



Half-year financial statements report
at June 30th 2019

Media - Maker S.p.A.

Sede legale: Milano, Corso Venezia n. 45

C.F., P. Iva e n. iscrizione al Registro Imprese di Milano: 09945470962

Capitale Sociale: Euro 418.668

HALF-YEAR FINANCIAL REPORT 1st JAN- 30th JUNE 2019

MANAGEMENT REPORT ON MEDIA-MAKER S.P.A. HALF-YEAR FINANCIAL STATEMENTS ON 30th of June 2019

1. INTRODUCTION

The present management report on Media-Maker S.p.A. (“**Media Maker**” or the “**Company**”) half-year financial statements on the 30th of June 2019 was prepared in accordance with the provisions of article 2428 of the Italian Civil Code and in compliance with the Italian Accounting Principles set forth by the National Council of Chartered Accountants and Accounting Experts and by the Italian Accounting Body. This Report is presented together with the half-year financial statements at 30 June 2019 in order to provide financial and management information about the Company accompanied, where possible, by historical elements and prospective assessments.

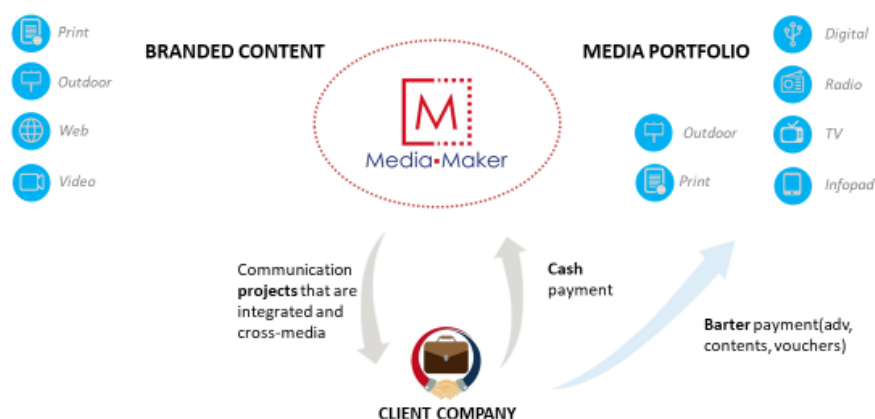
2. MEDIA-MAKER S.p.A.

Media Maker was incorporated in 2017 with a business focus on the production of branded media contents. In addition, the Company leverages its expertise and assets to produce cross-media projects, define, jointly with its clients, communication strategies, and distribute contents through advertising spaces belonging to the Company or to third parties. The Company records significant growth rates and margins comparable to those of leading market players thanks to an efficient business model and the ability to operate through barter trades.

Business Model

Media Maker develops and produces branded contents to be broadcasted and used on different media channels. The Company manages a highly interconnected media portfolio by entering into agreements with its clients for the management of advertising spaces and contents (including, *inter alia*, radio, TV, media pad, app, digital adv, info pads and led-walls).

The Company’s business model is also competitive because it is flexibility on sales and payment methods which include both cash payments and barter trades.



The Company is structured in four business units which are highly integrated to optimize margins. This integration allows the Company to rely on a flexible and efficient corporate structure and on a highly scalable business model. Leveraging its strengths, the Company has managed to grow rapidly and to improve its profit margins, also through the creation of economies of scale.

The Company is managed by a young team of professionals with solid experience in the editorial and video production sector. Therefore, the management team has been able, since the beginning of the Company's activities, to imprint both a strategic vision and an operational efficiency to the Company's business. This contributed to the Company's strength and growth and originated a network of business partners which has become a valuable asset of the Company.

The Company's four main strategic business units (the "**Strategic Business Units**" and each a "**SBU**") are:

- **Content** - This SBU focuses on the development of editorial and branded contents for third parties. In particular, Media Maker has the capability to create: (i) editorial contents which can be sold to other publishers, and (ii) specific branded contents which can be sold to third companies, including also the production of complex projects combining editorial contents with media and advertising.
- **Media** - This SBU focuses on the acquisition and sales of advertising spaces from third parties (often received by the Company through barter trades) and the management of third parties' advertising spaces (e.g. outdoors and city walls)
- **Video Productions** - This SBU focuses on the creation of video production either to be directly sold to distributors or to be included within branded content projects. In particular, Media Maker manages production studios and has at disposal production teams able to perform different kinds of video productions (including, *inter alia*, clips, ads, documentaries and movies).
- **Digital** - This SBU concerns the development of digital projects, either for the distribution to consumers of the contents produced by the Company or for the development of tailor-made digital projects for publishers or corporate clients.

3. SIGNIFICANT EVENTS

- On the 21st of March, in light of the upcoming initial public offering (IPO) of the Company, the shareholders' meeting of the Company unanimously agreed to convert Media Maker into a joint stock company ("*Società per Azioni*") with the name "Media-Maker S.p.A.". The Company's share capital remained unchanged at € 60.000, entirely subscribed and paid up.
- On the 21st of March, the ordinary shareholders' meeting of the Company appointed Domenico Torchia as Chairman of the Board of Directors and Pietro Peligra and Elisa Bertolo as directors. It also appointed Andrea Clarkson as Chairman of the Board of Statutory Auditors, Davide Mereu and Mario Salaris as statutory auditors and Margherita Favi and Marco Sala as alternate auditors. BDO Italia S.p.A. ("**BDO**") was appointed for the auditing of the Company's accounts.
- On the 18st of April, the extraordinary shareholders' meeting of the Company unanimously agreed to issue a convertible bond called "*Media-Maker S.p.A. Convertendo 2019-2021*" for a maximum amount up to € 2,500,000.00 represented by maximum 2,500 convertible bonds, subject to automatic conversion into ordinary shares in the event of admission to trading on an Italian or European regulated market or multilateral trading facility.
- On the 8st of May, the shareholders' meeting of the Company approved the yearly financial statements at 31 December 2018, together with a report from the Board of Directors, the Board of Statutory Auditors and BDO. The shareholders' meeting of the Company also appointed Luca Bella as Chairman of the Board of Directors in order to replace Domenico Torchia who resigned.
- Starting from 20st of June 2019, the Company was included in the Italian register of high growth and Innovative SMEs thanks to:
 - the registration before the Italian Author and Editor Company (SIAE) of a software for the innovative distribution of content through digital signage devices; and
 - sustaining costs in research and development in measures greater than 3%, as recorded in the Company's 2018 yearly financial statements.
- The Company engaged several external advisors to perform the IPO process (successfully completed on 25 July 2019). In particular, the Company was advised by Simmons & Simmons (Italian legal advisor), Lexelian (French legal advisor), Aether (listing sponsor), BDO (auditors), IRTOP Consulting (PR Advisor).

4. MANAGEMENT EVOLUTION

The Company's management, after careful analysis of the future economic, managerial and procedural benefits, is starting the implementation process related to the development of the organizational model in compliance with the Italian Legislative Decree 231/2001 and of the ethical code of the Company.

The Company has started a process of management structuring and organization, aiming at mapping internal processes and identifying weaknesses in order to ensure efficiency and effectiveness standards.

5. FINANCIAL PERFORMANCE

Notes	30/06/19	31/12/18	Variation	% Var. 2018
WORKING CAPITAL	8,816,571	5,329,490	3,487,081	65.43%
Cash & Cash Equivalents	168,242	256,807	(88,565)	(34.49%)
Accounts receivables	8,103,329	4,981,918	3,121,411	62.65%
Other current receivables	8,096,186	4,981,575	3,114,611	62.52%
Accrual and prepaid expenses	7,143	343	6,800	
Inventory	545,000	90,765	454,235	
FIXED ASSETS	196,539	218,847	(22,308)	(10.19%)
Intangible	167,814	201,370	(33,556)	(16.66%)
Tangible	11,536	3,477	8,059	231.78%
Financials	17,189	14,000	3,189	22.78%
Other receivables and financial activities	0	0	0	
TOTAL USES	9,013,110	5,548,337	3,464,773	

Notes	30/06/19	31/12/18	Variation	% Var. 2018
OBBLIGATIONS	7,709,070	4,933,055	2,776,015	56.27%
Current liabilities	7,690,153	4,925,340	2,764,813	56.13%
Short term debts	7,639,904	4,838,891	2,801,013	57.89%
Accrued liabilities and deferred income	50,249	86,449	(36,200)	
Non-current liabilities	18,917	7,715	11,202	145.20%
Long term debts	0	0	0	
Provisions	0	0	0	
Pension liabilities	18,917	7,715	11,202	145.20%
EQUITY	1,304,040	615,282	688,758	111.94%
Share Capital	60,000	60,000	0	
Reserves	532,782	29,008	503,775	1736.68%
Retained earnings	0	0	0	
Net income/losses	711,257	526,274	184,983	35.15%
TOTAL SOURCES	9,013,110	5,548,337	3,464,773	

Notes	30/06/19	30/06/18	Variation	% Var. 2018
VALUE OF PRODUCTION	9,045,296	5,442,725	3,602,571	66.19%
- raw materials consumption	(1,092,230)	0	(1,092,230)	
- SG&A expenses	(6,668,432)	(6,101,119)	(567,313)	(9.30%)
ADDED-VALUE	1,284,634	(658,394)	1,943,028	295.12%
- other revenues	(3)	(1)	(2)	
- personnel costs	(239,595)	(44,359)	(195,236)	(440.13%)
EBITDA	1,045,036	(702,754)	1,747,790	248.71%
- D&A and provisions	(34,363)	0	(34,363)	
NET OPERATING MARGIN	1,010,673	(702,754)	1,713,27	243.82%
+ other revenues	3	1	2	
- non operating expenses	(6,771)	(52,747)	45,976	87.16%
OPERATING INCOME BEFORE FINANCIAL ACTIVITIES	1,003,905	(755,500)	1,759,405	232.88%
+/- exchange rates gains/losses	0	0	0	
+ participations income	0	0	0	
EBIT	1,003,905	(755,500)	1,759,405	232.88%
+ financial income	0	0	0	
- financial costs	(4,433)	(1,135)	(3,298)	(290.57%)
RESULTS BEFORE FINANCIAL ACTIVITIES	999,472	(756,635)	1,756,107	232.09%
+/- financial investments gain/losses	0	0	0	
EBT	999,472	(756,635)	1,756,107	232.09%
- Income taxes	288,215	0	288,215	
Net Income	711,257	(756,635)	1,467,892	194.00%

INCOME STATEMENT				
Notes	Amount			
	30/06/2019	30/06/2018	Variation	% 2018

Media - Maker S.p.A. half-year financial statements as of June 30, 2019

Revenues	8,591,058	5,442,724	3,148,334	57.84%
Internal production	454,235	0	454,235	
Operating production value	9,045,293	5,442,724	3,602,569	66.19%
External operating costs	(7,760,662)	(6,101,119)	(1,659,543)	(27.20%)
Added value	1,284,631	(658,395)	1,943,026	295.12%
Personnel costs	(239,595)	(44,359)	(195,236)	(440.13%)
EBITDA	1,045,036	(702,754)	1,747,790	248.71%
D&A	(34,363)	0	(34,363)	
Operating results	1,010,673	(702,754)	1,713,427	243.82%
Non-operating results	(6,768)	(52,746)	45,978	87.17%
Financial activities results	0	0	0	
EBIT NORMALIZED	1,003,905	(755,500)	1,759,405	232.88%
Extra-ordinary activities results	0	0	0	
EBIT INTEGRAL	1,003,905	(755,500)	1,759,405	232.88%
Financial costs	(4,433)	(1,135)	(3,298)	(290.57%)
EBT	999,472	(756,635)	1,756,107	232.09%
Income taxes	288,215	0	288,215	
Net Income/losses	711,257	(756,635)	1,467,892	194.00%
Profitability ratio				
	30/06/2019	30/06/2018		
ROE net	54.54%			
ROE gross	76.64%			
ROI	35.30%			
ROS	11.76%			
Solvency ratio: assets analysis				
	30/06/2019	31/12/2018		
Fixed asset to equity capital	1,107,501	396,435		
Equity/Fixed asset	6.64	2.81		
Fixed asset to equity capital and debt	1,126,418	404,150		
(Equity + Debt)/Debt	6.73	2.85		
Solvency ratio: liabilities analysis				
	30/06/2019	31/12/2018		
D/E	1.20	0.00		
Solvency ratio: assets analysis				
	30/06/2019	31/12/2018		
Current assets – current liabilities	1,126,418	404,150		
Current ratio	1.15	1.08		
Current assets – current liabilities – inventories	581,418	313,385		
Acid ratio	1.08	1.06		

30/06/2019			
BALANCE SHEET FINANCIALS			
Assets	amount €	Liabilities	amount €
FIXED ASSETS	196,539	EQUITY	1,304,040
Intangible	167,814	Share capital	60,000
Tangibles	11,536	Reserves	1,244,040
Financial	17,189		
		NON-CURRENT LIABILITIES	18,917
WORKING CAPITAL (WC)	8,816,571		
Inventory	545,000		
Accounts receivables	8,103,329	CURRENT LIABILITIES	7,690,153
Cash & Cash Equivalents	168,242		
TOTAL INVESTED CAPITAL	9,013,110	TOTAL FINANCING	9,013,110
BALANCE SHEET PER FUNCTION			
Assets	amount €	Liabilities	amount €
NET OPERATING INVESTED CAPITAL	9,013,110	EQUITY	1,304,040
		FINANCIAL LIABILITIES	1,559,000
NON-OPERATING INVESTMENTS	0	OPERATING LIABILITIES	6,150,070
TOTAL INVESTED CAPITAL	9,013,110	TOTAL FINANCING	9,013,110
31/12/2018			
BALANCE SHEET FINANCIALS			
Assets	amount €	Liabilities	amount €
FIXED ASSETS	218,847	EQUITY	615,282
Intangible	201,370	Share capital	60,000

Media - Maker S.p.A. half-year financial statements as of June 30, 2019

Tangibles	3,477	Reserves	555,282
Financial	14,000		
		NON-CURRENT LIABILITIES	7,715
WORKING CAPITAL (WC)	5,329,490		
Inventory	90,765		
Accounts receivables	4,981,918	CURRENT LIABILITIES	4,925,340
Cash & Cash Equivalents	256,807		
TOTAL INVESTED CAPITAL	5,548,337	TOTAL FINANCING	5,548,337
BALANCE SHEET PER FUNCTION			
Assets	amount €	Liabilities	amount €
NET OPERATING INVESTED CAPITAL	5,548,337	EQUITY	615,282
		FINANCIAL LIABILITIES	0
NON-OPERATING INVESTMENTS	0		
		OPERATING LIABILITIES	4,933,055
TOTAL INVESTED CAPITAL	5,548,337	TOTAL FINANCING	5,548,337

6. SIGNIFICANT EVENTS OCCURRED AFTER JUNE 30 2019

- On the 25st of July 2019 the Company successfully completed its IPO through the admission to trading of 2,000,000 ordinary shares on the Euronext Growth market (Paris Stock Exchange).
- The Company consolidated its business plan in the field of content production and sale by entering into certain agreements with:
 - Optima, one of the Italian leading multi-utility operators;
 - Union Printing, market leader in the printing of flyers for large-scale distribution and printer of magazines of widespread popularity;
 - Tiber, company specialized in printing of high-circulation magazines;
 - Mediagraf, company with long-date presence in the Italian market. Its ownership is shared among the *Conferenza Episcopale Italiana, Frati del Santo* and *Diocesi di Padova* and the company is specialized in the production of family content;
 - Calegari, market leader in Italy in the trading of printing paper and flyers; and
 - Chili TV, company distributing multimedia contents via TVOD platform.

7. MANAGEMENT AND COORDINATION ACTIVITIES

Pursuant to, and for the purposes of, article 2497-bis, paragraph 5, of the Italian Civil Code, we certify that the Company is not subject to the direction and coordination and/or control by third parties.

8. MAIN RISKS AND UNCERTAINTIES TO WHICH THE COMPANY IS EXPOSED

Pursuant to, and for the purposes of, article 2428, paragraph 1, of the Italian Civil Code, here below is provided a description of the main risks and uncertainties to which the Company is exposed.

Risks related to the trade in which the Company operates

The economic, equity and financial situation of the Company is influenced by the various factors that affect the macro-economic condition of the countries in which it operates, including the purchasing power and business confidence.

Credit risk in relation to business relationships with clients

As of the date hereof, the Company holds a clients' portfolio that is not currently raising concerns in terms of solvency, therefore the Company has not entered into any specific commercial and insurance policy to cover potential losses.

Liquidity risk

Liquidity risk is related to the availability of financial resources and to the access to the credit market. The Company's

liquidity risk is to be considered medium/low, given the level of indebtedness of the Company with respect to the volumes of assets and equity.

9. RESEARCH AND DEVELOPMENT ACTIVITIES

Pursuant to, and for the purposes of, article 2428, paragraph 1, of the Italian Civil Code, we certify that research and developments activities have been started in the 2018 financial year and performed in the first semester of the 2019 financial year. For more information in such respect, refer to the data included in the 2018 yearly financial statements and to the Significant Event section of the present Report.

10. OWN SHARES

Pursuant to, and for the purposes of, articles 2435-bis and 2428 of the Italian Civil Code, we certify that, as of 30 June 2019, the Company does not hold own shares.

11. USE OF RELEVANT FINANCIAL INSTRUMENTS FOR THE ASSESSMENT OF THE BALANCE SHEET AND FINANCIAL POSITION AND THE ECONOMIC RESULT OF THE PERIOD

Pursuant to, and for the purposes of, article 2428 of the Italian Civil Code, we certify that the Company has not undertaken any particular financial risk management policy, as it is considered not relevant for the Company's business.

12. MAIN NON-FINANCIAL INDICATORS

Pursuant to, and for the purposes of, article 2428, paragraph 2, of the Italian Civil Code, we certify that, given the specific activity carried out by the Company, the exposure of non-financial indicators for a better understanding of the situation, the progress and of the operating result of the Company is not considered relevant.

13. ENVIRONMENTAL INFORMATION

We certify that the Company has not performed any specific environmental impact policy, given the specific activity carried out by the Company.

14. INFORMATION ON EMPLOYEE'S MANAGEMENT

We certify that there is no relevant information regarding employee's management.

15. SHARES OF THE CONTROLLING COMPANY

We certify that the Company is not subject to control by any third company or corporate group.

16. SECONDARY OFFICES

Pursuant to, and for the purposes of, article 2428 here below is an indication of the Company's secondary operating office:

- Via Privata Giovacchino Belli, 14 – Milano

Milan, 26 September 2019

The Board of Directors
Luca Bella, Chairman
Pietro Peligra, CEO
Elisa Bertolo, Director

Half-year financial statements as of June 30, 2019

Statement of Assets and Liabilities

Statement of Assets	30/06/2019	31/12/2018
A) Credits towards shareholders for payments still due		
B) Fixed assets		
<i>I. Intangible assets</i>		
1) Establishment and expansion costs	1,144	1,370
3) Industrial patent rights and rights to use intellectual property	166,670	
6) Fixed assets under acquisition and payments on account		200,000
	<u>167,814</u>	<u>201,370</u>
<i>II. Tangible assets</i>		
4) Other assets	11,536	3,477
	<u>11,536</u>	<u>3,477</u>
<i>III. Financial assets</i>		
2) Receivables		
d bis) Towards others		
- within the fiscal year	17,189	14,000
	<u>17,189</u>	<u>14,000</u>
	17,189	14,000
Total fixed assets	196,539	218,847
C) Current assets		
<i>I. Inventory</i>		
4) Finished products and merchandise	545,000	90,765
	<u>545,000</u>	<u>90,765</u>
<i>II. Receivables</i>		
1) Towards customers		
- within the fiscal year	8,093,087	4,981,575
- beyond the fiscal year		
	<u>8,093,087</u>	<u>4,981,575</u>
5 quater) Towards others		
- within the fiscal year	3,099	
- beyond the fiscal year		
	<u>3,099</u>	
	8,096,186	4,981,575
<i>IV. Liquid assets</i>		
1) Bank and postal deposits	166,323	256,632
3) Cash and cash equivalents	1,919	175
	<u>168,242</u>	<u>256,807</u>
Total current assets	8,809,428	5,329,147
D) Accruals and deferrals	7,143	343

Total assets	9,013,110	5,548,337
Statement of Liabilities		
	30/06/2019	31/12/2018
A) Net capital		
I. Capital	60,000	60,000
IV. Legal reserve	12,000	2,000
<i>VI. Other reserves</i>		
Extraordinary reserve	520,782	27,008
Difference from rounding to Euro units	1	
	1	
	520,783	27,008
IX. Fiscal year profit	711,257	526,274
Total net assets	1,304,040	615,282
B) Funds for risks and charges		
C) Severance Fund		
	18,917	7,715
D) Liabilities		
<i>2) Convertible bonds</i>		
- within the fiscal year	1,559,000	
- beyond the fiscal year		
		1,559,000
<i>6) Advances</i>		
- within the fiscal year		
- beyond the fiscal year		
<i>7) Towards suppliers</i>		
- within the fiscal year	4,869,528	4,402,599
- beyond the fiscal year		
		4,402,599
	4,869,528	4,402,599
<i>12) Taxes</i>		
- within the fiscal year	1,061,787	363,783
- beyond the fiscal year		
		363,783
	1,061,787	363,783
<i>13) Towards social security institutions</i>		
- within the fiscal year	66,681	40,466
- beyond the fiscal year		
		40,466
	66,681	40,466
<i>14) Other liabilities</i>		
- within the fiscal year	82,908	32,043
- beyond the fiscal year		
		32,043
	82,908	32,043
Total payables	7,639,904	4,838,891
E) Accruals and deferrals		
	50,249	86,449

Total liabilities	9,013,110	5,548,337
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Profit and Loss statement

30/06/2019 30/06/2018

A) Production value

1) Revenue from sales and services	8,591,058	5,442,724
2) Change in inventories of work in progress, semi-finished and finished products	454,235	
3) Changes in works in progress ordered		
4) Increase in fixed assets for internal works		
5) <i>Other revenues and income, with separate indication of contributions for operating expenses</i>		
a) Miscellaneous	3	1
b) Contributions for operating expenses		
	3	1
Total production value	9,045,296	5,442,725

B) Production costs

6) For raw materials, auxiliary materials, consumables and merchandise	1,092,230	
7) For services	6,648,752	6,041,208
8) For leased assets	19,680	59,911
9) <i>For personnel</i>		
a) Salaries and stipends	170,579	34,386
b) Social security dues	53,658	9,973
c) Severance pay	11,202	
e) Other costs	4,156	
	239,595	44,359
10) <i>Amortisations and depreciations</i>		
b) Amortisation of intangible fixed assets	33,557	
b) Amortization of tangible fixed assets	806	
	34,363	
11) Changes in inventories of raw materials, auxiliary materials, consumables and merchandise		
12) Provision for risks		
13) Other provisions		
14) Other management costs	6,771	52,747

Total production costs	8,041,391	6,198,225
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Difference between production value and costs (A-B)	1,003,905	(755,500)
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C) Financial income and charges15) *Income from shares*

<i>16) Other financial revenue</i>		
<i>17) Interests and other financial fees</i>		
other	4,433	1,135
		<u>1,135</u>
	4,433	1,135
<i>17 bis) Profits and losses on foreign exchange</i>		
Total financial income and charges	(4,433)	(1,135)
D) Value adjustments to financial assets and liabilities		
<i>18) Appreciations</i>		
<i>19) Depreciations</i>		
Total value adjustments to financial assets and liabilities		
Profit/loss before taxes (A-B±C±D)	999,472	(756,635)
20) Current, deferred and prepaid income taxes for the tax period		
a) Current taxes	288,215	
b) Prior fiscal year taxes		
c) Deferred and prepaid taxes		
d) Income (dues) from participation in the tax consolidation/tax transparency system		
		288,215
21) Profit (Loss) for the period	711,257	(756,635)

Financial Statement

Description	30/06/2019	31/12/2018
A. Financial flows deriving from operational activities		
Profit (loss) for the fiscal year	711,257	526,274
Income taxes	288,215	228,948
Interest receivable (interest payable) (Dividends)	2,413	3,287
Capital (gains)/losses deriving from the transfer of assets		
of which for tangible fixed assets		
of which for intangible fixed assets		
of which for financial fixed assets		
1. Profit (loss) for the fiscal year before income tax, interest, dividends and capital (gains)/losses deriving from transfer of net current capital	1,001,885	758,509
Adjustments for non-monetary items that have not been offset in the net current capital		
Provisions for funds	11,202	7,587
Amortisation of fixed assets	34,362	924
Depreciation for impairment		
Value adjustments to financial assets and liabilities from financial instruments that do not involve monetary transactions		
Other increase/(decrease) adjustments for non-monetary items		(2,319)

Media - Maker S.p.A. half-year financial statements as of June 30, 2019

Total adjustments for non-monetary items that have not been offset in the net current capital	45,564	6,192
2. Financial flow before changes in net current capital	1,047,449	764,701
Changes in net current capital		
Decrease/(increase) of inventory	(454,235)	(90,765)
Decrease/(increase) of receivables towards customers	(3,111,512)	(4,322,775)
Increase/(decrease) of receivables towards suppliers	466,928	3,824,527
Decrease/(increase) of prepaid expenses and accrued income	(6,799)	52,188
Increase/(decrease) of accrued expenses and deferred income	(36,200)	41,305
Other decreases/(Other increases) of net current capital	483,771	143,276
Total change in net current capital	(2,658,047)	(352,244)
3. Financial flow after changes in net current capital	(1,610,598)	412,457
Other adjustments		
Interest collected/(paid)	(2,413)	(968)
(Income taxes paid)		
Dividends collected		
(Use of funds)		
Other collections/(payments)		
Total other adjustments	(2,413)	(968)
FINANCIAL FLOW FROM OPERATIONAL ACTIVITY (A)	(1,613,011)	411,489
B. Financial flows deriving from investment activities		
Tangible fixed assets	(8,865)	(3,350)
(Investments)	(8,865)	(3,350)
Disinvestments		
Intangible fixed assets		(200,000)
(Investments)		(200,000)
Disinvestments		
Financial fixed assets	(3,189)	
(Investments)	(3,189)	
Disinvestments		
Non-fixed financial assets		
(Investments or purchases of business branches)		
Disinvestments or transfer of business branches		
FINANCIAL FLOW FROM INVESTMENT ACTIVITY (A)	(12,054)	(203,350)
C. Financial flows deriving from financing activities		
Third-party financing		
Increase/(decrease) of short-term payables towards banks		
New financing	1,559,000	
(Reimbursement of financing)		
Equity		
Paid in capital increase		
(Capital reimbursement)		
Disposal (purchase) of own shares		
(Dividends and advances on dividends paid)	(22,500)	(2,500)
FINANCIAL FLOW FROM FINANCING ACTIVITY (C)	1,536,500	(2,500)
INCREASE (DECREASE) OF LIQUID ASSETS (A+-B+-C)	(88,565)	205,639
Exchange effect on liquid assets		
Liquid assets at start of fiscal year		
Bank and postal deposits	256,632	51,168
Checks		
Cash and cash equivalents	175	
Total liquid assets at start of fiscal year	256,807	

Liquid assets at end of fiscal year		
Bank and postal deposits	166,323	256,632
Checks		
Cash and cash equivalents	1,919	175
Total liquid assets at end of fiscal year	168,242	256,807

Explanatory Note to the Interim Financial Report as of June 30, 2019

Introduction

The current economic, asset and financial situation as of June 30, 2019 of Media-Maker S.p.A. (hereinafter also referred to as the “Company”) shows a profit for the period of 711,257 Euros.

This intermediate balance sheet corresponds to the findings of the regularly maintained accounting records and is prepared pursuant to Art. 2423 and following of the Civil Code, with the valuation criteria pursuant to Art. 2426 of the Italian Civil Code supplemented by the accounting principles issued by the National Council of Chartered Accountants and Accountants and by the Italian Accounting Body (OIC).

Elaboration criteria

The balance sheet referring to the period of January 1 - June 30, 2019, including this explanatory note to the financial statements, which is an integral part of it pursuant to Art. 2423, paragraph 1, of the Civil Code, is drafted in compliance with the principle of clarity and with the aim of truthfully and correctly representing the asset and financial situation of the Company and the economic result for the period.

Whenever the obligations of detection, evaluation, presentation and disclosure would produce effects irrelevant to the purpose of giving a true and correct representation, these are not adopted, and any non-compliance with them is highlighted below in this explanatory note.

The balance sheet values are represented in Euro units by the rounding of the respective amounts. The possible rounding differences have been reported under the heading “Reserve for Euro rounding” among the “Net Assets” items and “Euro rounding” under the item “Extraordinary income and charges” in the Financial Statement.

The explanatory information contained herein is presented in the order of presentation of the items reported in the Balance Sheet and Financial Statement tables.

Compilation principles

The following general principles were observed in the preparation of the semester financial statements:

- the evaluation of the items was performed according to the principle of prudence and with a view to the continuation of business activities; the assessment and the presentation of the items was carried out taking into account the substance of the operation or of the contract involved;
- only the profits realised as of June 30, 2019 are indicated;
- the depreciation of fixed tangible and intangible assets has been calculated with reference to only six months;
- the costs incurred that are calculated in a pro-rata temporis system have been charged with reference to only the first semester of the fiscal year;
- income and charges pertaining to the period were taken into account, regardless of the date of collection or payment;
- the heterogeneous elements included in the individual balance sheet items have been evaluated separately.

The Explanatory Note to the financial statements also contains all the additional information deemed necessary to provide a true and fair view of the economic, financial and asset situation, even if not required by specific legal provisions.

Evaluation criteria applied

The valuation criteria adopted are those provided specifically in Art. 2426 of the Civil Code and following. For the evaluation of specific cases not expressly governed by the rules above, the principles of national accounting formulated by the Italian Accounting Board (OIC) and the National Council of Certified Public Accountants are used.

No exceptional cases occurred which made it necessary to resort to exceptions pursuant to Art. 2423, paragraph 5 of the Civil Code (non-application of the provisions of civil law as incompatible with the representation of a true and fair view of the management facts).

Fixed assets

Intangible assets

These are recorded at purchase cost and adjusted by the corresponding depreciation.

Intangible assets, using the conditions set by the accounting standards, are recognised in the balance sheet at acquisition cost and are depreciated in constant proportion as a function of their future utility.

The recording of establishment and expansion costs took place with the consent of the Board of Statutory Auditors.

Amortisation was carried out in accordance with the following pre-established plan, which is deemed to ensure a correct distribution of the cost incurred over the useful life of the fixed assets in question:

Asset	Depreciation
Establishment and facility costs	5 years
Software owned	3 years

The criterion of depreciation of fixed assets is applied systematically in each fiscal year, in relation to the remaining possibility of economic utilisation of each individual asset or expense.

No disposals of fixed assets have occurred in the first semester, so it was not necessary to devalue residual values not fully depreciated.

It is highlighted that it was not necessary to perform depreciations pursuant to Art. 2426, paragraph 1, item No. 3 of the Civil Code, given that, in line with the provisions of the OIC 9 accounting principle, no indicators of a potential loss of value of fixed intangible assets have been observed.

Tangible assets

These are recorded at purchase cost and adjusted by the corresponding depreciation fund.

The balance sheet recording value has taken into account accessory charges and the costs incurred for the use of the fixed asset, leading to reduction in the cost by applying the relevant commercial discounts and cash discounts. The depreciation rates applied for the financial statement have been calculated taking into account the expected usage, the destination and the economic lifetime of the assets, based on the criterion of residual possibility of utilization, a criterion deemed well represented by the following rates, not modified with respect to the previous fiscal year and reduced by half for the year in which the asset became operational:

Asset Type	%
Furniture and fixtures	20%
Office appliances	20%
Mobile telephones	20%

Any disposals of assets (sales, scrapping, etc.) that occurred during the period have resulted in the elimination of their residual value.

For the assets acquired during the period, the above rates have been reduced by half, because the depreciation quota thus obtained does not deviate significantly from the quota calculated starting from the moment the asset became available and ready for use.

The depreciation criteria for tangible fixed assets have not changed with respect to those applied in the previous fiscal year.

It is highlighted that it was not necessary to perform depreciations pursuant to Art. 2426, paragraph 1, item No. 3 of the Civil Code, given that, in line with the provisions of the OIC 9 accounting principle, no indicators of a potential loss of value of fixed tangible assets have been observed.

Financial assets

Financial fixed assets are represented by credits tied to guarantee deposits evaluated at nominal value.

Warehouse inventory

With reference to the evaluation of inventories constituted by fungible goods, the specific cost criterion has been followed, equivalent to the current value, evaluating each asset at the cost actually sustained for its purchase.

Receivables

The receivables recorded in the financial statements represent valid rights to demand payments and/or refunds from customers or from other third parties.

The Company has availed itself of the right to evaluate the credits without applying the amortised cost criterion and updating the values, because:

- (i) the receivables arising during the period are due in less than 12 months;
- (ii) the claims arising prior to January 1, 2019 are recorded at their estimated realisable value, considered equal to the nominal value, insofar as, as provided by the OIC 15 accounting principle, the application of the amortised cost criterion would have an irrelevant effect

The recording of receivables was therefore carried out at the nominal value net of premiums, discounts and allowances provided for by the contract or otherwise granted.

Wherever applicable, the book value was adjusted to adapt the credit to the presumed realizable value, through the appropriate credit devaluation fund. No such case has been encountered up to now.

Liquid assets

The liquid availability corresponds to amounts available in current accounts held at banks and the existing liquidity held as company funds on June 30, 2019, which are listed at nominal value.

Accruals and deferrals

These were determined according to the criterion of effective temporal competence for the semester.

Severance Fund

This represents the effective debt accrued towards employees pursuant to the law and the employment contracts in force, considering all forms of remuneration of a continuous character.

The fund corresponds to the total of the individual indemnities accrued in favour of employees at the date of these interim financial statements, net of advances paid, and is equal to what would have been paid to employees in the event of termination of the employment relationship at that date.

Liabilities

The liabilities represent payment obligations towards lenders, suppliers and other parties, of fixed amounts or determinable under the form of available liquidity, or of goods/services with an equivalent value.

The Company has availed itself of the right to evaluate payables without applying the amortised cost criterion, insofar as these are short-term debts for which such adjustment would produce irrelevant effects. The initial recognition of the debts was therefore carried out at the nominal value, net of premiums, discounts and allowances provided for by

contract or otherwise granted.

Recording of revenues and costs

Revenues from service provision are recorded on an accrual basis.

The Class B costs and expenses of the Financial Statement, classified according to their nature, have been listed net of refunds, commercial discounts, allowances and premiums. Any discounts of a financial nature are recorded under item C.16, constituting financial income. The costs are recorded on an accrual basis.

Income taxes

The taxes are apportioned on an accrual basis, and therefore represent:

- the current taxes to be paid for the reference period of the present financial statements, determined according to the rates and regulations in force;
- the amount of taxes deferred or paid in advance in connection with temporary differences arising or extinguished during the period.

Asset Statement

This section provides, in compliance with the provisions of Articles 2427 and 2435-bis of the Civil Code, comments on the items that make up the "Assets" section of the Balance Sheet in the financial statements as of June 30, 2019.

Fixed assets

Fixed assets include the following sub-classes of the "Assets" section of the Balance Sheet:

- I Intangible fixed assets;
- II Tangible fixed assets;
- III Financial fixed assets.

Intangible fixed assets

The amount of Intangible fixed assets as of June 30, 2019 is equal to 167,814 Euros, net of the amortisation quota attributable to the first semester of 2019, in the amount of 33,557 Euros.

Changes in intangible fixed assets

The changes for the period are detailed in the following table.

	Establishment and expansion costs	Industrial patent rights and rights to use intellectual property	Fixed intangible assets under acquisition and payments on account	Total intangible fixed assets
Initial values				
Cost	2,284	-	200,000	202,284
Accumulated depreciation	914	-	-	914
Value as of January 1, 2019	1,370	-	200,000	201,370
Changes for the period				
Reclassifications	-	200,000	(200,000)	-
Depreciation for the period	226	33,330	-	33,557
Final values as of 30/06/2019				

Cost	2,284	200,000	-	202,284
Accumulated depreciation	1,140	33,330	-	34,470
Balance sheet value	1,144	166,670	-	167,814

The item "Establishment and expansion costs" represents the costs of setting up the Company. During the first six months of 2019, the Company has completed the development of software for the digital signage application. The software has thus entered into operation and started to produce the economic effects for which it was developed; for this reason, the development costs have been reclassified from the item "Assets under acquisition" to "Software", and the amortisation process has begun.

Tangible fixed assets

Changes in tangible fixed assets

The tangible fixed assets net of accumulated depreciation amount to 11,536 Euros. Depreciation and amortisation for the six-month period has amounted to 806 Euros.

For a complete evaluation and analysis of the changes in the fixed assets in question, please refer to the details in the table below.

	Other tangible fixed assets	Total tangible fixed assets
Value at start of fiscal year		
Cost	4,010	4,010
Depreciation fund	533	533
Value as of January 1, 2019	3,477	3,477
Changes for the period		
Increases due to purchases	8,865	8,865
Depreciation for the period	806	806
Final values as of 30/06/2019		
Cost	12,875	12,875
Depreciation fund	1,339	1,339
Balance sheet value	11,536	11,536

The item "Other tangible fixed assets" includes the costs of computers, mobile phones and furnishings for the registered office. The increase in tangible fixed assets is entirely due to the purchase of new computers and mobile phones.

Financial leasing transactions

Pursuant to Art. 2427, Par. 22, it is noted that the Company does not have financial lease agreements in place.

Financial fixed assets

The amount of financial fixed assets as of June 30, 2019 is equal to 17,189 Euros.

The "Other receivables" balance sheet item includes the security deposits relating to the office rental contract and to the rental contract for a company car.

Current assets

The current assets include the following sub-classes of the "Assets" section of the Balance Sheet:

- I - Inventory;
- II - Receivables;
- IV - Liquid Assets.

Inventory

The inventory, which amounted to 545,000 Euros as of June 30, 2019, consists of merchandise and advertising space destined for resale.

	Value at start of fiscal year	Change for the period	Balance sheet
Advertising spaces	90,765	374,235	465,000
Finished products and merchandise	-	80,000	80,000
Total inventory	90,765	454,235	545,000

Receivables

The amount of receivables recorded under current assets as of June 30, 2019 is equal to 8,096,186 Euros.

Changes and maturity of receivables recorded under current assets

	Value at start of fiscal year	Change for the period	Balance sheet value	Share collectable within a year
Receivables towards customers	4,981,575	3,111,512	8,093,087	8,093,087
Receivables towards others	-	3,099	3,099	3,099
Total receivables in current assets	4,981,575	3,114,611	8,096,186	8,096,186

The item "Receivables towards customers" consists of the following items:

- "Receivables towards Italian customers", equal to 8,100,941 Euros, net of "Credit notes", equal to 32,000 Euros;
- "Receivables towards foreign customers", equal to 5,313 Euros;
- "Invoices to be issued", equal to 18,833 Euros.

The item "Receivables towards others" is represented by advances to suppliers in the amount of 3,099 Euros.

Liquid assets

In the financial statements as of June 30, 2019, Cash and cash equivalents amounted to 168,242 Euros.

	Value at start of fiscal year	Change for the period	Balance sheet
Bank and postal deposits	256,632	(90,309)	166,323
Cash and cash equivalents	175	1,744	1,919
Total liquid assets	256,807	(88,565)	168,242

The available cash, expressed in the balance sheet assets in the amount of 168,242 Euros, corresponds to the amounts in current accounts held at banks and the liquidity existing in company funds on June 30, 2019.

The balance was reconciled with the results of the account statements.

Prepaid expenses and deferred income

The prepaid expenses, which amounted to 7,143 Euros as of June 30, 2019, are represented by costs incurred by June 30, 2019 but pertaining to the next semester.

	Value at start of fiscal year	Change for the period	Balance sheet
Accrued income	343	(343)	-

Prepaid expenses	-	7,143	7,143
Total prepaid expenses and deferred income	343	7,143	7,143

Statement of Assets and Liabilities and net assets

In this section of the Explanatory Note to the Financial Statements, explanations are provided in accordance with the provisions of Articles 2427 and 2435 of the Civil Code regarding the items that, in the semester financial statements as of June 30, 2019, make up the net assets and the balance sheet liabilities.

Net assets

Change in net assets items

	Value at start of fiscal year	Allocation of the profit/loss from prior fiscal year		Other changes	Profit/loss for the period	Balance sheet value
		Allocation of dividends	Other allocations	Decreases		
Capital	60,000	-	-	-		60,000
Legal reserve	2,000	-	10,000	-		12,000
Other reserves						
Extraordinary reserve	27,008	(22,500)	516,274	-		520,782
Miscellaneous other	-	-	1	-		1
Profit for the period	526,274	-	-	(526,274)	711,257	711,257
Total net assets	615,282	(22,500)	526,275	(526,274)	711,257	1,304,040

Significant operations involving net assets

During the first six months of 2019, the general shareholders' meeting has approved the distribution of a dividend amounting to 22,500 Euros. Subsequently, as part of the approval of the financial statements as of December 31, 2018, the shareholders' meeting approved the allocation of the 2018 profit to the legal reserve in the amount of 12,000 Euros and to the extraordinary reserve for the remaining amount.

It is noted also that the shareholders' meeting on March 21, 2019 has approved the transformation of the company into a joint-stock company. Subsequently, on April 18, 2019, the shareholders approved the issuance of a bond loan for an amount of up to 2,500,000 Euros, to be converted automatically into shares upon the admission of the shares for trading on a regulated market.

On July 11, 2019, it was resolved to increase the Company's share capital, at a premium and upon payment, for the purpose of the listing on the Euronext Growth market (a system organised and managed by the Paris Stock Exchange) which took place with effect from July 25, 2019 (the day of the opening of negotiations related to the Media-Maker shares). Since the conversion of the loan bond and the increase of share capital at a premium were formalised during the month of July, the present financial statement does not incorporate the effects on the net assets of the Company.

Availability and use of net assets

The net asset items as of June 30, 2019 are categorised as follows, according to their origin, possibility of use, and distribution.

	Amount	Possibility of use	Share available
Capital	60,000	B	60,000
Legal reserve	12,000	A,B	12,000

Media - Maker S.p.A. half-year financial statements as of June 30, 2019

Other reserves			
Extraordinary reserve	520,782	A,B,C	520,782
Miscellaneous other reserves	1		1
Total other reserves	520,783		520,783
Total	592,783		592,783
Non-distributable share			73,144
Remaining distributable share			519,639

Legend: A: for capital increase B: to cover losses C: for distribution to shareholders

The non-distributable share of net asset items is represented by the amount of the share capital, the legal reserves and the portion of the extraordinary reserve bound to cover the share of the establishment and expansion costs not yet amortised pursuant to Art. 2426, paragraph 5 of the Civil Code.

Employee severance pay

The severance pay has been calculated pursuant to Art. 2120 of the Civil Code, taking into account the provisions of current law and the specific nature of the contracts and the professional categories, and includes the annual shares due and the revaluations based on the ISTAT coefficients.

The amount of the fund is indicated net of any advances paid and of amounts used for terminations of employment during the semester, and represents the actual debt to employees at the date of the present semi-annual financial statement.

	Employee severance pay
Value at start of fiscal year	7,715
Changes during the period	
Provisions for the period	11,202
Total changes	11,202
Value as of June 30, 2019	18,917

The provisions represent the actual debt of the Company as of June 30, 2019 to the employees active on that date, net of advances paid.

Liabilities

Changes and maturity of debts

	Value at start of fiscal year	Change for the period	Balance sheet value	Share collectable within a year
Convertible bonds	-	1,559,000	1,559,000	1,559,000
Payables to suppliers	4,402,599	466,929	4,869,528	4,869,528
Tax liabilities	363,783	698,004	1,061,787	1,061,787
Payables to social security institutions	40,466	26,215	66,681	66,681
Other liabilities	32,043	50,865	82,908	82,908
Total payables	4,838,891	2,801,013	7,639,904	7,639,904

The item “Convertible bonds” includes the amount of the bond loan with mandatory conversion into ordinary shares signed following the resolution of the Extraordinary Shareholders’ Meeting of April 18, 2019, which approved the issuance of the loan for a maximum amount of 2,500,000 Euros.

The “Payables to suppliers” are represented by the following items:

- “Payables to Italian suppliers” which amounted to 6,421,066 Euros, net of “Credit notes receivable” equal to

2,119,260 Euros;

- "Invoices to be received", equal to 235,622 Euros;
- "Payables to foreign suppliers", amounting to 332,100 Euros.

The item "Tax liabilities" includes:

- dues payable for IRES tax equal to 467,841 Euros, including 243,950 Euros allocated as the IRES tax pertaining to the first half of 2019, which amount will be recorded definitively in the financial statements as of December 31, 2019, with payment according to current law during the course of 2020;
- dues payables for IRAP tax amounting to 82,058 Euros, including 44,265 Euros allocated as the IRAP tax pertaining to the first half of 2019, which amount will be recorded definitively in the financial statements as of December 31, 2019, with payment according to current law during the course of 2020;
- dues payables for VAT as of June 30, 2019 in the amount of 428,931 Euros, including 252,343 Euro already compensated with supplier invoices received during the first days of July 2019, and 56,380 Euros referring to fiscal year 2018;
- dues payables for withholdings pertaining to salaried employees for 65,578 Euros, including 21,284 Euros pertaining to fiscal year 2018;
- dues payable for withholdings pertaining to self-employed workers for 17,379 Euros, including 9,004 Euros pertaining to fiscal year 2018.

It should be noted that the Company, as of the date of the present financial statements on June 30, 2019, is preparing the application for obtaining a tax credit on 50% of the consultancy costs incurred for the listing on regulated markets for SMEs (the "IPO credit" provided by the Italian Budget Law of 2018). The application set out by the pertinent inter-ministerial decree of April 24, 2018 will be presented after October 1, 2019, and it will document the consulting costs related to the IPO procedure for a total sum amounting to more than 1.2 million Euros. Therefore, the Company estimates that it will be granted a tax credit of a maximum of 500,000 Euros. This credit will be used to settle any past due tax payments through the voluntary correction procedure.

The item "Payables to social security institutions" in the amount of 66,681 Euros consists of payables to INPS and other social security institutions. The past due portion of payables towards social security institutions will also be settled through the use of the IPO tax credit to offset all liabilities.

The item "Other payables" includes payables for credit cards equal to 3,712 Euros, payables to directors equal to 10,217 Euros, and payables to employees for the thirteenth salary, fourteenth salary and holiday pay, amounting to 51,279 Euros, as well as other payables not classifiable elsewhere amounting to 17,700 Euros.

Accrued expenses and deferred income

	Value at start of fiscal year	Change for the period	Balance sheet value
Accrued expenses	2,449	1,800	4,249
Deferred income	84,000	(38,000)	46,000
Total accrued expenses and deferred income	86,449	(36,200)	50,249

The deferred income recorded in the financial statements, in the amount of 46,000 Euros, is related to revenues for display advertising which will be performed during the next semester, already invoiced at the date of preparation of these financial statements.

The accrued expenses, amounting to 4,249 Euros, consist of stamp duties on current account and telephone services.

Profit and Loss statement

This section provides, pursuant to the provisions of Articles 2427 and 2435-bis of the Civil Code, explanations regarding

the items in the financial statements for the first semester of 2019 that are part of the Profit and Loss statement, compared with the same accounting items as of June 30 of the previous year.

Production values

During the first semester of 2019, the Company realised revenues from the performance of services and sales of goods amounting to 9,045,296 Euros, showing a net increase compared to sales made during the first half of the previous year.

Description	30/06/2019	30/06/2018	Changes
Income from sales and services	8,591,058	5,442,724	3,148,334
Product inventory changes	454,235		454,235
Other income	3	1	2
Total	9,045,296	5,442,725	3,602,571

Production costs

The production costs incurred during the course of the first semester of 2019 amounted to 8,041,391 Euros, and are detailed as follows.

Description	30/06/2019	30/06/2018	Changes
Raw and auxiliary materials and merchandise	1,092,230		1,092,230
Services	6,648,752	6,041,208	607,544
Leased assets	19,680	59,911	(40,231)
Salaries and stipends	170,579	34,386	136,193
Social security dues	53,658	9,973	43,685
Severance pay	11,202		11,202
Other personnel costs	4,156		4,156
Amortisation of intangible fixed assets	33,557		33,557
Amortisation of tangible fixed assets	806		806
Other management costs	6,771	52,747	(45,976)
Total	8,041,391	6,198,225	1,843,166

Financial income and charges

The balance of financial income and charges as of June 30, 2019 is negative and amounts to 4,433 Euros.

Description	30/06/2019	30/06/2018	Changes
(Interests and other financial fees)	(4,433)	(1,135)	(3,298)
Profits (losses) on foreign exchange			
Total	(4,433)	(1,135)	(3,298)

The item "Interest and other financial charges" includes bank commissions and fees in the amount of 2,020 Euros, late payment interest, penalties from the tax authorities and other financial charges.

Income taxes paid for the period

The Company has proceeded to the allocation of funds for taxes for the period of January 1, 2019 - June 30, 2019, based on the application of the tax regulations in effect. The following table shows the amounts for taxes allocated in the budget as of June 30, 2019. As of June 30, 2018, considering the financial results obtained, there were no amounts due for taxes.

Media - Maker S.p.A. half-year financial statements as of June 30, 2019

Taxes	30/06/2019	30/06/2018	Changes
Current taxes:	288,215		288,215
IRES	243,950		243,950
IRAP	44,265		44,265
Total	288,215		288,215

No deferred or prepaid taxes have been allocated, as the conditions for such were not met.

The following tables list the prospective estimates involving the profit as of June 30, 2019 and the respective taxable value for IRES and IRAP purposes.

IRES	AMOUNT
Profit for period before IRES/IRAP taxes	999,472
(minus) IRAP due to tax change	44,265
Profit/loss before IRES	955,207
Profit/loss for period net of taxes	711,257
INCREASES	
Increases net of IRES taxes	23,457
IRES tax increase	243,950
Total increases	267,407
DECREASES	
Decreases net of IRES taxes	6,471
Total decreases	6,471
TAXABLE INCOME	
Taxable income for IRES	1,016,458
Current IRES	243,950

IRAP	AMOUNT
Total positive components	9,045,296
Total negative components	8,045,339
INCREASES	
Increases	306,956
Total increases	306,956
DECREASES	
Decreases	-
Total decreases	-
PRODUCTION VALUE	
Total gross production value	1,306,913
Deductions	171,913
Total net production value	1,135,000
Current IRAP	44,265

Other information

Employment data

As of June 30, 2019, the company workforce consisted of 9 employees.

Fees, advances and credits granted to directors and auditors and commitments made on their behalf

The fees payable, advances and credits granted to the Directors during the semester herein referred to, as well as the commitments assumed on their behalf having the effects of the provision of guarantees of any kind, are shown in the following table:

	Administrators	Auditors
Compensation	50,844	15,000

Compensation to statutory auditors or audit companies

During the first semester of 2019, the company in charge of the statutory audit of accounts, BDO Italia S.p.A., received compensation in the amount of 16,000 Euros.

Categories of shares issued by the Company

On June 30, 2019, the Company issued a No. of 60,000 shares representing a subscribed and paid up share capital amounting to 60,000 Euros.

Own shares and shares of subsidiaries

It is specified that:

- the Company does not own its own shares, even indirectly;
- the Company does not own, directly or indirectly, shares or stocks of parent companies;
- during the period, the Company did not proceed with the purchase or disposal of shares of parent companies, including through a trust company or a third party.

Details on other financial instruments issued by the Company

On April 18, 2019, the Company issued a bond loan to be mandatorily converted into shares, named "Media-Maker S.p.A. Convertendo 2019-2020", for the total nominal amount of 2,500,000 Euro, represented by a maximum of a No. of 2,500 bonds with a nominal value of 1,000 Euros each. The loan was subscribed on the date of reference of the present financial statements in the amount of 1,559,000 Euros.

Commitments, guarantees and potential liabilities not resulting from the financial statement

There are no commitments, guarantees and potential liabilities not resulting from the financial statement.

Information on agreements not resulting from the balance sheet

There are no arrangements not resulting from the balance sheet pursuant to the requirements of Par. 22-ter of Art. 2427 of the Civil Code.

Final considerations

We confirm that the present half-year financial statement, composed of the Statement of Assets and Liabilities, Profit and Loss statement, Financial statement and Explanatory Note truly and accurately represents the Company's asset and financial situation as well as the financial result for the first semester of 2019, and corresponds to the accounting records.

Managing Director Pietro Peligra