000,000)
Change in current bank loans and borrowings and repayments of other loans		3,825,468	(12,200,677)
Cash flows generated/(absorbed) by financing activities (c)		1,830,464	(28,754,853)
Cash flows for the period (a) + (b) + (c)		5,009,182	(6,789,197)
Net cash and cash equivalents as at 1 January	8	1,910,519	5,095,210
Net cash and cash equivalents as at 1 January from merger (*)		-	3,604,506
Net cash and cash equivalents as at 31 December	8	6,919,700	1,910,519

(*) the amount represents the value of cash and cash equivalents of the subsidiary Quanta S.p.A. merged by incorporation into Openjobmetis S.p.A. on 1 January 2022.

Notes to the Separate Financial Statements

General information

Openjobmetis S.p.A. (hereinafter also the "Company") is based in Italy, Via Assietta 19, Milan (Italy).
The Company operates in the staffing industry i.e. the professional supply of permanent or fixed-term labour, pursuant to article 20 of Legislative Decree no. 276/2003 as amended and supplemented, pursuant to Article 4.1.a) thereof.
As from 3 December 2015, the Company Openjobmetis S.p.A. is listed on Euronext Milan, in the STAR segment, organised and managed by Borsa Italiana S.p.A.
At the present date, the Company is not a subsidiary in accordance with Article 93 of the Consolidated Law on Finance (TUF).

Accounting standards and basis of presentation adopted in preparing the financial statements

1. Accounting standards and statement of compliance

These separate financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and interpretations thereof in force as at 31 December 2022, as well as measures issued in implementation of article 9 of Legislative Decree no. 38/05. The rules of national legislation implementing directive 2013/34 EU also apply, insofar as they are compatible, to companies that prepare IFRS financial statements. Therefore, the financial statements incorporate what is laid out in the articles of the Italian Civil Code and the corresponding rules of the T.U.F. for listed companies on the matter of the directors' report, auditing and the publication of financial statements. The separate financial statements and the relative notes also provide the details and supplementary information required by other rules and provisions of Consob on financial statements. The separate financial statements contain the statement of financial position, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the relevant notes.
In preparing these separate financial statements, the following formats, selected from the various options allowed by IAS 1, were used:

- the statement of financial position was prepared by classifying the values according to the format of current/non-current assets/liabilities;
- the statement of comprehensive income was prepared by classifying the items by nature;
- the statement of cash flows was prepared using the indirect method.

The purpose of the notes is to illustrate the preparation criteria adopted and to provide the information required by IAS/IFRS and not contained in other parts of the financial statements, as well as any additional information that is not shown in the financial statements but is necessary for a reliable representation of the Company's activities.
The separate financial statements were prepared on the basis of the accounting records as at 31 December 2023 on a going concern basis and are accompanied by the directors' report.

The Company's separate financial statements for the year ended as at 31 December 2023 were approved by the Board of Directors of the Company at the meeting held on 13 March 2024, when the sharing of the results through a press release dated 13 March 2024 containing the main elements of the financial statements was authorised. The Board of Directors of Openjobmetis S.p.A. has the authority to amend the separate financial statements until the date of the Shareholders' Meeting called to approve the Company's financial statements. The Shareholders' Meeting has the authority to request changes to these separate financial statements.

The separate financial statements are prepared with amounts rounded to the nearest euro, the Company's functional currency. Moreover, for the purpose of transparency, the mandatory items pursuant to IAS 1 with zero balances were omitted in the schedules and tables, in both periods presented for comparison.

In compliance with Consob resolution no. 15519 of 27 July 2006 and Consob Communication no. DEM/6064293 of 28 July 2006, Note 35 indicates separately the events or transactions whose occurrence is non-recurring or those transactions or events which do not occur frequently in the ordinary course of business. Also in application of the same Consob references, any incidences of non-recurring significant events and transactions are reported in Note 35, while in Note 31 the relative incidences regarding positions and transactions with related parties are indicated separately.

The most important accounting policies and standards used by the Company to prepare the separate financial statements are described below.

2. Material accounting policies

(a) General, adoption of new accounting standards, amendments and interpretations issued by the IASB

New accounting standards adopted by the Company from 1 January 2023

These consolidated financial statements have been prepared using the same accounting standards applied by the Company in the last annual financial statements. Starting from 1 January 2023, the Company adopted the "Amendments to IAS 1 and IFRS Practice Statement 2"; in consideration of these additions, disclosure was made of "material" accounting policies, instead of "significant" accounting policies. There are no other new standards or amendments that became effective from 1 January 2023 that have a material impact on the separate financial statements.

Use of estimates and valuations

While preparing the separate financial statements, company management had to formulate valuations, estimates and assumptions that affect the application of the accounting policies and the amounts of assets, liabilities, costs and revenue recognised in the financial statements; however, it should be underlined that, since these are estimates, the results achieved will not necessarily be the same as the amounts shown in the financial statements.

These estimates and assumptions are regularly revised; any changes resulting from the revision of accounting estimates are recognised in the year in which the revision is carried out and in future years.

The main subjective assessments made by Group management in applying the accounting standards and the main sources of uncertainty in estimates were the same as those applied for the preparation of the financial statements for the year ended 31 December 2022.

In particular, information on the areas of greater uncertainty in the formulation of estimates and valuations during the process of application of IFRS that have a significant effect on the amounts recognised in the financial statements together with aspects of particular significance are provided below:

- *Impairment testing on goodwill*

Goodwill is subject to impairment tests at least annually or more often if there are indicators of an impairment loss.

Impairment testing is carried out using the discounted cash flow method: this method is highly sensitive to the assumptions contained in the estimate of future cash flows, with reference to changes in revenue, margins and collection terms from customers, and of interest rates used.

For this assessment, the Company uses plans approved by the administrative body and financial parameters in line with those resulting from the current performance of the reference markets.

Details regarding the procedures for preparing the goodwill impairment test are provided in Note 4.

- *Valuation of equity investments*

Similar assessments, with respect to that indicated above for goodwill, in the presence of indicators of impairment losses are also carried out with reference to the equity investments in subsidiaries.

- *Measurement of receivables*

The Group accrues a provision for impairment that reflects the estimate of impairment losses on trade receivables, the main components of which are the individual impairment of significant exposures or those subject to disputes and collective impairment of homogeneous groups of trade receivables against losses that have not yet been identified. Collective impairment is determined on the basis of historical losses, adjusted if necessary by scale factors reflecting the differences between the economic conditions of the period during which the historical data was collected and the Company's point of view about the economic conditions over the entire expected life of the receivables. Therefore, the loss allowance is calculated based on estimates of impairment losses that the Company expects to incur and takes into account multiple elements, including:

- the age of the trade receivable;
- the customer's solvency;
- historical figures, possibly adjusted by scalar factors to reflect the expected market conditions over the trade receivables' life.

When there is certainty that it will not be possible to recover the amount due, the amount considered irrecoverable is written off directly from the related financial asset.

The above requires the management to make significant estimates with regard to general economic conditions and any possible negative trends in the credit markets that could negatively impact on customer relations.

- *Provisions*

The Company is a party to certain proceedings, arising from the conduct of business and from events of a civil and tax nature involving the companies.

In addition, in view of the sector in which it operates, it is exposed to the risk of being involved in legal and/or arbitration proceedings of a labour law nature, both with reference to contract workers and to the organisational structure of the Company and in relation to contracts with independent collaborators.

In the event that it is considered probable that as a result of the dispute a disbursement of resources - the amount of which can be reliably estimated - will be required, this amount, discounted to take account of the time horizon along which the disbursement will take place, is included in the provisions for risks. Disputes for which the occurrence of a liability is considered only possible but not probable are disclosed in the relevant section on commitments and risks and, as a result, no allocations are made with respect thereto.

Assessing the development of such disputes can be complicated and requires the management to make significant estimates.

- *Leases*

The Company estimated the lease term of certain contracts in which it acts as a lessee and that provide for renewal options. The Company's assessment of whether or not there is a reasonable certainty of exercising the option affects the estimate of the lease term, significantly impacting the amount of lease liabilities and right-of-use assets recognised.

(b) Equity investments in subsidiaries

The amount of equity investments in the separate financial statements is determined on the basis of the purchase or subscription price, including directly attributable incidental expenses, net of impairment losses.

(c) Cash and cash equivalents

Cash and cash equivalents include cash balances and sight deposits and are recognised at their nominal amount, which corresponds to their fair value.

(d) Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments include investments in equities and debt instruments, trade receivables and other assets, financial liabilities, trade payables and other liabilities.

Trade receivables and debt securities issued are recognised when they arise. All other financial assets and financial liabilities are initially recognised at the trade date, i.e. when the Company becomes a contractual party to the financial instrument.

Except for trade receivables that do not contain a significant financing component, financial assets are initially measured at fair value plus or minus, in the case of financial assets or financial liabilities not measured at FVTPL, the transaction costs directly attributable to the acquisition or issue of the financial asset. At the time of initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price.

At the time of initial recognition, a financial asset is classified according to its assessment: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, unless the Company changes its business model for the management of financial assets. In this case, all financial assets concerned are reclassified on the first day of the first year following the change in business model. A financial asset shall be measured at the amortised cost if both of the following conditions are met and it is not designated at FVTPL: the financial asset is held within the framework of a business model whose objective is achieved either through the collection of the contractual cash flows or through the sale of the financial assets, and the contractual terms of the financial assets involve, at certain dates, cash flows exclusively represented by payments of capital and interest on the amount of capital to be returned.

At the time of initial recognition of an equity instrument not held for trading purposes, the Company may make the irrevocable decision to present subsequent changes in fair value in other comprehensive income (expense). This decision is made for each asset.

All financial assets not classified as measured at amortised cost or FVOCI, as indicated above, are measured at FVTPL.

At the time of initial recognition, the Company may irrevocably designate the financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting asymmetry that otherwise would result from the measurement of the financial asset at amortised cost or FVOCI.

For the purposes of assessment, the "capital" is the fair value of the financial asset at the time of initial recognition, while the "interest" constitutes consideration for the time value of money, for the credit risk associated with the amount of capital to be returned during a given period of time and for other risks and base costs linked to the loan (for example, liquidity risk and administrative costs), as well as the profit margin.

In assessing whether the contractual cash flows are represented exclusively by payments of principal and interest, the Company considers the contractual terms of the instrument. Therefore, it assesses, among other things, whether the financial asset contains a contractual clause that changes the timing or the amount of the contractual cash flows so as to not meet the following condition. For the purposes of the assessment, the Company considers: contingent events which would alter the timing or amount of the cash flows; clauses which may adjust the contractual interest rate of the coupon, including variable rate components; prepayment and extension components; and clauses which limit requests of cash flows by the Company from specific assets (for example, non-recourse components).

The financial assets of the Company, relating to trade receivables and other assets, are classified as measured at amortised cost. These financial assets are then recognised as described above, and subsequently measured at amortised cost in accordance with the effective interest method. Impairment losses are deducted from the amortised cost. Interest income, exchange rate gains and losses and impairment losses are recognised in profit or loss for the year as well as any gains or losses on derecognition.

Before 1 January 2018, these financial assets were measured at amortised cost using the effective interest method, less impairment losses.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified at FVTPL when it is held for trading, represents a derivative or is designated as such upon initial recognition. Financial liabilities at FVTPL are measured at fair value and any changes, including interest expense, are recognised in the profit or loss for the year. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and exchange rate gains and losses are recognised in profit or loss for the year, as well as any gains or losses deriving from derecognition. The Company's financial liabilities are classified as measured at amortised cost.

Financial assets are derecognised when the contractual rights to the cash flows arising therefrom expire, when the contractual rights to receive the cash flows within the scope of a transaction in which substantially all the risks and rewards incidental to the ownership of the financial asset are transferred or when the Company neither transfers nor retains substantially all the risks and rewards incidental to the ownership of the financial asset and does not maintain control of the financial asset.

The Company proceeds to derecognise a financial liability when the obligation specified in the contract has been fulfilled or cancelled or has expired. The Company also derecognises a financial liability when the associated contractual terms are changed and the cash flows of the modified liability are substantially different. In this case, a new financial liability is recognised at fair value on the basis of the modified contractual terms. The difference between the accounting value of the extinguished financial liability and the consideration paid (including assets not represented by cash transferred or liabilities assumed) is recognised in the profit or loss for the year.

Financial assets and liabilities may be offset and the amount resulting from offsetting is presented in the statement of financial position if, and only if, the Company currently has the legal right to offset such amounts and intends to adjust the balance on net bases or recover the asset and adjust the liability simultaneously.

Trade receivables and other assets

Trade receivables and other assets are identified as financial assets measured at amortised cost, and are initially recognised at the transaction price for trade receivables and at fair value for other assets, which generally corresponds to their nominal amount, and subsequently measured at amortised cost net of any impairment losses identified. The impairment test of receivables is based on the present value of expected cash flows.

Loss allowances for trade receivables are always measured at an amount equal to the expected losses along the life of the receivable; the Company takes into consideration reasonable and supportable information that is relevant and available. This includes quantitative and qualitative information and analyses, based on the historical experience of the Company, on credit assessment as well as forward-looking information.

Loans and borrowings

Payments on account and loans and borrowings are initially recognised at the fair value of the amount received, net of directly attributable additional charges. Subsequently, they are measured at amortised cost using the effective interest rate method. They are classified as current liabilities or non-current liabilities according to their settlement date.

Trade payables and other liabilities

Trade payables and other liabilities, the due date of which falls within normal current commercial terms, are initially recognised at fair value and subsequently recorded at amortised cost.

Derivative financial instruments

The Company uses financial derivatives to hedge its exposure to risks of changes in interest rates. Derivatives are initially recognised at fair value; attributable transaction costs are recognised in profit or loss when incurred. After initial recognition, derivatives are measured at fair value. Their changes are accounted for as described below. At the initial designation of the hedge, the Company documents the relationship between the hedging instruments and the hedged item, including risk management objectives, strategy for undertaking the hedge, along with the methods that will be used to assess the effectiveness of the hedging instrument. Both at the beginning of the hedge and during its period of validity, the Company assesses whether the hedge is expected to be highly effective in offsetting the changes in fair value or cash flows attributable to their hedged items during the period for which the hedge is designated and if the actual results of each hedging range from 80% to 125%. In cash flow hedging transactions of a forecast transaction, the transaction must have a high probability of occurring and must present an exposure to changes in cash flows that could have an effect on the profit or loss for the year.

Changes in the fair value of the derivative designated as a cash flow hedge are recognised directly in equity to the extent that the hedge is effective. For the ineffective portion, changes in fair value are recognised in profit or loss.

Hedge accounting, as indicated above, is discontinued prospectively if the instrument designated as a hedge no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised. The accumulated gain or loss is kept in equity until the envisaged transaction occurs. When the hedged item is a non-financial asset, the amount recognised in equity is transferred to the carrying amount at the time at which it is recognised. In other cases, the amount recognised in equity is transferred to profit or loss in the same year in which the hedged item affects profit or loss.

(e) Share capital - purchase and reissue of ordinary shares (treasury shares)

In the event of the repurchase of shares recognised in equity, the consideration paid, including any costs directly attributable to the transaction are recognised as a decrease in equity. Repurchased shares are classified as treasury shares and recorded in the reserve for treasury shares. The consideration received from the subsequent sale or reissue of treasury shares is recorded as an increase in equity. Any increase or decrease resulting from the transaction is recorded in the share premium reserve.

(f) Property, plant and equipment

An item of property, plant and equipment is measured at cost less accumulated depreciation and impairment losses.

The historical cost includes any costs directly attributable to the acquisition of the asset.

If significant components have different useful lives, these components are recorded separately.

The cost of an asset produced on a time and materials basis includes the cost of materials used and of direct labour as well as other directly attributable costs for taking the asset to the location and under the conditions required for working as intended by company management. Costs incurred after initial recognition of an item of property, plant and equipment are added to the carrying amount of the asset to which they refer if it is probable that the related future benefits will flow to the Company if the cost of the item can be reliably measured. Ordinary maintenance costs of property, plant and equipment are recognised in profit or loss during the year in which they are incurred.

The gains and losses generated by the sale of any property, plant or equipment are determined as the difference between the net proceeds on the sale and the carrying amount of the asset, and are recognised in profit or loss at the time of the disposal.

Depreciation is charged to profit or loss on a straight-line basis over the expected useful life of each item of property, plant and equipment estimated by the Company, which is reviewed every year and changes, where necessary, are applied prospectively.

The estimated useful lives in the years under review are as follows:

Assets	Depreciation
Property	33.3 years
Telephone systems	4 years
Electric installations	6.6 years
Furniture and fixtures	8.3 years
Electronic office machines	5 years
Signs	6.6 years
Sundry equipment	6.6 years
Motor vehicles	4 years
Alarm systems	3.3 years

Leasehold improvements are depreciated over the shorter between the useful life and the term of the contract to which they refer.

(g) Leased assets

At the inception of the lease, the Company recognises the right-of-use asset and the lease liability. The right-of-use asset is initially measured at cost, including the amount of the initial measurement of the lease liability, adjusted by the payments due for the lease made at or before the start date, increased by the initial direct costs incurred and an estimate of the costs that the lessee will have to incur to dismantle and remove of the underlying asset or to restore the underlying asset or site where it is located, net of lease incentives received.

The right-of-use asset is subsequently depreciated on a straight-line basis from the start date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company at the end of the lease term or, considering the cost, for the right of use, it is expected that the company will exercise the purchase option. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, determined on the same basis as that of property and equipment. In addition, the right-of-use asset is regularly reduced by any impairment losses and adjusted to reflect any changes resulting from subsequent valuations of the lease liability.

The Company measures the lease liability at the present value of the lease payments not paid at the inception date, discounting them using the interest rate implicit in the lease. Where it is not possible to determine this rate easily, the Company uses the incremental borrowing rate. Generally, the Company uses the incremental borrowing rate as the discount rate.

The marginal borrowing rate of the Company is calculated on the basis of the interest rates obtained from various external sources of financing by making some adjustments that reflect the conditions of the lease and the type of leased asset.

The lease liability is measured at amortised cost using the effective interest method and remeasured in the event of a change in future lease payments resulting from a change in an index or a rate, in the event of a change in the amount expected by the Company to be payable under residual value guarantees or when the Company changes its assessment with reference to whether it will exercise a purchase, extension or termination option, or in the event of a revision of in-substance fixed lease payments.

When the lease liability is remeasured, the lessee makes a corresponding change to the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero, the lessee recognises the change in the profit or loss for the year.

The Company recognised new assets and liabilities mainly for its leases on properties used at the headquarters and from which the branches operate, and for leases on company cars. In general, real estate leases have a term of six years and contain an option to renew for a further six years exercisable at the end of the binding period, while car leases have a term of three or four years and do not contain an option to renew. Real estate leases allow the Company to withdraw from the contract with six months' notice.

The Company decided not to recognise right-of-use assets and lease liabilities relating to low-value assets and short-term leases. The Company recognises the related lease payments as an expense on a straight-line basis over the lease term.

(h) Intangible assets and goodwill

(h.1) Goodwill

Goodwill is recognised at cost, net of accumulated impairment losses, calculated as indicated below.

Goodwill is tested for impairment based on expected future cash flows on an annual basis or more frequently if events or changes in circumstances that may give rise to any impairment losses occur. The impairment loss is not reversed if the reasons that generated it no longer exist. Please see section (i) Impairment losses below.

(h.2) Customer relations

The value of customer relations was recorded based on the fair value identified on 30 June 2007, the business combination date between "Wm S.r.l." and the former "Openjob S.p.A.". The historical cost increased due to the acquisition of the business unit of "J.O.B. S.p.A." in 2009, the business combination with "Metis S.p.A" in 2011, the acquisition of the "Noi per Voi S.r.l" customer database on 1 July 2016 and, finally, following the acquisition of the "Quanta" Group in 2021.
The value of customer relations was amortised based on the economic useful life estimated by the appraisals prepared by independent experts: 7.5 years for the business combination between "Wm S.r.l." and the former "Openjob S.p.A." and the acquisition of the business unit "J.O.B. S.p.A.", 4.5 years for the business combination with Metis S.p.A., 4.5 years for the acquisition of the "Noi per Voi S.r.l." Customer Database, and finally 8 years for the acquisition of "Quanta".

(h.3) Other intangible assets

Other intangible assets acquired by the Company, which have a finite useful life, are stated at cost, less accumulated amortisation and accumulated impairment losses and mainly include the value of the non-compete agreement reached with the outgoing shareholder of Quanta S.p.A., which was acquired in 2021.

(i) Impairment losses

(i.1) Financial assets

A financial asset is impaired if there is any objective evidence that one or more events have had a negative effect on the expected estimated cash flows of that asset.
An impairment loss on a financial asset measured at amortised cost is the difference between the carrying amount and the present value of the estimated cash flows, discounted at the original effective interest rate.
Individually significant financial assets are tested separately to determine whether they have been impaired. The other financial assets are tested collectively for groups with similar credit risk characteristics.
All expected impairment losses are recognised in profit or loss.
Expected impairment losses are reversed if the subsequent increase in value can be objectively related to an event that occurred after the impairment. The reversal is recognised in profit or loss.

(i.1.1) Trade receivables

The Company allocates a loss allowance that reflects the estimate of impairment losses on trade receivables, whose main components are the individual impairment losses of significant exposures or those subject to disputes and the collective impairment loss of homogeneous groups by nature and maturity of receivables against losses that have not yet been identified. Collective impairment is determined on the basis of historical losses, adjusted if necessary by scale factors reflecting the differences between the economic conditions of the period during which the historical data was collected and the Company's point of view about the economic conditions over the entire expected life of the receivables. Therefore, the loss allowance is calculated based on estimates of impairment losses that the Company expects to incur and takes into account multiple elements, including:

- the age of the trade receivable;
- the customer's solvency;
- historical figures, possibly adjusted by scalar factors to reflect the expected market conditions over the trade receivables' life.

When there is certainty that it will not be possible to recover the amount due, the amount considered irrecoverable is written off directly from the related financial asset.
The allowance for impairment of financial assets measured at amortised cost is deducted from the gross carrying amount of the assets.

(i.2) Non-financial assets

At the end of each reporting period, the Company tests the carrying amounts of its financial assets for impairment. If this test shows that the assets have actually been impaired, the Company estimates their recoverable amount. The recoverable amount of goodwill and of the intangible assets that are not yet available for use is estimated at each reporting date.
When the carrying amount of an asset or of a cash generating unit exceeds its recoverable amount, the Company recognises the related impairment loss. A cash generating unit is the smallest identifiable group of assets that generates cash inflows largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognised in profit or loss. Impairment losses of cash generating units are charged first of all as a reduction of the carrying amount of the goodwill assigned to the cash generating unit and, secondly, as a reduction of the other assets of the unit (group of units) proportionally to the carrying amount.
The recoverable amount of an asset or of a cash generating unit is the higher of its value in use and its fair value less costs to sell. To determine the value in use, the Company uses the estimated expected cash flow discounting method. The cash flows are discounted by using a discount rate that reflects the current market evaluations of the time value of money and of the asset's specific risks (WACC - weighted average cost of capital). Expected cash flows are inferred from plans approved by the competent Board of Directors.
Impairment losses of goodwill cannot be reversed. In the case of other assets, at each reporting date, impairment losses recognised in previous years are measured in order to recognise the existence of any indication suggesting the possible reduction or non-existence of the loss. The impairment of an asset is reversed when a change occurs in the valuations used for calculating the recoverable amount. The carrying amount resulting from the reversal of the impairment loss must not exceed the carrying amount that would have been determined (net of amortisation) if the impairment loss on the asset had never been recorded.

(j) Taxes

Taxes for the year include current taxes and deferred taxes. Income taxes are recognised in profit or loss, except those related to transactions recognised directly in equity that are accounted for in it.
Current taxes represent the estimate of the amount of the income taxes due, calculated on the taxable profit for the year, determined by applying the tax rates in force or essentially in force at the end of the reporting period and any adjustment to the amount related to the previous years.
Deferred taxes are allocated in compliance with the equity method, calculating the temporary differences between the carrying amounts of assets and liabilities recorded in the separate financial statements and the corresponding values recognised for tax purposes. Deferred taxes are not allocated for the following temporary differences: initial recognition of goodwill, initial recognition of assets or liabilities in a transaction other than a business combination that does not affect the accounting profit or the taxable profit, as well as in the case of differences relating to investments in subsidiaries and companies subject to joint control for which it is possible to control the cancellation time and it is likely that in the foreseeable future the temporary difference will not be reversed. Deferred tax assets and liabilities are measured using the tax rates that are expected to be applicable

in the year in which the asset or the liability to which they refer will be realised or discharged, respectively, on the basis of tax rates established by the measures in force or essentially in force at the reporting date.
Deferred tax assets are recognised to the extent that a future taxable profit against which these assets can be used may be available. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be achieved.
Additional income taxes resulting from the distribution of dividends are accounted for when the liability for the dividend payment is recognised. There are no reserves that will be taxed when distributed.

(k) Provisions

The Company recognises a provision when it has assumed a (legal or constructive) obligation, as a result of a past event and the amount can be estimated, and it is also likely that the utilisation of resources that can produce economic benefits will be necessary to fulfil the obligation. The amount of the provision is represented by the present value of expected estimated cash flows discounted at a pre-tax rate that reflects current market evaluations of the present value of money and the risks specific to the liability.
The Company recognises a provision for restructuring when the detailed and formal programme for restructuring has been approved and the restructuring has either started or publicly announced. No provisions have been set aside for future operating costs.

(l) Employee benefits

Defined contribution plans

Contributions to defined contribution plans are recognised as a cost in the income statement in the year in which they are incurred. Contributions paid in advance are recognised under Assets to the extent that the advance payment will result in a reduction of future payments or a refund.

Defined benefit plans

The Company's net liability arising from defined benefit plans is calculated separately for each plan by estimating the amount of the future benefit that the employees have accrued in exchange for their services carried out in the current year and in prior years; this benefit is discounted and the fair value of plan assets are deducted from the liabilities.
The calculation is carried out by a third-party advisor using the projected unit credit method. If the calculation generates a benefit for the Company, the amount of the asset recognised is limited to the present value of the economic benefits available in the form of repayments from the plan or of reductions in future contributions of the plan. In order to determine the present value of financial benefits, minimum funding requirements that apply to any plan of the Company are considered.
Actuarial gains and losses, returns on plan assets (excluding interest) and the effect of the ceiling of the asset (excluding any interest) that arise as a result of revaluations of the net liability for defined benefit plans are immediately recognised in other comprehensive income (expense). Net interest for the year on the liability/(asset) for defined benefits are calculated by applying the discount rate used for discounting the defined-benefit obligation to the liability/(asset), calculated at the beginning of the year, considering any changes in the liability/(asset) for defined benefits occurred during the year following the payment of contributions and benefits.
Net interest and other costs relating to defined benefit plans are recognised in the profit or loss for the year.

When changes are made to the benefits of a plan or when the plan is curtailed, the portion of the economic benefit related to past services or the gain or loss deriving from the curtailment of the plan are recognised in profit or loss for the year when the adjustment or the reduction occurs.

The post-employment benefits due to the employees pursuant to Article 2120 of the Italian Civil Code fall within defined benefit pension plans, plans based on the working life of employees and on the remuneration received by the employee during a previously established service period.

In particular, the liability for post-employment benefits is recorded in the separate financial statements based on its actuarial value, as it qualifies as an employee benefit payable under a defined benefit plan. Recognition in the separate financial statements of the defined benefit plans requires estimating with actuarial techniques the amount of employee benefits accrued in exchange for the work carried out in the current and prior years and discounting these benefits in order to determine the present value of the Company's commitments.

Italian law no. 296 of 27 December 2006 (2007 Finance Act) introduced new rules for post-employment benefits accruing from 1 January 2007.

Following the supplementary pension reform:

- the portions of post-employment benefits accrued up until 31 December 2006 remain at the company;
- the portions of post-employment benefits accruing since 1 January 2007 must, at the employee's option, according to explicit or tacit acceptance:

a) be allocated to supplementary pension plans;

b) be held by the company, which will transfer the portions of post-employment benefits to the treasury fund managed by INPS (the Italian Social Security Institution).

In both cases, the portions of post-employment benefits accrued after 1 January 2007 (or on the date the choice is made in the case of allocation to supplementary pension plans) are considered as a defined contribution plan. The 2007 Finance Act did not involve any amendment in the accrued post-employment benefits as at 31 December 2006, which therefore fall within the defined benefit pension plans. Moreover, as a result of the new regulations introduced by the 2007 Finance Act, the post-employment benefits "accrued" before 1 January 2007 (or on the date the choice is made in the case of allocation to supplementary pension plans) undergo a significant change in calculation since the actuarial assumptions previously linked to salary increases no longer exist. More specifically, the liability related to the "accrued post-employment benefits" is measured using actuarial techniques as at 1 January 2007 (or on the date the choice is made in the case of allocation to supplementary pension plans) without applying the pro-rata (years of service already worked/total years of service), in that the employee benefits up until 31 December 2006 (or on the date the choice is made in the case of allocation to supplementary pension plans) can be considered almost entirely accrued (with the sole exception of revaluation). It follows that, for the purposes of this calculation, "current service costs" related to future employee work must be considered null and void in that they are represented by payments of contributions to supplementary pension funds or to the INPS treasury fund.

Current benefits

Current employee benefits are recognised as a cost on an undiscounted basis when the service giving rise to such benefits is supplied.

The Company recognises a liability for the amount expected to be paid in the form of profit sharing and incentive schemes when it has an actual, legal or constructive obligation to make such payments as a result of past events and the obligation can be reliably estimated.

Non-current employee benefits

The Company's net liability as a result of non-current employee benefits corresponds to the amount of the future benefit that the employees have earned for work done in the current year and in previous years. This benefit is discounted. Revaluations are recognised in profit or loss for the year when they arise.

Termination benefits

Termination benefits are recognised as an expense when the Company has committed without possibility of withdrawal to provide such benefits, or when the Company recognises restructuring costs, whichever is earlier. Benefits that are entirely payable more than twelve months after the end of the financial year are discounted.

Share-Based Payments

The fair value of the amount due to employees with regard to the share revaluation rights, settled in cash, is recognised as a cost with a corresponding increase in liabilities over the period during which employees become entitled to the unconditional right to receive the payment. The liability is measured at the end of each reporting period and at the settlement date on the basis of the fair value of the rights of share revaluation. Any changes in the fair value of the liability are recognised in profit or loss as personnel costs.

The fair value of the amount payable to employees with regard to the share revaluation rights, settled in shares, is recognised as a cost with a corresponding increase in equity over the period during which employees become entitled to the unconditional right to receive the shares. Any changes in fair value after the date of assignment do not affect the initial valuation. At the end of each financial year, the estimate of the number of rights that will accrue at maturity ("non-market based" component) is updated.

(m) Revenue

The Company operates primarily in the provision of services relating to the supply of contract workers, so a single performance obligation can be identified and it is deemed that the customer simultaneously receives and consumes the benefits of the services provided by the Company. The measurement of the degree of progress in fulfilling the contract obligation is related to the physical presence of the worker at the customer's premises and the service provided is invoiced on a monthly basis. In the determination of the contract consideration, there are no significant variable amounts, significant advance or deferred payment conditions with respect to sector practices or amounts paid to customers that are not considered a reduction of the contract consideration.

(n) Contributions

Capital contributions and grants related to income are recognised when there is a reasonable certainty that the Company will meet the conditions for obtaining the grants and that the grants will be received. Capital contributions are recorded in the statement of financial position as deferred revenue under "Other liabilities" and systematically recognised in profit or loss against depreciation of the assets for which the grant was received. Grants related to income are recognised in profit or loss under the item "Other income".

(o) Financial income and expense

Financial income includes interest income on invested cash, dividends, income from the sale of available-for-sale financial assets, changes in fair value of financial assets measured through profit or loss, exchange rate gains and gains on hedging instruments through profit or loss. Interest income is recognised in the income statement on an accruals basis using the effective interest method. Dividends are recognised when the Company's right to receive payment is established.

Financial expense includes interest expense on loans and finance leases, exchange rate losses, changes in fair value of financial assets measured at fair value through profit or loss, impairment losses on financial assets and losses on hedging instruments recognised in profit or loss. Costs related to loans and finance leases are recognised in profit or loss using the effective interest method.

(p) New standards published but not yet adopted

The new accounting standards applicable for years beginning after 1 January 2023 and for which early application is permitted are indicated below. The Company has, however, decided not to adopt them in advance for the preparation of these separate financial statements.

The following new standards or amendments to the standards are not expected to have significant effects on the Company's financial statements.

- Classification of liabilities as current or non-current (amendments to IAS 1);
- Non-current liabilities with covenants (amendments to IAS 1);
- Lease liabilities in a sale and leaseback (amendments to IFRS 16);
- Supplier finance arrangements (amendments to IAS 7 and IFRS 7);
- Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28);
- International tax reform - Pillar Two (amendments to IAS 12);
- Insurance contracts (IFRS 17);
- Lack of exchangeability (amendments to IAS 21).

(q) Financial risk management

The Company is exposed to the following risks arising from the use of financial instruments:

- credit risk;
- liquidity risk;
- interest rate risk.

This section provides information on the Company's exposure to each of the above risks, the objectives, policies and processes for managing those risks and the methods used to measure them, as well as the management of the Company's capital.

The Board of Directors of Openjobmetis S.p.A. is responsible for creating and supervising the Company's risk management system.

The purpose of the Company's risk management policies is to identify and analyse the risks to which it is exposed, establish proper limits and control and monitor the risks and the observance of such limits. These policies and related systems are revised regularly in order to reflect any changes in market conditions and the Company's activities. Through training, standards and management procedures, the Company aims to create a regulated and constructive control environment in which its employees are aware of their roles and responsibilities.

(i) Credit risk

The credit risk is the risk that a customer or counterparty to a financial instrument will cause a financial loss by failing to fulfil an obligation, and mainly arises from the Company's trade receivables.

The Company's exposure to credit risk mainly depends on the specific characteristics of each customer. The Company's customer portfolio consists of a large number of customers, and does not show significant levels of concentration vis-à-vis few customers. The main type of customer consists of medium-small sized companies, operating in almost all sectors. There is no strong geographic concentration; part of it is mainly located in the regions of central and northern Italy. Any deterioration in the general economic environment or negative credit market developments could have adverse effects on customer relations, compromising the possibility for the Company to recover its trade receivables and influencing the management of working capital.

It cannot be excluded that any breach of customers' payment obligations, or the mere delay in the execution of such payments, may reduce the liquidity available to the Company, increasing the need for additional sources of funding.

The Company keeps the customer base diversified, and consequently it reduces the risks associated with debt recovery.

Before contract workers are supplied, a proper assessment is carried out requiring individual analysis of the creditworthiness of each new customer before the standard conditions in terms of payment and supply are offered. This analysis also includes external assessments, where available, and, in some cases, bank information. Supply limits, representing the maximum credit line beyond which the direct approval of management is required, are established for each customer.

Overall, the amount due from customers mainly consists of the total expense of the contract worker's remuneration, which in addition to the elements of normal remuneration as per the National Labour Agreement of reference, also includes remuneration accrued but not paid (thirteenth month and fourteenth month pay, holidays plus any other element), the margin and VAT calculated only on the Company's profit margin.

Splitting the macro items that determine the value of the trade receivable offers a different degree of legal protection of the trade receivable. In fact, in case of customer bankruptcy, only the portion of receivable representing the remuneration of the contract worker is secured during repayment.

For the measurement, please see section i) Impairment losses (i.1) Financial assets.

(ii) Liquidity risk

Liquidity risk is the risk that the Company has difficulty in meeting the obligations related to financial liabilities. The Company's approach in the management of liquidity is to ensure, as much as possible, that there are always sufficient funds to fulfil its obligations when due, both in normal conditions and during a financial tension, without having to bear excessive costs or running the risk of damaging its own reputation.

The Company monitors the economic and financial performance of each branch, thus facilitating the monitoring of liquidity requirements and optimising the return on investment. Generally, the Company makes sure that there are cash and cash equivalents to cover expected operating costs for a period of 60 days, including those relating to liabilities represented by "Contract Worker Benefits" and to related contributory liabilities.

Moreover, the Company has had the following credit lines over the years:

Financial year 2023

- EUR 5 million of revolving credit lines, at an average interest rate equal to the 3-month Euribor plus 1.55%, subject to compliance with an economic and financial covenant as described below;
- EUR 108 million of credit lines that can be used against presentation of short-term trade receivables, generally at a variable rate linked to the Euribor.

Financial year 2022

- EUR 5 million of cash revolving credit lines backed by collateral, at an average interest rate equal to the six-month Euribor plus 1.50%, subject to compliance with an economic and financial covenant as described below;

- EUR 100 million of credit lines that can be used against presentation of short-term trade receivables, generally at a variable rate linked to the Euribor.

As described below, the Company is subject to compliance with an economic and financial covenant included in the loan agreement and calculated at the level of the Parent's consolidated financial statements.

Moreover, the Company has the following financial guarantees in place:

(In thousands of EUR)

Beneficiary	Type	2023	2022	Change
A.N.P.A.L.	Authorisation pursuant to Italian Legislative Decree no. 276	36,222	36,627	(405)
Third Parties	Sureties for participating in tenders	610	491	119
Third Parties	Sureties for leases	681	877	(196)
Total		37,513	37,995	(482)

The guarantees given in favour of the A.N.P.A.L. (Italian National Agency for Active Labour Market Policies) refer to the legal requirement to issue appropriate guarantees for the amount due to workers employed on temporary employment contracts.

Sureties for leases refer to guarantees given in favour of various owners of the buildings in which the head office of the Company and some branches are located.

(iii) Interest rate risk

The Company's financial indebtedness has variable interest rates, therefore the Company could be exposed to the risks related to fluctuations in these rates.

It cannot be excluded that any unpredictable fluctuations in interest rates may have adverse effects on the Company's financial position.

(r) Segment reporting

For the purposes of IFRS 8 "Operating Segments", the Company's business has only one operating segment. For a more detailed analysis of the outlook and the operating indicators, please refer to the directors' report.

(s) Acquisition of subsidiaries and non-controlling interests

The original goodwill of EUR 44,572 thousand generated as from 1 July 2007 refers mainly to the skills and technical knowledge of the personnel of Openjob S.p.A. (with particular reference to Openjob S.p.A., In Time S.p.A. and Quandoccorre S.p.A.) acquired in June 2007 by WM S.r.l., which was subsequently the subject of a reverse merger into Openjob S.p.A.

Moreover, during this business combination, the customer relations of Openjob S.p.A. and of the subsidiary Intime S.p.A. amounted to EUR 2,472 thousand and EUR 1,390 thousand, respectively, on the basis of an appraisal drawn up by an independent expert.

Following the acquisition and subsequent merger by incorporation of Metis S.p.A., which took place on 31 December 2011, the difference between the consideration paid and the fair value of the net assets acquired was allocated entirely to goodwill and amounted to EUR 27,164 thousand.

With the acquisition of the subsidiary Quanta S.p.A., which took place in May 2021 and the resulting merger by incorporation from 1 January 2022, the value of the customer relationship acquired was recognised for an amount of EUR 2,815 thousand, determined on the basis of an appraisal drawn up by an independent third-party professional, in addition to goodwill of EUR 23,846 thousand.

3a. Property, plant and equipment

The following tables show the changes occurred in this item.

(In thousands of EUR)	Land and buildings	Plant and equipment	Other items of property, plant and equipment	Other assets	Leasehold improvements	Total
Cost:						
Balances as at 1 January 2023	1,201	1,063	5,720	103	135	8,222
Increases	-	72	944	-	-	1,016
Decreases	-	(92)	(1,947)	-	-	(2,039)
As at 31 December 2023	1,201	1,043	4,717	103	135	7,199
Depreciation and impairment losses:						
Balances as at 1 January 2023	343	864	3,555	103	135	5,000
Increases	36	57	645	-	-	738
Decreases	-	(84)	(1,811)	-	-	(1,895)
As at 31 December 2023	379	837	2,389	103	135	3,843
Carrying amounts:						
As at 1 January 2023	858	199	2,165	-	-	3,222
As at 31 December 2023	822	206	2,328	-	-	3,356

(In thousands of EUR)	Land and buildings	Plant and equipment	Other items of property, plant and equipment	Other assets	Leasehold improvements	Total
Cost:						
Balances as at 1 January 2022	1,201	1,028	4,872	106	179	7,386
Increases from merger	-	18	553	-	-	571
Increases	-	47	713	-	-	760
Decreases	-	(30)	(418)	(3)	(44)	(495)
As at 31 December 2022	1,201	1,063	5,720	103	135	8,222
Depreciation and impairment losses:						
Balances as at 1 January 2022	315	823	3,158	106	179	4,581
Increases from merger	-	9	256	-	-	265
Increases	28	60	559	-	-	648
Decreases	-	(28)	(418)	(3)	(44)	(494)
As at 31 December 2022	343	864	3,555	103	135	5,000
Carrying amounts:						
As at 1 January 2022	886	205	1,714	-	-	2,805
As at 31 December 2022	858	199	2,165	-	-	3,222

Land and buildings

The item includes buildings in the province of Udine, Brescia and Latina.

Plant and equipment

The Company owns some non-current assets mainly related to equipment, plant and furniture at the branches.

Other items of property, plant and equipment

The item mainly includes electronic office machines, furniture and fittings, illuminated signs and motor vehicles.

The increase recorded during the year is mainly attributable to purchases of IT equipment.

3b. Right of use for leases

The following table shows the changes in this item:

(In thousands of EUR)	Motor vehicles	Property	Total
Cost:			
Balances as at 1 January 2023	4,242	16,638	20,880
Increases	1,556	3,758	5,314
Decreases	(1,862)	(2,600)	(4,462)
Balances as at 31 December 2023	3,936	17,796	21,732
Depreciation and impairment losses:			
Balances as at 1 January 2023	2,280	6,231	8,511
Increases	1,151	3,063	4,214
Decreases	(1,810)	(2,233)	(4,043)
Balances as at 31 December 2023	1,621	7,061	8,682
Carrying amounts:			
As at 1 January 2023	1,962	10,407	12,369
As at 31 December 2023	2,315	10,735	13,050

(In thousands of EUR)	Motor vehicles	Property	Other fixed assets	Total
Cost:				
Balances as at 1 January 2022	3,669	11,873	28	15,570
Increases	1,257	3,149	-	4,406
Increases from merger	366	3,542	-	3,908
Decreases	(1,050)	(1,926)	(28)	(3,004)
Balances as at 31 December 2022	4,242	16,638	-	20,880
Depreciation and impairment losses:				
Balances as at 1 January 2022	1,948	4,561	21	6,530
Increases	1,221	2,949	8	4,178
Increases from merger	129	385	-	514
Decreases	(1,018)	(1,664)	(29)	(2,711)
Balances as at 31 December 2022	2,280	6,231	-	8,511
Carrying amounts:				
As at 1 January 2022	1,721	7,312	7	9,040
As at 31 December 2022	1,962	10,407	-	12,369

Motor vehicles

This item mainly includes vehicles assigned to personnel under lease agreements. The increases represent the new agreements signed during the period.

Property

This item mainly includes property owned by the Company's head office and operating branches under lease agreements. The increases refer to new lease agreements signed during the year following the opening of new branches and the renewal of existing agreements concluded during the period.

Other fixed assets

This item mainly includes electronic equipment held by the Company under lease agreements.

4. Intangible assets and goodwill

The following tables show the changes occurred in this item.

(In thousands of EUR)	Goodwill	Customer relations	Software and Trademarks	Non-compete agreement	Assets under development and payments on account	Total
Cost:						
Balances as at 1 January 2023	95,582	10,967	2,788	1,500	-	110,837
Increases	-	-	105	50	35	190
Decreases	-	-	(3)	-	-	(3)
Balances as at 31 December 2023	95,582	10,967	2,890	1,550	35	111,024
Amortisation and impairment losses:						
Balances as at 1 January 2023	-	8,709	2,734	476	-	11,919
Increases	-	352	35	321	-	708
Decreases	-	-	(3)	-	-	(3)
Balances as at 31 December 2023	-	9,061	2,766	797	-	12,624
Carrying amounts:						
As at 1 January 2023	95,582	2,258	54	1,024	-	98,918
As at 31 December 2023	95,582	1,906	124	753	35	98,400

(In thousands of EUR)	Goodwill	Customer relations	Software and Trademarks	Non-compete agreement	Assets under development and payments on account	Total
Cost:						
Balances as at 1 January 2022	71,736	8,152	2,597	1,500	-	83,985
Increases from merger	23,846	2,815	191	-	-	26,852
Increases	-	-	-	-	-	-
Decreases	-	-	-	-	-	-
Balances as at 31 December 2022	95,582	10,967	2,788	1,500	-	110,837
Amortisation and impairment losses:						
Balances as at 1 January 2022	-	8,152	2,477	176	-	10,805
Increases from merger	-	205	127	-	-	332
Increases	-	352	130	300	-	782
Balances as at 31 December 2022	-	8,709	2,734	476	-	11,919
Carrying amounts:						
As at 1 January 2022	71,736	-	120	1,324	-	73,180
As at 31 December 2022	95,582	2,258	54	1,024	-	98,918

Goodwill

At the end of each year, the Group tests goodwill for impairment. The impairment test on goodwill is carried out on the basis of the value in use through calculations based on projected cash flows taken from the approved five-year business plan.

It should be noted that a re-assessment of CGUs took place during 2021; until 31 December 2020, all of the Group's operating assets and liabilities were identified as a single CGU. The analysis carried out was made necessary by the acquisition of Quanta in 2021, in respect of which an amount of goodwill equal to EUR 24.1 million was recorded, and by the Group reorganisation process initiated in the recent past, which led to the aggregation of several subsidiaries and the establishment of the subsidiary Family Care.

As of 2021, two separate CGUs have been identified with reference to:

all the operating assets and liabilities of the Parent and its subsidiaries, excluding Family Care S.r.l. ("Main CGU");

the subsidiary, Family Care S.r.l., mainly due to the specific nature of the services provided (personal welfare) and the customers it caters for (private individuals) compared with the rest of the Group, and the use of a dedicated branch network for its business. This is also in view of the growth in the subsidiary's business volumes recorded in recent years and the development prospects envisaged for the future.

The above is consistent with management's strategic and operational vision, as well as with the level of analytical reporting monitored by management.

The volume of goodwill recorded in the financial statements is fully allocated to the main CGU, considering that the business of Family Care S.r.l. was initiated within the Group and not related to acquisitions made in previous years.

The impairment test as at 31 December 2023 was carried out using the main CGU as a reference for the above.

The value of the main CGU, to which all of the goodwill recorded in the financial statements has been allocated, was verified by determining the value in use, understood as the current value of expected cash flows (discounted cash flow) using a rate that reflects the specific risks at the valuation date (WACC).

The measurement was carried out on the basis of the 2024-2028 business plan and directly based on that approved by the Board of Directors on 20 February 2024, prepared by management on the basis of the historical economic and financial performance of the main CGU, and expected outlook.

The impairment test is the result of economic estimates with a medium- to long-term time period (or rather temporally indefinite, assuming the so-called "going concern") that are discounted and compared with the invested capital at the reporting date. With this perspective in mind, it is on the rate front that it was appropriate to make a careful consideration. Indeed, several elements seem to confirm a change in scenario compared to previous years: on one hand, we are witnessing a change in monetary policy, not only in Europe - currently aimed at combating inflation through rate hikes.

In view of the Group's strategy, the expected trend of the reference market and the overall macroeconomic situation, projected cash flows were estimated on the basis of the following assumptions:

- Revenue: the assumption for revenue is 4.8% growth in 2024 and from 3.8% to 2.2% from 2025 to 2028, on the basis of expected GDP and inflation trends;

For the purpose of the terminal value calculation, a G-rate growth rate of 2% was assumed, which is consistent with the available evidence on long-term growth rates that return values in the range of 2.0%-2.5%, even in the reference sector. The obtainable cash flow on a like-for-like basis and from the year following the year related to the analytical forecasts, was estimated based on the following main assumptions:

- EBITDA, normal average equal to the last year of analytical forecast;
- Capex par to that expected at the end of the plan time horizon (0.9%);
- maintenance investments in right-of-use assets (IFRS 16), equal to EUR 4.7 million per year;
- maintenance investments, equal to approximately EUR 2 million per year;
- constant working capital;
- constant provisions.

These projections reflect the current conditions of all the operating assets and liabilities of the main CGU being measured and the values used are consistent with the historical performance of the same and with expectations of management in relation to the expected trends in the market of reference.

The terminal value was determined based on the last year of the business plan, as indicated above.

Projected cash flows were discounted taking into account a cost of unlevered risk capital, calculated on the basis of the Capital Asset Pricing Model (CAPM), of 13.3% (previous year equal to 13.8%) gross of the related tax effect. This rate reflects the current market evaluation of the time value of money for the period in question and the specific risks of the sector and country, Italy, where the Group operates. The WACC as at 31 December 2023 was estimated on the basis of the following assumptions:

- the risk-free rate adopted (3.8%);
- the estimated beta coefficient (unlevered) was 1.31 on the basis of the characteristics of the sector concerned and of the betas recognised with reference to a sample of listed companies belonging to the sector concerned;
- the equity risk premium used is 5%;
- small size premium recognised of 2.9%.

The value in use as at 31 December 2023 calculated in this way was greater than the carrying amount of the cash generating unit. Therefore, no impairment losses were recognised as at 31 December 2023, as in previous years.

The carrying amount and recoverable amount of the main CGU as recognised in 2023, 2022 and 2021 are shown below:

(In thousands of EUR)

Years	Carrying amount of the group	Recoverable amount	Amount in excess, recoverable with respect to the carrying amount
2021	157,802	192,337	34,535
2022	147,183	156,410	9,227
2023	158,827	161,300	2,473

Due to their nature, the forecasts used for impairment testing are subject to unforeseen elements that could still affect them, such as GDP not increasing as expected, changes in interest rates and inflation rates, changes in revenue, profit margins and collection terms from customers because of the macroeconomic trend. Such unforeseen elements could therefore result in having to amend the above-described impairment test. It is noted in this regard that the sensitivity analysis as at 31 December 2023 shows that the value in use is equal to the carrying amount of the Cash Generating Unit in the event of an increase in the discount rate of approximately 0.20 percentage points, all the other conditions being equal; similarly, in the case of a reduction in non-discounted cash flows by approximately 2% throughout the plan period and for the cash flows on which the terminal value is based, the value in use would equal the carrying amount of the Cash Generating Unit.

The reasonableness of the test results must also be assessed by taking into consideration the transaction promoted by Groupe Crit on the share capital of Openjobmetis S.p.A., aimed at delisting. On 23 February 2024[26], Groupe Crit S.A. signed preliminary contracts for the acquisition of the share capital of Plavisgas S.r.l., owner of 34.13% of OJM's capital, and of all the shares held by Omniafin S.p.A. and M.T.I. Investimenti S.r.l. equal to 18.45% and 5.15% of OJM's share capital at a valuation per share of EUR 16.5 each. Upon completion of the acquisitions mentioned above, Groupe Crit S.A. will launch a mandatory public tender offer on all outstanding ordinary shares at the same price per share. This value corresponds to an enterprise value of the Group of approximately EUR 240 million, well above the carrying amount of the main CGU.

It should also be noted that appraisals drawn up by independent experts were used in the preparation of the impairment test as at 31 December 2023 approved by the Board of Directors of the Company on 13 March 2024.

Finally, it should be noted that the Parent, whose shares are traded in the STAR segment on the Euronext Italia managed by Borsa Italiana S.p.A., had a capitalisation of about EUR 196,565 thousand as at 31 December 2023.

[26] Please refer to the relevant press release for further information in the Investor section of the institutional website

Customer relations

From 1 January 2022, with the merger by incorporation of Quanta S.p.A., customer relations were recorded for EUR 2,815 thousand, partially amortised for EUR 205 thousand during 2021; the initial valuation, carried out with the help of an external independent professional using the "excess earning method", was carried out at the time of the acquisition, which took place in May 2021.

Software

The item Software is related to the operating and management programs acquired by the Company.

Assets under development

The value of assets in progress recognised as at 31 December 2023 refers to the development of a new IT application that is expected to come into operation in 2024.

5. Equity investments in subsidiaries

The changes during the year were as follows:

(In thousands of EUR)	Seltis Hub S.r.l.	Openjob Consulting S.r.l.	HC S.r.l.	Family Care S.r.l.
Balance as at 1 January 2022	2,298	329	37	2,700
Effects of merger	-	-	-	-
Value increases	-	-	-	1,000
Reclassifications	-	620	-	-
Value decreases	-	-	-	(2,600)
Balance as at 31 December 2022	2,298	949	37	1,100
Value increases	-	-	-	600
Reclassifications	-	-	(37)	-
Value decreases	-	-	-	-
Balance as at 31 December 2023	2,298	949	-	1,700

(In thousands of EUR)	Lyve S.r.l.	Quanta S.p.A.	Quanta RU S.p.A.	Total
Balance as at 1 January 2022	1,090	29,817	-	36,271
Effects of merger	-	(29,817)	620	(29,197)
Value increases	-	-	-	1,000
Reclassifications	-	-	(620)	-
Value decreases	(322)	-	-	(2,922)
Balance as at 31 December 2022	768	-	-	5,152
Value increases	3	-	-	603
Reclassifications	37	-	-	-
Value decreases	(188)	-	-	(188)
Balance as at 31 December 2023	620	-	-	5,567

A comparison between the carrying amount of equity investments and the respective equity is shown below:

(In thousands of EUR)	Share capital	Equity	Stake	Value pro-rata (A)	Carrying amount (B)	Differences (A - B)
Seltis Hub S.r.l.	110	3,911	100.00%	3,911	2,298	1,613
Openjob Consulting S.r.l.	100	2,440	100.00%	2,440	949	1,491
Family Care S.r.l.	1,100	688	100.00%	688	1,700	(1,012)
Lyve S.r.l.	465	1,183	52.06%	616	620	(4)
Total	1,775			7,655	5,567	2,088

Openjob Consulting S.r.l. mainly carries out the management of funded training activities, provides outsourced services and provides support to the Parent on payroll management activities.

Seltis Hub S.r.l., a company dealing with the recruitment and selection of personnel (including those with disabilities) on behalf of third parties and digital head-hunting.

Lyve S.r.l. is a corporate training company, an innovation laboratory that integrates skills in the areas of training, digital technologies, marketing and communication. Against the economic performance of 2023, future forecasts and the differential that emerged between the carrying amount and equity pertaining to the financial statements, a write-down of the investment of EUR 188 thousand was made as at 31 December 2023.

HC S.r.l., an educational company that implements interventions dedicated to the development and motivation of human resources in companies, was merged by incorporation into Lyve S.r.l. with statutory effect from 1 June 2023 and fiscal and accounting effects from 1 January 2023.

The company "Family Care S.r.l. - Employment Agency" is focused on providing family assistants dedicated to the elderly and non-self-sufficient people. The value of the equity investment was verified by determining the value in use, understood as the current value of expected cash flows (discounted cash flow) using a rate that reflects the specific risks at the valuation date (WACC).

The measurement was carried out on the basis of the 2024-2028 business plan and directly based on that approved by the Board of Directors on 20 February 2024, prepared by management on the basis of the historical economic and financial performance of the equity investment, and expected outlook.

In view of the Group's strategy for the investee company, the expected trend of the reference market and the overall macroeconomic situation, projected cash flows were estimated on the basis of the following assumptions:

- Revenue: the assumption for the Company's revenue is growth, on a like-for-like basis, of 13.2% in 2024 and 9.8% to 12.3% from 2025 to 2028;

To calculate the terminal value, i.e. the obtainable cash flow on a like-for-like basis and from the year following the year related to the analytical forecasts, the following main assumptions were made:

- EBITDA, normal average equal to the last year of analytical forecast;
- Capex ratio equal to that expected at the end of the plan time period (0.9%)
- maintenance investments in right-of-use assets (IFRS 16), equal to around EUR 0.5 million per year;
- constant working capital;
- constant provisions;
- G-rate assumed to be 2%.

These projections reflect the current conditions of all the operating assets and liabilities of the investee company being evaluated and are consistent with management's expectations in relation to expected trends in the reference market.

Projected cash flows were discounted taking into account a cost of unlevered risk capital, calculated on the basis of the Capital Asset Pricing Model (CAPM), of 13.3% (13.8% last year) gross of the related tax effect. This rate reflects the current market evaluation of the time value of money for the period in question and the specific risks of the sector and country, Italy, where the Group operates. The WACC as at 31 December 2023 was estimated on the basis of the following assumptions:

- the risk-free rate adopted (3.8%);
- the estimated beta coefficient (unlevered) was 1.31 on the basis of the characteristics of the sector concerned and of the betas recognised with reference to a sample of listed companies belonging to the sector concerned;
- the equity risk premium used is 5%;

- small size premium recognised of 2.9%.

The value in use as at 31 December 2023 calculated in this way was greater than the carrying amount of the cash generating unit. Therefore, no impairment losses were recognised as at 31 December 2023.

The carrying amount of EUR 1,700 thousand is net of a write-down of EUR 2,600 thousand, recognised over the last three years

6. Financial assets

This non-current item mainly consists of guarantee deposits paid for utilities of the registered office and the branches.

The current item refers to receivables from factoring companies for the amount of EUR 2,672 thousand in relation to trade receivables assigned as at 31 December 2023, for which the Company has not requested early settlement.

7. Deferred tax assets and liabilities

Deferred tax assets and liabilities refer to the following items:

(In thousands of EUR)	Assets		Liabilities		Equity	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Property, plant and equipment	-	-	85	86	(85)	(86)
Intangible assets	-	-	532	630	(532)	(630)
Employee benefits	-	-	7	14	(7)	(14)
Provisions	370	359	-	-	370	359
Loss allowance	1,454	1,622	-	-	1,454	1,622
Costs with deferred deductibility	188	473	-	-	188	473
Goodwill realignment	18,948	19,351	-	-	18,948	19,351
Total	20,960	21,805	624	730	20,336	21,075

Temporary differences between the tax base of assets and liabilities and their carrying amounts were not excluded from the calculation of deferred taxes.

There are no tax losses that can be carried forward for which deferred tax assets can be recognised.

Tax assets and liabilities are measured using the tax rates that are expected to be applicable in the period in which the asset or the liability to which they refer will be realised or discharged, respectively, on the basis of tax rates established by measures in force.

Starting from 2020, deferred tax assets were recognised relating to the realignment of the tax value of the goodwill, in accordance with the provisions of Article 110, paragraphs 8 and 8-bis of Decree Law no. 104/2020. For further details, please refer to Note 27.

Changes in net deferred tax assets and liabilities were as follows:

(In thousands of EUR)	Balance as at 31 December 2022	Increases in the statement of financial position	Changes in profit or loss	Balance as at 31 December 2023
Property, plant and equipment	(86)	-	1	(85)
Intangible assets	(630)	(48)	146	(532)
Employee benefits	(14)	-	7	(7)
Provisions	359	-	11	370
Trade receivables and other assets	1,622	-	(168)	1,454
Costs with deferred deductibility	473	-	(285)	188
Goodwill realignment	19,351	-	(403)	18,948

(In thousands of EUR)	Balance as at 31 December 2022	Increases in the statement of financial position	Changes in profit or loss	Balance as at 31 December 2023
Total	21,075	(48)	(691)	20,336

8. Cash and cash equivalents

The item includes the credit balance of bank and postal deposits and cash in hand.

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Bank and postal deposits	6,897	1,878	5,019
Cash in hand and cash equivalents	23	33	(10)
Total cash and cash equivalents	6,920	1,911	5,009

With reference to the net financial indebtedness, in accordance with the Guidelines on disclosure requirements published by ESMA on 4 March 2021 and Consob Call to attention no. 5/21 of 29 April 2021, please refer to Note 12 below.

9. Trade receivables

The item is made up as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
From third-party customers	143,680	143,527	153
From related parties	3	177	(174)
Loss allowance	(6,719)	(7,404)	685
Total trade receivables	136,964	136,300	664

As at 31 December 2023 and 2022, there were no receivables from customers arising from factoring with recourse. Total trade receivables are exclusively related to Italian customers; therefore there are no receivables in currencies other than the euro. At the reporting dates, there was no concentration of trade receivables from a limited number of customers.

Please refer to paragraph 31 "Related parties" for further information on the analysis of the exposure of trade receivables from related parties.

The receivables are also recorded net of an amount of EUR 72 thousand corresponding to the valuation arising from the measurement at fair value of the trade receivables of Quanta S.p.A., a company merged by incorporation as of 1 January 2022.

The days sales outstanding (DSO) granted to customers is 70, compared to 67 reported as at 31 December 2022. Refer to paragraph 25 "Impairment losses" for further information about the analysis of trade receivables exposure at the reporting date.

10. Other assets

The item is made up as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Receivables from Forma.Temp	3,520	2,743	777
Receivables from the seller of Quanta S.p.A.	1,172	1,400	(228)
Prepayments	1,093	1,176	(83)
Other disputed receivables	1,095	1,095	-

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Receivables for domestic tax consolidation scheme	746	705	41
Other sundry receivables	257	219	38
Receivable from tax authorities for reimbursements	1,365	150	1,215
Receivable from the INPS treasury funds for post-employment benefits	1,819	1,574	245
Total other assets	11,067	9,062	2,005

The item "Other disputed receivables" refers to the receivable from a former Director of Metis who left office in 2009; the Provisions for risks reflect the considerations made for this litigation.

Prepayments as at 31 December 2023 of EUR 1,093 thousand mainly refer to advance costs entirely recognised during the current year, relating to sponsorships, bank fees and sundry rentals not related to lease agreements.

The item "Receivables from Forma.Temp" for EUR 3,520 thousand refers mainly to the reimbursement of the salary supplement paid in advance to contract workers.

The item "Receivable for domestic tax consolidation scheme" regards a Company's receivable from the subsidiary Seltis Hub S.r.l. due to participation in the domestic tax consolidation scheme. Please refer to note 31 "Related parties".

The item "Receivables from seller of Quanta S.p.A." refers to contingent liabilities for which a provision for risks has been set aside, covered by the guarantee of the seller. The change compared to 31 December 2022 relates to guaranteed positions as part of the acquisition transaction that were settled during the year.

11. Current tax assets

As at 31 December 2023, the receivable for current income taxes amounts to EUR 36 thousand and refers to a receivable from the tax authorities for IRES resulting from tax consolidation.

As at 31 December 2022, there were no receivable for current income taxes.

12. Bank loans and borrowings and other financial liabilities

This note illustrates the contractual conditions that regulate the Company's financial liabilities. For further information on the Company's exposure to the interest rate risk, reference is made to Note 29.

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Non-current liabilities:			
Line A Loan	-	1,490	(1,490)
Line B2 Loan	-	1,426	(1,426)
BPM Line A loan 31/07/2023	13,402	-	13,402
Lease liabilities	9,662	8,843	819
Total non-current liabilities	23,064	11,759	11,305
Current liabilities			
Line A Loan	-	3,000	(3,000)
Line B2 Loan	-	2,858	(2,858)
BPM Line A loan 04/07/2023	5,975	-	5,975
M/L Loans	-	1,000	(1,000)
Non-guaranteed bank loans and borrowings	13,072	15,774	(2,702)
Payables for centralised treasury management	7,375	-	7,375
Lease liabilities	3,393	3,511	(118)
Total current liabilities	29,816	26,143	3,673
Total current and non-current liabilities	52,880	37,902	14,978

On 4 August 2023, the Board of Directors expressed a favourable opinion on the centralised treasury management, in order to optimise the flows between Openjobmetis (*pooler/centraliser*) and the subsidiaries Seltis Hub S.r.l., Openjob Consulting S.r.l. e Family Care S.r.l. (*recipients*). Relations between the pooler and the companies participating in the service are appropriately regulated by a separate contract. The item payables for centralised treasury management includes the balance of cash and cash equivalents transferred by the subsidiaries as at 31 December 2023.

On 28 June 2023, the Company signed a loan agreement for a total of EUR 35 million, consisting of two medium and long-term amortising lines for EUR 30 million, of which EUR 24 million can be used for acquisitions and the purchase of treasury shares, and a revolving credit line of EUR 5 million.
In July 2023 the Company partially used the two amortising lines for a total of EUR 19.5 million, of which EUR 6 million intended for the early repayment of the residual principal portions of the Line A and Line B2 Loan.
In January 2024, the Company used the remaining part of the two amortising lines for a total of EUR 10.5 million, mainly intended to loan the purchase of the equity investment in Just on Business S.p.A.; for further details, please refer to paragraph 39. Subsequent events.

The medium/long-term loan, taken out during the year, requires compliance with a financial covenant known as the leverage ratio, which is the NFI/EBITDA ratio as defined in the loan agreement. This financial covenant has to be measured on an annual basis as at 31 December, since it is based on the Group's consolidated financial statements. The lending bank has the right to request the termination of the loan agreement if, at the date of calculation, the restriction is not complied with.
The contractual conditions of bank loans and borrowings and other financial liabilities, excluding financial instruments, are set below:

(In thousands of EUR)				31 December 2023		31 December 2022	
	Curr.	Nominal interest rate	Year of maturity	Nominal amount	Carrying amount	Nominal amount	Carrying amount
Line A Loan	Euro	Euribor*	2024	-	-	4,500	4,490
Line B2 Loan	Euro	Euribor*	2024	-	-	4,284	4,284
BPM Line A loan 04/07/2023	Euro	Euribor*	2024	6,000	5,975	-	-
BPM Line A loan 31/07/2023	Euro	Euribor*	2029	13,500	13,402	-	-
M/L Loans	Euro	0.3%**	2023	-	-	1,000	1,000
Non-guaranteed bank loans and borrowings	Euro	4.38%**	-	13,072	13,072	15,774	15,774
Payables for centralised treasury management	Euro	4.70%**	-	7,375	7,375		
Lease liabilities	Euro	3.06%***	2024/29	14,061	13,055	12,961	12,354
Total interest-bearing liabilities				54,008	52,880	38,519	37,902

* Six-month Euribor plus a spread ranging from a minimum of 1.4% to a maximum of 1.70% in relation to compliance with a financial covenant

** These are approximate average rates

*** Weighted average incremental interest rate

The medium/long-term loan, taken out during the year, requires compliance with a financial covenant known as the leverage ratio, which is the NFI/EBITDA ratio as defined in the loan agreement. This financial covenant has to be measured on an annual basis as at 31 December, since it is based on the Group's consolidated financial statements. The lending bank has the right to request the termination of the loan agreement if, at the date of calculation, the restriction is not complied with.

The financial covenant that must be complied with at consolidated level is shown below:

Calculation Dates	NFI/EBITDA <
31 December 2023	2.25
31 December 2024	2.25
31 December 2025	2.25
31 December 2026	2.25
31 December 2027	2.25
31 December 2028	2.25

NFI = Net Financial Indebtedness

EBITDA = Consolidated net profit for the period before income taxes, net financial expense, amortisation/depreciation, provisions and impairment losses

It should be noted that as at 31 December 2023 the financial covenant had been complied with.

Branch leases contain extension options that can be exercised up to six months before the end of the binding period. If, at their respective deadlines, all extension options should be exercised, the potential cash flows that are not currently reflected in the lease liability would amount to approximately EUR 22,897 thousand.

Below is the net financial indebtedness of the Company as at 31 December 2023 and as at 31 December 2022, calculated in accordance with the Guidelines on disclosure requirements published by ESMA on 4 March 2021 and CONSOB Call to attention no. 5/21 of 29 April 2021.

	(In thousands of EUR)	Financial statements for the year ended 31 December		2023 vs 2022 Change	
		2023	2022	Value	%
A	Cash	23	33	(10)	(30.3%)
B	Cash and cash equivalents	6,897	1,878	5,019	267.3%
C	Other current financial assets	2,672	3,095	(423)	(13.7%)
D	Cash and cash equivalents (A+B+C)	9,592	5,006	4,586	91.6%
E	Current financial debt	(26,423)	(22,632)	(3,791)	16.8%
F	Current portion of non-current financial debt	(3,393)	(3,511)	118	(3.4%)
G	Current financial indebtedness (E+F)	(29,816)	(26,143)	(3,673)	14.0%
H	Net current financial indebtedness (G+D)	(20,224)	(21,137)	913	(4.3%)
I	Non-current financial debt	(23,064)	(11,759)	(11,305)	96.1%
J	Debt instruments	-	-	-	-
K	Trade payables and other non-current liabilities	-	-	-	-
L	Non-current financial indebtedness (I+J+K)	(23,064)	(11,759)	(11,305)	96.1%
M	Total financial indebtedness (H+L)	(43,288)	(32,896)	(10,392)	31.6%

Below is the reconciliation of the changes in lease liabilities, bank borrowings and other financial liabilities arising from financing activities.

(In thousands of EUR)	Lease liabilities	Financial liabilities, bank loans and borrowings and other liabilities
Balance as at 1 January 2023	12,354	25,548
Changes in financial liabilities		
Lease payments	(4,485)	-
Interest expense	303	-
New leases, renewals and contract terminations	4,883	-

New loan disbursement	-	19,378
Repayment of loan instalments	-	(9,774)
Payables for centralised treasury management	-	7,375
Other financial payables and interest	-	(2,702)
Total changes in financial liabilities	701	14,277
Balance as at 31 December 2023	13,055	39,825

13. Employee benefits

(a) current

The balance of the item current employee benefits includes:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Salaries payable to contract workers	34,974	39,365	(4,391)
Remuneration payable to contract workers	15,430	15,198	232
Post-employment benefits of contract workers	404	350	54
Remuneration payable to employees	3,162	5,056	(1,894)
Total liabilities for employee benefits	53,970	59,969	(5,999)

Given the nature of business carried out by the Company and the average duration of employment contracts with contract workers, employee benefits represented by the post-employment benefits of contract workers are on average paid periodically and were consequently regarded as current liabilities. Therefore, the liability was not discounted and corresponds to the obligation due to contract workers at the end of the contract.

The decrease compared to the previous year is mainly related to the contraction in sales volumes.

(b) non-current

The balance of the item Employee benefits relates to post-employment benefits due to employees. The change in the amount related to employee benefits in the different years is summarised as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Liabilities for employee benefits as at 1 January	587	629	(42)
Effects of merger	-	131	(131)
Cost recognised in profit or loss	23	15	8
Payments during the period	(59)	(101)	42
Actuarial valuation	15	(87)	102
Total liabilities for employee benefits	566	587	(21)

The amount is recognised in profit or loss as per the following table:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Interest expense on the obligation	23	15	8
Total	23	15	8

The liability related to post-employment benefits is based on the actuarial valuation made by independent experts according to the following main parameters:

	31/12/2023	31/12/2022
Projected future salary increases (average amount)	1.00%	1.00%
Projected staff turnover	9.00%	9.00%
Discount rate	3,36%	4.17%
Average inflation rate	2.00%	2.30%

14. Trade payables

The item includes trade payables for the provision of services and consultancy.

Total payables at the reporting date are exclusively due to Italian suppliers. Moreover, there are no payables in currencies other than the euro.

The item is broken down as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Trade payables to third parties	10,852	11,930	(1,078)
Trade payables to subsidiaries	-	1	(1)
Total trade payables	10,852	11,931	(1,079)

15. Other liabilities

The item is broken down as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Social security charges payable	21,656	25,258	(3,602)
Tax payables	14,788	11,117	3,671
Payables to Forma.Temp	1,364	1,160	204
Payables to subsidiaries for domestic tax consolidation scheme	432	293	139
Current liability linked to the non-compete agreement	325	300	25
Other liabilities	495	305	190
Total other current liabilities	39,060	38,433	627
Non-current liability linked to the non-compete agreement	300	600	(300)
Total other non-current liabilities	300	600	(300)
Total other liabilities	39,360	39,033	327

Social security charges payable mainly refers to amount due to INPS (the Italian Social Security Institution), INAIL (the Italian National Institute for Insurance against Accidents at Work) and other social security institutions referring to wages and salaries to contract workers and employees.

Payables to subsidiaries relate to the payable of EUR 177 thousand to the company Family Care S.r.l., the payable of EUR 223 thousand to the company Openjob Consulting S.r.l. and the payable of EUR 31 thousand to the company Lyve S.r.l. for the domestic tax consolidation scheme.

With the finalisation of the acquisition of Quanta S.p.A. in May 2021, the liability relating to the contractual agreement reached with the seller, concerning the limitation on the performance of professional activities in competition with the company, which will be recorded in five years, was recognised in the item Other current and non-current liabilities.

Payables to Forma.Temp refer to the management contribution and the contribution for the training of contract workers in December.

The item Tax payables is broken down as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Withholding taxes - Employees	14,709	10,918	3,791
VAT and other minor payables	79	199	(120)
Total tax payables	14,788	11,117	3,671

16. Current and non-current tax liabilities

As at 31 December 2023, current tax liabilities amount to EUR 5 thousand from tax authorities for IRAP. For further details, please refer to Note 27.

Current tax liabilities as at 31 December 2022 amounted to EUR 2,420 thousand and referred to EUR 717 thousand for the third instalment of the substitute tax pursuant to Decree Law 104/2020, Article 110, paragraphs 8 and 8-bis, EUR 1,253 thousand to the tax authorities for IRES tax consolidation and EUR 450 thousand to the tax authorities for IRAP. For further details, please refer to Note 27.

17. Provisions

Changes in this item are broken down as follows:

(In thousands of EUR)	
Balance as at 1 January 2023	3,647
Increases	1,084
Uses	(389)
Balance as at 31 December 2023	4,342

The item refers to possible future charges relating to a number of disputes with personnel, to a dispute relating to a non-commercial receivable, to potential liabilities relating to the companies acquired during the previous year for which there is, however, the guarantee from the previous shareholder, which led to the simultaneous recognition of a credit position under current assets, in addition to other minor risks.

18. Equity

(a) Share capital

	2023	2022
Ordinary shares		
Issued as at 1 January	13,712,000	13,712,000
Issued as at 31 December	13,369,200	13,712,000

As at 31 December 2023, the approved share capital of EUR 13,712 thousand consisted of 13,369,200 ordinary shares, the ownership percentages of which are specified in the section "Group structure", to which explicit reference is made.

On 21 April 2023, the Shareholders' Meeting approved the elimination of the nominal amount of the ordinary shares, previously equal to EUR 1.00 each. At the same time, the Shareholders' Meeting also approved the cancellation of 342,800 treasury shares, without proceeding with a share capital reduction; the transaction was finalised when the deeds were filed at the Register of Companies on 4 May 2023.

The Shareholders' Meeting on 21 April 2023 also authorised the Board of Directors to buy back, on one or more occasions, and dispose of treasury shares pursuant to the combined provisions of Articles 2357 and 2357-ter of the Italian Civil Code, as well as Article 132 of Legislative Decree 58 of 24 February 1998, up to a maximum of ordinary shares such so as not to exceed 20% of the share capital pro tempore, after revoking the prior shareholders' authorisation granted on 19 April 2022.

On 29 June 2023, the Company launched a voluntary partial tender offer pursuant to Articles 102 et seq. of the T.U.F. on a maximum of 1,500,000 shares, equal to 11.22% of the share capital, whose offer document was approved by Consob, by resolution no. 22791, on 26 July 2023.

At the end of the offer acceptance period, which ran from 7 August 2023 to 8 September 2023, no. 741,147 shares were received.

Following the buybacks made during the year, it should be noted that as at 31 December 2023 Openjobmetis S.p.A. directly held 1,083,906 treasury shares, equal to approximately 8.11% of the share capital.

The Company did not issue any preference shares.
The share capital has been fully paid up.

(b) Share premium reserve
The item Share premium reserve includes the share premium paid as a result of the share capital increase made during the extraordinary Shareholders' Meeting of 18 March 2005 (EUR 3,899 thousand), the share premium recognised as a result of the share capital increase made on 11 June 2007 (EUR 51 thousand), the share premium recognised as a result of the share capital increase made by injection on 14 March 2011 (EUR 5,030 thousand), the share premium paid as a result of the share capital increase on 14 March 2011 (EUR 7,833 thousand), the share premium recognised as a result of the conversion of the bond issue on 26 June 2015 (EUR 700 thousand), and the share premium recognised as a result of the Public Offering of Sale and Subscription made on 3 December 2015 (EUR 16,240 thousand). Moreover, the reserve was reduced by EUR 2,208 thousand for the portion of the listing costs related to the public subscription offering (i.e. costs directly attributable to the latter and portion pro rata of the other listing costs, in proportion to the number of shares related to the public subscription offering, relative to the total number of shares of the initial public offering, including the greenshoe option).

(c) Other Reserves
The item Other Reserves includes the residual portion of EUR 15,602 thousand of the equity-related reserve of WM S.r.l. originally of EUR 25,959 thousand. This reserve was used in part to cover losses for 2007, and increased following the negative goodwill arising on the merger with Quandoccorre S.p.A.; subsequently, it decreased to cover the 2009 losses carried forward.
As at 31 December 2023, in accordance with IAS 19, the net actuarial loss of EUR 15 thousand - resulting from the difference between the value of expected benefits calculated for the period of reference and the actual benefit resulting from the new measurement assumptions at the end of the period - was accounted for in equity.
The value of Other reserves is net of the negative reserve for the buyback of treasury shares in portfolio, amounting to EUR 9,850 thousand as at 31 December 2023.
Other reserves include the reserve of EUR 793 thousand related to the 2019-2021 Performance Shares Plan and the 2022-2024 Performance Shares Plan, as better specified in Note 21 and the reserve of EUR 257 thousand, originally generated for EUR 468 thousand following the assignment of treasury shares in the "Quanta" purchasing transaction, relating to the difference between the carrying amount of the shares at the various acquisition dates (EUR 4,349 thousand) and their fair value at the acquisition date (EUR 4,817 thousand), and partially utilised during the year in the amount of EUR 211 thousand for the allocation of the first tranche of treasury shares under the 2019-2021 Performance Shares Plan.
The following table summarises the availability and usability of reserves:

(In thousands of EUR)	Amount	Usability	Available portion	Use for coverage of losses over the past three years
Share capital	13,712		-	-
Legal reserve	2,812	B	2,812	-
Share premium reserve	31,545	A, B, C	31,545	-
Other reserves	69,684	A, B, C	68,634	-
Total	117,753			-
Available portion			102,991	

Key to symbols:

A = Share capital increase

B = Loss coverage

C = To be distributed to shareholders

It should be noted that a portion of distributable reserves of EUR 69,583 thousand was subject to the tax suspension regime pursuant to Decree Law 104/2020, Article 110, paragraphs 8 and 8-bis.

19. Revenue

A breakdown of revenue by type of service, all in euro and mainly from Italian customers, is summarised in the following tables:

(In thousands of EUR)	2023	2022	Change
Revenue from contract work	701,128	724,434	(23,306)
Revenue from personnel recruitment and selection	299	430	(131)
Revenue from other activities	1,185	1,540	(355)
Expenses charged to Group companies	673	691	(18)
Total Revenue	703,285	727,095	(23,810)

The item "Revenue from other activities" mainly refers to consultancy services provided to the public administration in the process of recruiting new personnel, in addition to services provided to start up traineeships, revenue for active labour policies, the sale of ad hoc training and other minor income. For the item "Expenses charged to Group companies", please refer to Note 31 relating to transactions with related parties.

In 2023, the Company's revenue amounted to EUR 703,285,323 thousand, compared to EUR 727,095,252 thousand in 2022.

The slight decrease compared to the previous year reflects the trend of the Italian general contract work market.

20. Other income

The item includes:

(In thousands of EUR)	2023	2022	Change
Recognition of contributions from Forma.Temp	13,471	13,005	466
Other sundry income	1,266	1,479	(213)
Total other income	14,737	14,484	253

The recognition of contributions from Forma.Temp refers to contributions received from said body for the repayment of the costs incurred for training courses for contract workers, included in the item costs for services.

The contributions are recognised by the body on the basis of the specific reporting of costs to organise and carry out the training activities. The relevant revenue recognition occurs in a timely manner on the basis of the reporting of costs incurred for each course.

21a. Cost of contract work

The item includes:

(In thousands of EUR)	2023	2022	Change
Wages and salaries of contract workers	446,635	462,481	(15,846)
Social security charges of contract workers	128,025	135,566	(7,541)
Post-employment benefits of contract workers	24,925	25,752	(827)
Forma.Temp contributions for contract workers	17,168	17,904	(736)
Other costs of contract workers	5,979	6,170	(191)
Other costs for services provided	128	209	(81)
Total cost of contract work and outsourcing	622,860	648,082	(25,222)

Forma.Temp contributions refer to the compulsory payment to the bilateral body of approximately 4% of some elements of gross salaries of contract workers, to be allocated to promoting qualification courses for the workers themselves.

The cost of wages and salaries, as at 31 December 2023, is shown net of the salary supplement (Trattamento di Integrazione Salariale - TIS) amounting to EUR 1,207 thousand (EUR 936 thousand as at 31 December 2022), the value of which is reimbursed by Forma.temp.

Other employee costs mainly refer to additional charges such as luncheon vouchers and various refunds.

21b. Personnel expenses

The item includes:

(In thousands of EUR)	2023	2022	Change
Salaries and wages of employees	24,639	23,378	1,261
Social security costs of employees	7,136	6,516	620
Post-employment benefits of employees	1,409	1,640	(231)
Remuneration to the Board of Directors and committees	1,174	1,828	(654)
Social security costs of the Board of Directors	73	79	(6)
Long-term incentive	372	206	166
Other employee costs	2,069	1,728	341
Total employee costs	36,872	35,375	1,497

Other employee costs mainly refer to additional charges such as luncheon vouchers and various refunds.

The remuneration of key management personnel is indicated in Note 32.

The average number of employees is set out below:

Average number of employees	2023	2022	Change
Executives - employees	4	3	1
White-collar staff - employees	659	645	14
Average total	663	648	15

Long-term incentive

The Shareholders' Meeting of 17 April 2019 approved the adoption of a 2019-2021 Performance Shares Plan which provides for the right of some directors, key management personnel and other key employees to receive, at the end of the three-year vesting period, ordinary shares of the Parent Openjobmetis S.p.A. subject to the

achievement of certain Performance Objectives as described in the above Plan (to which explicit reference is made).
The Board of Directors identified the beneficiaries of each of the first three tranches of the Plan on 25 June 2019, 15 May 2020 and 14 May 2021.
The assessment of the cost assigned was estimated by considering the performance components related to the achievement of the adjusted, consolidated and cumulative three-year EBITDA targets compared to the plan targets (with 50% weight) and the Company's performance in terms of Total Shareholder Return compared to the companies that make up the FTSE Italia STAR index (with 50% weight), estimated using the Monte Carlo method, which, on the basis of suitable assumptions, made it possible to define a considerable number of alternative scenarios.
In May 2022, the first tranche was allocated to the beneficiaries, as defined by the relevant Plan, the total cost of which amounted to EUR 283 thousand over the three-year reference period.
The objectives linked to the second tranche were not reached, so nothing was attributed to the beneficiaries.
The EUR 194 thousand estimated cost for the period of the remaining tranche of Performance Shares assigned corresponds to the change in the liability measured at fair value, representative of the value of the shares actually accrued by the beneficiaries in relation to the tranches allocated in 2021. The related liabilities as at the reporting date,
is included in the Equity item "Other reserves".
The metrics used in the fair value measurement at the allocation and valuation dates of the plan are the following: share price at the valuation date of EUR 8.87; expected dividend rate 3.5%, discounting rate (0.26%), percentage entitled to accrual of the "market based" component equal to 49%, annual volatility 29%, applying a reasonable estimate on the basis of the historical volatility calculated in reference to the valuation date.
The unitary fair value of the right to receive the free shares was EUR 8.28 at the reporting date.

The Shareholders' Meeting of 19 April 2022 approved the adoption of a 2022-2024 Performance Shares Plan which provides for the right of some directors, key management personnel and other key employees to receive, at the end of the three-year vesting period, ordinary shares of the Parent Openjobmetis S.p.A. subject to the achievement of certain Performance Objectives as described in the above Plan (to which explicit reference is made).
On 19 April 2022 and 21 April 2023, the Board of Directors identified the beneficiaries of the first two tranches of the Plan.
The assessment of the cost assigned was estimated by considering the performance components related to the achievement of the adjusted, consolidated and cumulative three-year EBITDA targets compared to the plan targets (with 50% weight) and the Parent's performance in terms of Total Shareholder Return compared to the companies that make up the FTSE Italia STAR index (with 50% weight), estimated using the Monte Carlo method, which, on the basis of suitable assumptions, made it possible to define a considerable number of alternative scenarios, and based on the Group's ESG performance, as determined by Sustainalytics, a leader in the provision of ESG research and ratings.
The EUR 178 thousand estimated cost for the period of the two tranches of Performance Shares assigned corresponds to the change in the liability measured at fair value, representative of the value of the shares actually accrued by the beneficiaries in relation to the tranche allocated during the period. The related liability is included in the Equity item "Other reserves" at the reporting date.

The parameters used in the fair value measurement at the date of assignment and valuation of the two tranches of the plan are as follows: share price at the valuation date of the first tranche of EUR 11.16 and of the second tranche of EUR 10.00; expected dividend rate of 4% for both tranches; discount rate equal to 0.66% for the first tranche and 3.31% for the second; annual volatility of 34% for the first tranche and of 33.2% for the second, applying a reasonable estimate based on historical volatility calculated with reference to the valuation date, and ESG rating as determined by Sustainalytics expected to be equal to 10 for both tranches.
The per-unit fair value of the right to receive the free shares as at the reporting date with regard to the first tranche was determined to be EUR 9.92 for the "non-market" component, and EUR 4.80 for the "market" component. On the other hand, with reference to the second tranche, it was determined as EUR 8.89 for the "non-market" component, and EUR 5.21 for the "market" component.

22. Cost of raw materials and consumables

The item mainly includes costs for consumables, stationery and other minor expenses.

23. Costs for services

The item includes:

(In thousands of EUR)	2023	2022	Change
Costs for organising courses for contract workers	13,514	13,028	486
Costs for updating skills of contract workers	284	-	284
Costs for tax, legal, IT, business consultancy	6,407	6,771	(364)
Costs for marketing consultancy	1,972	2,034	(62)
Fees to sourcers and professional advisors	4,584	4,647	(63)
Costs for advertising and sponsorships	1,896	2,020	(124)
Costs for utilities	1,068	1,284	(216)
Remuneration to the Board of Statutory Auditors	88	88	-
Costs for due diligence and consultancy services	1,139	142	997
Other	4,926	5,013	(87)
Total costs for services	35,878	35,027	851

Costs for organising courses for contract workers mainly refer to costs charged by training companies, for organising training activities carried out for contract workers, plus other accessory costs. This includes the costs incurred for related parties, as described in greater detail in Note 31. The costs borne by the organisational bodies mainly consist of services invoiced by independent experts. Against the precise and timely reporting of the costs incurred for the courses, Openjobmetis S.p.A. receives a specific refund from Forma.Temp and other bodies.
The item marketing consultancy includes the costs incurred for commercial development projects in certain geographical areas.
The item fees to sourcers and professional advisors refers to costs incurred to promote meetings with potential customers.
Costs for advertising and sponsorships refer to ads, to costs for the dissemination of the corporate image and to the contribution as the main sponsor contribution of a sports company.
Other costs mainly include costs incurred for insurance, information on customer solvency, independent auditors' fees, published notices and sundry rentals.

24. Other operating expenses

The item includes:

(In thousands of EUR)	2023	2022	Change
Other expenses	1,773	735	1,038
Total other operating expenses	1,773	735	1,038

Other expenses include donations, stamps, membership fees, other taxes such as waste taxes and advertising, as well as minor taxes and penalties.

The increase from the previous year is mainly related (EUR 1,000 thousand) to the allocation of a provision for risks made with reference to a tax litigation, regarding the amounts provisionally paid; for a more detailed description, please refer to note no. 28 Contingent liabilities.

25. Impairment losses on trade receivables and other assets

For further details on the loss allowance, refer to the directors' report and note 29 below.

26. Net financial income (expense)

Net financial income and expense are shown in the following table:

(In thousands of EUR)	2023	2022	Change
Bank interest and other income	18	1	17
Interest income on receivables from customers	26	33	(7)
Income from purchases of tax credits	1,382	-	1,382
Dividends from subsidiaries	6,074	4,911	1,163
Total financial income	7,500	4,945	2,555
Interest expense on loans	(640)	(198)	(442)
Interest expense on current accounts	(1,260)	(213)	(1,047)
Other interest expense	(412)	(217)	(195)
Total financial expense	(2,312)	(628)	(1,684)
Total financial income (expense)	5,188	4,317	871

Other interest expense mainly refers to the portion of costs attributable to each year deriving from application of the amortised cost method to the loan in accordance with IFRS 9, and the expense relating to the recognition of the right of use pursuant to IFRS 16, amounting to EUR 303 thousand.

The item "Bank interest and other income" mainly includes income deriving from the agreement that the Parent entered into with Banca Intesa Sanpaolo during the year for the transfer of tax receivables.

The agreement provides for the purchase of tax receivables pursuant to Articles 119 and 121 of Decree Law 34 of 19 May 2020 - containing "Urgent measures on health, support for labour and the economy, as well as social policies relating to the Covid-19 epidemiological emergency" and converted with Law 77 of 17 July 2020, as amended, for a total maximum amount of EUR 600 million, from the current year until 31 December 2026, based on capacity in terms of accrued contribution and social security payables.

The tax receivables being purchased derive from various tax incentive measures aimed at the redevelopment and the improvement of real estate properties (referred to as the "Superbonus 110%", "Ecobonus", "Earthquake bonus" and "Facades Bonus", as well as others intended to overcome architectural barriers and for the installation of electric vehicle charging points) as governed by Articles 119-121 of Decree Law 34 of 19 May 2020. These receivables, purchased on a monthly basis according to the terms and conditions of the without recourse transactions, are subsequently offset by the Parent pursuant to Article 17 of Legislative Decree 241 of 9 July 1997, with the accrued contribution and social security payables.

The income recognised in the income statement derives from the difference between the nominal amount of the receivables purchased and the amount paid by the Parent to Intesa Sanpaolo for the transaction.

The Parent believes that the guarantees received by the Banking Institution, subject to it obtaining compliance approvals and the declarations and other certifications referred to in Articles 119 and 121, paragraph 1-ter, of the Superbonus Law, are sufficient to exclude joint and several liability for any tax violations associated with the receivables offset by the Parent as transferee. It should be noted that Intesa Sanpaolo has signed a contract with a leading consultancy firm concerning, in addition to the collection and verification of the documentation underlying each transfer, the archiving and storage of the above-mentioned documentation in a dedicated IT platform, access to which was granted to the Parent within the scope of its responsibilities.

Lastly, it should be noted that the Bank has made a specific indemnity agreement so that the Parent is held harmless from any claim of the competent assessing bodies.

The agreement described above was valued as an executory contract and, therefore, no liabilities or assets were recognised in relation to it as at 31 December 2023.

Dividends from subsidiaries were received for EUR 3,706 thousand from the subsidiary Openjob Consulting S.r.l. (EUR 2,284 thousand in 2022) and EUR 2,368 thousand from the subsidiary Seltis Hub S.r.l. (EUR 2,627 thousand in 2022).

27. Income taxes for the year

Income taxes recognised in profit or loss are broken down as follows:

(In thousands of EUR)	2023	2022	Change
Current taxes	3,491	4,111	(620)
Deferred tax assets	845	656	189
Deferred tax liabilities	(106)	(85)	(21)
Tax from previous years	-	(354)	354
Total income taxes	4,230	4,328	(98)

Current taxes as at 31 December 2023 totalling EUR 3,491 thousand refer to IRAP of EUR 1,203 thousand and to IRES of EUR 2,288 thousand.

Current taxes as at 31 December 2022 totalling EUR 4,111 thousand referred to IRAP of EUR 1,198 thousand and to IRES of EUR 2,913 thousand.

As at 31 December 2020, the Company benefited from the possibility of realigning the tax on the higher amounts of the assets recorded in the financial statements, specifically the amount of goodwill of EUR 71,736 thousand, in accordance with Decree Law 104/2020, Article 110, paragraphs 8 and 8-bis. This decision resulted in the recognition on that date of deferred tax assets of EUR 20,158 thousand against the payment of a substitute tax of 3% of the realigned value (EUR 2,152 thousand). In addition, a tax suspension restriction was placed on reserves already existing in the equity for the amount of EUR 69,583 thousand.

Article 1, paragraphs 622-624 of Law 234/2021 (2022 Budget Law) subsequently intervened, retroactively modifying the tax regime of the amortisation of realigned goodwill pursuant to Article 110 of Decree Law

104/2020, providing for the increase of the minimum tax amortisation period from the ordinary 18 years to 50 years. In view of the extension of the tax amortisation plan, companies were essentially granted three alternatives: (i) accept that dilution and deduct a share of amortisation referring to the higher realigned values to an extent not to exceed one-fiftieth for each tax period, (ii) benefit from the originally applicable depreciation in eighteenths by supplementing the substitute tax to the extent corresponding to that established by Article 176, paragraph 2-ter of the TUIR, (iii) revoke, even partially, the application of the tax regulations of the above-mentioned Article 110, according to methods and terms to be adopted by Measure of the Director of the Italian Tax Authorities.

The Company, taking note of the regulatory change, decided to maintain the goodwill realignment option, thus diluting the tax amortisation period in fifty years. Based on the forecasts of taxable income generations in the 2024-2028 plan approved by the Board of Directors on 20 February 2024 and historical data, deferred tax assets, decreased by EUR 403 thousand in the course of 2023, were deemed fully recoverable in consideration of the possibility of absorption through the Company's future taxable income.

The following table shows the items that reconcile the difference between the theoretical tax burden at Italian rate and taxes actually charged to the year:

(In thousands of EUR)	2023	Rate	2022	Rate
Profit (loss) before taxes	17,840		16,034	
Theoretical income taxes (a)	4.282	24.00%	3,848	24.00%
Tax effect of permanent differences including:				
- cars	232		210	
- telephony	87		83	
- prior year income and expense	270		19	
- board and lodging	54		50	
- Other changes	(45)		770	
- ACE (Aiuto alla crescita economica, Aid to economic growth)	(286)		(291)	
- 10% IRAP deduction	(230)		(108)	
- Dividends/income from liquidation	(1,388)		(1,151)	
Subtotal (b)	(1,306)		(418)	
Income taxes recorded in the Financial Statements (current and deferred) excluding IRAP and realignment effect (a + b)	2,976	16.68%	3,430	21.39%
IRAP (current and deferred, excluding realignment)	1,254	7.03%	1,252	7.81%
Income taxes recorded in the Financial Statements (current and deferred)	4,230	23.71%	4,682	29.20%
Tax from previous years	-	0.00%	(354)	(2.21%)
Total taxes	4,230	23.71%	4,328	26.99%

Pursuant to Articles 117 to 129 of the Consolidated Income Tax Act (TUIR), agreements were signed between Openjobmetis S.p.A. and its subsidiaries Openjob Consulting S.r.l., Seltis Hub S.r.l., Lyve S.r.l. and Family Care S.r.l. on the exercise of the option for the domestic tax consolidation scheme, thus benefiting from the possibility of offsetting taxable income against tax losses in a single tax return. The three-year agreements will be tacitly renewed for the following three-year period unless they are revoked.

28. Contingent liabilities

The Company is a party to pending disputes and lawsuits. Based on the opinion of legal and tax advisors, the directors do not expect that the outcome of these ongoing actions will have a significant effect on the financial position of the Company, in addition to what was already allocated in the consolidated financial statements. Specifically:

- During 2020, Quanta S.p.A., now merged by incorporation into Openjobmetis S.p.A. as of 1 January 2022, received a questionnaire from the Italian Tax Authorities concerning the VAT treatment of the financed professional training activities, intended for contract workers in 2015, 2016 and 2017.
  On 30 November 2020, the Italian Tax Authorities communicated assessment notice no. TMB067O00388/2020, concerning the alleged non-deductibility of VAT for the year 2015, equal to EUR 592,801.18, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest.
  On 28 April 2021, Quanta S.p.A. filed an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 15 March 2022, who, in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal.
  On 13 April 2023, the Italian Tax Authorities filed an appeal against the ruling of the First Instance Commission, whose second instance hearing was held on 4 December 2023; the Tax Court, in a judgment filed on 17 January 2024, upheld the appeal filed by the Italian Tax Authorities, which requested the payment of the tax and related interest totalling EUR 779,777.56, while confirming the cancellation of the penalties imposed.
  Openjobmetis S.p.A. will proceed with the submission of the appeal to the Court of Cassation within the terms established by law and the application for the suspension of the enforceability of the ruling to the Second Instance Tax Court.

- On 28 October 2021, the Italian Tax Authorities communicated an assessment notice no. TMB067O00227/2021 for 2016 with the same requirements as the previous one, for EUR 595,569.72.
  On 22 December 2021, Quanta S.p.A. served an appeal with a petition for discussion at a public hearing, which was discussed in the Tax Commission on 21 June 2022, who in a decision handed down on 18 October 2022, acknowledged the merits of the Company's reasons set forth and granted its appeal.
  On 20 March 2023, the Italian Tax Authorities filed an appeal against the ruling of the First Instance Commission. Following the second instance hearing held on 20 September 2023, with a ruling filed on 28 September 2023 the validity of the Company's arguments was also recognised in that case. It is not excluded that the Italian Tax Authorities may appeal to the Court of Cassation against the ruling of the Second Instance Commission.

- On 12 April 2022, the Italian Tax Authorities served an additional assessment notice no. TMB061T00096/2022 for 2017 to Openjobmetis S.p.A., as the incorporator of Quanta S.p.A., with the same requirements as the previous ones, for EUR 572,322.77. On 9 June 2022, the Company filed an appeal with a request for discussion at a public hearing on 17 January 2023, which, in a ruling handed down on 8 August 2023, acknowledged the merits of the Company's reasons set forth and granted its appeal.
  The Company, following the rejection of the application for the suspension of the provisional collection pending the proceedings and in accordance with current legislation, had paid EUR 190,774.26, plus interest, simultaneously recognising a receivable from the tax authorities in the same amount.
  On 19 February 2024, the Italian Tax Authorities filed an appeal with a request for discussion at a public hearing, against which the Company will appear before the court within the terms established by law.

- On 11 March 2024, the Company, as the merging entity company of Quanta SpA, received an invitation from the Italian Tax Authorities with reference to the VAT treatment on professional training services for the annuity 2018; the Company will respond within the terms provided for by the Law.

  Pursuant to the contractual agreements in place, the seller of Quanta S.p.A., FDQ S.r.l., has issued a specific guarantee to cover any liability that may arise in relation to assessment notices concerning the undue deduction of VAT for the year 2015 and onward until 2020.

- In 2021, the Italian Tax Authorities - Regional Lombardy Division - Office of Major Taxpayers, initiated a tax audit activity against the Parent, Openjobmetis S.p.A., with reference to the 2016 and 2017 tax periods.
  The audit concerned the VAT treatment of financed professional training received by the Company in its capacity as client, aimed at contract workers.

  On 23 December 2021, the Italian Tax Authorities communicated assessment notice no. TMB061T00556/2021, concerning the alleged non-deductibility of VAT for the year 2017, equal to EUR 2,727,981.88, on training services financed through the Forma.Temp fund, which, based on their reconstruction, would instead be subject to the application of the VAT exemption pursuant to Article 10, paragraph 1, no. 20 of Presidential Decree 633/72, in addition to penalties and interest. On 21 May 2022, the Company filed an appeal with a petition for discussion at a public hearing held subsequently on 29 November 2022, following which the Tax Commission handed down a favourable ruling on 3 January 2023, acknowledging the merits of the reasons set out in the appeal. On 28 March 2023, the Italian Tax Authorities filed an appeal against the ruling of the First Instance Commission.
  On 9 October 2023, the second instance hearing was held, the ruling of which was filed on 27 October 2023. On that basis, the Italian Tax Authorities asked the Company to pay the tax and related interest for a total of EUR 3,342,244.12; with the above-mentioned ruling, the Tax Court partially accepted the appeal filed by the Italian Tax Authorities, while also recognising a regulatory uncertainty so as to order the total cancellation of the administrative sanctions against the Company.
  Openjobmetis S.p.A. challenged this negative ruling before the Court of Cassation by means of an appeal filed on 5 February 2024; the Company will also proceed to file a petition to suspend the enforceability of the aforementioned ruling within the terms provided by law.

- On 13 October 2022, the Italian Tax Authorities communicated assessment notice no. TMB061T00552/2021, concerning the alleged non-deductibility of VAT for the year 2016, amounting to EUR 2,072,364.00 with the same assumptions applied with reference to the year 2017.
  On 12 March 2023, the Company filed an appeal with a petition for discussion at a public hearing held subsequently on 19 September 2023, following which the Tax Commission handed down a favourable ruling on 1 December 2023, acknowledging the merits of the reasons set out in the appeal.
  On 16 June 2023, the Company, following the rejection of the application for the suspension of the provisional collection pending the proceedings and in accordance with current legislation, had paid EUR

690,788.00, plus interest, simultaneously recognising a receivable from the tax authorities in the same amount.

It is not excluded that the Italian Tax Authorities may appeal against the first instance ruling.

Openjobmetis S.p.A., after consulting its advisors, believes that it has various reasons to support its actions and the actions of Quanta, for which it has taken over all legal relations and obligations following the merger by incorporation carried out on 1 January 2022 and stresses its firm opposition to the objections raised by the Italian Tax Authorities and its willingness to proceed with litigation to the extent necessary for the recognition of its reasons.

Given the degree of uncertainty of the issue in question, the Company in any case has requested an opinion from an independent third-party professional, who has confirmed the assessments made by the Company's advisors.

The objections raised by the Italian Tax Authorities are part of a line of argument that has, to date, involved various Employment Agencies; consequently, the publication of new case law potentially favourable to the Company's defence cannot be ruled out in the coming months. To protect the interests of the category, associations representing Employment Agencies intervened, supporting initiatives directed at the competent institutional venues, including the complaint before the European Commission. Therefore, a favourable legislative intervention should not be excluded.

29. Financial instruments

(a) Credit risk

Exposure to credit risk

The carrying amount of the financial assets represents the Company's maximum exposure to credit risk. At the end of the reporting period, this exposure is set out below:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Held-to-maturity investments	2,833	3,263	(430)
Trade receivables	136,964	136,300	664
Cash and cash equivalents	6,920	1,911	5,009
Total	146,717	141,474	5,243

Trade receivables mainly refer to Italian customers.

There are no particular concentrations of trade receivables in specific sectors.

Exposure to the top ten customers' accounts for approximately 18% of total receivables as at 31 December 2023.

Impairment losses

The ageing of trade receivables at the end of the reporting period was as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Falling due	116,841	118,078	(1,237)
Past due from 0 to 90 days	19,186	16,375	2,811
Past due from 91 to 360 days	1,879	2,746	(867)
Past due 360 days or more	5,777	6,489	(712)
Total trade receivables	143,683	143,688	(5)

The changes in the loss allowance for trade receivables during the period were as follows:

(In thousands of EUR)	31/12/2023	31/12/2022	Change

Opening balance	7,388	6,096	1,292
Increase from merger	-	579	(579)
Impairment losses for the period	1,950	1,585	365
Use during the period	(2,619)	(872)	(1,747)
Closing balance	6,719	7,388	(669)

It should be noted that the value of receivables shown above is recorded net of an amount of EUR 72 thousand corresponding to the impairment loss arising from the measurement at fair value of trade receivables inherited from the acquisition of Quanta S.p.A. during 2021, mainly relating to receivables due beyond 360 days.

The Company allocates a loss allowance that reflects the estimate of impairment losses on trade receivables and on other assets, whose main components are the individual impairment losses on significant exposures and the collective impairment loss on homogeneous groups of assets against losses that have not yet been identified. Collective impairment is determined on the basis of historical losses, adjusted if necessary by scale factors reflecting the differences between the economic conditions of the period during which the historical data was collected and the Company's point of view about the economic conditions over the entire expected life of the receivables. The loss allowance mainly relates to receivables that have been past due for more than 360 days.

The impairment loss for the period refers to the provision for estimated impairment losses on trade receivables as described above.

The Company constantly monitors its exposure to credit risk relating to relations with its customers, and adopts appropriate measures to mitigate them. Specifically, on the basis of the policies adopted by the Company, trade receivables that are past due are the subject of specific reminders and recovery actions, including forced. The result of these actions is considered in determining the loss allowance.

During the year the Company did not recognise expected impairment losses on held-to-maturity investments.

The Company uses loss allowances to recognise the impairment losses on trade receivables and on held-to-maturity investments; however, when there is the certainty that the amount due cannot be recovered, the amount considered irrecoverable is written off directly from the related financial asset.

(b) Liquidity risk

The contractual maturities of financial liabilities, including interest to be paid and excluding the effects of offsetting agreements, are shown in the following table:

Non-derivative financial liabilities	31 December 2023					
(In thousands of EUR)	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-5 years	More than 5 years
BPM Line A loan 04/07/2023	(5,975)	(6,249)	(3,166)	(3,083)	-	-
BPM Line A loan 31/07/2023	(13,402)	(16,337)	(379)	(379)	(15,579)	
Non-guaranteed bank loans and borrowings	(13,072)	(13,072)	(13,072)	-	-	-
Payables for centralised treasury management	(7,375)	(7,375)	(7,375)	-	-	-
Lease liabilities	(13,055)	(14,061)	(1,518)	(1,932)	(9,861)	(750)
Trade payables	(10,852)	(10,852)	(10,852)	-	-	-
Other liabilities	(39,360)	(39,304)	(39,004)	-	(300)	-
Employee benefits *	(53,970)	(53,970)	(53,970)	-	-	-
Total	(157,062)	(161,220)	(129,337)	(5,394)	(25,740)	(750)

Non-derivative financial liabilities	31 December 2022					
(In thousands of EUR)	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-5 years	More than 5 years
Line A Loan	(4,491)	(4,574)	(1,537)	(1,525)	(1,512)	-
Line B2 Loan	(4,284)	(4,345)	(1,460)	(1,449)	(1,436)	-
M/L Loans	(1,000)	(1,000)	(1,000)	-	-	-
Non-guaranteed bank loans and borrowings	(15,774)	(15,774)	(15,774)	-	-	-
Lease liabilities	(12,354)	(12,961)	(1,937)	(1,937)	(8,532)	(555)
Trade payables	(11,931)	(11,931)	(11,931)	-	-	-
Other liabilities	(39,033)	(39,033)	(38,433)	-	(600)	-
Employee benefits *	(59,969)	(59,969)	(59,969)	-	-	-
Total	(148,836)	(149,587)	(132,041)	(4,911)	(12,080)	(555)

* the item Employee benefits considers only short-term benefits that will generally be settled periodically.

The cash flows included in the above-mentioned tables are not expected to occur significantly in advance or for considerably different amounts.

(c) Interest rate risk

Floating rate financial liabilities are summarised below:

(In thousands of EUR)	31/12/2023	31/12/2022	Change
Non-guaranteed bank loans and borrowings	13,072	15,774	(2,702)
Line A Loan	-	4,491	(4,491)
Line B2 Loan	-	4,284	(4,284)
BPM Line A loan 04/07/2023	5,975	-	5,975
BPM Line A loan 31/07/2023	13,402	-	13,402
Payables for centralised treasury management	7,375	-	7,375
M/L Loans	-	1,000	(1,000)
Total financial liabilities	39,825	25,549	14,276

(d) Fair value

Fair value and carrying amount

The following table shows the carrying amount recorded in the statement of financial position and the fair value of each financial asset and liability:

(In thousands of EUR)	31 December 2023		31 December 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Held-to-maturity investments	2,833	2,833	3,263	3,263
Trade receivables and other assets	148,031	148,031	145,362	145,362
Cash and cash equivalents	6,920	6,920	1,911	1,911
Lease liabilities	(13,055)	(13,055)	(12,354)	(12,354)
Line A Loan	-	-	(4,491)	(4,491)
Line B2 Loan	-	-	(4,284)	(4,284)
BPM Line A loan 04/07/2023	(5,975)	(5,975)	-	-
BPM Line A loan 31/07/2023	(13,402)	(13,402)	-	-
M/L Loans	-	-	(1,000)	(1,000)
Non-guaranteed bank loans and borrowings	(13,072)	(13,072)	(15,774)	(15,774)
Payables for centralised treasury management	(7,375)	(7,375)		
Trade payables and other liabilities	(50,212)	(50,212)	(50,964)	(50,964)
Employee benefits	(54,536)	(54,536)	(60,556)	(60,556)
Total	155	155	1,113	1,113

Methods for determining fair value

The methods and main assumptions used for measuring the fair value of the financial instruments are shown below:

- *Non-derivative financial liabilities*
  Bank loans and borrowings and other financial liabilities bear interest at floating rate and therefore, also considering that they are indicated net of the related charges, no significant differences between the carrying amount and fair value were identified.
- *Derivative financial liabilities*
  The fair value of Interest Rate Swaps is equal to the present value of the future cash flows estimated on the basis of observable market parameters, and also compared with the prices of the financial intermediary with whom the contract was signed.
- *Trade receivables and other assets*
  The fair value of trade receivables and other assets is estimated based on future cash flows discounted using market interest rates at the reporting date. The fair value matches the carrying amount as it already reflects the impairment loss.
  For information concerning the interest rates used to discount the expected cash flows, where applicable, on the elements listed in the above table, mainly used for calculating the financial liabilities at amortised cost, refer to Note 12.

30. Leases

The Company, for the purposes of its business, makes use of several leases, especially for car rental and building lease.

31. Related parties

Some members of the Board of Directors hold a position in other bodies and may be in a position to exercise control or significant influence on the financial and management policies of such bodies.
The relationships entertained between the Company and related parties, as identified on the basis of the criteria defined in IAS 24 - Related Party Disclosures - are mainly commercial in nature.
During the year, the Company carried out transactions with some of the above-mentioned bodies as shown below. The general conditions governing these transactions were carried out in respect of and in line with normal market conditions.
During the meeting of 12 October 2015, the Board of Directors approved and subsequently updated, most recently on 29 June 2021, the related party transactions policy and procedure, in accordance with Article 2391-bis of the Italian Civil Code and with the "Related party transactions regulations" adopted by CONSOB with resolution no. 17221 of 12 March 2010 and subsequent amendments.
The total value of the transactions and residual balances is as follows:

(In thousands of EUR)	Total 2023	Subsidiaries	Other related parties	Total related parties	% weight on financial statement items
Revenue	703,285	881	-	881	0.13%
Other income	14,737	208	-	208	1.41%
Personnel expenses	36,872	55	1,779	1,834	4.97%
Costs for services	35,878	1,368	-	1,368	3.81%
Other operating expenses	189	8	-	8	4.23%
Financial income	7,500	6,074	-	6,074	80.99%
Financial expense	2,313	51	-	51	2.20%

(In thousands of EUR)	Total 2022	Subsidiaries	Other related parties	Total related parties	% weight on financial statement items
Revenue	727,095	557	-	557	0.08%
Other income	14,484	895	-	895	6.18%
Personnel expenses	35,375	28	3,003	3,031	8.57%
Costs for services	35,027	1,631	-	1,631	4.66%
Financial income	4,945	4,911	-	4,911	99.31%

(In thousands of EUR)	Total 2023	Subsidiaries	Other related parties	Total related parties	% weight on financial statement items
Equity investments	5,567	5,567	-	5,567	100%
Receivables	136,964	3	-	3	0.00%
Other assets	11,067	746	-	746	6.74%
Short-terms financial liabilities	26,423	7,375	-	7,375	27.91%
Trade payables	10,852	-	-	-	0.00%
Other liabilities	39,360	432	-	432	1.10%

(In thousands of EUR)	Total 2022	Subsidiaries	Other related parties	Total related parties	% weight on financial statement items
Equity investments	5,152	5,152	-	5,152	100%
Receivables	136,300	177	-	177	0.13%
Other assets	9,062	705	-	705	7.78%
Trade payables	11,931	1	-	1	0.01%
Other liabilities	39,033	293	-	293	0.75%

The items Revenue and Other Income from subsidiaries include amounts charged to Group companies as follows: Openjob Consulting S.r.l. for EUR 634 thousand (EUR 911 thousand in 2022), Seltis Hub S.r.l. for EUR 265 thousand (EUR 232 thousand in 2022), Family Care S.r.l. for EUR 145 thousand (EUR 178 thousand in 2022) and Lyve Srl for EUR 45 thousand (EUR 45 thousand in 2022). These charges relate mainly to services supplied in favour of the subsidiaries for administrative, management and staff supply tasks and charges for seconded staff. The receivable from Group companies amounts to a total of EUR 3 thousand from the subsidiary Openjob Consulting S.r.l. (EUR 33 thousand as at 31 December 2022) for the provision of personnel in December 2023.

The item Personnel expenses from Other related parties includes costs equal to EUR 1,174 thousand in 2023 (EUR 1,828 thousand in 2022) for the Board of Directors; EUR 364 thousand in 2023 (EUR 815 thousand in 2022) for Key management personnel and EUR 241 thousand in 2023 (EUR 360 thousand in 2022) for salaries paid to close relatives of executives.

The item Costs for services of Subsidiaries includes the costs charged by the subsidiary Openjob Consulting S.r.l. for EUR 1,309 thousand (EUR 1,631 thousand in 2022) for the processing of contract workers' pay slips and for training, by the subsidiary HC S.r.l. for EUR 3 thousand (EUR 13 thousand in 2022) and by the subsidiary Lyve S.r.l. for EUR 56 thousand (EUR 62 thousand in 2022), both charged for training projects carried out in 2022. As at 31 December 2023, there were no payables to subsidiaries (EUR 1 thousand as at 31 December 2022).
The item Financial income from Subsidiaries amounting to EUR 6,074 thousand (EUR 4,911 thousand in 2022) refers to dividends granted by Openjob Consulting S.r.l. for EUR 3,706 thousand (EUR 2,284 thousand in 2022) and by Seltis Hub S.r.l. for EUR 2,368 (EUR 2,627 thousand in 2022); the income related to dividends granted by both subsidiaries was fully collected as at 31 December 2023.
The item Other assets includes receivables of the Company from the subsidiary Seltis Hub S.r.l. for participation in the domestic tax consolidation programme for a total of EUR 746 thousand (EUR 485 thousand as at 31 December 2022).
The item Other liabilities includes payables of the Company to Group companies for participation in the domestic tax consolidation scheme totalling EUR 432 thousand, of which from the subsidiary Openjob Consulting S.r.l. for EUR 224 thousand (from which the Company had a receivable of EUR 220 thousand as at 31 December 2022), for EUR 177 thousand from the subsidiary Family Care S.r.l. (EUR 229 thousand as at 31 December 2022) and for EUR 31 thousand to the subsidiary Lyve S.r.l. (zero as at 31 December 2022).
The item Current financial liabilities includes from the current year the indebtedness deriving from the centralised management of the Group treasury for a total of EUR 7,375 thousand, of which EUR 2,359 thousand to the subsidiary Openjob Consulting S.r.l., EUR 3,545 thousand to the subsidiary Seltis Hub S.r.l. and EUR 1,471 thousand to the subsidiary Family Care S.r.l.
For Equity investments, see Note 5 of this document.
In the course of normal business, the Group has provided contract worker supply services and has collaborated with related parties for immaterial amounts and under market conditions.

32. Remuneration of members of the Board of Directors, key management personnel and members of the Board of Statutory Auditors

The general conditions that regulate the transactions with key management personnel and their related parties were not more favourable than those applied, or that could reasonably be applied, in the case of similar transactions with non-key management personnel associated with the same bodies at normal market conditions.
The total remuneration of key management personnel, recorded in the item Personnel expense and costs for services, amounted to EUR 1,538 thousand, of which EUR 1,174 thousand to members of the Board of Directors and EUR 364 thousand to key management personnel (EUR 2,643 thousand in 2022, of which EUR 1,828 thousand to members of the Board of Directors and EUR 815 thousand to key management personnel). In addition to salaries, the Company also offers certain key management personnel benefits in kind according to the ordinary contractual practice for company managers. The Shareholders' Meeting on 17 April 2019 resolved the adoption of a 2019-2021 Performance Shares Plan, and on 19 April 2022 approved the adoption of a 2022-2024 Performance Shares Plan, which provide for the right of directors, key management personnel and other key employees to receive, at the end of the three-year vesting period, ordinary shares of Openjobmetis S.p.A.

subject to the achievement of certain Performance Objectives as described in the above Plan (to which explicit reference is made).

It should also be noted that the remuneration to certain Directors has been paid to their respective companies rather than to individual beneficiaries, according to an agreement between them and the companies in question, for a total of EUR 91 thousand in 2023 (unchanged from 2022).

For more information regarding fees of said managers, reference is made to the 2023-24 Remuneration Report published in the "Corporate Governance" section of the company website.

Remuneration to the Board of Statutory Auditors for 2023 amounted to EUR 88 thousand (EUR 88 thousand in 2022).

The total amount of transactions with said key management personnel and bodies over which they exercise control or significant influence is as follows:

Remuneration *(in thousands of EUR)*	Remuneration for offices held	Non-monetary benefits	Bonuses and other incentives	Total remuneration
Members of the Board of Directors	1,011	None	163	1,174
Key Management Personnel	328	None	36	364
Total BoD and Key management personnel	1,339	None	199	1,538

Remuneration *(in thousands of EUR)*	Remuneration of the parent	Non-monetary benefits	Bonuses and other incentives	Total remuneration
Board of Statutory Auditors	88	None	-	88
Total Board of Statutory Auditors	88	None	-	88
Total remuneration of key management personnel	1,427	None	199	1,626

33. Atypical and/or unusual transactions

The financial statements as at 31 December 2023 do not show any income components or capital and financial items, either positive or negative, arising from atypical and/or unusual events and transactions, as defined in Consob communication no. DEM/606493 of 28 July 2006.

34. Subsequent events

On 15 January 2024, Openjobmetis S.p.A. finalised the acquisition of Just on Business S.p.A. and its subsidiary Deine Group S.r.l. For further information, please refer to the relevant press release.

On 1 February 2024, following the successful completion of the confirmatory due diligence activity, Groupe Crit S.A. confirmed the price of EUR 16.5 per OJM share in view of the direct or indirect purchase of all the shares of Openjobmetis held by the shareholders Omniafin S.p.A., M.T.I. Investimenti S.r.l. and Plavisgas S.r.l.

On 23 February 2024, Groupe Crit S.A. announced that it had signed preliminary contracts for the purchase of the entire share capital of Plavisgas S.r.l., which holds a 34.14% stake in the capital of Openjobmetis S.p.A., and

all the OJM shares held by Omniafin S.p.A. and M.T.I. Investimenti S.r.l., equal to 18.45% and 5.15% of the total share capital, respectively.
Openjobmetis S.p.A. has also been informed of the execution of a preliminary contract for the purchase of the entirety of the OJM shares held by Quaestio Capital SGR S.p.A. equal to 6.91% of the share capital of OJM, at a price per share of EUR 16.5. For further information, please refer to the relevant press release.

35. Significant non-recurring events and transactions

In compliance with CONSOB communication no. DEM/6064293 of 28 July 2006, as regards events or transactions whose occurrence is non-recurring or those transactions or events which do not occur frequently in the ordinary course of business, reference should be made to the comments made in Note 24, in relation to due diligence and consultancy services for acquisitions and professional service costs for regulated market transactions for EUR 1,139 thousand (approximately 3% of costs for services), and Note 25, in connection with the provision for a tax dispute in the amount of EUR 1,000 thousand (approximately 52% of other operating expenses).

36. Information required by Law no. 124/2017, Article 1, paragraphs 125-129

It should be noted that during the year the company did not receive any public grants, subsidies, benefits, contributions or aid, in cash or in kind, which are not general in nature and are not a form of consideration, remuneration or compensation, in addition to what has already been published on the site:
https://www.rna.gov.it/RegistroNazionaleTrasparenza/faces/pages/TrasparenzaAiuto.jspx

37. Proposed allocation of profit for the year

The Board of Directors, taking into account the company's development projects, proposes to resolve as follows with respect to the profit for the year 2023:

- Allocation of a dividend to the shareholders of EUR 0.50 per each entitled share (excluding treasury shares) up to a maximum of EUR 6,142,647.00.
- Allocation to other reserves: EUR 7,466,809.00
- There was no allocation to the legal reserve, having reached one fifth of the share capital, as required by Article 2430 of the Italian Civil Code.

Milan, 13 March 2024

On behalf of the Board of Directors
The Chairman
Marco Vittorelli

STATEMENT ON THE SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH ARTICLE 154-BIS OF LEGISLATIVE DECREE 58/98 AS AMENDED AND SUPPLEMENTED

1. We the undersigned Rosario Rasizza, Managing Director, and Alessandro Esposti, Manager in charge of financial reporting of Openjobmetis S.p.A., hereby certify, taking into account, inter alia, the provisions of article 154-bis, paragraphs 3 and 4, of Italian Legislative Decree 24 February 1998 no. 58:

- the adequacy in relation to the characteristics of the company and
- the actual application of the administrative and accounting procedures for the preparation of the separate financial statements, during the year from 01/01/2023 to 31/12/2023.

2. In this regard, it should be noted that the adequacy of the administrative and accounting procedures used to prepare the separate financial statements as at and for the year ended 31 December 2022 was assessed on the basis of the assessment of the system of internal controls and for the audit of the processes directly or indirectly connected with the preparation of the accounting and financial statement data.

3. We confirm that:

I. The separate financial statements as at 31 December 2023:

- correspond with the information contained in the accounting ledgers and records;
- have been prepared in accordance with applicable international accounting standards recognised by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 as well as the provisions issued in implementation of Legislative Decree 38/2005;
- provide a true and fair view of the financial position, results of operations and cash flows of the issuer.

II. The Directors' Report of the separate and consolidated financial statements includes a reliable analysis of the operating performance and results, as well as the situation of the issuer, the events that have occurred during the year and their impact on the separate financial statements, together with the description of the main risks and uncertainties to which the issuer is exposed. The Director's Report also contains information on significant transactions with related parties. Pursuant to the provisions of Article 154-ter of Legislative Decree 58/98.

Milan, 13 March 2024

Managing Director	Manager in charge of financial reporting
Rosario Rasizza	Alessandro Esposti

KPMG S.p.A.
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(The accompanying translated separate financial statements of Openjobmetis S.p.A. constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Openjobmetis S.p.A.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Openjobmetis S.p.A. (the "Company"), which comprise the statement of financial position as at 31 December 2023, the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Openjobmetis S.p.A. as at 31 December 2023 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of Openjobmetis S.p.A. in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of goodwill

Notes to the separate financial statements: 2 "Material accounting policies" and 4 "Intangible assets and goodwill"

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2023 include goodwill of €95,582 thousand arising from non-recurring transactions and acquisitions carried out, unchanged from 31 December 2022. This goodwill is allocated to the cash-generating unit comprising the Company's and its subsidiaries' operating assets and liabilities, excluding Family Care S.r.l., which has been identified as a separate CGU. With the assistance of external advisors, the directors tested the carrying amount of goodwill for impairment to identify any impairment losses compared to its recoverable amount. The impairment test was approved by the board of directors on 13 March 2024. The directors estimated the recoverable amount based on its value in use, calculated using the discounted cash flow model by discounting the expected cash flows set out in the 2024-2028 business plan approved by the board of directors on 20 February 2024, also taking into consideration the transaction recently promoted by Groupe Crit on the company's share capital. Impairment testing requires a high level of judgement, especially in relation to: • the expected cash flows, calculated by taking into account the general economic performance and that of the Group's sector and the actual cash flows generated by the cash-generating unit in recent years; • the financial parameters to be used to discount the above cash flows. For the above reasons and considering the materiality of the financial statements caption, we believe that the measurement of goodwill is a key audit matter.	Our audit procedures, which also involved our own specialists, included: • updating our understanding of the process adopted to prepare the 2024-2028 business plan and the impairment test and assessing the design and implementation of relevant controls; • checking any discrepancies between previous years forecast and actual figures, in order to check the accuracy of the estimation process; • analysing the reasonableness of the expected cash flows and the key assumptions used by the directors to prepare the business plan used for impairment testing. We also compared the expected cash flows and key assumptions to the CGU's historical figures and external information, where available; • assessing the reasonableness of the impairment testing model and related assumptions, especially in relation to the discount rate, based on the related components, and comparing them to publicly-available data and information; • checking any discrepancies between the most recent actual figures and the business plan forecasts and understanding the underlying reasons; • comparing the value in use arising from the impairment test to the market capitalisation and with the reference values of the transaction recently promoted by Groupe Crit on the company's share capital; • checking the sensitivity analysis presented in the notes in relation to the main assumptions used for impairment testing; • assessing the appropriateness of the disclosures provided in the notes about the measurement of goodwill.

Measurement of trade receivables

Notes to the separate financial statements: 2 "Material accounting policies", 9 "Trade receivables" and 29 (a) "Financial instruments – credit risk"

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2023 include trade receivables of €136,964 thousand, net of the loss allowance of €6,719 thousand. In Italy, the Company has a large number of customers operating in various sectors, especially small to medium sized companies. Accordingly, any worsening in the general market conditions or a negative performance of the credit market could have an adverse impact on the Company's transactions with these customers, affecting its ability to collect its trade receivables and affecting its working capital management. Considering the nature of existing trade receivables, the Company estimated the impairment losses on trade receivables based on a specific assessment of the exposures individually significant or under dispute. It also performed a collective assessment by groups of similar exposures. The loss allowance is based on the lifetime expected credit losses, estimated considering many factors, including: • the age of the trade receivable; • the customer's solvency; • historical figures, possibly adjusted by scalar factors to reflect the expected market conditions over the trade receivables' life. Accordingly, calculating the loss allowance requires a high level of judgement. For the above reasons and considering the materiality of the financial statements caption, we believe that the measurement of trade receivables is a key audit matter.	Our audit procedures included: • updating our understanding of the process adopted to monitor and manage credit risk; • assessing the design and implementation of relevant controls, including the Company's checks of its customers' solvency and assignment of a credit rating to them, the regular monitoring of past due exposures and of the implementation of the related recovery measures; • assessing the reasonableness of the trade receivable measurement model adopted by the Company, in relation to the collective and individual assessments, through discussions with the relevant internal departments and considering the Company's past experience and expectations about the market conditions over the trade receivables' life and our knowledge of its sector; • sample-based analysis of collections from customers after the reporting date relating to trade receivables existing at the reporting date; • on a sample basis and with reference to the main past due exposures, discussing the recoverability prospects with the relevant internal departments and checking their consistency, by assessing the reasonableness of estimates based on our understanding of the Company's business, its past experience, the reference environment and publicly-available information about its customers' financial position and performance; • sending written requests for information to the legal advisors assisting the Company with credit recovery and checking the individual assessments made by the Company for consistency with the information obtained; • assessing the appropriateness of the disclosures provided in the notes about the measurement of trade receivables.

Responsibilities of the Company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the Company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the Company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to

the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 12 October 2015, the shareholders of Openjobmetis S.p.A. appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2015 to 31 December 2023.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The directors of Openjobmetis S.p.A. are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2023 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2023 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The directors of Openjobmetis S.p.A. are responsible for the preparation of the directors' report and the report on corporate governance and ownership structures at 31 December 2023 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the directors' report and the specific information presented in the report on corporate governance and ownership structures indicated by article 123-bis.4 of Legislative decree no. 58/98 with the Company's separate financial statements at 31 December 2023 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structures referred to above are consistent with the Company's separate financial statements at 31 December 2023 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Milan, 25 March 2024

KPMG S.p.A.

(signed on the original)

Luisa Polignano
Director of Audit

Report of the Board of Statutory Auditors to the Shareholders' Meeting of Openjobmetis S.p.A. (pursuant to Art. 153 of Legislative Decree 58/1998 and Art. 2429, paragraph 2, of the Italian Civil Code)

Dear Shareholders,

The Board of Statutory Auditors, pursuant to Art. 153 of Italian Legislative Decree 58/1998 (TUF, 'Consolidated Law on Finance') and Art. 2429, paragraph 2, of the Italian Civil Code, is required to report to the Shareholders' Meeting, called to approve the financial statements for the year ended as at 31 December 2023, on the monitoring activity carried out, as well as on any omissions or censurable events recorded.

In particular, the Board of Statutory Auditors reports on the monitoring activity and the obligations set forth by the legal system that it carried out and which it is required to perform in relation to the obligations set forth in the applicable legislation, taking into account the 'Rules of conduct for Boards of Statutory Auditors of listed companies' and according to the methods laid down in Consob Communication No. DEM/1025564 of 06/04/2001 and subsequent updates.

* * *

Appointment of the Board of Statutory Auditors

The Board of Statutory Auditors, in office on the date of this report, was appointed by the Shareholders' Meeting of 30 April 2021 for the three-year period 2021-2022-2023, in compliance with the allocation criterion set out in Art. 148, paragraph 1-*bis* of the Consolidated Law on Finance, and is composed of Chiara Segala (Chairperson), Manuela Paola Pagliarello and Roberto Tribuno (Standing Auditors). Alternate statutory auditors Marco Sironi and Alvise Deganello.
The approval of the financial statements as at 31 December 2023 marks the expiry of the mandate of the Board of Statutory Auditors in office.
It should be noted that the Board of Statutory Auditors, as composed above, was appointed from 8 April 2022 with the same composition in the wholly-owned subsidiary Family Care S.r.l., until the approval of the financial statements as at 31 December 2025.
The standing members Tribuno and Pagliarello were also appointed from 15 January 2024 as members of the Board of Statutory Auditors, respectively as Chairman of the Board of Statutory Auditors and as Standing Auditor, of the subsidiary Just on Business S.p.A., whose acquisition was completed on the same date.

Significant events in the year

During the course of business in 2023, the Board of Statutory Auditors monitored observance of the law and of the Articles of Association and compliance with the principles of proper administration and has no observations to make in this regard.

The Board of Statutory Auditors received, from the Managing Director, the executive directors and the boards of directors of the subsidiaries, during meetings of the Board of Directors in which the Board of Statutory Auditors participates, adequate and timely information on the activities carried out, on the general operating performance and on the business outlook, as well as on the transactions of greatest economic, financial and equity importance carried out by the Company and its subsidiaries, also with regard to the frequency established by law. For a description of the most important transactions, please refer to the Board of Directors' Report on Operations, 'Main significant events in 2023' section and 'Main significant subsequent events' section which, as far as the Board of Statutory Auditors is aware, comprehensively summarise the most important events that concerned the Openjobmetis Group in 2023 and early 2024. It is worth pointing out that, in 2023, the Company promoted a partial voluntary tender offer pursuant to articles 102 et seq. of the Consolidated Law on Finance (TUF) on a maximum of 1,500,000 treasury shares, equal to 11.22% of the share capital, at the price of EUR 9.00 per share and for a maximum value of EUR 13,500,000.00. The offer was then accepted for 741,147 shares, equal to approximately 49.41% of the shares subject to the offer and roughly 5.54% of the share capital.
On 21 December 2023, the Board of Directors reviewed the communication received from Groupe Crit S.A., concerning the signing of a Memorandum of Understanding for the purchase thereby, directly and

indirectly, of all the shares of OJM held by the shareholders Omniafin S.p.A., M.T.I. Investimenti S.r.l. and Plavisgas S.r.l. for a consideration of EUR 16.5 each. If the purchase of the equity investments is completed, a mandatory public tender offer will be launched at a price equal to the above-mentioned consideration for all outstanding Openjobmetis ordinary shares and aimed at delisting them. On 23 February 2024, Groupe Crit announced that it had signed preliminary contracts for the purchase of the entire share capital of Plavisgas S.r.l., which holds a 34.14% stake in the capital of Openjobmetis S.p.A., and all the shares held by Omniafin S.p.A. and M.T.I. Investimenti S.r.l., equal to 18.45% and 5.15% of the total share capital, respectively. The completion of the acquisitions is subject to obtaining the authorisation required by the Golden Power regulations or the expiry of the terms envisaged by the same regulations. The Company was also informed of the signing of a preliminary contract for the purchase of all the shares of OJM held by Quaestio Capital SGR S.p.A., equal to 6.91% of the share capital of Openjobmetis, at the same price per share of EUR 16.50, whose completion is instead subject to the finalisation of the acquisitions described above.
On 27 February 2024, essential information was published on the Company's website and on the eMarket Storage platform (www.emarketstorage.it), pursuant to Art. 130 of the Issuers' Regulation relating to the significant agreements in accordance with Art. 122 of the Consolidated Law on Finance (TUF) between Omniafin S.p.A., M.T.I. Investimenti S.r.l. and Groupe Crit and under point 4.1. “Significant Agreements relating to the *governance* of OJM”, there is a commitment by Crit to issue an indemnity letter at the *closing* date in favour of the directors Marco and Corrado Vittorelli, Rosario Rasizza, Biagio La Porta e Alessandro Potestà. In addition, the parties have made provision, in point 4.3 (“Significant Agreements relating to the Shareholders 'Meeting of OJM”), for the commitments regarding the Shareholders' Meeting of OJM for the approval of the financial statements as at 31.12.2023; in particular, the parties have undertaken, within the limits set by the applicable law and pursuant to Art. 1381 of the Italian Civil Code, to ensure that the Board of Directors resolves to postpone the Shareholders' Meeting to 28 June 2024, in any case governed by the commitments for the possible renewal of the corporate bodies in the event that the postponement of the Shareholders' Meeting is not resolved, and where the *closing* does not occur by 4 April 2024. On 13 March 2024, the Board of Directors, with the decisive vote of the majority of the independent directors, confirmed the date of the Shareholders' Meeting in compliance with the financial calendar previously communicated.
The Board of Statutory Auditors acknowledges that the transactions of which it acquired knowledge conformed to the law and to the Articles of Association, were not manifestly imprudent or hazardous, were not resolved with the decisive vote of directors involved in a potential conflict of interests, and were in keeping with the resolutions passed by the Shareholders’ Meeting and, in any case, were not such as to compromise the integrity of company assets.

Atypical or unusual transactions, including intercompany transactions or transactions with related parties

Atypical and/or unusual transactions, according to Communication No. DEM/6064293 of 28 July 2006, *mean transactions that, owing to their significance/relevance, nature of the counterparties, object of the transaction, methods of determination of transfer pricing and timing of the event (proximity to the close of the year), may raise doubts as regards the accuracy/completeness of the information contained in the financial statements, conflicts of interests, the safeguarding of the company’s assets or the protection of non-controlling investors*.

During 2023, as far as this Board of Statutory Auditors is aware, ordinary intercompany transactions were entered into in relation to general management activities, accounting and administrative assistance, management control, HR management, sales management, credit collection, EDP and data processing services, call centre, purchases made by the Parent Company from other Group companies, staff secondments, staff leasing, payslip processing services and subsequent obligations, personnel selection, staff training and centralised treasury management. Among the companies of the Openjobmetis Group, agreements were signed concerning the exercise of the option for the tax consolidation scheme. For full details, please refer to the section on ‘Transactions with subsidiaries and related parties’ in the Report on Operations and the ‘Related Parties’ notes to the Annual and Consolidated Financial Statements, also with regard to the characteristics of the transactions and their economic effects.

Pursuant to Art. 2391-*bis* of the Italian Civil Code and the Regulation on transactions with related parties approved by means of Consob Resolution 17221 of 12 March 2010 and subsequent amendments, the Board of Directors adopted a 'Related party transaction policy and procedure' (most recently updated on 29 June 2021); of activities in the area of related party transactions is vested in the 'Control, Risks and Sustainability Committee' set up on 30 April 2021, the date on which the current Board of Directors took office, which, composed exclusively of independent directors, receives and examines an at least quarterly disclosure on the execution of transactions with related parties and promptly reports on them during the meetings of the Board of Directors.

It is acknowledged that the Board of Statutory Auditors monitored the compliance of the 'Related Party transaction policy and procedure', adopted by the Board of Directors with the provisions of law and regulations, the adequacy of the procedures adopted for identifying related parties and ensuring that the transactions entered into with related parties were carried out in respect of the criteria of transparency and procedural and substantive correctness.
As part of the monitoring activities carried out, based on the information identified and received and, as far as this Board of Statutory Auditors is aware, no atypical or unusual transactions carried out with third parties, with Group Companies or with other related parties came to light. No critical issues emerged regarding adequacy, appropriateness and conformity with the Company's interests. The information contained in the Report on Operations is adequate with regard to intragroup and related party transactions.

Relations with the Auditing Firm

Observations and proposals regarding the findings and information requests contained in the report of the auditing firm; certification of compliance of the Non-Financial Statement; indication of any assignment of additional engagements to the auditing firm and the relevant costs; observations on any significant aspects that emerged during the meetings held with the auditors; independence of the auditing firm.

The Board of Statutory Auditors, also as the Internal Control and Audit Committee, in accordance with the provisions of Art. 19 of Italian Legislative Decree No. 39/2010, carried out the prescribed monitoring activity.

On 25 March 2024, the appointed Auditing Firm, KPMG S.p.A., entrusted with the statutory audit of the Company's annual financial statements and the Group's consolidated financial statements for the period 2015-2023, issued, in accordance with Art. 14 of Italian Legislative Decree No. 39/2010 and Art. 10 of (EU) Regulation 537/2014, its Report in which it expressed, outlining the key aspects of the legal audit of the annual financial statements and/or the consolidated financial statements:

a) a judgement without findings and information requests, showing that they conform to the regulations that govern their drafting and give a true and fair view of the financial and equity position, of the economic result and of the cash flows of the Openjobmetis Group and of Openjobmetis S.p.A. as at 31 December 2023;
b) a judgement of consistency with respect to the report on operations and some specific information contained in the Report on Corporate Governance and Ownership Structures with the Consolidated Financial Statements of the Openjobmetis Group and with the Annual Financial Statements of Openjobmetis S.p.A.;
c) a judgement of compliance with applicable laws with respect to the drafting of the Report on Operations and some specific information contained in the Report on Corporate Governance and Ownership Structures;
d) an opinion of compliance of the consolidated and separate financial statements with the provisions of Delegated Regulation (EU) 2019/815, prepared in XHTML format, and, the consolidated financial statements, marked in all significant aspects in compliance with the provisions of the Delegated Regulation (EU) 2019/85. The separate section of the audit report on the consolidated financial statements containing the opinion of compliance with the aforementioned Delegated Regulation also includes after the opinion paragraph, the following paragraph: 'Certain information contained in the explanatory notes to the consolidated financial statements when extracted from the XHTML format in a XBRL application, due to certain technical limitations may not be reproduced in an identical manner with respect to the corresponding information that can be viewed in the consolidated financial statements in XHTML format'.

On 22 March 2024, the Independent Auditors also discussed with the Board of Statutory Auditors, as the Internal Control and Audit Committee, the contents later formalised in the Additional report set forth in Art. 11 of (EU) Regulation No. 537/2014, issued on 25 March 2024, in which it certifies that no significant deviations were identified in the internal control system in relation to financial disclosure and in the Company’s accounting system. In addition, no audit differences were identified to be brought to the attention of the Internal Control and Audit Committee.

The Board of Statutory Auditors, in turn, sends this report to the Board of Directors according to the provisions of Art. 19 of Italian Legislative Decree 39/2010.

The Board of Statutory Auditors periodically met with the Auditing Firm (KPMG S.p.A.), for the purposes of monitoring the process for drawing up the financial disclosure, the legal audit of the annual financial statements and the consolidated financial statements, and to guarantee the prompt exchange of the relevant data and information for the fulfilment of the respective duties. During these meetings, the Board of Statutory Auditors was informed about the key and significant aspects that emerged during the audit and no censurable events or irregularities came to light such as to require reporting pursuant to Art. 155, paragraph 2, of the TUF, nor any aspects that need to be mentioned in this report.

On 25 March 2024, the Auditing Firm issued, as required by Art. 3, paragraph 10, of Italian Legislative Decree No. 254/2016 and Art. 5 of Consob Regulation implementing Italian Legislative Decree 254/2016, the certification of conformity of the information contained in the Consolidated Non-Financial Statement which was approved by the Board of Directors on 13 March 2024 as a separate document from the Report on Operations, accompanying the 2023 Annual Financial Report. The Auditing Firm specifies that the above certification does not extend to the information contained in 'The European Taxonomy' section.

The Auditing Firm declared the fulfilment of the independence requirement, as required by Art. 19 of Italian Legislative Decree 39/2010 and Art. 6 of (EU) Regulation No. 537/2014; the Board of Statutory Auditors also acknowledged the 2023 Transparency Report prepared by KPMG S.p.A., published on its website pursuant to Art. 18 of Italian Legislative Decree 39/2010; as a result of these discussions, it believes that no situations come to light which may compromise its independence.

During 2023, the Board of Statutory Auditors, in its continuous monitoring activities regarding the possible assignment to the Auditing Firm of services other than those pursuant to Art. 5, paragraph 1, of (EU) Regulation 537/2014, carried out the checks provided for in Art. 4, paragraph 2, of (EU) Regulation 537/2014, acknowledging that the Company complies with the provisions as provided therein.

With reference to the financial year ended 31 December 2023, KPMG S.p.A. carried out the following services for the Company and for the Group companies for a total amount of EUR 274,000.00 (rounded to thousands of euros), broken down as follows:

a) legal audit of Openjobmetis S.p.A.: EUR 193,000.00;
b) legal audit of the subsidiaries: EUR 55,000.00;
c) activities regarding the Consolidated Non-Financial Statement pursuant to Italian Legislative Decree 254/2016: EUR 17,000.00;
d) activities for the Forma.Temp statement of Openjobmetis S.p.A.: EUR 5.000,00;
e) activities for the Forma.Temp statement of the subsidiary Family Care S.r.l.: EUR 5.000,00;

In compliance with the provisions of EU Regulation 537/2014, the Board of Statutory Auditors issued a favourable opinion on the aforementioned non-audit services already subject to the nine-year assignment and those defined as mandatory for the independent auditors.

During the periodic meetings, the Board of Statutory Auditors also discussed with the Auditing Firm the issues which, according to ESMA, must be the subject of specific focus by the issuing companies and the Supervisory Authorities of the individual countries. During the periodic meetings, the Board of Statutory Auditors monitored, together with the Auditing Firm, the changes related to the publication of the Annual Financial Report in ESEF format in accordance with the Delegated Regulation (EU) 2019/815 and identified the obligations of the Company for 2023 and subsequent years.

It should be noted that the Shareholders' Meeting in 2023 resolved, one year in advance, as is the normal practice now widespread among listed companies, the appointment for the nine-year period 2024-2032 pursuant to Art. 13 of Legislative Decree 39/2010 and Art. 16 paragraph 2 of EU Regulation no. 537 of 16 April 2014 to the independent auditors Ernst & Young S.p.A..

Any presentation of statements pursuant to Art. 2408 of the Italian Civil Code and complaints; initiatives undertaken and associated outcomes

During the year 2023 and up until today’s date, no statements were received by the Board of Statutory Auditors pursuant to Art. 2408 of the Italian Civil Code, nor any complaints.

Opinions issued by the Board of Statutory Auditors

During 2023, the Board of Statutory Auditors, following examination, expressed, in particular:

- a favourable opinion on the determination of the remuneration of the directors vested with special offices and/or executive roles pursuant to Art. 2389, paragraph 3 of the Italian Civil Code, verifying that the proposals were in line with the remuneration policy;
- a favourable opinion on the approval of the 2023 Audit Plan pursuant to Art. 6, Recommendation 33, letter c), of the Corporate Governance Code;
- a favourable opinion on the correct use of the accounting standards and their homogeneity for the purposes of the drafting of the 2022 consolidated financial statements pursuant to Art. 6, Recommendation 35, of the Corporate Governance Code;
- a favourable opinion pursuant to Art. 19, paragraph 1, letter e), of Italian Legislative Decree 39/2010 concerning the assignment to the Auditing Firm of tasks other than those provided for in Art. 5 of (EU) Regulation 537/2014.

In 2024 and up until today's date, the Board of Statutory Auditors issued the following opinions, in particular:

- a favourable opinion on the correct use of the accounting standards and their homogeneity for the purposes of the drafting of the 2023 consolidated financial statements pursuant to Art. 6, Recommendation 35, of the Corporate Governance Code;
- a favourable opinion on the proposed determination of the remuneration of the directors vested with special offices and/or executive roles pursuant to Art. 2389, paragraph 3 of the Italian Civil Code;
- a favourable opinion pursuant to Art. 19, paragraph 1, letter e), of Italian Legislative Decree 39/2010 concerning the assignment to the Auditing Firm of tasks other than those provided for in Art. 5 of (EU) Regulation 537/2014.

Frequency and number of meetings of the Board of Directors and the Board of Statutory Auditors

In 2023, the Board of Statutory Auditors' supervisory activities, in compliance with emergency regulations, both in audio-video conference and in person, were carried out over the course of the 17 meetings of the Board of Statutory Auditors, taking part in the 13 meetings of the Board of Directors, as well as through the attendance of the Board of Statutory Auditors, jointly or through its Chairperson, in the 9 meetings of the Control, Risk and Sustainability Committee, in the 4 meetings of the Remuneration Committee and in the Shareholders' Meeting of 21 April 2023. The Board of Statutory Auditors met 9 times in 2024 up until the date of drafting of this Report.

In March 2024, the Board of Statutory Auditors in office carried out the annual self-assessment procedure to verify that its members continued to meet the requirements of professionalism, competence and integrity, including an evaluation of additional qualitative, quantitative and functioning profiles, as required by the relevant legislation. With respect to the independence requirements set forth in Recommendation 7), letter E) of the Corporate Governance Code, the Board of Statutory Auditors, in the self-assessment activity, gave an account of having has assessed that the definition 'if he/she has been a director of the company for more than nine financial years, even if not consecutive, out of twelve' is to be understood from the date of commencement of listing, which in this case was in December 2015.

The checks conducted did not highlight any corrective measures to be implemented.

Observations on respect for the principles of proper administration

In exercising its functions, the Board of Statutory Auditors, as required by Art. 2403 of the Italian Civil Code and Art. 149 of the Consolidated Law on Finance, monitored observance of the law and of the Articles of Association and respect for the principles of proper administration.

The Board of Statutory Auditors, also through constant participation in the meetings of the Board of Directors and the meetings of the internal Board committees, monitored the diligent conduct of the directors, the aspects of substantive legitimacy of the management decisions made and the fairness of the decision-making procedure, verifying that the management decisions were based on the principle of correct information and reasonableness and that they were consistent and compatible with the available resources and the risk assumed in the Company's interest.

As far as it is aware, the Board of Statutory Auditors believes that no transactions were carried out which were unrelated to the corporate purpose, manifestly imprudent, hazardous or demonstrably suited to compromising the integrity of company assets.

Observations of the adequacy of the organisational structure

The Board of Statutory Auditors acquired knowledge of the organisational structure, constantly gathering information during its mandate, verifying the system of delegations, proxies, procedures and company organisational charts, and periodically meeting the managers of the various functions, receiving constant information flows from the Managing Director and from the managers of the identified functions.

The Board of Statutory Auditors, in relation to the size of the Company, the corporate purpose and the characteristics of the Company, believes that the Company's organisational structure is adequate for the issues under its responsibility.

Adequacy of the Internal Control System

The Board of Statutory Auditors monitored the appropriateness and functioning of the internal control system:

- by acquiring the reports and judgements issued by the Managing Director in charge of the Internal Control and Risk Management System;
- by acquiring the reports and judgements issued by the Control, Risks and Sustainability Committee and participating in the meetings of the aforementioned Committee;
- by acquiring the reports prepared and the audits conducted by the Internal Audit department; by meeting periodically with the head of the department; by acquiring information on the improvements and remediation of any non-conformities/anomalies identified during the audit, also verifying the time-frame for their implementation and remediation;
- by acquiring and receiving information regarding the identification of the risks evaluated for the Company and the associated update;
- by acquiring the reports and judgements issued by the Auditing Firm; by periodically meeting the Auditing Firm;
- by verifying that the Company is equipped with a constantly updated Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001; by acquiring half-yearly and annual reports and periodically meeting the Supervisory Body and receiving confirmation regarding the internal training activities;
- by evaluating the promptness of the flows from the entities involved in the Internal Control and Risk Management System, in the case of anomalies and/or extraordinary events;
- by evaluating the promptness in the request for an additional non-planned audit in the event anomalies are identified by the Director in charge of the Internal Control and Risk Management System;
- by acknowledging the positive judgement of the Board of Directors in relation to the appropriateness and effective functioning of the Internal Control and Risk Management System for 2023.

The Board of Statutory Auditors deems the Internal Control and Risk Management System to be substantially appropriate and hopes that it will continue to be strengthened; the recommendation of the Board of Statutory Auditors, in consideration of the complexity and size of the Company, regarding a possible strengthening of the Internal Audit function, also through the external support of consulting companies - with respect to the 2024 Audit Plan - was approved unanimously by the Board of Directors.

Adequacy of the administrative-accounting system and its reliability in correctly representing operating events

The Board of Statutory Auditors monitored the adequacy of the administrative-accounting system and its reliability in correctly representing operating events, as well as the financial disclosure process, through:

- the acquisition of information from the Manager in charge of preparing financial reports;
- the acknowledgement of the certifications issued by the Managing Director and the Manager in charge of preparing financial reports pursuant to Art. 154-*bis* of Italian Legislative Decree 58/1998;
- verifying compliance with the appropriate administrative and accounting procedures prepared by the Manager in charge of preparing financial reports;
- verifying observance of the accounting standards applied in preparing the annual financial statements and the consolidated financial statements;
- the acquisition of the periodic Reports of the head of the Internal Audit department and the results of

the tests for the purposes of Italian Law 262/05;

- the substantial and formal verification of the Impairment Test process;
- the acquisition of the reports and constant exchange of information during the periodic meetings with the Auditing Firm;
- the obtainment of corporate documents and of the procedures implemented.

In the opinion of the Board of Statutory Auditors, there are no elements that lead to believe that the administrative-accounting system is not adequate or that it is not reliable in correctly representing operating events, and no deficiencies or facts came to light that need to be reported to the Shareholders' Meeting.

Observations on the adequacy of the provisions handed down by the company to the subsidiaries pursuant to Art. 114, paragraph 2, of Italian Legislative Decree 58/1998

The Board of Statutory Auditors considers as adequate the system of provisions targeted at the subsidiaries pursuant to Art. 114, paragraph 2, of the TUF, to enable the Company to fulfil the public disclosure obligations set forth by law.

Company's adherence to the Corporate Governance Code

The Company has adhered to the Corporate Governance Code.

For the purposes of the requirements of said Code, the Board of Statutory Auditors, among other activities:

- received and examined the Report on Corporate Governance and Ownership Structures, in which it adequately details the Company's compliance with the Code; in the Report on Corporate Governance and Ownership Structures, the Company, in the event in which it does not adhere to the recommendations of the Code, explains the reasons for any non-compliance as requested;
- was able to verify that the Board of Directors, in evaluating the independence of its non-executive members, correctly applied the criteria identified in the Code and the principle of the prevalence of substance over form indicated therein, having applied, to this end, a transparent assessment procedure, the characteristics of which are described in the aforementioned Report on Corporate Governance and Ownership Structures for 2023;
- having acknowledged that the Board of Directors, which met on 20 February 2024, examined the recommendations of the Corporate Governance Committee contained in the letter of 14 December 2023, for the purposes of the necessary decisions in this regard.

Additional activities carried out by the Board of Statutory Auditors

The Board of Statutory Auditors evaluated the separate financial statements and the consolidated financial statements, verifying the promptness and correctness of the drafting of the documents that make up the financial statements as well as the procedure used to prepare said documents, including with reference to the required ESEF format.

The Board of Statutory Auditors verified the reliability of the contents of the Report on Operations prepared by the Board of Directors. In the Report, it is acknowledged that the main risks and uncertainties are summarised, and details are provided on the business outlook of the Company and of the Group.

The Board of Statutory Auditors, as required by Italian Legislative Decree 254/2016 and Consob Regulation 20267/2018, monitored the observance of the provisions established in Art. 3, paragraph 1, of Italian Legislative Decree 254/2016 concerning the Consolidated Non-Financial Statement, and has no observations to make in this regard.

The Board of Statutory Auditors verified that the Report on Corporate Governance and Ownership Structures contains the information required by Art. 123-*bis* of the Consolidated Law on Finance (TUF) and the considerations reached by the Board of Directors regarding the recommendations formulated in the letter of 14 December 2023 by the Chairperson of the Corporate Governance Committee.

The Board of Statutory Auditors verified the contents of the Report on Remuneration and Fees Paid pursuant to Art. 123-*ter* of the Consolidated Law on Finance (TUF) and Art. 84-*quater* of the Issuers' Regulation and the Remuneration Policy for 2024.

The Board of Statutory Auditors verified that specific information has been provided in the Report on Operations on the possible risks arising from the Russia-Ukraine conflict on the current macroeconomic situation, constantly monitoring the steps taken by the Company with reference to the potential economic and financial impact.

Closing evaluations regarding the monitoring activities carried out as well as regarding any omissions, censurable events or irregularities identified during said monitoring activities

During the monitoring activity described above, no censurable events, omissions and irregularities were identified that need to be highlighted in this report.

Indication of any proposals to be presented to the Shareholders' Meeting pursuant to Art. 153, paragraph 2, of Italian Legislative Decree 58/1998

The Board of Statutory Auditors does not believe that elements exist such as to require the exercising of the right to formulate proposals to the Shareholders' Meeting pursuant to Art. 153, paragraph 2, of the Consolidated Law on Finance.

*** * ***

Taking account of the information outlined above and for matters within its competence, the Board of Statutory Auditors, based on the monitoring activities performed and based on the information resulting from the certifications issued jointly by the Managing Director and the Manager in charge of preparing financial reports, resulting from the report prepared by the Auditing Firm and resulting from the relevant judgement on the financial statements, has no objections to the approval of the financial statements for the year ended as at 31 December 2023, in compliance with the proposal by the Board of Directors and regarding the proposals expressed to the Shareholders' Meeting by the Board of Directors for the allocation of profit for 2023 and the disbursement of a dividend.

Milan, 25.03.2024

The Board of Statutory Auditors

Chiara Segala

Manuela Paola Pagliarello

Roberto Tribuno

Openjobmetis S.p.A
EMPLOYMENT AGENCY – Aut.Prod: N.1111 – SG dated 26/11/2004

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