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Management Report of the
**Half-Yearly Consolidated Financial
Statements** as at **30 June 2021**
of EdiliziAcrobatica S.p.A.

EDILIZIACROBATICA S.P.A. –
Registered Office in Milan – Via Turati 29

Share Capital € 803,250

Tax code and VAT number 01438360990 - Economic and Administrative Index MI 1785877



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Management Report of the Half-Yearly Consolidated Financial Statements as at 30 June 2021

Dear Shareholders, these consolidated financial statements for the year ended 30/06/2021, closed with a profit for the period of €1,600,721, net of taxes for €1,354,212.

The consolidated Explanatory Notes provide information about the consolidated financial statements as at 30/06/2021.

In this document, in accordance with art. 2428 of the Italian Civil Code, information concerning the Group's situation and the trends of operations, as well as on the foreseeable outlook, the net financial position and the main risks and uncertainties the Group is exposed to is presented. This report, drawn up with values expressed in euros, is presented to supplement the consolidated financial statements for the purpose of providing income, equity, financial and operating information on the Group, accompanied where possible by historical elements and forecasts.

Shareholdings held by EdiliziAcrobatICA at 30 June 2021

The investees as at 30 June 2021 are as follows:

Company name	Registered office	Share capital	Share held I
EdiliziacrobatICA France S.a.s.	Bureau Direction Generale, 2 Avenue Lucien, 66600 Rivesaltes	550,509	100%
Energy AcrobatICA 110 S.r.l.	Via Filippo Turati 29, 20121, Milan	100,000	80%

Sector trends

The global construction scenario was heavily impacted by the effects of the COVID-19 pandemic, especially during 2020. In 2021 the sector began a strong recovery, especially in Italy.

Most of the wealth of Italians has always been in the houses they own, but these assets have deteriorated over time and it is urgent to intervene to restore them to good condition.

EdiliziAcrobatica SpA is active in the building renovation sector in Italy, a segment of the construction industry.

The attention of the company focused on the maintenance of buildings in city centres and urban areas, all reinforced this year by the Façade Bonus. In fact, the façade bonus has given and will continue to give a strong boost to the growth in renovations. This bonus, introduced by the **2020 Budget Law**, consists of a **deduction equal to 90% of the expenses incurred in 2020 and 2021** for interventions aimed at **recovering and restoring the external façade of buildings**, without a maximum spending limit and for the benefit of all.

The growing tendency to plan ordinary and extraordinary maintenance of buildings is strongly driving the rope construction sector. Since there are no scaffolding or aerial platforms installation costs, the condominium managers are increasingly oriented towards the scheduled maintenance of properties. That is, the possibility of carrying out the entire external renovation of buildings through medium-small interventions scheduled in several phases, with completion of the works over the course of 3-5 years. This trend is increasingly dominant thanks also to the possibility of spreading out the payments for works on buildings over time, and therefore thanks to advance planning of property maintenance there is a reduced need for emergency repairs and having to pay for large interventions in a single solution, generating dissatisfaction on the part of families

who have to deal with unexpected large expenditures. This tendency to schedule maintenance is part of the evolution of the role of the condominium manager, who is increasingly transforming from a custodian of assets to a Building Manager.

Behaviour of the competition

The Group is the undisputed leader of the Italian and European markets as its competitors are small in size, both in terms of turnover and geographical extension, and carry out interventions on ropes sometimes as additional services to traditional construction, or in some cases within niche segments (reclamation, environmental interventions, etc.). Again in 2021 there were no new competitors on a national scale and the trend of small competitors on a local scale remained unchanged, that is within their own cities without a real expansion plan.

The Group has always shown a strong interest in international expansion, which led to the acquisition in 2019 of the assets of the French company in judicial liquidation “ETAIR – Entreprise de Travaux Aériens et d'Interventions Rapides Méditerranée”, establishing the wholly-owned EdiliziAcrobatika France SAS, into which the assets of the French company were merged.

The French company is a leader in the sector of construction with double ropes in the southwest of France.

In 2021 eight French offices were structured and organised: Perpignan (headquarters), Toulouse, Nice, Montpellier Narbonne, Marseilles and Lyon. Note that Wind and Industrial sectors were also set up in the Perpignan BU.

The French market looks to be successful and prosperous for the rope access sector. Some of the most important benefits include:

- Small, fragmented competitors at a local level and not at a national level. The level of specialisation of competitors with respect to the external maintenance

of buildings is very low. In fact, for the most part they have operators specialised in the use of ropes and much less so in masonry or construction work in general.

- Condominium Managers (in French *Syndic*) are mostly structured companies situation throughout the country. They have offices in various cities manned by condominium administrators and staff dedicated to the sale and rental of real estate. The large size of the customers creates an advantage for a company like Edilziacrobatica, as the attention of these customers to quality standards and professionalism is very high. Finally, within Syndic companies there is positive word of mouth between colleagues of the same brand from different cities or belonging to the same city that greatly facilitates the commercial development of Edilziacrobatica.
- It is important to note the tendency of French condominium owners to pay building expenses and work invoices on time. This generates a benefit in terms of DSO for Edilziacrobatica as well as a higher productivity of the sales network.

Performance and result of operations with regard to costs, revenues and investments.

With regard to economic performance, we note that the volume of revenues increased from €18,685,554 in H1 2020 to €36,781,010 in H1 2021, an overall increase of 97%. Production costs amounted to €31,252,249 versus €18,241,577 in H1 2020, an increase of 71%.

Among the production costs, personnel costs amounted to €14,852,970, with an increase compared to the previous year of 64%, and depreciation and amortisation amounted to

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€1,081,652 with an increase of 17% compared to 2020. Furthermore, write-downs of €350,000 were recorded, while in 2020 there were none.

The difference between production value and costs was positive for €5,528,761, up sharply compared to €443,977 in 2020.

Financial management generated net financial charges of €2,752,151, **this value including** costs for the sale of receivables of €2,476,933.

As regards net financial charges, these amounted to €284,584 against a value at 30 June 2020 of €162,281. The increase is due to the resumption of amortisation plans related to loans and the interest related to the bond.

The result for the first half of 2021 was a net profit of €1,600,721 (in H1 2020 a net profit of €5,436).

Income taxes amounted to € 1,354,212.

The analysis of revenues and costs is amply illustrated in the Explanatory Notes.

Group situation and operational performance

During the first half of 2021 EdiliziAcrobatica SpA continued its strategy of business growth that in recent months led to the launch of new operations that met with the favour of investors and financial markets.

In addition to territorial expansion both in Italy and abroad, particular focus was placed on company profitability.

Of note was the establishment of the NEWCO Energy Acrobatica 110 with the aim of fulfilling the role of Main Contractor in the context of projects and construction sites that operate

under the 110% tax relief scheme.

The new company is 80% owned by EdiliziAcrobatica S.p.A. and 20% by Turin-based Buildings srl, a construction engineering consulting company.

The company is already active in the Italian market, especially in the northwestern region starting precisely from Turin, where it is consolidating a network of partners for the execution of renovation and energy efficiency works that fall under the 110% Superbonus regime, which represents a great opportunity to fuel the national economy.

As far as the domestic market is concerned, in pursuing the objective of acquiring new market share through the widespread penetration of the Italian territory a total of 69 direct offices was reached in the first half of the year, 10 new offices more than the previous year. As far as the number of franchisees is concerned, the total is virtually unchanged compared to the previous year.

During 2021 the eight French local units were reinforced both from an organisational and management point of view.

Finally, on 20 September a contract was signed for the acquisition of the business unit of Accès Vertical, a Spanish company operating in the rope construction sector. The acquisition of the Accès Vertical business unit is part of EDAC's international expansion strategy, now acquiring a foothold in the Iberian territory as announced at the beginning of 2021, only two years after its entry into France.

The main factors that contributed to the consolidated result, before taxes, are as follows:

- Façade bonus: introduction of the façade bonus in the 2020 Budget Law, which provides for a deduction of 90% of the expenses incurred in 2020 and 2021 for interventions aimed at the recovery and restoration of the external façade of buildings, has given a vigorous boost to the market and the renovations sector.

The Group's organisational strength and ability to react, also in this

case, have made it possible to handle the ever-increasing demands of the market in a dynamic, efficient manner.

All this has led to an increase in sales revenues, due to the increase in volumes sold and produced. Specifically, note that the French company, despite the fact that no tax benefits were introduced in France, contributed revenues of approximately €1.77 million, an increase of 13% over the previous year. The first half of the year saw a considerable increase in turnover compared to the same period of the previous year of 97%.

- Strengthening of the new business unit: the business unit opened last year for the disinfection and sanitisation of lobbies, stairwells and elevators of buildings throughout Italy continued to grow and strengthen its position in the market.
- Condominium meeting app: the app, provided free of charge to the company's client condominium administrators for the purpose of holding condominium meetings remotely, continued to be requested, although the restrictive measures allowed for face-to-face meetings, allowing for the sale of services using an innovative tool that was unique in Italy.
- Marketing campaign: the marketing campaign on national television stations aimed at further reinforcing the value of the Brand for the final consumer also continued.
- Strengthening of central functions: the centralised functions responsible for providing support both to direct Italian operating offices and franchisees as well as to the French subsidiary have been reinforced, with the hiring of some high-profile managers with proven experience, in order to build a corporate structure that is sufficient to support the planned development and requirements of a listed company.
- New openings and international expansion: as in previous years, new openings during the year and sites in the process of increasing operational capacity have incurred higher costs due to the

design, opening and development of new offices and the intense training of new personnel. In support of the above, the performance of the operations for the year is in line with the provisions of the onboarding policy for new offices that underscores the need at opening and also in the subsequent phase of operational capacity growth for an intense development of the commercial network, logistics, marketing and training courses, including in the form of on-the-job training.

- Continuation of the Brand Awareness strategy: The implementation of the Brand Awareness strategy continued with the extension of the contract under which EdiliziAcrobatica is the back sponsor of Torino FC for the 20/21 and 21/22 football seasons.
- Containment of the cost of funding: the costs of existing credit lines with major national banks remained unchanged (the average cost of funding was around 3.5%).
- French subsidiary: EdiliziAcrobatica France opened in 2019, and after a 2020 characterised by the COVID-19 pandemic, 2021 began with an increase in revenues that bodes well for the rest of the year. The primary objective for 2021 is the strengthening of the process of cultural change to introduce the business model that distinguishes EdiliziAcrobatica.

Analysis of the company situation

For a better view of the economic, financial and management situation, the following tables show the reclassified balance sheet and income statement, as well as some performance ratios.

The Income Statement

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The summary data of the Reclassified Income Statement at 30/06/2021 are compared with those of the same period of the previous year:

RECLASSIFIED CONSOLIDATED INCOME STATEMENT	30.06.2021	30.06.2020
Value of production	36,781,010	18,685,554
Costs of production net of amortisation, depreciation and write-downs	29,820,598	17,318,979
EBITDA	6,960,413	1,366,575
Amortisation, depreciation and write-downs	1,431,652	922,598
EBIT	5,528,761	443,977
Financial income and charges	-2,752,152	-162,281
Adjustments of financial assets	178,324	43,616
Profit/(loss) before tax	2,954,934	325,312
Income taxes	1,354,212	319,876
Net Result	1,600,721	5,436
Profit (loss) for the year of minority interests	0	-16,194
Group profit (loss)	1,600,721	21,630

EBITDA %	18.92%	7.3%
EBIT %	15.03%	2.4%
Profit/(loss) before tax %	8.03%	1.7%
Net Result %	4.35%	0.0%

VALUE OF PRODUCTION	30.06.2021	%	30.06.2020	%
1) Revenue from sales and services	36,500,330	99%	17,593,998	94%
4) Increases in fixed assets for internal works	121,000	0%	625,352	3%
5) Other revenue and proceeds	159,680	0%	466,204	2%
a) operating grants	81,735	0%	115,886	1%

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b) others	77,945	0%	350,318	2%
TOTAL VALUE OF PRODUCTION	36,781,010	100%	18,685,554	100%

COSTS OF PRODUCTION	30.06.2021	%	30.06.2020	%
Costs for Raw materials	3,978,707	13%	2,144,910	12%
Costs for Services	8,118,624	27%	4,618,052	27%
Costs for Use of leased assets	2,039,902	7%	1,318,282	8%
Costs for Personnel	14,852,970	50%	9,075,744	52%
Change in inventories	-63,536	0%	-23,911	0%
Other Charges	893,930	3%	185,902	1%
TOTAL COSTS OF PRODUCTION	29,820,598	100%	17,318,979	100%

AMORTISATION, DEPRECIATION AND WRITE-DOWNS	30.06.2021	%	30.06.2020	%
Amortisation of Tangible Fixed Assets	908,400	63%	766,169	83%
Depreciation of Tangible Fixed Assets	173,251	12%	156,429	17%
Write-downs	350,000	24%	0	0%
TOTAL AMORTISATION, DEPRECIATION AND WRITE-DOWNS	1,431,652	100%	922,598	100%

FINANCIAL INCOME AND CHARGES	30.06.2021	%	30.06.2020	%
Financial income	15,098	-1%	17,105	-11%
Financial costs	-2,767,250	101%	-179,386	111%
TOTAL FINANCIAL INCOME AND CHARGES	-2,752,152	100%	-162,281	100%

ADJUSTMENTS OF FINANCIAL ASSETS	30.06.2021	%	30.06.2020	%
Write-ups	178,324	100%	43,616	100%
Write-downs	0	0%	0	0%
TOTAL ADJUSTMENTS OF FINANCIAL ASSETS	178,324	100%	43,616	100%

EBITDA is the result before financial charges, taxes and amortization and depreciation of fixed assets and write-downs of receivables included in the current assets. EBITDA therefore represents a proxy for cash generation, thus regardless of non-cash elements such as amortisation and depreciation of fixed assets. The EBITDA thus defined represents the indicator used by the directors to monitor and assess the performance of the business. Since the EBITDA is not identified as an accounting measure in the context of accounting standards, it should not be considered an alternative measurement for the assessment of the performance of the Group's operating results. Since the composition of EBITDA is not regulated by the accounting standards of reference, the criterion of determination applied by the Group may not be consistent with its calculation by other companies and therefore may not be comparable with them.

EBIT is the result before financial charges and taxes for the year. EBIT therefore represents the result of operations before the remuneration of both minority and own capital. The EBIT thus defined represents the indicator used by the directors to monitor and assess the performance of the business.

Since the EBIT is not identified as an accounting measure in the context of accounting standards, it should not be considered an alternative measurement for the assessment of the performance of the Group's operating results. Since the composition of EBIT is not regulated by the accounting standards of reference, the criterion of determination applied by the Group may not be consistent with its calculation by other companies and therefore may not be comparable with them.

The 2021 data show a sharp rise in revenues, recording an increase of 97% and confirming the growth already evident at the end of 2020.

The increase in revenues is mainly due to the expansion of business thanks to the 90% façade bonus. Production costs increased by 72% from €17,318,979 to €29,820,597, linked to the increase in sales volumes. EBITDA stood at approximately €6.960 million, an intense surge compared to approximately €1.366 million in 2020. The French company contributed negatively to EBITDA for about €416,504. In this regard, it should be noted that the company incurred a considerable amount of training costs necessary to finalise the organisational process and to adapt to the Group's philosophy and principles.

Furthermore, note that in France the COVID-19 pandemic has slowed the development of the company and it is therefore still in the start-up phase, generating many management and organisational problems also from a structural and functional point of view.

Amortisation, depreciation and write-downs amounted to €1,431,652, of which €1,081,652 relating to amortisation and depreciation and €350,000 relating to write-downs. This total value brought EBIT to approximately €5.529 million (approximately €444 thousand in June 2020).

Amortisation and depreciation of €1,081,652 versus €922,598 in the previous year increased by 17%.

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In addition to what has already been said, it should be noted that there was an increase of € 350.00 for write-downs compared to the same period of the previous year.

Equity and Financial Profile

The Reclassified Balance Sheet is compared with the closing data of the previous year:

BALANCE SHEET ASSETS	30.06.2021	%	31.12.2020	%
(In thousands of euros)				
Intangible Fixed Assets	4,037,164	7%	4,428,798	8%
Tangible Fixed Assets	1,256,927	2%	1,303,781	2%
Financial assets	26,659	0%	33,224	0%
TOTAL NON-CURRENT ASSETS	5,320,749	9%	5,765,803	11%
Inventories	2,770,593	5%	2,707,058	5%
Trade receivables	19,194,026	33%	20,724,296	39%
Other current assets	25,644,560	44%	16,058,104	30%
Cash and cash equivalents	4,943,883	9%	8,241,967	15%
TOTAL CURRENT ASSETS	52,553,062	91%	47,731,425	89%
TOTAL ASSETS	57,873,811	100%	53,497,228	100%

BALANCE SHEET LIABILITIES	30.06.2021	%	31.12.2020	%
SHAREHOLDERS' EQUITY	12,751,332	22%	12,862,301	24%
NON-CURRENT LIABILITIES				
Employee severance indemnity	2,058,407	4%	1,663,193	3%

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Provisions for risks and charges	95,489	0%	120,122	0%
Non-current financial liabilities	7,523,457	13%	5,299,374	10%
Non-current tax payables	0	0%	76,004	0%
TOTAL NON-CURRENT LIABILITIES	9,677,352	17%	7,158,693	13%
CURRENT LIABILITIES				
Current financial liabilities	16,556,261	29%	19,875,165	37%
Trade payables	7,744,663	13%	6,666,202	12%
Current tax payables	3,272,895	6%	2,221,780	4%
Other current liabilities	7,871,308	14%	4,713,087	9%
TOTAL CURRENT LIABILITIES	35,445,127	61%	33,476,234	63%
TOTAL LIABILITIES	57,873,811	100%	53,497,228	100%

RECLASSIFIED BALANCE SHEET	30.06.2021	31.12.2020
(In thousands of euros)		
Trade receivables	19,194,026	20,724,296
Inventories	2,770,593	2,707,058
Trade payables	-7,744,663	-6,666,202
Operational NWC	14,219,956	16,765,152
Other current receivables	14,241,833	6,813,700
Other current payables	-7,871,308	-4,713,087
Taxes payable	-3,272,895	-2,221,780
Net Working Capital	17,317,586	16,643,985
Tangible fixed assets	1,256,927	1,303,781
Intangible fixed assets	4,037,164	4,428,798
Financial assets	26,659	33,224
Fixed assets	5,320,749	5,765,803
Employee severance indemnity	-2,058,407	-1,663,193
Deferred tax provision	-95,489	-120,122
Long-term tax payables	0	-76,004
Net Invested Capital	20,484,439	20,550,469

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Shareholders' Equity	12,751,332	12,862,301
Cash and cash equivalents	4,943,883	8,241,967
Current Financial Receivables	11,402,727	9,244,404
Current financial liabilities	-16,556,261	-19,875,165
Non-current financial liabilities	-7,523,457	-5,299,374
Net Financial Position	-7,733,107	-7,688,168
Shareholders' Equity and Net Financial Debt	20,484,439	20,550,469
Short-term Financial Position	-209,651	-2,388,794

The net financial position, NFP, i.e. the amount of investments that are not covered by shareholders' equity and trade payables highlights the need for the company to use third-party sources for financing. The data relating to the Group, shown in the table of the short-term and medium-term net financial position, can be interpreted as follows:

- The net financial position remained virtually unchanged, going from a net debt of approximately €7.69 million at 30 June 2020 to a net debt of approximately €7.73 million in June of this year. No new loans were stipulated during the first half of the year.

With regard to the increase in working capital, note that, as shown in the table below, receivables increased by approximately €5.8 million due to the increase in turnover, as did trade payables by approximately €5.3 million, with an effect of approximately €674 thousand due to an increase in the absorption of working capital.

	30.06.2021	31.12.2020
(In thousands of euros)		
CURRENT ASSETS		
Inventories	2,770,593	2,707,058
Short-term receivables	32,672,435	26,855,821
Accrued income and prepaid expenses	763,424	682,175

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CURRENT LIABILITIES		
Short-term payables	-18,598,039	-13,259,603
Accrued expenses and deferred income	-290,827	-341,466
Net Working Capital	17,317,586	16,643,985

Principal ratios

In accordance with art. 2428, paragraph 2 of the Italian Civil Code, there are some ratios and other information useful for fully illustrating the company's situation as it has evolved over the past years.

Financial structure ratios

The purpose of financial structure ratios is to quantify the percentage “weight” of certain aggregates of assets and liabilities in relation to total assets and liabilities.

	30.06.2021	31.12.2020
Fixed Assets (I)		
a) Weight of fixed assets = -----	9%	11%
Total assets (K)		
Current Assets (C)		
b) Weight of working capital = -----	91%	89%
K		
Shareholders' equity		
c) Weight of equity = -----	22%	24%
Total liabilities		
Minority equity		

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d) Weight of minority equity = -----	78%	76%
Total liabilities		

Profitability ratios (or of the economic situation)

The ROE reflects the profitability of the investment in the Group's capital compared to other investments. It is provided in the “after-tax” version and in the “gross” version.

The ROI represents the profitability ratio of operations by measuring the company's ability to generate profits in the transformation of inputs into outputs. The half-yearly ROI is calculated using a rolling method that takes into account the profit generated in the 12 months from 1 July of the previous year to 30 June of the current year.

DESCRIPTION	30.06.2021	31.12.2020
ROE (Return On Equity)	12.55%	13.67%
Pre-tax gross ROE	23.17%	22.12%
ROI (Return On Investment)	9.55%	5.88%
ROS (Return On Sales)	19.07%	11.20%

Financial situation ratios

Below are the main financial situation ratios in order to identify possible imbalances due to inappropriate proportions between certain asset and liability items, with a comparison between the 2020 financial year and the first half of 2021.

30.06.2021

31.12.2020

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Current Assets (C)		
a) Current Ratio = -----	1.48	1.43
Current Liabilities		
Trade and other receivables		
b) Quick Ratio = -----	0.46	0.52
Current Liabilities		
Shareholders' Equity		
c) Equity to Fixed Assets Ratio = -----	2.40	2.23
Fixed Assets		

Risks related to the industry and level of competition

As mentioned, the Group operates in the building renovation sector in Italy and France, a segment of the construction industry.

The primary need is to acquire new customers to ensure continuity of production considering the ample margins of economic return with respect to the volume of investments. Our strategy is oriented towards opening new direct offices, penetrating the Italian market in a widespread way, also developing a targeted retail policy aimed at making the offer customisable to each individual customer. Analyses and testing of work procedures are also being carried out to reduce costs and assume a condition of lower overall risk compared to other operating solutions, allowing us to be even more competitive.

In this regard, considering:

- the limited presence of workers
- the absence of subcontracting
- the absence of risk of interference between companies
- the historical statistics of accidents

it is clear that the overall risk can be defined as the same or even lower

than the overall risk of operating with any collective protection device. Over the years there has been a significant reduction in job work times compared to the use of other working methods, thus reducing exposure to the overall risk.

Risks associated with dependence on suppliers

For the purchase of raw materials and the provision of services, from the beginning the Group has used a sufficiently large number of suppliers such as to allow complete independence from them.

The business is not particularly impacted by the ability of suppliers to guarantee quality standards, to comply with the specifications required by the Group and to comply with delivery times as it is easy to find suppliers to replace the current ones if needed.

Risks associated with financial indebtedness

The Group, and specifically the parent company, has always had the support of banks for any needed financing. Loans were used in previous years to meet the need for new investments to set up new direct sites, but we do not consider this to be a significant risk for the Group. There were no significant increases during the current year.

Liquidity risk

The Group's cash flows, borrowing requirements and liquidity are monitored and managed in order to ensure the effective and efficient management of financial resources. The short- and medium-long term liquidity needs are constantly monitored with a view to ensuring identification of financial resources in a timely manner or an adequate investment of cash and cash equivalents. Information on the future maturity of payables to banks is provided in the Explanatory Notes.

The overall financial situation has high standards.

Credit risk

The Group is exposed to the risks associated with the sale of its products. Risk is also monitored for any new customers thanks to an attentive assessment of potential customers and their risk of insolvency thanks to the collaboration with the investigation and services company Cerved Group Spa.

Pandemic risk

The company is exposed to the risk of a pandemic, as in the case of the COVID-19. In the case of pandemics, the various regulatory provisions are focused on protecting workers against a generic biological risk (the same for the entire population), and the instructions to be complied with take the form of measures put in place by health and government authorities. The protection of workers goes beyond what is regulated by occupational safety regulations, and in particular by Italian Legislative Decree no. 81/2008.

Due to the need to protect public health, the Employer takes an active part in enforcing institutional measures in order to encourage the control of the spread of diseases, and in evaluating any possible solution to limit travel and facilitate work, as well as to aid in

coping with the demands of work and the particular difficulties that the current situation also creates in private lives.

The company establishes an emergency control and management committee that reorganises the workstations, common areas and company activities, which plans the work of each employee with the precise objective of complying with the provisions issued by the government. For all personnel, an optimal distribution of on-site attendance, teleworking and holidays/leave is assessed. It pays particular attention to workers who are particularly susceptible to the disease by ensuring the possibility of working from home. It organises emergency services in order to manage plausible contagion scenarios in line with the instructions given by health and government authorities.

With regard to the COVID-19 pandemic, please refer to the information in the section “Events after the end of the financial year”.

Information on relations with the environment

No damage was caused to the environment during the year.

During the year no companies belonging to the Group were subjected to definitive sanctions or penalties for environmental crimes or damages.

Information on relations with personnel

During the year the Group companies complied with the obligations set out by the law on safety by continuing with the initiatives undertaken long ago and necessary for the protection of the workplace, in accordance with the provisions of the relevant laws, with particular attention to the frequency of staff training meetings to improve knowledge of the procedures aimed at limiting work-related risks.

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The activities we carried out in the field of safety include:

- Training of employees and contractors
- Periodic medical examinations
- Monitoring by the R.S.P.P.
- Preparation and dissemination of the documents referred to in Italian Legislative Decree 81/2008

As already mentioned, the company has earned UNI EN ISO 9001:2008 quality certification (process quality management).

Relations with employees are excellent, and no lawsuits were filed during the year nor are any expected in the coming months.

Application of the Privacy law

The Group companies complied with the provisions of Italian Law 675/1996 regarding Privacy.

Tax situation

The Group's tax situation is closely monitored. Residual taxes net of advances paid due to the Treasury are set aside in the appropriate item relating to tax payables.

Relationships between the companies belonging to the Group

During the year, the following relations were maintained between the Parent Company and the Investee Companies. These transactions of a commercial and financial nature took place under normal market conditions.

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	Financial payables	Financial receivables	Trade receivables	Trade payables	Sales	Purchases
Ediliziacrobatica France S.a.s.	0	455,069	244,589	0	46,353	0
Energy Acrobatica 110 S.r.l.	0	0	0	0	0	0
Total	0	455,069	244,589	0	46,353	0

Secondary Offices

In accordance with the provisions of art. 2428 of the Italian Civil Code, below are listed the secondary offices of the Group:

	Type	Address	City
Local Unit no. MI/4	Warehouse	Via Sforza Ascanio C	Milan
Local Unit no. MI/5	Office	Alzaia Naviglio Paves	Milan
Local Unit no. MI/6	Office	Via Filzi Fabio 5	Milan
Local Unit no. AL/1	Office	Corso Crimea 13	Alessandria
Local Unit no. CT/1	Office	Via G.D'Annunzio 63	Catania
Local Unit no. GE/5	Office	Via Magenta 41	Chiavari
Local Unit no. MB/1	Office	Corso Milano 38	Monza
Local Unit no. NA/1	Office	Via Kerbaker 27	Naples
Local Unit no. FI/1	Office	Via del Ghirlandaio 9	Florence
Local Unit no. GE/2	Office	Viale Brigate Partigian	Genoa
Local Unit no. RM/1	Office	Via Spalato 45	Rome
Local Unit no. RM/2	Office	Via Trastevere 111	Rome
Local Unit no. RM/3	Office	Via Antonio Lo Surdo	Rome
Local Unit no. TO/2	Office	Via Sospello 2	Turin
Local Unit no. TO/3	Office	Corso Siracusa 139/E	Turin
Local Unit no. VE/1	Office	Sestiere di Santa Cro	Venice
Local Unit no. LU/1	Office	Via Aurelia 171 Cama	Lucca
Local Unit no. BI/1	Office	Via Asti 4	Biella
Local Unit no. PA/2	Office	Via Enrico Albanese	Palermo
Local Unit no. BA/1	Office	Via Campione 16	Bari
Local Unit no. CO/1	Office	Via Mentana 13 E	Como
Local Unit no. GE/4	Office	Corso Buenos Ayres	Genoa
Local Unit no. LI/1	Office	Viale della libertà 45/	Livorno
Local Unit no. NO/1	Office	Corso Torino 41	Novara
Local Unit no. PE/1	Office	Via Piero Gobetti 194	Pescara
Local Unit no. VA/1	Office	Via Magenta 3	Varese

Number and nominal value of treasury shares, shares or quotas of parent companies held by the Company

As at 30/06/2021 the Parent Company does not directly or indirectly hold treasury shares or shares in parent companies

Value of the stock

The stock of Ediliziacrobatica (ISIN IT0005351504) is listed:

- On the AIM Market of Borsa Italiana (ticker symbol EDAC) from 19 November 2018. The share price at 30 June was €12.95, with an increase compared to the IPO placement price (equal to €3.33) of 288.9 % and a market capitalisation of approximately €145 million, compared to the initial capitalisation of the Company of approximately €25.7 million.
- On the Euronext Growth Market in Paris (ticker symbol ALEAC) from 22 February 2019. The share price at 30 June was €12.70, with an increase compared to the IPO placement price (equal to €4.70) of 170 %.

Warrants

From 1 September until 30 September 2021 the third and final warrant option exercise period was opened as per the provisions of the “2018-2021 EDAC Warrant” rules.

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The holders of the Warrants have the right to subscribe the Converted Shares in the ratio of one (1) Converted Share for each one (1) Warrant held at a price per Converted Share (“Exercise Price”) equal to the IPO Price increased by 10% on an annual basis. The subscription of the Converted Shares by each holder of the Warrants may take place in the period 1-30 September 2021 at the Exercise Price of €4.43.

Shareholding structure as at 30 June 2021:

- Arim Holding Sarl 75.21%
- Employees and directors of the Group 0.94%
- Market 23.85%

Events subsequent to the end of the reporting period

Impact of the 2019 Coronavirus pandemic

As is known, the first half of 2021 continued to be impacted by the COVID-19 international public health emergency.

In this context the Group committed itself to maintaining all the measures necessary to guarantee the health of its employees and at the same time maintaining business continuity both from an operational and organisational point of view.

The Group used rotating teleworking for administrative functions in addition to the prevention measures already adopted last year and maintained in this

first half year.

As mentioned, EdiliziAcrobatica continues to manage the COVID emergency very attentively through the implementation of all preventive and distancing safety measures.

Furthermore, with a view to promoting the national vaccination campaign, the Group carried out an internal information campaign in order to promote vaccinations.

In this first half of 2021 no social safety nets were used, let alone reductions in hours. In contrast to the general trend of companies, no staff reductions were made, but more than 200 new people were hired, bringing the total number to over 1,200 employees.

As already highlighted in the previous paragraphs, the Group is not suffering any negative income or financial effects due to the pandemic. In any case, the Group continues to monitor the situation by preparing forecasts in order to identify potential critical issues and implement corrective actions where necessary.

Training

The training of human resources has always been at the centre of the Group's activities, and it has continued despite the restrictive measures relating to COVID-19. Training classes and webinars were organised throughout Italy.

Thanks to available technologies, the relationship with the customer network also remained active. Video calls were organised by the sales network with all our B2B

customers, ensuring a constant contact and the opportunity to plan future actions. Moreover, periodic training webinars were held for loyal customers.

Based on these elements, it is believed that, despite the significant economic and financial consequences induced by the COVID-19 emergency situation, the Group operates under the assumption of a going concern.

International expansion

The Group has always shown a strong interest in international expansion, which led to the acquisition in 2019 of the assets of the French company in judicial liquidation in order to establish the current French subsidiary.

The acquisition of the business unit of Accés Vertical, a Spanish company operating in the rope construction sector, was completed on 20 September, becoming the new company EA Iberica. The acquisition of the Accés Vertical business unit is part of EDAC's international expansion strategy, now acquiring a foothold in the Iberian territory as announced at the beginning of 2021, only two years after its entry into France. EDAC's internationalisation is based on opportunities to “buy” instead of “make” so as to considerably reduce the time required to expand its highly scalable business model into new countries. In this sense, the integration between EDAC and Accés Vertical (<https://accesvertical.es>), as outlined above, represents an opportunity of particular value and has high development potential.

Operating outlook

The COVID-19 emergency and the consequent regulatory developments in 2020 that continued into 2021 have demanded a great ability to react and adapt in the face of a new social, health and economic reality that was completely unforeseeable, difficult and still full of unknowns:

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- In the first six months of the 2021 financial year, the Group generated consolidated revenues of €36.781 million with an increase of approximately 97% compared to 2020 revenues (€18.7 million). The French company contributed with revenues of €1.7 million.
- To relaunch the economy, especially the construction sector, the Italian government issued a series of subsidies (Superbonus, Ecobonus and other Building Tax Bonuses), in the form of a tax credit, against the interventions referred to in art. 119-121 of Italian Decree Law no. 34/2020, converted by Italian Law no. 77/2020 (“Relaunch Decree”) and by Italian Decree Law no. 63/2013, converted into Italian Law 90/2013, art. 14, 16, 16 bis and 16 ter, Italian Law no. 160/2019 art. 1, paragraph 219. Specifically, art. 121 of the Relaunch Decree details the two ways in which the bonus can be applied: i) as an offset of tax payables over several annual instalments;
ii) by means of an “invoice discount” made by the executor of the works, with the consequent transfer of ownership of the credit thereto, which could then use it in the same manner as the customer, as a tax credit. In both cases the bonus is transferable to banks and other financial intermediaries. The bonus compensation times differ depending on the type of work done and the specific regulations. The offset can be applied in five annual instalments (e.g. 110% Superbonus pursuant to art. 119 of the Relaunch Decree) or in ten annual instalments (e.g. Ecobonus, Restructuring Bonus and Façade Bonus). By transferring the Superbonus, Ecobonus and other Construction Tax Bonuses, a company (Assignor) that has accrued a tax credit in accordance with current legislation and specified in this Information Sheet transfers the credit without recourse and on a definitive basis to the bank (Assignee), obtaining the payment of the consideration in advance without having to wait for the offset over several years. The facilities described above are enjoying great success, and based

on the orders collected in the month of September the Group feels that it can benefit significantly from these new market conditions.

- Despite the great uncertainty prevailing throughout the world following the resumption of the COVID-19 pandemic, the Group – also taking into account the favourable market conditions created by the measures introduced by the government – continues to update its future economic and financial plans based on the data gathered and the probable evolution for the entire year, assessing the wide range of factors related to the extremely volatile economic situation, but which in any case presents interesting opportunities.
- The marketing campaign on national television stations aimed at further reinforcing the value of the Brand for the final consumer will continue, as will the contract as back-sponsor on Torino FC shirts for the 2020-21 and 2021-22 seasons.
- The plan to strengthen the centralised functions responsible for providing support to both direct Italian operating offices and franchisees will also continue, and the same goes for the French subsidiary and any other future acquisitions in order to build a robust, flexible corporate structure that is adequate to the requirements of a listed company while respecting the principles of efficiency and cost containment.
- Based on the above, the group intends to continue with its growth strategy, opening new offices in Italy and abroad. In fact, it is believed that the services offered will benefit from the measures taken to relaunch the construction sector, and in any case the Group is in a position to handle a possible worsening of the

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COVID-19 pandemic thanks to the group's organisational flexibility and the solidity of its financial situation.

Genoa, 27 September 2021

The Board of Directors

Simonetta Simoni (Chairwoman)

Riccardo Iovino (Director and Chief Executive Officer)

Anna Marras (Director)

Simone Muzio (Director)

Marco Caneva (Independent Director)

