



Report of Statutory  
Auditors

Annual Financial Report at December 31, 2023

**VALSOIA S.p.A.**

Registered office at Via Ilio Barontini, 16/5 – Bologna

Share Capital EUR 3,554,100.66 fully paid-in

Registered with the Companies Register of Bologna under no. 02341060289

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Report from the Board of Statutory Auditors to be presented to the Shareholders' Meeting

pursuant to

Art. 153 of Italian Legislative Decree no. 58/1998, and Art. 2429, paragraph 3 of Italian Civil

Code

Dear Shareholders,

In this Report, prepared in accordance with Art. 153 of Italian Legislative Decree no. 58/98, the Board of Statutory Auditors of Valsoia S.p.A. reports to you on the supervisory duties carried out and the related results.

During the year ended December 31, 2023, the Board of Statutory Auditors has carried out the supervisory activities, as explained hereinafter, as required by Law, also taking into account the Consob Communications with regard to the corporate controls and duties of the Board of Statutory Auditors, and “Principles of conduct applicable to the Board of Statutory Auditors in regulated markets” recommended by the Italian National Board of Chartered and Expert Accountants.

The statutory audit is carried out by KPMG for the nine-year period 2015-2023, in accordance with Italian Legislative Decree no. 58/1998 and Italian Legislative Decree no. 39/10, to whose reports reference is made.

With this report, the Board of Statutory Auditors of Valsoia – which, as provided for in Art. 19 of Legislative Decree No. 39/2010 also serves as Internal Control and Audit Committee – reports to you on the supervisory activities carried out and their outcomes:

- we have participated in all Shareholders' Meetings and meetings of the Board of Directors held over the course of the year and have obtained from the Directors, with the frequency required by Law, information on the activities carried out and general management activities and their foreseeable developments, and on transactions of major economic and financial significance carried out by the Company and by Subsidiaries;
- we have ascertained that the actions taken and implemented were compliant with the Law, with the articles of association and with the resolutions of the Shareholders' Meeting and were in line with standards of correct administration and on the degree of adequacy of the Company's organizational structure;

- we have gained knowledge of the Company's activities and monitored these activities within our areas of competence. The knowledge was obtained by means of direct audits, collection of information from the managers of the departments concerned and from the Manager in charge of financial reporting, and exchanges of data and information with the Independent Auditors KPMG S.p.A.;
- we have also organised meetings with members of various Company departments to check that the organizational structure is suitable both for the achievement of corporate objectives and for a stronger internal control system;
- we have assessed and checked the suitability of the administrative and accounting system as well as its reliability for accurately representing operational facts by obtaining information from the Manager in charge of financial reporting, the examination of Company documents and analysis of the work carried out by external auditors, who provided over the course of the year the results of their controls of the Company's regular bookkeeping, without showing any relevant or prejudicial evidence to be reported;
- we have verified the adequacy, in terms of methodology, of the impairment testing process to which the assets of the financial statements concerned have been subjected. The relative details are provided by the Directors in the financial statements in line with the indications of the international accounting standards and of Consob;
- we have found the internal control system to be effective, with the understanding that it is a structure aimed at providing the tools for ensuring compliance with the laws and Company provisions and procedures, both operational and administrative; in this connection, improvements are made to the mechanisms for checking and updating said procedures with the development of risk-processing management, reviewed annually. In particular, the Corporate Governance Report provides much latitude for the activities carried out to protect the financial information process, which are also relevant pursuant to the provisions of Art. 19, paragraph 1, letter a) of Italian Legislative Decree no. 39/2010;
- we have monitored the suitability of the provisions issued by the Company to its Subsidiaries in accordance with Art. 114, paragraph 2 of Italian Legislative Decree no. 58/98;
- we have examined, both through direct audits and through the information received from the Independent Auditors, compliance with laws relating to the preparation of the financial statements, with particular regard to the statements adopted, to their content and to the IFRS applied;

- we have ascertained that Valsoia S.p.A. is not required to prepare a consolidated financial statement, in view of the negligible amounts presented by Companies in which it holds a stake;
- we have ascertained the thoroughness of the Directors' Report drafted in accordance with Art. 2428 of the Italian Civil Code and its suitability in providing a clear and appropriate representation of the progress of the Company's activities, summarized in the statements of financial performance contained therein. This Report, among other things, (i) provides sales results with regard to individual product groups; (ii) shows the net financial position at the end of the year and provides a summary of the flows; (iii) describes, indicating the amounts, transactions carried out with related counterparties furthermore concluded at arm's length; (iv) shows the research and development activities carried out; (v) shows the main financial performance indicators; (vi) highlights the financial risks and other main risks and uncertainties deriving from the business; (vii) points out that at the date of preparation of the Report there were no significant economic or financial effects relating to the conflicts between the Russian Federation and Ukraine and between Hamas and Israel and therefore, the conflict does not involve significant uncertainties in relation to the assumption of business continuity; (viii) appears to be complete with respect to the legal and regulatory requirements and, especially with reference to information regarding the ownership and control structures (pursuant to Art. 123 bis of the T.U.F.), refers to the specific Report on Corporate Governance and Ownership Structure drawn up at pursuant to Art. 123 *bis* of Italian Legislative Decree no. 58/1998 by the Board of Directors explaining the decision not to adhere to the Corporate Governance Code;
- we have noted that on 11 March 2024 the Board of Directors decided to approve the Report on Remuneration pursuant to art. 123 *ter* of the TUF and art. 84 *quater* of Consob resolution no. 11971/99, the "Issuers' Regulation";
- we oversaw the correct implementation of the obligations imposed on the Company by the market abuse regulations, including those relating to so-called internal dealing transactions;
- we have verified and evaluated all periodical reports and communications made available to the public by the Company, as well as the fulfilment of Consob's disclosure obligations.

In compliance with the provisions of the "*Rules of Conduct for the Board of Statutory Auditors of Listed Companies*" issued by the Italian National Board of Chartered and Expert Accountants, which require the Board of Statutory Auditors to carry out, after appointment and subsequently on an annual basis, an assessment of its work in relation to the concerted planning of its activities, the suitability of its members, the adequate composition of the body with reference to the

requirements of professionalism, competence, integrity and independence, as well as the adequacy of available time and resources in relation to the complexity of the task (the “Self-Assessment”), we inform you that the Board of Statutory Auditors carried out the Self-Assessment for the year 2023, the results of which shall be presented in the “2023 Report on Corporate Governance and Ownership Structure” pursuant to Art. 123 *bis* of the T.U.F.

Within the Company’s Board of Directors, consisting of nine members, of whom four are women, there are seven Non-Executive Directors, two of whom were classified by the Board of Directors as Independent. The Board of Directors verified the independence requirements set forth in Article 148, paragraph 3 of Italian Legislative Decree no. 58/98 for the Directors; therefore, the Board of Directors complies with the provisions of Art. 147 *ter*, paragraph 4, and 148, paragraph 3 of Italian Legislative Decree no. 58/98. Despite the fact that Valsoia does not abide to the Corporate Governance Code, on January 29 2024 the Non-Executive Directors drafted a "Report on the self-assessment activity of the Board of Directors" in order to provide feedback on the annual recommendations sent by the Chair of the Corporate Governance Committee to all issuers listed on the regulated market managed by *Borsa Italiana* (the Italian Stock Exchange).

On the basis of the information received and the appropriate analyses carried out, we can provide you with the following information:

1. Transactions of major economic and financial significance carried out by the Company have been calculated in accordance with the law and with the Company's articles of association.

On the basis of the information obtained we were able to ascertain that these transactions were not manifestly imprudent, risky or involving a potential conflict of interest or contrary to resolutions of the Shareholders’ Meeting or such as to compromise the integrity of the Company's assets.

2. We have not found or received information from the Board of Directors and the Independent Auditors with regard to the existence of atypical and/or unusual transactions carried out over the course of the year with companies of the Group, related parties or third parties worthy of reporting other than those already indicated in the Company's financial statements. The Directors, in their Directors’ Report and explanatory notes and comments, have appropriately described and illustrated the main transactions with third parties and related parties, which furthermore were concluded under normal market conditions, describing their characteristics and economic effects. We also supervised the application of the related corporate procedure updated by resolution of the Board of Directors of June 21, 2021, which is available on the Company's website, in compliance with the amendments made by Consob with

Resolution no. 21624 of December 10, 2020 in force from July 1, 2021 to its RPT Regulation no. 17221 of March 12, 2010 in order to implement Directive (EU) 828/2017/EU.

3. During the year, no notifications were made to the Board of Statutory Auditors in accordance with Art. 2408 of the Italian Civil Code and no complaints were made to the Board of Statutory Auditors by the Shareholders or any third parties.
4. We have no comments to make with regard to correct administration standards, which appear to have been constantly observed and in line with the Company's interests.
5. We have no comments to make about the general appropriateness of the organizational structure for efficiently pursuing the Company's objectives. In particular, the Board received information disclosures on the IT system and its development. In view of the above, the Board of Statutory Auditors considers that the internal control system is capable of supporting the orderly implementation of the Company's management.
6. The Company has adopted the Organizational Model that is set forth in Italian Legislative Decree no. 231/2001 (“Model 231”) aimed at preventing the performance of unlawful actions pursuant to the Decree, and consequently, the application to the Company of administrative liability. The Model currently in effect was approved in its fifth edition by the Board of Directors at its meeting on December 18, 2023. The Board has met, on a regular basis, with the Supervisory Body, of which a member of the Board of Statutory Auditors is also a member, for a mutual exchange of information on the activities carried out, and has reviewed the yearly report dated February 5, 2024 where no prejudicial evidence or violations of the Model adopted by the Company were identified, nor there were any acts or conducts involving a violation of the provisions contained in Italian Legislative Decree no. 231/2001.
7. We acknowledge that the Company has adopted a “General Data Protection Regulation” (“GDPR”) model pursuant to the EU Regulation 2016/679.
8. On September 7, 2023, an agreement was reached between Valsoia S.p.a., its parent company, Finsalute S.r.l., and Mr. Andrea Panzani, Chief Executive Officer and General Manager of Valsoia S.p.A., which provides for, in exchange for remaining in the office of Chief Executive Officer and General Manager until the approval of the financial statements for the year ending on December 31, 2028, a purchase option for 107,000 shares of Valsoia S.p.A. held by Finsalute S.r.l. at par value.
9. During the 2023 financial year, the Board of Statutory Auditors held 10 meetings and issued the following opinions required by law: regarding the total compensation for the remuneration of all Directors on 3/13/2023 and the compensation envisaged for

Directors vested with particular duties on 4/27/2023. In 2023, the Board of Directors held 6 meetings in which the Board of Statutory Auditors has always participated.

It should be noted that the activity was carried out both on site at the registered office and remotely as permitted by Art. 24 of the articles of association without this having prejudiced the work performed.

10. With reference to the supervisory activity on the statutory audit, required by Art. 19, paragraph 1 of Italian Legislative Decree no. 39/10, the Board of Statutory Auditors, in its capacity as "Internal Control and Audit Committee", held periodic meetings with the managers of the Independent Auditors, also pursuant to Art. 150, paragraph 3 of Italian Legislative Decree no. 58/98, and Art. 19, paragraph 1 of Italian Legislative Decree no. 39/2010. Over the course of systematic meetings between the Board of Statutory Auditors and the Independent Auditors, in accordance with Art. 150, paragraph 3 of Italian Legislative Decree no. 58/1998, there was nothing major to be reported. The Board of Statutory Auditors has received analytical information with regard to the impairment tests carried out by the Company to confirm the values recorded – with regard to the Financial Statements at 12/31/2023 – for the “Santarosa” brand and goodwill, the “Dieta.Tic” brand and goodwill and the “Loriana” brand and goodwill. The corresponding details are provided by the Directors in the financial statements in accordance with international financial reporting standards and Consob recommendations.
11. On March 28, 2024, the Independent Auditors KPMG S.p.A. also presented to the Board of Statutory Auditors, in its capacity as the Committee for internal control and audit, the Additional Report as provided by Art. 11 of EU Regulation no. 537/2014, showing no significant shortcomings in the internal control system in relation to the financial disclosure process that need to be reported. As an annex to the Additional Report, the Independent Auditors have provided a declaration relating to independence, as required by Art. 6 of EU Regulation no. 537/2014, showing no findings of any situations that could compromise independence. Finally, the Board of Statutory Auditors has acknowledged the Transparency Report prepared by the Independent Auditors published on its own website pursuant to Art. 18 of Italian Legislative Decree no. 39/2010.
12. On \_\_\_\_\_, the Independent Auditors, KPMG S.p.A., in accordance with Art. 14 of Legislative Decree no. 39/10 and Art. 10 of EU Regulation no. 537/2014, issued a Report on the auditing of the financial statements for the year ended 12/31/2023.

With regard to the opinions and attestations in the Audit Report on the financial statements, the Independent Auditors have:

- issued an opinion that Valsoia S.p.A.'s financial statements for the year provide a truthful and accurate representation of Valsoia S.p.A.'s financial situation at 12/31/2023 and of its profit and loss and cash flows for the year ended on that date, in accordance with International Financial Reporting Standards adopted by the European Union as well as orders issued in implementation of Art. 9 of Italian Legislative Decree no. 38/05;
  - issued an opinion showing that the financial statements have been prepared in XHTML format in accordance with the provisions of Delegated Regulation (EU) 2019/815;
  - presented the key audit matters that, in their professional judgement, are most significant and that affect their overall opinion of the financial statements;
  - issued an opinion with regard to the consistency that the Directors' Report accompanying the financial statements and certain specific information contained in the "Report on Corporate Governance and Ownership Structure" indicated in Art. 123 *bis* of Italian Legislative Decree no. 58/1998, for which the Company's Directors are responsible, are drafted in accordance with the law;
  - declared, with regard to any significant errors in the Directors' Report, on the basis of their knowledge and understanding of the Company and the corresponding context acquired over the course of the audit activities, that there is nothing to report. The Notes to the Financial Statements show, in accordance with Art. 149 *duodecies* of the Consob Issuers' Regulation, 2023 payments itemization for audit services and for miscellaneous services, with the following details:
    - Audit of the accounts and certification EUR 88,000
    - Reimbursement of Consob contributions and expenses EUR 18,000
13. The Board notes that the Board of Directors has decided to avail itself, also for 2024, of the faculty established by Art. 106 of Italian Decree Law no. 18 of 3/17/2020 converted into Italian Law no. 27 of April 24, 2020, the application of which was extended by Law no. 18 of February 24, 2023 providing for the participation of Shareholders in the Shareholders' Meeting exclusively through the designated representative pursuant to Art. 135 *undecies* of Italian Legislative Decree no. 58/98 (T.U.F.), without the physical participation of the Shareholders. In this regard, the Board will be liaising closely with the Board of Directors to ensure that the



Shareholders' Meetings can be held ordinarily and Shareholders' rights exercised regularly in compliance with said provisions.

14. With regard to the approval of the Financial Statements, the Board of Statutory Auditors reports that on 3/11/2024 the Board of Directors approved the draft Financial Statements as at 12/31/2023, which was made available to the Board of Statutory Auditors on that same date along with the Directors' Report. On 3/11/2024, the Managing Director and the Manager in charge of financial reporting issued the certifications required by Art. 154 *bis*, paragraphs 3 and 4 of Italian Legislative Decree no. 58/98.

In conclusion, we attest that our supervisory activities have not revealed any omissions, no prejudicial evidence or irregularities to be reported to the Shareholders.

Lastly, the audit assignment awarded by Valsoia S.p.A. to the auditing firm KPMG S.p.A. for the nine-year period 2015-2023 is set to expire with the approval of the financial statements for the year ended December 31, 2023. Therefore, in the period between October 2023 and February 2024, the Company deemed it appropriate to initiate the procedure for the selection of the new statutory auditing firm to be entrusted with the relevant assignment for the financial years 2024-2032 in accordance with the applicable national and European legislation on statutory audits.

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In view of the above, the Board of Statutory Auditors declares that it has no objection to the approval of the Financial Statements for the year ended 12/31/2023 and to the proposed allocation of profits, which is as established by law and by the Company's articles of association.

Bologna, 28th March 2024

The Board of Statutory Auditors

Gianfranco Tomassoli

Claudia Spisni

Massimo Mezzogori

(Signed on the original)

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