



EDILIZIACROBATICA®
Le soluzioni arrivano dall'alto

**REPORT ON THE MANAGEMENT
OF THE FINANCIAL YEAR ENDED
31 December 2022**



REPORT ON THE MANAGEMENT
OF THE FINANCIAL YEAR ENDED
31 December 2022

EDILIZIACROBATICA S.P.A.
Registered office in Milan – Via Turati, 29
Share capital € 823.568
Tax code and VAT number 01438360990 – R.E.A. MI 1785877



Report on the Management of the financial year ended 31 December 2022

Dear shareholders, the financial statements at 31/12/2022 show a net profit for the period of Euro 16.195.360, net of taxes which amounted to Euro 7.465.428.

In the Addendum, you were informed of the presentation of the financial statements as at 31/12/2022.

In this document, in accordance with art. 2428 of the Civil Code, the information concerning the company's situation and the information on

management progress, as well as on the foreseeable trend of management, the net financial position and the main risks and uncertainties to which the Company is exposed are presented.

This report, drawn up with values expressed in units of Euro, is presented as part of the financial statements for the purpose of providing income, capital, financial and management information of the Company, accompanied, where possible, by historical elements and prospective assessments.

Performance of the sector

2022 was an exceptional year for the construction industry. The confirmation comes from the XXXIII economic and Cresme's forecast report: according to the Center for Economic and sociological Research in the Market of Construction, it is in fact mentioned that these growth rates were not seen since the 60's, both for the restructuring but also for the new residential buildings. In Italy the market recorded over 232 billion investments in the construction sector in the three years 2020-2022, 91 billion more than in 2019, the pre-Covid year, with a development of 20,4% in 2021 and 14,9% in 2022. This growth has translated into a growth in employment with an increase of 460,000 employees in 2022 compared to 2019, while the contribution to GDP from construction in general rose to 13,9%, making it the highest in Europe.

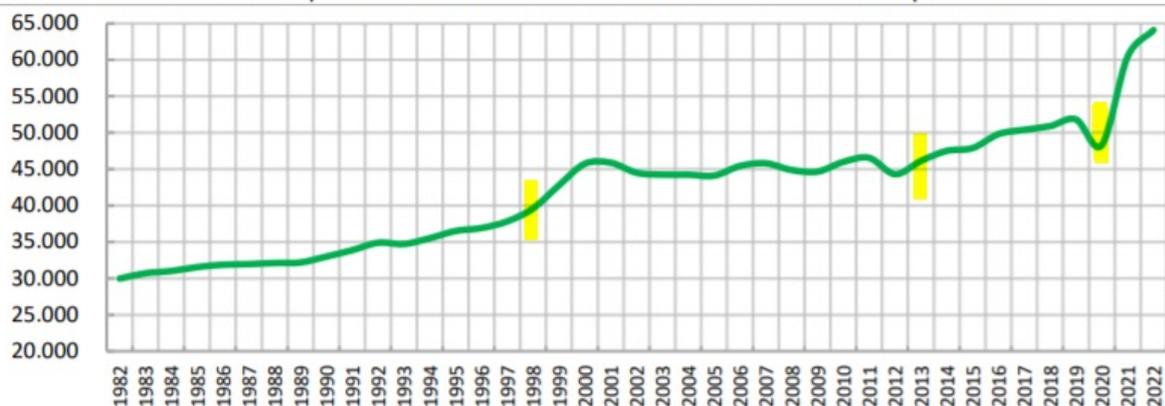
The sector in which Ediliziacrobatika operates: the market for ordinary and extraordinary maintenance, corresponds to more than 70% of the value of the production of the construction sector.

Investments in building requalification have always been characterized by a strong growth dynamic which correlated to the deterioration in construction and quality standards due to natural wear cycles and changes in housing needs and housing models. Consider how over the years the attention to the question of energy consumption and the number of people in a family has changed.

Two other factors that have always characterized the market are the conservative culture of the Italian historical heritage and the introduction of incentives to support the redevelopment of the Italian building heritage.

Such incentive measures have always been of great importance, as can be seen from the analysis published by the Chamber of Deputies Study Service regarding investments in extraordinary maintenance at deflated values from 1982 to 2021 which highlights the impact that tax incentives have had.

Grafico 1. – Investimenti in riqualificazione di edilizia residenziale – milioni di euro a prezzi 2015



Fonte: elaborazioni e stime CRESME

¹ <http://documenti.camera.it/leg18/dossier/pdf/am0036c.pdf>

Of course, the substantial increase was recorded in relation to the periods 2021 and 2022 due to the combined effect of the following components:

- The increase in the deduction rate for the Superbonus component (and the 2020 accrued bonus introduced in but whose effects started to be seen in 2021).
- The reduction of the annual deduction fees for the Superbonus component (5 years).
- the invoice discount and tax credit transfer mechanism, which is valid for substantially all forms of incentive.

Moreover, in recent years the trend toward the professionalization of the sector has been noted with the growing presence of structured operators active in the management of buildings (companies of facility and property management); increasingly larger groups of real estate management are also approaching the market of the condominium administrations. For EdiliziacrobatICA the evolution of the market is a great advantage being the only company of its sector present on the whole National territory and that is becoming more and more a landmark for the great customers that require a high-quality standard in different Italian cities.

Another advantage of the market transformation is the renewed attention to historical buildings, which has led to investments in the preservation of the same through both ordinary and extraordinary recovery and maintenance interventions and, as mentioned above, the introduction of the Bonus facades.

In this context, it is easy to see how there has been a growing boost to the rope construction industry. With no installation costs scaffolding or aerial platforms, the condominium administrators are increasingly turning toward a planned maintenance of the buildings. In other words, the possibility of facing the entire external restructuring of the buildings through medium small interventions, planned in several phases of time, with completion of the works also over several years. This trend is increasingly strong thanks also to the possibility of delaying the payments of interventions by the condominiums over time and therefore thanks to a planning of the maintenance of the buildings more and more studied with great advance, so it does not incur in doing great interventions in a single solution, thereby generating discontent on the part of households for the unexpected over-spending.

Performance and result of management regarding costs, revenues, and investments.

In relation to the economic performance, we would like to point out that the value of production has increased from Euro 83.497.193 realized in 2021 to Euro 121.894. 615 in 2022, an increase of 46%.

It should be noted that the Organismo Italiano Contabilità (OIC), following a specific request from the Agenzia delle Entrate, has issued the "Notice on the methods of accounting for tax bonuses". This notice provides that, for companies which have carried out work in accordance with the rules governing the transfer to third parties pursuant to art. 121 of the Rehabilitation Decree converted into Law 77/2020 of 19 July 2020 and which have granted an invoice discount to the customer, are required to enter revenue in return for receivables recognized at the market value (i.e., fair value).

As a result of the application of the provisions of the "Notice on the methods of accounting for tax bonuses" and on the basis of the accounting principles for the financial statements on 31 December 2021, the section "Revenue from sales and services" also includes the effect of the fair value assessment of tax credits accrued in respect of work concluded at the balance sheet date and not yet transferred to the banking system. In particular, the market value of these loans was derived from the contracts concluded during the financial year with Banca Intesa San Paolo. Moreover, in line with the provisions of the OIC 15, the section "Sales and services revenues" was also reduced by the charges incurred during the year for the sale of tax bonuses to Banca Intesa San Paolo.

It is therefore necessary to point out that the Company has reported a total turnover of Euro 134.543.701 which, in accordance with the accounting principles and the OIC notice on the methods of accounting for tax bonuses, was reduced by Euro 12.649.086, of which Euro 6.012.548 related to charges incurred for the sale of tax bonuses during the financial year 2022, thus bringing the value entered in the balance sheet to Euro 121.894. 615.

Production costs amounted to Euro 92.694.462 compared to Euro 64.227.527 recorded in 2021, an increase of 44%.

Among the costs of production, the cost of personnel was 42.569.055 Euro, an increase of 40% compared to the previous year (30.500.040 Euro) and depreciation amounted to 1.774.020 Euro, a decrease compared to 2021 (2.029.587 Euro).

Finally, write-downs of loans included in working capital in 2022 amounted to euro 247.294, while write-downs in 2021 amounted to euro 650.000.

The difference between value and cost of production was clearly positive for Euro 29.200.153 (in 2021 Euro 19.269.666), a sharp increase compared to the previous year.

Financial management generated net financial charges of euro 5.433.385, an increase compared to net financial charges of euro 1.521.802 in 2021. The increase in net financial charges is mainly due to the adjustment of the financial charges incurred for the sale of credit during 2022.

The result for 2022 was a net profit of 16.195.360 euros, with a significant increase compared to the

net profit for 2021 of 12.085.813 euros.
Income taxes amount to Euro 7.465.428.
The analysis of revenues and costs is broadly set out in the Explanatory Notes.

Company situation and management performance

The year 2022 was marked by the strategy of territorial expansion both in Italy and abroad, without forgetting the optimization of the company's profitability.

As regards the domestic market, in pursuit of the objective of acquiring new market shares through the capillary penetration of the Italian territory, other new operating offices have been opened, the number of which therefore reaches at the end of the year a total of 83 scattered on the Italian territory.

The positive trend of the franchising activity was also confirmed in Italy, which has maintained and consolidated the 30 operating offices in Italy. Franchising is now a fundamental reality of the company that in a few years has consolidated and developed in an organic way on most of the national territory.

The main factors contributing to the pre-tax result is:

- Facade bonuses: The introduction of the facade bonus, introduced by the 2020 Budget Law, which provided for a reduction of 90% of the expenditure incurred in 2020 and 2021 and for the financial year 2022 a reduction of 60% for operations aimed at the recovery and restoration of the exterior facade of the buildings gave a vigorous boost to the market and the restructuring sector. The organizational solidity and the reaction capacity of the Group, also on this occasion, have enabled the ever-increasing demands of the market to be met in a dynamic and efficient manner. All this led to an increase in sales revenues, due to the increase in sales and product volumes. The year 2022 was therefore characterized by a considerable increase in turnover, with a 53% increase in revenues compared to the same period last year.
- Strengthening of the new Multiservices business branch, opened during the pandemic during 2020, which continued its growth and

development, strengthening its position in the market.

- Establishment of the EA Monumenti business branch in Siena, dedicated to specific services on buildings of historical importance.
- Marketing campaign: The marketing campaign on national television broadcasters continued to further reinforce the Brand's value to the end consumer.
- - Strengthening of central functions: Centralized functions have been strengthened to provide support to both Italian direct operating offices and franchisees, as well as to the French subsidiary, with the inclusion of some managers of high profile and proven experience, to build a company structure suitable to support the planned development and the requirements of a listed company.
- - Strategy of internalization and consolidation Market position in continuity with previous years, the strategy of consolidation of market leadership continued with new openings of operating offices both in Italy and abroad. The Group has long adopted a policy of onboarding of the new premises, which foresees in the opening phase and in the subsequent phases of growth an intense activity of development of the commercial network, logistics and marketing, and of training and training courses, also in the form of on-the-job training that allows new aircraft to develop and achieve the desired goals.

Analysis of the business situation

For a better view of the balance sheet, financial and management situation, the tables below propose the reclassified income statement and balance sheet, as well as some indicators of results.

Income statement

31/12/2022 are compared with those for the same period of the previous year:

The summary data of the income statement as at

RECLASSIFIED INCOME STATEMENT	31/12/2022	31/12/2021
Revenue	121.894.615	83.497.193
Production cost without depreciation and amortization	90.673.148	61.547.940
EBITDA	31.221.467	21.949.253
Depreciation and amortization	2.021.314	2.679.587
EBIT	29.200.153	19.269.666
Financial income and expenses	(5.433.385)	(1.521.802)
Financial asset adjustments	(105.980)	297.469
Pre-tax income	23.660.788	18.045.333
Income taxes	7.465.428	5.959.520
Net profit	16.195.360	12.085.813
EBITDA %	26%	26%
EBIT %	24%	23%
Pre tax income %	19%	22%
Net profit %	13%	14%

REVENUE	31/12/2022	%	31/12/2021	%
1) Revenue from sales and services	121.282.754	99,5%	82.906.301	99,29%
4) Increases in fixed assets for internal works	149.629		121.000	0,14%
5) Other income	462.232	0,4%	469.892	0,56%
a) contributions	306.319	0,3%	154.288	0,18%
b) other	155.913	0,1%	315.604	0,38%
TOTAL REVENUE	121.894.615	100%	83.497.193	100%

PRODUCTION COST	31/12/2022	%	31/12/2021	%
Cost for raw materials, subsidiaries, consumer goods and other goods	11.099.463	12%	8.245.815	13%
Cost for services	28.898.996	32%	18.510.506	30%
Cost for the use of third-party assets	6.379.629	7%	4.199.544	7%
Cost for staff	42.569.055	47%	30.500.040	50%
Changes in inventories of raw materials, subsidiaries, consumption and goods	425.806	0%	-798.883	-1%
Miscellaneous costs	1.300.198	1%	890.918	1%
TOTAL PRODUCTION COST	90.673.147	100%	61.547.940	100%

AMORTIZATION AND DEPRECIATION	31/12/2022	%	31/12/2021	%
Amortization of intangible assets	1.475.890	73%	1.754.510	65%
Amortization of tangible fixed assets	298.130	15%	275.077	10%
Depreciation	247.294	12%	650.000	24%
TOTAL AMORTIZATION AND DEPRECIATION	2.021.314	100%	2.679.587	100%

REVALUATIONS OF FINANCIAL ASSETS	31/12/2022	%	31/12/2021	%
Revaluations	142.587	-135%	297.469	100%
Write-downs	(248.568)	235%	0	0%
TOTAL REVALUATIONS OF FINANCIAL ASSETS	(105.981)	100%	297.469	100%

EBITDA indicates the result before the financial charges, taxes and depreciation of fixed assets and write-downs of receivables included in current assets. EBITDA is therefore a proxy for the cash generation of EBITDA, thus excluding non-cash elements, such as depreciation of fixed assets. This indicator, thus defined, represents the indicator used by administrators to monitor and evaluate the performance of the business. Since EBITDA is not identified as an accounting measure within the framework of accounting policies, it should not be considered as an alternative measure for the evaluation of the performance of the Company's and Group's operating results. Since the composition of EBITDA is not regulated by the reference accounting principles, the criterion of determination applied by Ediliziacrobatica may not be consistent with that adopted by other companies and therefore not be comparable with them. The same can be said as regards EBIT, which indicates the result before the financial charges and taxes for the period, thus representing the result of the operation before the remuneration of the capital of both third parties and own. The EBIT thus defined represents the indicator used by the administrators to monitor and assess the performance of the business. Since EBIT is not identified as an accounting measure within the framework of accounting policies, it should not be considered as an alternative measure for the assessment of the performance of the company's operating results. Since the composition of EBIT is not regulated by the reference accounting principles, the determination criterion applied by the Company and the Group may not be consistent with that adopted by other companies and therefore not be comparable with them.

Figures for 2022 show a marked increase in total revenues, which amounted to 121,3 million euros compared to 83,5 million euros in 2021, with a +46% increase.

These revenues, in accordance with the "Notice on the methods of accounting for tax bonuses" issued by the Organismo Italiano Contabilità (OIC), have been adjusted: (i) the market value (i.e., fair value) of loans for works concluded on 31 December 2021 and not yet transferred to the banking system; (ii) the value of the charges incurred during the financial year for the transfer of tax bonuses to Banca Intesa San Paolo.

In compliance with this OIC notice, therefore, the revenues relating to the works carried out according to the rules governing the sale to third parties pursuant to art. 121 of the Rehabilitation Decree converted into Law 77/2020 of 19 July 2020, were registered net of the market value of the tax bonus (i.e., fair value) equal to Euro 12.649.086 of which Euro 6.012.548 relating to charges for practices sold during the financial year 2022.

The strong growth of EBITDA from 21.949.253 euros in 2021 to 31.221.467 euros in the year, an increase of 42,2% was generated by an increase in revenues in excess of the cost dynamics. This increase was favored not only by the introduction of the Bonus facades incentives, provided for in the Revival Decree in favor of works to improve the buildings, but also by the great dynamism of society and the strong organizational capacity. The increase has consequently allowed to expand the operating areas on the territory, an increase compared to the previous year, but also to strengthen above all the central and corporate functions. Depreciation, equal to Euro 1.774.020, is lower than in the previous year (Euro 2.029.587). Write-downs of euro 247.294, for loans difficult to recover due to the difficult overall economic situation, increase EBIT to euro 29.200.153, up 51% compared to 2021 (euro 19.269.666).

Asset and financial profile

The reclassified balance sheet is compared with the data for the previous financial year:

RECLASSIFIED BALANCHE SHEET	31/12/2022	31/12/2021
(Amounts in Euros)		
Trade receivables	18.144.048	12.608.965
Inventory	2.958.068	3.383.874
Trade payables	-39.464.411	-29.186.483
Operating Working Capital	(18.362.295)	(13.193.644)
Other current credits	47.769.996	51.507.723
Other current debts	(7.859.053)	(8.493.067)
Tax debts	-8.868.970	-15.249.077
Net Working Capital	12.679.678	14.571.936
Tangible assets	1.057.582	971.437
Intangible assets	3.205.375	3.208.236
Financial assets	6.383.741	3.167.597
Fixed assets	10.646.698	7.347.270
Severance pay	-3.843.281	-2.505.878
Deferred taxes	-93.914	-62.355
Long term tax debts	0	0
Net Invested Capital	19.389.181	19.350.973
Equity	38.004.383	23.933.691
Cash and cash equivalents	25.749.074	16.147.779
Current financial credits	12.249.211	11.820.673
Current financial liabilities	(6.863.866)	(6.159.377)
Non current financial liabilities	-12.519.217	-17.226.357
Net Financial Position	18.615.202	4.582.718
Equity and Net Financial Position	19.389.181	19.350.973
Net short term Financial Position	31.134.419	21.809.075

The data relating to the company, as set out in the statement of the short - and medium-term net financial situation, show a net financial position that rose from a positive financial position of about € 4,5 million on December 31, 2021 to a positive net position of about € 18,6 million in December 2022

thanks to the positive cash flow generated by the company's operations.

Working capital has declined, owing to the increase in commercial debt for work that will be completed in 2023.

	31/12/2022	31/12/2021
CURRENT ASSETS		
Inventories	2.958.068	3.383.874
Short term credit	65.623.592	63.579.418
Prepayments and accrued income	290.452	537.270
CURRENT LIABILITIES		
Short term debts	(56.023.764)	(52.768.525)
Accruals and deferred income	(168.670)	(160.102)
Net Working Capital	12.679.678	14.571.935

Main indicators

According to art. 2428 c.2 of the c.c. some indices and other information are highlighted, useful to illustrate in the most complete way the business situation in the evolution of the last few years.

Financial structure indicators

The purpose of the financial structure indicators is to quantify the "weight" percentage of certain

aggregates of assets and liabilities, relative to total assets and liabilities.

The main indicators of the financial situation are set out below, aimed at identifying possible imbalances due to inappropriate relations between certain items of assets and liabilities, with the same indicators for the years 2021 and 2022.

	31/12/2022	31/12/2021
Fixed assets (I)		
a) Fixed assets' weight = -----	4%	4%
Assets (K)		
Working capital (C)		
b) Working capital weight = -----	91%	93%
K		
Equity		
c) Equity weight = -----	32%	23%
Liabilities		
Third-party capital		
d) Third-party capital weight = -----	68%	77%
Liabilities		

	31/12/2022	31/12/2021
Current Assets (C)		
a) Current Ratio = -----	169%	172%
Current Liabilities		
Liquidity		
b) Liquidity ratio = -----	60%	50%
Current Liabilities		
Equity		
c) Equity to Fixed Assets Ratio = -----	362%	326%
Fixed Assets		

Profitability (or economic situation) indices

The ROE reports the profitability of the investment in the Company's capital compared to other investments; it is provided in the "after tax" version

and in the "gross" version; ROI is an indicator of the profitability of the operating management and measures the company's ability to generate profits in the activity of transforming inputs into output.

	31/12/2022	31/12/2021
ROE (Return On Equity)	43%	50%
Pre tax ROE	62%	75%
ROI (Return On Investment)	25%	19%
ROS (Return On Sales)	26%	26%

Risks related to the sector of activity and degree of competition

The Company operates, as mentioned, in the sector of building restructuring in Italy within the macro-building sector.

The primary need is to acquire new customers to ensure the company continuity of production considering the large margins of economic return with respect to the volume of investments. The strategy of the company is oriented to the opening of new direct offices, penetrating in a capillary way the Italian market, also developing a targeted retail policy able to make the offer customizable to every single customer. Moreover, the analysis and experimentation of working procedures suitable to reduce the relative costs and assuming a condition of lower overall risk with respect to other operating solutions, allowing us to be even more competitive. To this end, it is specified that, considering:

- the limited presence of workers
- the absence of subcontractors
- the absence of risk of interference between undertakings
- the historical statistics of accident events

the overall risk can be defined as equal to, or even less than, the overall risk that would arise if any collective protection device were to be used. Over the years there has been a considerable reduction in the construction site timing compared to the use of other working methods, thus reducing the exposure to the overall risk.

Risks related to vendor lock-in

The company, for the purchase of Raw materials and for the provision of services, uses, until the beginning of its activity, many suppliers, such as to allow the complete independence from them.

The activity is not particularly conditioned by the ability of the suppliers to guarantee quality standards, to comply with the specifications requested by the Company and to respect the delivery times, since it is possible to find without any difficulty suppliers in substitution of the current ones.

Risks related to financial debt

The company has always had the support of its banking counterparts for any financing. The company constantly monitors financial indebtedness by seeking favorable economic conditions on the market that can reduce the cost of the financial year's money.

Liquidity risk

The company's cash flows, financing needs and liquidity are monitored and managed with the aim of ensuring effective and efficient management of financial resources. Short- and medium-long-term liquidity needs are constantly monitored with a view to ensuring an effective collection of financial resources or an adequate investment of the Cash and cash equivalents in a timely manner. Information on the future maturity of debts to banks is given in the Notes on the Notes.

The overall financial situation has high standards.

Credit risk

The company is exposed to the risks associated with the sale of its services. Even for possible new customers the risk is monitored, thanks to a careful evaluation of the names of potential customers and their risk of insolvency thanks to the collaboration with the company of investigation and services Cerved Group Spa.

Information on environmental relations

No damage to the environment occurred during the financial year.

During the financial year, no definitive sanctions or penalties were imposed for offenses or environmental damage.

Ediliziacrobatica has always been distinguished by a business model in which the environmental impact is low. During the year a study was carried out which showed that for the 4 main types of interventions the double rope technique allows a reduction of between 45% and 76% of the global warming potential, by means of the reduced number of journeys, it also allows an estimated 51% to 68% of energy consumption and between 7% and 40% of water consumption.

In the light of the three-year strategy to eliminate waste most impacting on the environment, during the year in all our operations, the consumption of materials such as plastics and paper has been minimized, the consumption of disposable products was eliminated and a recycling plan has been implemented.

During the year, a green mobility plan was also implemented with the aim of replacing petrol vehicles by electric means over the three-year period.

In the second half of 2022, energy contracts for all locations in Italy were also replaced by "green" energy contracts.

Information regarding relations with staff

During the exercise, the company carried out the compliance required by the law on safety, carrying out all the initiatives undertaken for a long time and necessary for the protection of the workplace, in accordance with the provisions of the relevant legislation, with particular attention to the frequency of staff training meetings to improve knowledge of procedures to limit the risks related to the work carried out.

The work carried out in the field of security involves:

- employee and employee training;
- carrying out periodic medical examinations.
- Corporate monitoring of R.S.P.P.
- Preparation and dissemination of documents referred to in Legislative Decree 81/2008.

As already mentioned above, Ediliziacrobatica has decided to implement its own management system, in accordance with the ISO 45001:2018 and ISO 9001:2015 standards, obtaining since April 2016 certification with the Bureau Veritas, world leader in control services, Verification and certification for quality and health and safety at work.

The relationships with the employees are excellent, and there have been no litigation during the exercise, nor are they expected in the coming months.

Application of the Privacy Law

The company has complied with the provisions of Law 675/1996 regarding the provisions on Privacy and subsequent amendments in accordance with Legislative Decree 196/2003 and EU Regulation 679/2016.

Fiscal situation

The tax situation of the company is constantly monitored; the residual taxes, net of the advances paid, due to the Treasury are set aside in the appropriate item relating to tax debts.

Relations between the companies belonging to the Group

During the financial year, the following relations were maintained between the Parent Company and its subsidiaries:

	Loans	Credits	Accounts receivable	Accounts payable	Sales	Acquisitions
Ediliziacrobatika France S.a.s.	-	2.915.424	661.306	90.680	373.845	561.730
Energy Acrobatica 110 S.r.l.	-	-	-	-	-	-
Ediliziacrobatika Ibérica sl	-	400.000	106.417	26.944	106.417	-
Ediliziacrobatika Monaco SAM	-	4.000	276	-	276	-
Total	-	3.319.424	768.000	117.624	480.539	561.730

Such commercial and financial transactions took place under normal market conditions.

Secondary locations

The parent company has its registered office in Milan, Via Turati 29 and its administrative office in Viale Brigate Partigiane 18 in Genoa.

It should also be noted that the company has a sales network composed of 50 points with sign Ediliziacrobatika SPA over 68 warehouses.

Number and face value of the Treasury Stock, shares or shares of parent companies owned by the Company

As of 31 December 2022, the parent company directly owns 27.190 Treasury Stock.

The purchases of Treasury Stock during the financial year are part of the Treasury Stock purchase program authorized by the Shareholders' Meeting on June 25, 2021.

The value of the title

The title of Ediliziacrobatika (ISIN IT0005351504) is listed:

- On the Euronext growth Milan (ticker EDAC) market from November 19, 2018; the share price on December 31, 2022, was €15,76, with an increase over the initial IPO price of €3,33 (on December 30, 2021, it was €17,67).
- On the Euronext growth market in Paris (ticker ALEAC) from 22 February 2019, the price of the share as of 30 December 2022 was Euro 15,80, with an increase of Euro 4,7 compared to the initial price of the shares.

Dividends

DAt the Shareholders' Meeting on April 28, 2022, the distribution of dividends of Euro 2.446.243 was decided, awarding a dividend of Euro 0,30 per share. Subsequently, at the Shareholders' Meeting on 21 March 2023, the distribution of an extraordinary dividend of Euro 6.588.548 was decided, equal to

Euro 0,80 for each ordinary share, before withholding tax, on the reserve of profits brought to new "2021".

Structure of the shareholders as on 31 December 2021

- Arim Holding Srl 74,0%
- Market, employees, Group Directors 25,7%
- Ediliziacrobatika Spa 0,3%

Stock Grant 2021-2023 plan and proposal for free capital increase

The ordinary shareholders' meeting of Ediliziacrobatika S.p.A. on 29 November 2021 approved the stock grant plan called "stock grant plan 2021-2023" concerning the free assignment of Common Stock of the Company to directors (with executive powers) and employees, including directors, of the Company and/or any subsidiaries, Subject to the achievement of Group and individual performance objectives, including business development at both domestic and international levels, which will be determined from time to time by the Board of Directors.

Following this approval, the Shareholders' Meeting also approved the proposal for a free increase in the share capital, pursuant to Article 2349, paragraph 1, C.c., which is functional to the execution of the Stock Grant Plan, for nominal maximum amounts of Euro 24.462, corresponding to a maximum number of n. 244.620 Common Stock of the Company, having the same characteristics as those already in circulation with regular enjoyment, to be carried out in one or more tranches, in the terms and conditions of the above plan. This increase is conditional on the effective allocation of shares to the recipients of the plan.

The Stock Grant Plan aims to consolidate a sharing of strategic objectives between the Company and its "key" resources, with a view to increasing involvement, awareness, and coordination, as well as encouragement and retention in the medium to long term of the same resources.

Subsequent events at the end of the period

- **Implementation of the new IT system:** the implementation of Oracle ERP continues. The project, also with a view to new acquisitions, has the aim of providing all the companies of the group with a state-of-the-art information technology environment.
- **Facade bonus:** the facade bonus was introduced by the 2020 budget law and was extended and maintained unchanged by the 2021 budget law. Under the 2022 budgetary law, the Facades bonus was extended for the 2022 financial year, but with a reduction to 60%. The tax deduction was provided for in the case of operations aimed at the recovery or restoration of the external facade of existing buildings, of any category of land, including instrumental buildings. The buildings concerned must be in areas A and B, as identified by Ministerial Decree no. 1444/1968, or in areas like them according to regional regulations and municipal building regulations. The Minister of Economy and Finance issued the DL of 16 February 2023 n. 11, with which he ended the invoice discount and the transfer of building credits. The decree entered into force on 17 February 2023, the date from which it was no longer possible to use the alternative forms to tax deduction for the building interventions indicated by the previous Revival Decree.

Environment, Social, Governance

EdiliziAcrobatica has integrated the principles of sustainability into its Business Model for some years with the aim of guaranteeing a sustainable service and a responsible approach that aims to the well-being and satisfaction of its internal and external stakeholders. During 2021, he obtained an ESG rating that placed the company among the lowest-risk companies in his reference cluster.

In 2023 he obtained an updated ESG rating from Morningstar Sustainable Development of 11,9. With this assessment, ESG's leading rating and research data company assessed the company as low risk compared to material financial impacts due to ESG factors. The company's new ESG risk score is a 7,2 point improvement over the 20,8 score in 2022 (scale 100 to 0).

The new rating of Sustainalytics places the Group in the 5th percentile overall with respect to the global universe of Sustainalytics, in the 16th percentile with respect to the sector and in the 4th percentile in the sub-sector.

On January 18, the Board of Directors of the company implemented the Management and Control Organization Model in accordance with Legislative Decree 231/2001 and appointed a collegial supervisory body.

In 2022, the Group prepared the first sustainability report, which enabled us to report further data than those of the Life Cycle Assessment conducted in 2021, which had shown that for the 4 main types of interventions, the double rope technique allows a reduction of between 45% and 76% of the global warming potential by means of the reduced number of journeys, it also allows an estimated 51% to 68% of energy consumption and between 7% and 40% of water consumption.

In the light of the three-year sustainability strategy of eliminating the most environmentally-friendly waste, we continued in the course of the year in all our operations with the actions that we had taken since the previous year: minimize the consumption of materials such as plastic and paper, the most common used in offices; eliminate the consumption of disposable products, implement a recycling plan, green mobility plan based on the replacement of petrol vehicles by electric/hybrid means.

In the second half of 2022, energy contracts for all locations in Italy were also replaced by "green" energy contracts.

For a complete overview of the Group's commitment to the sustainability project, please refer to the Sustainability Report published on the company's website.

Predictable management evolution

In the first two months of 2023, the company recorded a value of the contracts signed in line with the value recorded in the first two months of 2022, obtained without substantial credit transfer and invoice discount, and continues to monitor the situation constantly and update the economic and financial plans ahead on the basis of the data as they are being reported and the likely evolution for the whole year, assessing the wide range of factors connected with the extremely volatile economic situation, but which nevertheless presents interesting opportunities, thanks to the continuation of the tax concessions for the maintenance of the real estate assets.

Moreover, investments in marketing continue, through advertising campaigns on national television broadcasters aimed at further strengthening the value of the Brand for the final consumer in addition to the continuation of the back-sponsor contract on the Torino FC jerseys for the current football season of Serie A.

The plan to strengthen the centralized functions intended to provide support both to Italian direct operating offices and to franchisees, as well as to foreign subsidiaries, continues to build a robust, flexible company structure adapted to the requirements of a listed company, while respecting the principles of efficiency and cost containment.

EdiliziAcrobatica therefore pursues its own growth strategy, opening new offices in Italy and continuing

its expansion abroad.

It should also be noted that management has analyzed the possible impacts that the extension of the Russian-Ukrainian crisis could have on the operation of the Company, developing alternative scenarios for price increases in Raw materials, transport, and fuel. However, the Company enjoys excellent financial stability and, therefore, no significant impact on the Company's operations arising from the current crisis is expected.

Genoa, March 28, 2022

The Board of Directors

Simonetta Simoni (Chairman)

Riccardo Iovino (Director and Chief Executive Officer)

Anna Marras (Councilor)

Simone Muzio (Councilor)

Marco Caneva (Independent Councilor)



	2022
General information about the company	
Demographics	
Denomination	EDILIZIACROBATICA S.p.A.
Location	20100 MILAN (MI) VIA TURATI, 29
Share capital	823.568,5
Fully paid-up share capital	Yes
CCIAA code	
VAT number	1438360990
Tax code	1438360990
REA number	MI – 1785877
Legal form	Joint stock companies
Main business sector (ATECO)	43.99.09
Company in liquidation	No
Company with a single partner	No
Company that is subject to management and coordination activities by others	No
Name of the company or body which carries out the activity of management and coordination	
Group membership	Yes
Name of the parent company	ARIM HOLDING – SOCIETE A RESPONSABILITE LIMITEE
Country of the parent company	Luxembourg
Registration number in the register of cooperatives	

Balance sheet

<u>ASSETS</u>	31.12.2022	31.12.2021
A. CREDITS TO YOUR MEMBERS FOR OUTSTANDING PAYMENTS	-	-
B. FIXED ASSETS		
I. Intangible assets		
1) Installation and enlargement costs	758.734	1.498.746
2) Development costs	-	-
3) Industrial patent rights and intellectual property rights	292.425	495.577
4) Concessions, licenses, trademarks, and similar rights	538	978
5) Goodwill	-	-
6) Current assets and allowances	945.200	422.709
7) Other intangible assets	1.208.479	790.226
8) Difference from consolidation	-	-
Total intangible assets	3.205.375	3.208.236
II. Tangible fixed assets		
1) Land and buildings	-	-
2) Plant and machinery	99.488	127.668
3) Industrial and commercial equipment	230.668	227.723
4) Other goods	632.401	616.046
5) Current assets and allowances	-	-
6) Leasing fixed assets	-	-
Total tangible assets	962.557	971.437
III. Financial fixed assets		
1) Investments		
(a) in subsidiaries	1.575.000	1.465.000
(b) in related undertakings	-	-
(c) in Holding Companies	-	-
(d) undertakings under the control of the parent companies	-	-
(d-bis) other Companies	-	-
2) Credits		
(a) to subsidiaries	2.915.424	1.270.270
(b) to related undertakings	-	-
(c) to Holding Companies	-	-
(d) undertakings under the control of the parent companies	-	-
(d-bis) other undertakings	-	-
<i>Payable by the financial year</i>	-	-
<i>Payable after the following financial year</i>	1.893.317	420.000

3) other titles	-	-
4) financial derivatives assets	95.025	12.327
Total financial assets	6.478.766	3.167.597
TOTAL FIXED ASSETS (B)	10.646.698	7.347.270
C. CURRENT ASSETS		
I. Inventories		
(1) Raw materials, subsidiaries and consumer products	2.958.068	3.383.874
2) Products in process and semi-finished products	-	-
3) Work-in-progress to order	-	-
(4) Finished goods and goods	-	-
5) Advances	-	-
Total inventory	2.958.068	3.383.874
II. Credits		
1) Trade receivables	18.144.048	12.608.965
<i>Due within one year</i>	18.144.048	12.608.965
<i>Receivable beyond one year</i>	-	-
2) to Subsidiaries	931.907	487.461
<i>Due within one year</i>	931.907	487.461
<i>Receivable beyond one year</i>	-	-
3) to related undertakings	-	-
4) to Holding Companies	500.000	316.806
5) to undertakings under the control of the Holding companies	-	-
5-bis) Tax credits	42.437.588	47.476.857
<i>Due within one year</i>	42.437.588	47.476.857
<i>Receivable beyond one year</i>	-	-
5-ter) Advance taxes	280.939	508.491
5-c) Other	3.329.109	2.180.838
<i>Due within one year</i>	3.329.109	2.180.838
<i>Receivable beyond one year</i>	-	-
Total credits	65.623.592	63.579.418
III. Financial activities that do not cost immobility		
1) Investments in subsidiaries	-	-
2) Investments in related undertakings	-	-
3) Investments in Holding companies	-	-
3-bis) Investments in undertakings under the control of the Holding companies	-	-
4) Investments in other Companies	-	-
5) financial derivatives assets	-	-
6) other titles	12.249.211	11.820.673
Total financial Assets that do not cost immobility	12.249.211	11.820.673
IV. Cash in stock		
1) Bank and postal deposits	25.749.036	16.133.224

2) Checks	-	-
3) Cash and cash values	38	14.555
Total liquid stock	25.749.074	16.147.779
TOTAL CURRENT ASSETS (C)	106.579.946	94.931.745
D. PREPAYMENTS AND ACCRUED INCOME	290.452	537.270
TOTAL ASSETS	117.517.096	102.816.285
LIABILITIES	31.12.2022	31.12.2021
EQUITY		
I – Capital	823.569	815.415
II – Share surcharge reserve	7.207.101	7.207.101
III - Revaluation reserves	-	-
IV - Legal reserve	163.096	160.650
V - Statutory reserves	-	-
VI - Other reserves	953.661	883.057
VII - Reserve for expected hedging operations	38.848	(7.174)
VIII - Profits (losses) carried over	13.072.623	3.443.653
IX - Profit (loss) for the financial year	16.195.360	12.085.813
X - Negative reserve for Treasury Shares held	(449.874)	(654.824)
CONSOLIDATED STAKEHOLDERS' EQUITY OF THE GROUP	38.004.383	23.933.691
B. FUNDS FOR RISKS AND CHARGES		
1) Funds for retirement treatment and similar	-	-
2) Funds for taxes, even deferred	37.737	42.854
2a) Consolidation Fund for future risks and charges	-	-
3) Financial derivative instruments	56.177	19.501
4) Other	-	-
TOTAL FUNDS FOR RISKS AND CHARGES	93.914	62.355
C. SEVERANCE PAY	3.843.281	2.505.878
D. DEBTS		
1) Bonds	8.965.410	9.761.563
<i>Due within one year</i>	1.947.602	127.054
<i>Payable beyond one year</i>	7.017.808	9.634.509
2) Convertible bonds	-	-
3) Debts to shareholders	-	-
4) Debts to banks	10.417.673	13.624.171
<i>Due within one year</i>	4.916.264	6.032.323
<i>Payable beyond one year</i>	5.501.409	7.591.848

5) Debts to other lenders	-	-
<i>Due within one year</i>	-	-
<i>Payable beyond one year</i>	-	-
6) Advances receivers	31.463.398	22.718.476
<i>Due within one year</i>	31.463.398	22.718.476
<i>Payable beyond one year</i>	-	-
7) Accounts payable	8.001.013	6.468.007
<i>Due within one year</i>	8.001.013	6.468.007
<i>Payable beyond one year</i>	-	-
8) Debts represented by credit securities		-
9) Debts to subsidiaries	78.090	66.152
<i>Due within one year</i>	78.090	66.152
<i>Payable beyond one year</i>	-	-
10) Debts to related undertakings		-
11) Debts to Holding Companies		312.008
<i>Due within one year</i>		312.008
<i>Payable beyond one year</i>	-	-
11-bis) Debts owed to undertakings under the control of the Holding companies		-
12) Tax debts	8.868.970	15.249.077
<i>Due within one year</i>	8.868.970	15.249.077
<i>Payable beyond one year</i>	-	-
13) Debts to social security and social security institutions	3.910.656	3.102.071
<i>Due within one year</i>	3.910.656	3.102.071
<i>Payable beyond one year</i>	-	-
14) Other debts	3.701.640	4.852.734
<i>Due within one year</i>	3.701.640	4.852.734
<i>Payable beyond one year</i>	-	-
TOTAL DEBTS	75.406.850	76.154.259
ACCRUALS AND DEFERRED INCOME	168.667	160.102
TOTAL LIABILITIES	117.517.096	102.816.285

Income statement

INCOME STATEMENT	31.12.2022	31.12.2021
A. REVENUE		
1) Revenue from sales and services	121.282.754	82.906.301
2) Change in inventories of work in progress, semi-finished and finished products	0	0
3) Change in work-in-progress to order	0	0
4) Increases in fixed assets for internal works	149.629	121.000
5) Other income		
(a) contributions	306.319	154.288
(b) other	155.913	315.604
Total other revenues and income	462.232	469.892
TOTAL REVENUE (A)	121.894.615	83.497.193
B. PRODUCTION COSTS		
6) for Raw materials, subsidiaries, consumer goods and other goods	11.099.463	8.245.815
7) For services	28.898.996	18.510.506
8) For the use of third-party assets	6.379.629	4.199.544
9) For staff:		
(a) wages and salaries	26.239.660	19.068.541
(b) social security contributions	13.818.472	9.679.823
c) severance pay	2.156.425	1.325.097
d) quiescent treatment and similar	0	0
(e) other costs	354.499	426.578
Total personnel costs	42.569.055	30.500.040
10) Depreciation and devaluations		
(a) amortization of intangible assets	1.475.890	1.754.510
(b) amortization of tangible fixed assets	298.130	275.077
(c) impairment of intangible and tangible assets	0	0
(d) depreciation of the receivables included in the Current assets	247.294	650.000
11) Changes in inventories of raw materials, subsidiaries, consumption and goods	425.806	(798.883)
12) Provisions for operational risks	0	0
13) Other provisions	0	0
14) Miscellaneous costs	1.300.198	890.918
TOTAL PRODUCTION COSTS (B)	92.694.462	64.227.527

DIFFERENCE BETWEEN REVENUE AND COST OF PRODUCTION (A-B)	29.200.153	19.269.666
C. FINANCIAL INCOME AND CHARGES		
15) Income from equity investments	0	0
16) Other financial income:		
(a) from credits entered in fixed assets	0	0
(b) securities entered in fixed assets which do not constitute Investments	0	0
(c) securities entered in Current assets which do not constitute Investments	0	0
(d) income other than previous		
- interests and commissions from subsidiaries	0	2.580
- interest and commission from related undertakings	0	0
- interests and commissions from Holding Companies	0	0
- interest and commissions from others and miscellaneous income	158.370	249.746
17) Interest and other financial charges		
(a) to subsidiaries	0	0
(b) to related undertakings	0	0
(c) to Holding Companies	0	0
(d) other	(5.298.759)	(1.774.128)
17-bis) profits and Foreign exchange losses	(292.996)	0
TOTAL FINANCIAL INCOME AND CHARGES (C)	(5.433.385)	(1.521.802)
D. ADJUSTED VALUE OF FINANCIAL ASSETS		
18) evaluations		
(a) Investments	0	0
(b) financial fixed assets which do not constitute Investments	0	0
(c) securities entered in the current assets which do not constitute Investments	142.587	297.469
(d) derivative financial instruments	0	0
19) write-downs		
(a) Investments	0	0
(b) financial fixed assets which do not constitute Investments	0	0
(c) securities entered in the current assets which do not constitute Investments	(248.568)	0
(d) derivative financial instruments	0	0
ADJUSTED TOTAL VALUE OF FINANCIAL ACTIVITY (D)	(105.980)	297.469
PRE TAX PROFIT (LOSS) (A-B+-C+-D)	23.660.788	18.045.334
20) taxes on income for the period, current, deferred and anticipated		
- current	7.465.428	6.113.632
- deferred	0	(200.271)
21) NET PROFIT (LOSS)	16.195.360	12.085.813

Cash flow statement

	31.12.2022	31.12.2021
Cash flow statement, indirect method		
(A) Cash flows arising from the operating activity (indirect method)		
Net profit (loss)	16.195.360	12.085.813
Income taxes	7.465.428	5.959.520
Interest payable/(assets)	5.433.385	1.521.802
(Dividends)		-
(Capital gains)/losses arising from the sale of assets		-
1) profit (loss) for the period before taxes on income, interest, dividends and plus/or losses from sale	29.094.173	19.567.135
Adjustments for non-monetary items which have not been counterbalanced in net working capital		
Accruals to funds	2.156.425	1.975.097
Depreciation of fixed assets	1.774.020	2.029.587
Impairment losses		-
Value adjustments of financial assets and liabilities of derivative financial instruments that do not involve monetary movement		
Other adjustments increasing/(decreasing) for non-monetary items	31.674	15.613
Total adjustments for non-monetary items that did not have a return on net working capital	3.962.119	4.020.297
2) Financial flow before changes in net working capital	33.056.292	23.587.432
Changes in net working capital		
Decrease/(increase) of inventories	425.806	(798.883)
Decrease/(increase) of the Accounts receivable	(5.535.083)	6.480.322
Increase/(decrease) of the Accounts payable	1.533.006	1.556.441
Decrease/(increase) of accruals and repayments	246.818	166.157
Increase/(decrease) in accruals and deferred income	8.565	(181.365)
Other decreases (other increases) in net working capital	(567.686)	(12.376.058)
Total changes in net working capital	(3.888.574)	(5.153.385)
3) Financial flow after changes in net working capital	29.167.718	18.434.047
Other corrections		
Interest collected/(paid)	(5.433.385)	(1.521.802)
(Income taxes paid)	(2.471.958)	(487.462)

Dividends received		-
(Use of funds)		-
Other receipts/(payments)		-
Total other corrections	(7.905.342)	(2.009.444)
Financial flow of operational activity (A)	21.262.376	16.424.603
(B) cash flows arising from the investment activity		
Tangible fixed assets		
(Investments)	(289.250)	(210.761)
Divestment		-
Intangible assets		
(Investments)	(1.473.029)	(991.109)
Divestment		-
Financial fixed assets		
(Investments)	(3.311.169)	(1.529.604)
Divestment		-
Non-immobilized financial assets		
(Investments)	(428.539)	(2.576.269)
Divestment		-
(Acquisition of business branches net of Cash and cash equivalents)		-
Sale of business branches net of Cash and cash equivalents		-
Financial flow of investment activity (B)	(5.501.987)	(5.307.743)
(C) cash flows arising from the financing activity		
Means of third parties		
Increase/(decrease) short-term debts to banks		1.617.399
Loans received	2.500.000	1.020.000
(Funding refund)	(6.502.651)	(3.914.197)
Own means		
Capital increase payable		538.897
(Repayment of capital)		-
Sale/(Purchase) of Treasury Shares held	289.800	(654.824)
(Dividends and advances on dividends paid)	(2.446.243)	(1.743.053)
Financial flow of financing activity (C)	(6.159.094)	(3.135.778)
Increase (decrease) in Cash and cash equivalents (A ± B ± C)	9.601.294	7.981.082
Effect of changes on Cash and cash equivalents		-
Cash and cash equivalents at the beginning of the year		
Bank and postal deposits	16.133.224	8.148.241
Checks		-
Cash and cash values	14.555	18.457
Total Cash and cash equivalents at the beginning of the exercise	16.147.779	8.166.698
Of which not freely usable		-
Cash and cash equivalents at the end of the year		
Bank and postal deposits	25.749.036	16.133.224
Checks		-
Cash and cash values	38	14.555
Total Cash and cash equivalents at year-end.	25.749.074	16.147.779
Of which not freely usable		-

Additional note

Asset items in the balance sheet have been classified according to their business destination. The criteria for the valuation of each asset element are in accordance with those laid down in art. 2426 of the Civil Code and national accounting standards. The compulsory indications provided for in art. 2427 of the Civil Code, from the other rules of the Civil Code itself, from the accounting principles, together with the information that it has been deemed to provide for a fully true and correct representation, follow the order of the items of financial statements outlined by art. 2424 of the Civil Code.

The financial statements as on 31 December 2022 were drawn up in accordance with the rules of the Civil Code, interpreted and supplemented by accounting principles and criteria drawn up by the Organismo Italiano Contabilità (O.I.C.).

The financial statements have been prepared based on business continuity, and there are no significant uncertainties, even on the basis of what is foreseen in the revised version of the O.I.C 11 on 23 March 2018.

The financial statement consists of the balance sheet, the income statement, and the Cash Flow statement (prepared in accordance with the schemes set out in Articles 1 and 2 respectively. 2424, 2424 bis c.c., to arts. 2425 and 2425 bis c.c. and art. 2425 b of the Civil Code) and from this addendum.

The function of the supplementary note is to provide disclosure, analysis and in some cases an integration of the budgetary data and to contain the information required by Articles 2427 and 2427 bis of the Civil Code, other provisions of the Civil Code on budgetary matters and other previous laws. In addition, it provides all the additional information deemed necessary to give the most transparent and complete representation, even if not required by specific legal provisions.

The amounts shall be expressed in units of euro, unless otherwise indicated.

Business continuity considerations

Article 2423 bis paragraph 1 n.1 establishes the principle of business continuity, which is also one of the principles to be considered in the continuous monitoring provided for in the Code of the crisis of the company.

Accounting Standard OIC 11 provides that, when preparing the financial statements, management must carry out a prospective assessment of the company's ability to continue to constitute a functioning economic complex for income production for a foreseeable future period, covering a period of at least 12 months from the balance sheet date. In cases where significant uncertainties regarding this capacity are identified because of this prospective assessment, the information

on risk factors, assumptions made and identified uncertainties must be clearly provided in the Addendum, and a specific business strategy to face these risks and uncertainties need to be put in place. The addendum must therefore report on the business continuity perspective.

A careful analysis of the situation of the company and its prospects for future activities resulted in a positive valuation in regard of the Company's ability to continue to constitute a functioning economic complex destined to the production of income for a foreseeable future time, of multiannual duration, therefore there are no risks for the business continuity.

Exceptional cases ex Article 2423, fifth paragraph, of the Civil Code

During the financial year there were no cases provided for in the fifth paragraph of Article 2423 of the Civil Code.

Changes in accounting policies

The company did not make any changes in accounting policies compared to the previous year.

Correction of relevant errors

There were no major errors requiring correction in the year 2022.

Comparability and adaptation issues

There are no problems of comparability or adaptation to the previous financial year for the year 2022.

Subsequent events

Following the end of the financial year, the following important facts are reported:

- Implementation of the new IT system: the implementation of Oracle ERP continues. The project, also with a view to new acquisitions, has the aim of providing all the companies of the group with a state-of-the-art information technology environment.
- Bonus facades: The bonus facades was introduced by the 2020 budget law and has been extended and maintained unchanged by the 2021 budget law. Under the 2022 budgetary law, the facades bonus was extended for the 2022 financial year, but with a tax deduction reduction to 60%. The tax deduction was introduced in the case of operations aimed at the recovery or restoration of the external facade of existing buildings, of any category of land, including instrumental buildings. The buildings concerned must be located in specific areas (A and B), as identified by Ministerial Decree no.

1444/1968, or in areas similar to them according to regional regulations and municipal building regulations. The Minister of Economy and Finance issued the DL of 16 February 2023 n. 11, with which ended the invoice discount and the transfer of building credits. The decree entered into force on the 17th of February 2023, the date from which it was no longer possible to use the alternative forms to tax deduction for the building interventions indicated by the previous Revival Decree. The company believes that this decree will bring the market back to normal operation, a market in which the company has been leading for years.

- Closing of the 51% acquisition of Enigma Capital Investments LLC: on the 2nd of March 2023 Ediliziacrobatica S.p.A. signed a binding agreement, the closing of which took place on the 21st of March 2023, acquiring a 51% share in Enigma Capital Investments LLC for Euro 7,2 million. Enigma Capital Investments LLC is a holding company incorporated under the UAE's law, based in Dubai, which heads a group active in the Middle East in the construction sector, "rope access", cleaning services for residential and commercial buildings, as well as some facility management services.

Evaluation criteria

The following accounting principles have been adjusted with the changes, additions and novelties introduced to the rules of the Civil Code by Legislative Decree no. 139/2015, which implemented in Italy the accounting directive 34/2013/EU. In particular, the national accounting standards were applied in the version reworded by the O.I.C on 22 December 2016.

The most significant evaluation criteria adopted for the drawing up of the financial statements on 31 December 2022 in compliance with Art. 2426 of the Civil Code and of the above accounting principles are as follows:

Intangible assets -- are recorded at the purchase or production cost, including ancillary costs and costs directly attributable to the product and amortized systematically in each financial year at constant shares. Intangible assets consisting of plant and enlargement costs and development costs are entered with the consent of the Board of Statutory Auditors in the cases provided for by law.

Installation and extension costs are amortized within a period of not more than five years, with Amortization at constant shares. Development costs are amortized according to their useful life, in exceptional cases where it is not possible to estimate their useful life reliably, they shall be amortized within a period not exceeding five years. Until depreciation is completed dividends may be distributed only if sufficient available reserves remain to cover the

amount of undepreciated costs.

Advertising and research costs are fully charged at the cost of the period in the period in which they are incurred.

Improvements in third-party assets are capitalized and recorded as "other intangible assets" if they are not separable from the assets themselves (otherwise they are entered as "tangible assets" in the specific item of ownership). They are depreciated systematically to the minor between the period of expected future use and the remaining period of the lease, considering the possible renewal period, if dependent on the Company.

If, irrespective of the depreciation already accounted for, there is an impairment loss, the immobilization is correspondingly devalued; if in subsequent periods the reasons for the depreciation are lost, the original value is restored, within the limits of the value that the asset would have had if the value adjustment had never taken place, except for items "Goodwill" and "Multiannual charges" referred to in Article 2426 number 5 of the Civil Code.

Tangible fixed assets -- are recorded at the cost of purchase or internal construction, net of depreciation made in the year and in the previous years. The cost includes ancillary costs and direct and indirect costs for the reasonably attributable portion of the asset, relating to the manufacturing period and up to the time from which the asset can be used. Tangible assets may only be revalued in cases where special laws require or permit it.

Fixed assets recognized at the cost in foreign currency shall be entered at the exchange rate at the time of their purchase or at the rate lower than the date of closure of the financial year, if the reduction is deemed to be durable.

Fixed assets are systematically depreciated in each financial year at constant shares based on the rates provided for in tax legislation, which are considered representative of the residual possibility of using the assets. The applied rates are shown in the asset comment notes section. For fixed assets operating in the financial year, the rates are reduced to 50%, assuming that purchases are evenly distributed over the financial year. Depreciation is also calculated on assets that are temporarily not used. Land and works of art are excluded from depreciation, and their usefulness is not exhausted.

If, irrespective of the depreciation already accounted for, there is a lasting loss of value, the immobilization is correspondingly devalued; if in subsequent periods the reasons for the devaluation are lost, the original value is restored, within the limits of the value that the asset would have had if the value adjustment never took place.

Maintenance and repair costs of an ordinary nature shall be charged in full to the profit and loss account. Maintenance costs of an incremental nature are attributed to the assets to which they relate and amortized in relation to the residual possibilities of use thereof.

The costs incurred in extending, modernizing, or

improving the structural elements of a material immobilization are capitalized if they produce a significant and measurable increase in production capacity, safety, or useful life. If these costs do not produce these effects, they are treated as routine maintenance and charged to the income statement. Tangible fixed assets at the time they are destined for disposal are reclassified in a specific section in the working assets and therefore valued at the lower of the net carrying amount and the carrying amount that can be deduced from the market trend. Goods for sale are no longer the object of amortization. Plant contributions are recognized when there is reasonable certainty that the conditions for the recognition of the contribution are met and that the contributions will be paid. They are indirectly brought to cost reduction as they are charged to the income statement in Section A5 "other income and income" and are then sent back to subsequent financial years by means of the entry of "deferred income".

Equity investments and securities (recorded in fixed assets) -- financial fixed assets are intended for a lasting permanence in the Company's assets. Investments are valued using the adjusted cost of impairment losses method. Debt securities are valued using the amortized cost method.

The cost method assumes that the balance sheet value is determined on the basis of the purchase or subscription price, including accessory costs. The carrying amount of the investment, when the existence of an impairment loss is recognized, is reduced to its lowest recoverable amount, which is determined based on the future benefits expected to flow to the participant's economy.

If the Company is obliged or intends to take charge of the coverage of the losses arising from the investee (of a non-durable nature), a provision is necessary to cover those hypothetical losses, for the quota of competence. The original value of the investment will be restored in subsequent periods if the reason for the write-down is lost.

Derivative financial instruments -- derivative financial instruments are financial assets and liabilities recognized at fair value. Derivatives are classified as hedging instruments only when, at the beginning of the hedging, there is a close and documented correlation between the characteristics of the hedged item and those of the hedging instrument and this hedging relationship is formally documented and the effectiveness of the hedging, periodically verified, is high. Changes in the relative fair value of hedging derivatives are charged as follows:

In the income statement in the sections D18 or D19 in the case of covering the fair value of an asset or liability entered in the balance sheet as well as changes in the fair value of the items covered (where the change in fair value of the hedged item is greater in absolute value than the change in fair

value of the hedging instrument, the difference is recognized in the income statement item concerned by the hedged item);

In a special reserve of equity (in section A.VII "reserve for transactions covering expected cash flows") in the case of hedge of cash flows in such a way as to offset the effects of hedged flows (the ineffective component, As well as the change in the time value of options and forward, it is classified in sections D18 and D19).

Inventories -- inventories are registered at the lower between the purchase or production cost and the value of presumed realization that can be deduced from the market trend (art. 2426 number 9 dc). Purchase cost is the actual purchase price plus ancillary costs, excluding financial charges.

In the case of goods, finished goods, semi-finished products and products in the process of processing, reference is made for the determination of the realization value which can be derived from market developments directly by the net realization value of these goods.

Inventories are depreciable in the balance sheet when their value resulting from market performance is lower than the book value. Obsolete and slow-running stocks are devalued in relation to their possibility of use or realization.

Credits -- Credits are recognized in the balance sheet according to the amortized cost criterion, considering the time factor and the expected value realized. The amortized cost criterion is not applied when the effects are negligible, i.e., when transaction costs, fees paid between the parties and any other difference between initial value and maturity value are of little importance or if the credits are short-term (i.e., less than 12 months).

The value of the claims, as determined above, is adjusted, where necessary, by a special depreciation fund, exposed to a direct decrease in the value of the claims themselves, to adapt them to their presumed realizable value.

The amount of the depreciation is recognized in the income statement.

The credits generated by cash pooling are recognized, if the time limits allow, in a specific item of the working assets. If short-term time limits are not met, these claims are recognized as financial assets.

Cash and cash equivalents -- Cash and cash equivalents at the end of the financial year are valued at nominal value. Assets denominated in foreign currency are valued at the exchange rate at the end of the year.

Accruals and deferrals – Accruals and deferrals are parts of costs or income which were paid or realized during the year, but their competence is in the next years, or, costs or income not paid or realized yet, but with competence in the current fiscal year, in accordance with the principle of time competence.

Funds for risks and charges -- the risk and charges funds are allocated to cover losses or debts of a specific nature, of a certain or probable existence, of which, however, at the end of the financial year, the amount or the date of the contingency cannot be determined. The appropriations reflect the best possible estimate based on the facts available. The risks for which the occurrence of a liability is only possible are indicated in the notes on the funds, without the provision of a risk and charges fund. Provisions for the risks and charges funds are entered primarily in the income statement cost section to which are related (B, C or D). Whenever this correlation between the nature of the provision and one of the items in the above classes is not feasible, provisions for risks and charges are entered in items B12 and B13 of the income statement.

Severance pay fund -- Severance pay fund shows the amount the employee would receive in the event of termination of employment at the date of closure of the financial statements was entered. The seniority allowances forming part of that item, i.e., the accrual portion for the year and the annual revaluation of the pre-existing fund, shall be determined in accordance with the rules in force. The severance pay is entered in section C of the liabilities and the provision in section B9 of the income statement.

The above applies to employees who, in almost all, have chosen to leave in the company the severance pay matured in favor of them. For employees who, under the law of 27 December 2006, issue 296, have opted for the payment of their share of the severance pay to supplementary pension funds, the cost of holding the quota accumulated in the year is recognized in section B 9 of the income statement.

Debts -- the debts are entered according to the amortized cost criterion, taking into account the time factor. The amortized cost criterion shall not be applied to debts where its effects are negligible. The effects are considered irrelevant for short-term debts (i.e., with a maturity of less than 12 months). For the amortized cost criterion, see the above with regard to credits.

Debts for leave earned by employees and for deferred salaries, including what is due to social security institutions, are allocated on the basis of the amount that should be paid in the event of termination of employment at the date of the budget.

Leasing transactions -- Lease transactions are represented in the balance sheet according to the equity method, accounting for the income statement for the fees paid in accordance with the principle of competence. The additional information required by law regarding the representation of the lease contracts according to the financial method is provided in the appropriate section of the addendum.

Revenues -- Revenues for the sale of goods are

recognized when the substantial and non-formal transfer of the property title occurred, assuming as a benchmark, for the substantial transition, the transfer of risks and benefits.

Revenues from the sale of products and goods or from the provision of services related to the characteristic management are recognized net of returns, discounts, rebates and premiums, as well as taxes directly linked to the sale of the products and the provision of services.

Revenues for the services are recognized at the completion and/or maturity of the services.

Transactions with related entities were conducted under normal market conditions.

Costs -- costs are accounted according to the competence principle, regardless of the date of collection and payment, net of returns, discounts, rebates, and premiums.

Dividends -- dividends are accounted for in the period in which the Shareholders' Meeting of the Company decides dividends are recognized as financial income regardless of the nature of the reserves being distributed.

Financial income and charges -- Financial income and charges are entered by competence. The costs relating to the demobilization of credits in any way (pro solvendo and pro soluto) and of any kind (commercial, financial, other) are charged to the exercise of competence.

Income taxes for the financial year -- are recorded based on the estimated taxable income in accordance with the provisions in force, taking into account the applicable exemptions and the tax credits due.

Deferred tax liabilities and deferred tax assets are calculated on the temporary differences between the values of assets and liabilities determined according to the civil criteria and the corresponding values recognized for tax purposes. Their assessment is made taking into account the tax rate that the Company is expected to sustain in the year in which such differences will contribute to the formation of the tax result, taking into account the rates in force or already adopted on the balance sheet date and are recorded respectively in the "deferred tax liability" entered in the liabilities under the risk and expense funds and in the item "deferred tax assets" of the working assets.

Deferred tax assets are recognized for all deductible temporary differences, in respect of the principle of prudence, if there is reasonable certainty of existence in periods in which they will pay a taxable income not less than the amount of the differences which will be canceled.

On the other hand, deferred tax liabilities are recognized on all taxable temporary differences.

Deferred taxes relating to suspended reserves are

not recognized if there is little chance of distributing such reserves to shareholders.

Currency conversion criteria

Non-monetary assets and liabilities originally expressed in foreign currency are entered in the balance sheet at the exchange rate at the time of their purchase, i.e., at the initial cost of entry.

The assets and liabilities originally expressed in foreign currency of a monetary nature are converted into the balance sheet at the spot exchange rate at the date of the financial year's close; the relative profits and foreign exchange losses are entered in the income statement and any net profit is placed in a special reserve that cannot be distributed until realized.

Use of estimates

The drawing up of the financial statements and the related Notes requires the making of estimates and assumptions that have an effect on the value of the assets and liabilities entered, on the information relating to assets and Contingent liabilities at the balance sheet date and on the amount of revenue and period costs.

Estimates are used in several areas, such as Allowance for doubtful accounts, depreciation, employee benefits, income taxes, other risk funds, and the assessment of any impairment losses of tangible, intangible and financial assets (including equity investments).

Actual results may differ from estimated results due to uncertainty characterizing assumptions and conditions on which estimates are based. Estimates and assumptions are reviewed periodically by the Company based on the best knowledge of the Company's business and other factors reasonably deducible from current circumstances. The effects of each change are reflected immediately in the income statement.

Cash Flow statement

The Cash Flow statement includes all Cash and cash equivalents inflows and outflows occurred during the period. In the Cash Flow statement, individual cash flows are presented separately in one of the following categories:

- a. operational management;
- b. investment activities;
- c. financing activities.

The cash flow categories are presented in the above sequence.

The financial flow of the operating activity is determined by the indirect method, or by adjusting the profit or loss for the period reported in the income statement.

The algebraic sum of the cash flows of each category mentioned above represents the net change (increase or decrease) of the Cash and cash

equivalents during the period. The Presentation form of the Cash Flow statement is of an indirect type.

Interest paid and collected is presented separately among cash flows of income management, except cases where they relate directly to investment (investment activity) or financing (financing activity). Dividends received and paid are presented separately, respectively, in the income management and in the financing activity. Cash flows relating to income taxes are separately indicated and classified in the income management.

More information

Derogations pursuant to the fourth paragraph of art. 2423 -- no exceptional cases have occurred which have required derogations from the legal rules relating to the budget pursuant to the fourth paragraph of Art. 2423.

Additional Notes to assets

A detailed description of the items constituting the balance sheet assets on 31 December 2022 is given below.

Intangible assets

The item "intangible assets" totaled to Euro 3.205.375 on December 31, 2022 (Euro 3.208.236 on December 31, 2021).

The details of the composition are given below.

The item "plant and enlargement costs" equal to Euro 758.734 (Euro 1.498.746 on December 31, 2021) includes the costs of multiannual utility, the costs related to the listing on the Euronext growth market and the costs incurred to plan and make operational the new direct offices.

Concessions, licenses, trademarks and similar rights amount to Euro 538.

The section "Industrial patent rights and intellectual property rights" for Euro 292.425 (Euro 495.577 on December 31, 2021) refers to the rights to use the software.

The section "Current assets and allowances" for Euro 945.200 (Euro 422.709 at 31.12.2021) consists of costs incurred for the realization and development of new Software projects not concluded yet at 31.12.2022.

The section "Other intangible assets", equal to Euro 1.208.479 (Euro 790.226 on December 31, 2021), mainly includes improvements on third-party assets.

Movements of intangible assets

For the section in question, a special handling schedule, shown on the following pages, has been prepared, indicating for each item the historical costs, the previous depreciation and the previous revaluations and devaluations, the movements during the period, the final balances and the total

revaluations existing at the end of the period. Where present, the amount of the financial charges charged in the period to the values entered in the assets of the balance sheet, separately for each item, shall be indicated in the specific note of comment.

Analysis of movements of intangible assets (prospectus)

	Installation and enlargement costs	Development costs	Industrial patent rights and intellectual property rights	Concessions, licenses, trademarks and similar rights	Goodwill	Current assets and allowances	Other intangible assets	Total intangible assets
Value at the beginning of the year								
Cost	4.434.219	278.978	1.126.468	5.562		422.709	1.752.612	8.020.548
Revaluations								-
Depreciation (Amortization Fund)	2.935.474	278.978	630.891	4.584			962.386	4.812.313
Devaluations								-
Balance value	1.498.746		495.577	978		422.709	790.226	3.208.236
Changes during the year								
Increments for acquisitions	190.866					522.491	835.946	1.549.303
Reclassifications (of balance sheet value)								-
Decreases in alienation and disposals (of balance sheet value)			134.123					134.123
Revaluations made in the period								-
Amortization of the exercise	930.878		126.878	440			417.694	1.475.890
Write downs made during the year								-
Other variations			(57.849)					(57.849)
Total variations	(740.012)		(318.850)	(440)		522.491	418.253	(118.558)
End of year value								
Cost	4.625.086	278.978	992.345	5.562		945.200	2.588.558	9.435.729
Revaluations								-
Depreciation (Amortization Fund)	3.866.352	278.978	699.920	5.024			1.380.080	6.230.354
Devaluations								-
Balance value	758.734	-	292.425	538	-	945.200	1.208.478	3.205.375

Remarks, movements of intangible assets

The item "plant and enlargement costs" shows a negative change of Euro 740.012 due mainly to the ordinary amortization process, for Euro 930.878. The increases of Euro 190.866 are mainly due to the capitalizations of the start-up costs for the opening of new points in the territory.

The increase in "Current assets and allowances" consists of costs incurred for the realization and development of new software for the implementation of computer systems to improve the business functionality.

The item "other intangible assets" increased by Euro 418.252. During the year, increases for new acquisitions amounted to 835 thousand, of which Euro 732 thousand, mainly related to costs incurred for improvements on third-party assets, in particular works and works carried out on the company's points spread in the territory.

In the preparation of the financial statements and in the presence of indicators of impairment loss, the Company shall assess the recoverability of intangible assets held. No indicators of impairment loss have emerged from the analysis carried out.

Tangible fixed assets

This asset section includes the assets of durable use that form part of the permanent organization of the Companies. The reference to lasting factors and conditions is not inherent to goods as such, but to their destination. They are normally used as tools for producing the income of the characteristic management and are not, therefore, intended for sale or processing for obtaining the Company's products.

In the presence of tangible fixed assets that the Company intends to devote to the sale, the same were classified separately from the tangible fixed assets, in a special section of the working assets.

Ordinary depreciation, as shown in the prospectus, was calculated on the basis of rates considered representative of the residual possibility of use of the relative tangible fixed assets. The rates applied are as follows:

- plants and machinery 15%
- Industrial and commercial equipment 20,00%
- other goods:
- Electronic office machines 20,00%
- Office furniture and equipment 12,00%
- vehicles 25,00%

Movements of tangible fixed assets

For the item in question, a special handling schedule, shown on the following pages, has been prepared, indicating for each item the historical costs, the

previous depreciation and the previous revaluations and devaluations, the movements during the period, the final balances and the total revaluations existing at the end of the period.

Analysis of movements of tangible fixed assets (prospectus)

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other goods	Current assets and allowances	Total tangible assets
Value at the beginning of the year						
Cost	-	204.083	259.288	1.493.207	-	1.956.579
Revaluations	-	-	-	-	-	-
Depreciation (Amortization Fund)	-	76.415	31.565	877.161	-	985.142
Devaluations	-	-	-	-	-	-
Balance value	-	127.668	227.723	616.046	-	971.437
Changes during the year						
Increments for acquisitions	-	-	6.536	282.557	-	289.093
Reclassifications (of balance sheet value)	-	-	-	-	-	-
Decreases in alienation and disposals (of balance sheet value)	-	-	-	-	-	-
Revaluations made in the period	-	-	-	-	-	-
Amortization of the exercise	-	28.180	3.748	266.202	-	298.130
Write downs made during the year	-	-	-	-	-	-
Other variations	-	-	(156)	-	-	-
Total variations	-	(28.180)	2.632	16.355	-	(9.037)
End of year value						
Cost	-	204.083	265.825	1.775.764	-	2.245.672
Revaluations	-	-	-	-	-	-
Depreciation (Amortization Fund)	-	104.595	35.157	1.143.363	-	1.283.115
Devaluations	-	-	-	-	-	-
Balance value	-	99.488	230.668	632.401	-	962.557

Movements of tangible fixed assets

The main increases for the year concerned the budget item "other tangible fixed assets" for Euro 283 thousand relating to the purchase of furniture, electronic machines necessary for the company and for the Ediliziacrobatica points of sale.

In the preparation of the financial statements and in the presence of indicators of impairment loss, the Company assesses the recoverability of the tangible fixed assets held. No indicators of impairment loss have emerged from the analysis carried out.

Leasing operations

The leasing operations are accounted for in accordance with the provisions of the applicable civil and fiscal legislation: These provide for the accounting to the income statement of the rents accrued in the attributable period of Euro 40.412 (Euro 83.164 in 2021). On the other hand, the adoption of the financial methodology, provided for in international accounting standards, would have involved the accounting in each period of interest on the capital financed and of Amortization's shares in the value of the assets acquired under lease, in addition to the entry of the assets in the asset and the residual debt in the liability.

Financial leases (lessee) (prospectus)

	Importo
Total amount of the assets leased at the end of the financial year	45.950
Depreciation occurred during the year	37.684
Current value of the fees not expired at the end of the financial year	54.515
Financial charges for the financial year based on the actual interest rate	5.193

Financial fixed assets

On December 31, 2022, the Company holds "Financial fixed assets" totaling Euro 6.478.766 (Euro 3.167.597 on December 31, 2021).

This item consists mainly of shareholdings and receivables in "subsidiaries" and receivables in other undertakings.

Movements of financial assets: Equity investments, other securities, financial derivatives assets

The most significant changes during the period with regard to investments in subsidiaries and financial derivatives are shown in the corresponding handling schedule

Analysis of the movements of financial assets: Equity investments, other securities, financial derivatives assets (prospectus))

	Investments in subsidiaries	Investments in affiliated companies	Investments in Holding companies	Total investments	Credit to subsidiaries	Credit to other companies	Other titles	Financial derivatives assets
Value at the beginning of the year	1.465.000			1.465.000	1.270.270	420.000		12.327
Cost	1.465.000			1.465.000	1.270.270	420.000		12.327
Revaluations	-			-	-			
Devaluations								
Balance value	1.465.000			1.465.000	1.270.270	420.000		12.327
Changes during the year								
Increments for acquisitions	110.000			110.000		1.500.000		
Reclassifications (of balance sheet value)	-			-	-			
Decreases in alienation and disposals (of balance sheet value)	-			-	-	(26.683)		
Revaluations made in the period	-			-	-			
Amortization of the exercise	-			-	-			
Write downs made during the year	-			-	-			
Other variations	-			-	1.645.154			
Total variations	110.000			110.000	1.645.154	1.473.317		82.698
End of year value	1.575.000			1.575.000	2.915.424	1.893.317		95.025
Cost	1.575.000			1.575.000	2.915.424	1.893.317		95.025
Revaluations								
Devaluations								
Balance value	1.575.000			1.575.000	2.915.424	1.893.317		95.025

Movements of financial fixed assets: Investments

The increase in equity investments, equal to Euro 110.000, was due to the acquisition of 20% of the share capital of the Energy Acrobatica 110 S.r.l., of which the Company already held 80% in 31.12.2021, for Euro 20 thousand and the acquisition of 60% of the Edilziacrobatica Monaco S.M.A., for Euro 90 thousand.

The increase in fixed loans to subsidiaries, for Euro 1.645.154, is due to the new financing of EDAC France S.A.S. (100% subsidiary) to support the Group's development and growth in France.

In respect of loans to other companies, there was an increase of one and a half million for interest-bearing financing of Enigma Capital Investment LLC. For more information on the operation, see the instructions given by the administrators in relation to the Management.

As far as financial derivatives are concerned, they have undergone a positive change of Euro 82.698 due to the recognition of the alignment of

derivatives with respect to the mark to market value at the 31.12.2022 balance sheet date.

Details of investments in subsidiaries

On December 31, 2022, the Company holds "Investments in subsidiaries" for a total of Euro 1.575.000 (Euro 1.465.000 on December 31, 2021). Investments in subsidiaries are recorded at the purchase or establishment cost, including ancillary costs consisting of costs directly attributable to the purchase or establishment transaction such as, for example, banking and financial intermediation costs, commissions, expenses and taxes.

Details of investments in subsidiaries held directly or through trust companies or by person (prospectus)

Investments in subsidiaries	Edac France	Energy Acrobatica 110	Edac Monaco	Edac Iberica
Denomination				
Shareholder' equity	550.509	100.000	150.000	3.000
Last year's profit (loss)	-1.105.145	807.058	-26.824	-622.559
Equity	-2.054.697	966.427	123.176	-648.643
Amount owned in Euros	975.000	100.000	90.000	410.000
% owned	100	100	60	90
Balance sheet amount or credit	975.000	100.000	90.000	410.000

In 2022, the French subsidiary company recorded a loss of Euro 1.105.145, as described by the Directors in the Management Report, the negative performance of the subsidiary is attributable mainly to two factors:

- The “start-up” phase in view of the fact that the Company was set up on 7 March 2019 and, therefore, the investments made, and the new openings are still in a phase of development and increase of operating capacity;
- the sanitary emergency, which from 2020 had a negative impact on sales and production volumes.

There was a negative difference on December 31, 2022 between the book value of the stake in the financial statements of Ediliziacrobatica S.p.A and the value of the Net assets of the subsidiary. The directors of the Company have submitted the value of the participation and the financial credits entered in the financial statements for 31.12.2022 to the impairment test. Following the analyzes carried out and future development plans (2022-2025), the directors do not consider the value losses incurred by the French subsidiary to be durable. The Company holds a 90% stake in Ediliziacrobatica Iberica, Sociedad Limitada, which also shows a negative difference between the carrying amount of the stake in the operating balance sheet of Ediliziacrobatica S.p.A. and the value of the

Company's Net assets. This negative difference is due to the loss achieved during the financial year of Euro 648.643. The Directors consider that this negative trend is attributable to the Company's “Start Up” phase, set up in 2021, and therefore consider that the losses in value, as measured in the 2022 financial statements, are not durable.

Current assets

For the item in question, special detailed statements have been prepared, indicated on the following pages, which highlight the nature of the individual items and the relative movement of period.

Inventories

The “warehouse inventories” amounted to Euro 2.958.068 on December 31, 2022 (Euro 3.383.874 on December 31, 2021).

The stock entered on the balance sheet includes the building materials present at the Company's warehouses for Euro 792.647 (Euro 1.051.736 on December 31, 2021). In addition, the Company enters stock inventories for Euro 2.165.421 (Euro 2.332.138 on December 31, 2021) relating to goods that compete for the production of the services provided by the Company, and more specifically consist of the equipment of which each team of rope operators must be equipped as slings, safety ropes and equipment.

Analysis of changes in inventories

	Raw materials, subsidiary and consumer products	Products in process and semi-finished products	Work-in-progress to order	Finished goods and goods	Advances	Total inventories
Value at the beginning of the year	3.383.874					
Variation occurred during the year	(425.806)					
Value at the end of the year	2.958.068					

Inventories

The decrease compared to the previous year of Euro 425.806 is due to a process of greater efficiency and rationalization of the acquired materials started already during the year 2021 and continued with positive results in the course of 2022.

Current assets: Credits

This section totaled Euro 65.623.592 on December 31, 2022 (Euro 63.579.418 on December 31, 2021) and mainly includes trade receivables from third-party customers and receivables from group companies of Euro 18.144.048 (Euro 12.608.965 on December 31, 2021) and Euro 931.907 respectively (Euro 487.461 on December 31, 2021) - net of an allowance for doubtful accounts of Euro 1.005.997 (Euro 1.286.555 on December 31, 2021), tax credits of Euro 42.437.588 (Euro 47.476.857 on December

31, 2021), receivables from parent companies of Euro 500.000 (Euro 316.806 on December 31, 2021) , Deferred tax assets of Euro 280.939 (Euro 508.491 on December 31, 2021) and other receivables of Euro 3.329.109 (Euro 2.180.838 on December 31, 2021).

The "Accounts receivable" to be received within the period relate to receivables from normal sales operations and are mainly to domestic customers. For such claims, which are expected to be recovered in normal commercial terms, the Company has not used the method of assessing the amortized cost.

The decrease in "Allowance for doubtful accounts" in the period is due to the use during the period to send some non-recoverable receivables to a loss. The movement of the fund is highlighted in the following table:

	31.12.2021	Accrual	Uses	31.12.2022
Allowance for doubtful accounts	1.286.555	247.294	(527.852)	1.005.997
Allowance for doubtful accounts taxed	-	-	-	-
Total	1.286.555	247.294	(527.852)	1.005.997

The section "Tax credits" mainly includes:

- The credits for withholding tax incurred for Euro 2.360.545;
- The credit to the Treasury for Building Bonus of Euro 38.907.940 was generated in relation to the invoice discounts granted by the Company to customers for the work carried out according to the rules of the sale to third parties pursuant to art. 121 of the Decree relaunch. It should be noted that the Organismo Italiano Contabilità (OIC), following a specific request from the Revenue Agency, has issued the "Notice on the methods of accounting for tax bonuses". This notice provides that the company, which has carried out works in accordance with the rules governing the transfer to third parties pursuant to art. 121 of the Rehabilitation Decree converted into Law 77/2020 of 19 July 2020 and granted an invoice discount to the

customer, be required to enter revenue in return for receivables recognized at the market value (i.e., fair value). In the present case, it should be noted that the receivables to the Treasury for Building Bonuses were recognized at the Fair value, derived from the contracts for the sale of the receivables relating to tax bonuses concluded during the year with Banca Intesa San Paolo.

The Deferred tax assets of Euro 280.939 relate to the temporary differences between civil profit and taxable tax income; These claims have been made because on the basis of the multiannual plans drawn up by the Company's management there is reasonable certainty that the Company will produce sufficient taxable income for their recovery in future periods.

The section "other receivables" mainly includes Euro 1.960.037 for receivables from social security and social security institutions.

Changes and maturity of the credits entered in the current assets

The most significant changes during the year with respect to the credits entered in the working assets are reported in following table:

Analysis of changes and maturity of receivables in working assets (prospectus)

	Trade receivables	Tax credits	Credits to Holding Companies	Credits to Subsidiaries	Advance taxes	Other credits	Total credits
Value at the beginning of the year	12.608.965	47.476.857	316.806	487.461	508.491	2.180.838	63.579.418
Changes occurred during the year	5.535.083	- 5.039.269	183.194	444.446	- 227.552	1.148.271	2.044.174
Value at the end of the year	18.144.048	42.437.588	500.000	931.907	280.939	3.329.109	65.623.592
Due within one year	18.144.048	42.437.588	500.000	931.907	280.939	3.329.109	65.623.592
Receivable beyond one year							
Of which, receivable beyond five years							

The most significant change is certainly attributable to Accounts receivable, which increased by Euro 5.535.083, due to the growth of the Company's business.

The decrease in tax credits, equal to Euro 5.039.269, is attributable to the transfer of credits, relating to previous years, to Banca Intesa San Paolo.

Breakdown of the credits entered in the current assets by geographical area

The breakdown of credits by geographical area is not reported because it is not relevant.

Changes in financial assets that do not constitute fixed assets

The financial assets that do not constitute fixed assets amount to Euro 12.249.211 and relate to investments made during the previous financial years by the Company in capitalization financial products. Ediliziacrobatica S.p.A. has invested in the following financial instruments:

- "Aviva Solution value UBI Edition 2017", the contract was concluded on 27 February 2018 for a value equal to Euro 1.000.000;
- "Eurovita Private value", the contract was concluded on 13 December 2018 for a value of Euro 3.000.000.
- "Polizza Ezum BNL", the contract was

concluded on 5 November 2020 for a value of Euro 5.000.000

- Purchase of other marketable securities on 9 November 2020 for a value equal to Euro
- "BPM protected capital 3 years", the contract was concluded on 15 January 2021 for a value of Euro 1.980.000
- Purchase of shares in "Nusco Spa" during 2021, for a total of 249.000 shares with a nominal value of Euro 298.000

During the financial period, there was the acquisition of a minority stake in NewCleo LTD for a value of Euro 200 thousand with which 133.334 shares were acquired.

The directors made these investments with a prospect of temporary use of liquidity with a redemption option.

Cash and cash equivalents

The "Cash and cash equivalents" totaled Euro 25.749.074 (Euro 16.147.779 on December 31, 2021) and mainly comprise bank accounts for Euro 25.749.036 and cash for Euro 38.

Analysis of Cash and cash equivalents variations

	Bank and postal deposits	Checks	Money and other cash values	Total Cash and cash equivalents
Value at the beginning of the year	16.133.224		14.555	16.147.779
Changes occurred during the year	9.615.812		(14.517)	9.601.294
Value at the end of the year	25.749.036	-	38	25.749.074

Cash and cash equivalents variations

The increase in “Cash and cash equivalents” comes from the difference between positive and negative cash flows.

In particular, this positive change, significant in amount, occurred thanks to the considerable increase in turnover compared to the previous year

and a faster collection capacity for loans.

Information on accruals and prepayments

This section includes active repayments of Euro 290.452 due to sponsorship contracts, mortgage investigation costs and rents.

Analysis of changes in accruals and prepayments

	Active rates	Active accounts	Total accruals and accrued income
Value at the beginning of the year	3.350	533.920	537.270
Changes occurred during the year	(3.350)	(243.468)	246.818
Value at the end of the year	-	290.452	290.452

Additional notes to liabilities

With reference to the year ending below, the comments on the main items of equity and liabilities are given.

Equity

The handling of the items constituting the Net assets

of the last two financial years is given below.

Changes in equity items

We comment below on the main items that make up equity and the relative variations:

Analysis of changes in equity items

Changes in equity items

	Capital	Share surcharge reserve	Legal reserve	Reserve for expected hedging operations	Other reserves	Profit (loss) carried over	Profit (loss) for the financial year	Negative reserve for Treasury Shares held	Total equity
Value at the beginning of the year	815.415	7.207.101	160.650	(7.174)	883.057	3.443.653	12.085.813	(654.824)	23.933.691
Last year's profit destination			2.446			12.083.367	(12.085.813)		-
Dividend allocations						(2.446.243)			(2.446.243)
Other destinations									0
Other changes									0
Stock option	8.154					(8.154)			0
Own shares								204.950	204.950
Increases				46.022	84.850				130.872
Decreases					(14.246)				(14.246)
Reclassifications									
Net income (loss)							16.195.360		16.195.360
Value at the end of the year	823.569	7.207.101	163.096	38.848	953.661	13.072.623	16.195.360	(449.874)	38.004.385

Capital

The capital was fully subscribed and paid up on 31 December 2022 and amounted to Euro 823.569 represented by n. 823.569 common stock. Compared to the previous year, the capital increased by an amount of Euro 8.154, corresponding to the first tranche of free increase made in 2022, following the decision of a conditional capital increase, to be carried out over three years, to deal with the Stock Grant plan for certain categories of employees. determinate categorie di dipendenti.

Reserves

Legal reserve: The reserve entered in the balance sheet amounts to Euro 163.096 and increased from the previous year (Euro 160.650) because of the allocation of profits for the financial year 2021 as per the Shareholders' Meeting resolution of April 28, 2022.

Other reserves: This item is composed of Euro 864.422 relating to an unavailability reserve set up following the suspension of Amortization's shares for the financial year 2020 as decided at the time of destination of the 2020 profit. During the financial year, a decrease of Euro 14.246 was made in respect of assets already fully depreciated, for which a reserve for depreciation suspended in 2020 was set up.

In addition, a reserve for hedging operations for the valuation of financial instruments at fair value of Euro

38.848, (Euro -7.174 as of 31.12.2021) increased by Euro 46.022 following the derivative adjustment to market value at 31.12.2022.

Among the other reserves, an increase of Euro 84.850 (Euro 4.389 at 31.12.2021) was mainly due to the repayment of 50 shares to Arim Holding sarl , the subject of a previous securities loan, for a total value of Euro 90.480.

In 2021, the negative reserve for Treasury Stock 654.824 was also set up, following the acquisition of Treasury Stock by the Company, the forementioned reserve registered a decrease of Euro 204.950 in 2022 following the return of the shares to Arim Holding.

Profits carried over

On December 31, 2022, the profits carried over amounted to Euro 13.072.623. The target for the 2021 result was Euro 12.083.367.

Profit for the financial year

The 2022 financial year ended with a profit of Euro 16.195.360.

Availability and use of equity

The items of equity are thus distinguished according to the origin, the possibility of use, the possibility of distribution and the use made in the previous two financial years

Origin, possibility of use and possible distribution of equity items (prospectus)

	Amount	Origin/Nature	Possible uses	Amount available
Capital	823.569			823.569
Reserve for share surcharge	7.207.101	Equity	A,B	7.207.101
Revaluation reserves				-
Legal reserve				-
Statutory reserves				-
Other reserves	953.660	Profit	A,B,C	953.660
Extraordinary reserve				-
Reservation from derogations ex Article 2423 Civil Code				-
Reserves shares or shares of the parent company	163.096		A,B,C	163.096
Revaluation reserve				-
Payments against capital increase				-
Future payments capital increase				-
Capital payments				-
Spills to cover losses				-
Reserve from share capital reduction				-
Merger surplus reserve				-
Spare for Foreign exchange gains not manufactured				-
Reserve from current profits				-
Reserve from share capital reduction				-
Reserve for hedging operations				-
Various other reserves				-
Total other reserves				-
Reserve for transactions covering expected cash flows	38.848		A,B,C	38.848
Profits brought back	13.072.623	Profit	A,B,C	13.072.623
Negative reserve for Treasury Stock in portfolio	(449.874)		A,B,C	(449.874)
Total	21.809.023			21.809.023
Dimension is non distributable				-
Residual share that can be distributed				-
Legend A: to increase capital, B: to cover losses, C: to be distributed to shareholders, D: bylaws' constraints and other				

Information on funds for risks and charges

On December 31, 2022, risks and charges were recorded for Euro 93.914 (Euro 62.355 on December 31, 2021). Specifically, this item consists solely of the allocation of a Deferred tax liability resulting

from the temporary differences between civil and fiscal profits generated by the annual calculation of taxes for the year and the adjustment to the mark to market as of 31.12.2022 as regards passive financial instruments.

Analysis of changes in funds for risks and charges

	Funds for retirement treatment and similar	Funds for taxes, even deferred	Consolidation fund for future risks and changes	Financial derivative instruments	Total funds for risks and charges
Value at the beginning of the year		42.854	19.501		62.355
Changes occurred during the year		(5.117)	36.676		31.559
Accrual in the period					
Use during the year					
Other variations					
Total variations					
Value at the end of the year		37.737	56.177		93.914

Remarks, information on funds for risks and charges

The "Tax Funds" consist of the Deferred tax liability allocated to items whose tax burden has been deferred in several financial years.

In addition, a passive financial instrument for Euro 56.177 is included in the risk and expense funds. This value corresponds to the fair value on 31 December 2022 of n.1 derivative covering expected cash flows. Specifically, n. 1 "interest rate swap" contract stipulated to cover the variable interest rate fluctuation risk of a passive loan, concluded on 20 July 2020 with the Deutsche Bank credit institution, for an amount of € 2 million. The hedging

function of these derivatives is considered to be sufficient, because since the swap acquisition there is a close and documented correlation between the characteristics of the mortgage and those of the hedging derivative itself.

Information about severance pay

The severance pay amounted to Euro 3.843.281 (Euro 2.505.878 on December 31, 2021), determined in accordance with the provisions of art. 2120 of the Civil Code, and is highlighted in the following table:

	31.12.2021-31.12.2022
Fund as at 31.12.2021	2.505.878
Accrual for the period	2.156.425
Delivered	819.022
Fund as at 31.12.2022	3.843.281

Information about the severance pay

The accrued fund represents the actual debt of the Company on 31 December 2022 to employees on that date, net of the advances paid

Debts

Debts are valued at their nominal value.

Changes and maturity of debts

We comment below on the composition, the deadline and the movements of the exercise of the items that make up this grouping:

Analysis of changes and maturity of debts (prospectus)

	Bonds	Debt to banks	Debt to other lenders	Advances receivers	Accounts payable	Debts to Holding Companies	Debts to subsidiaries	Tax debts	Debts to social security and social institutions	Other debts	Total Debts
Value at the beginning of the year	9.761.563	13.624.171	-	22.718.476	6.468.007	312.008	66.152	15.249.077	3.102.071	4.852.734	76.154.259
Changes occurred during the years	(796.153)	(3.206.498)	-	8.744.922	1.533.006	(312.008)	11.938	(6.380.107)	808.585	(1.151.094)	(747.408)
Value at the end of the year	8.965.410	10.417.673	-	31.463.398	8.001.013	-	78.090	8.868.970	3.910.656	3.701.640	75.406.851
Due within one year	1.947.602	4.916.264	-	31.463.398	8.001.013	-	78.090	8.868.970	3.910.656	3.701.640	62.887.634
Payable beyond one year	7.017.808	5.501.409	-	-	-	-	-	-	-	-	12.519.217
Of which payable beyond five years	4.168.478	-	-	-	-	-	-	-	-	-	4.168.478

Changes and maturity of debts

The "bond debts" consist of a bond issued by the Company on July 31, 2020 for Euro 10.000.000. The bonds are valued using the amortized cost method. Therefore, the Company has reduced the value of the issued obligation to the transaction costs incurred by an amount of Euro 238.437.

The issue of the Bond loan is aimed at the development of new markets through the strengthening of the commercial presence, continuation and consolidation of the internationalization process, new business lines also through merger and acquisition of companies or individual business branches, as well as the strengthening and/or rationalization and/or efficiency of both Italian and foreign production areas, in order to strengthen its presence on the reference markets and to develop working capital in relation to the growth of revenues.

As of 31.12.2022, the Company verified that it had complied with the covenants provided for in the agreement signed with Banca Intesa Sanpaolo.

As of 31.12.2022, Ediliziacrobatica S.p.A made the first interest payment, which resulted in a change in the year, by means of the amortized cost method, of Euro 796.153

The "Bank payables" concern for Euro 1.010.895 ordinary assignments to primary credit institutions with which the Company maintains regulated relations at rates in line with the market and for Euro 9.406.779 financing contracts aimed at the investments necessary for the enhancement of the productive activity. In this regard, the Company entered a new financing contract with Credem for Euro 1.000.000 in December 2022 and one with Carige for Euro 1.500.000 in January 2022.

The item "advance payments" includes advances received from customers in respect of services that have not yet been provided.

This item mainly includes the receipts already received for productions not yet finished in 31.12.2022. These are almost entirely advances

relating to practices contracted according to the rules governing the transfer to third parties pursuant to art. 121 of the Decree relaunch. The change in advances in the accounts for the financial year is equal to Euro 8.744.922. This increase mainly refers to all invoice discount practices entered into during the year and not yet completed at the balance sheet date.

The "Accounts payable" are for commercial transactions within normal payment terms, all of which expire within the year.

The Company has therefore not used the method of assessing the amortized cost for these debts.

The increase in the period, of Euro 1.533.006, is due to the increase in volumes of activity, the company does not present situations of significant debts to suppliers expired beyond the year.

The balance of "fiscal debts" relates mainly to the debt positions opened for the VAT debt of December 2022 of Euro 5.101.352 and for self-employed and employee withholding tax paid in January 2023 for Euro 395.483.

The item "debts to social security institutions" consists of contributions, regularly paid during the first part of 2023 INPS for Euro 822.924, INAIL for Euro 1.313.760, and Construction Fund for Euro 987.846 Supplementary pension funds for Euro 216.087.

The "other debts" refer mainly to Euro 2.304.318 to employees' debts for competencies accrued in December 2022 and cleared in January 2023, for Euro 85.000 to debts to Members for profits to be paid and for Euro 300.000 to debts to Directors for compensation.

Breakdown of debts by geographical area

A prospectus showing the breakdown of debts by geographical area has not been provided, since the Company is operating almost exclusively on the Italian market and this breakdown would not be significant.

Information on accruals and deferred income

According to art. 2424 bis, paragraph 6, of the Civil Code, the costs of the financial year payable in subsequent financial years and income received

by the end of the financial year but falling within the scope of subsequent financial years.

The item includes accruals for Euro 168.667 , as follows:

Analysis of changes in accruals and deferred income

	Passive rates	Passive repayments	Total accruals and accrued income
Value at the beginning of the exercise	55.773	104.329	160.102
Variation in the exercise	112.894	(104.329)	8.565
End of year value	168.667	-	168.667

Information on accruals and deferred income

The balance as on 31 December 2022 mainly relates to interest rates recorded as a result of interest on bond loans.

There are no installments and repayments of more than five years on 31 December 2022.

Additional notes on income statement

Before analyzing the individual items, it is recalled that the comments on the general trend of costs and revenues are presented, according to art. 2428, paragraph 1, of the Civil Code, in the context of the management report.

Revenues

In 2022 revenues amounted to Euro 121.894.615 (Euro 83.497.193 on December 31, 2021).

Revenues from sales and services of Euro 121.282.754 are recognized net of returns, discounts, rebates and premiums, as well as taxes directly related to

the sale of products and the provision of services.

It is recalled, as already indicated in the section "Tax receivables", that the revenues relating to the works carried out according to the rules governing the sale to third parties pursuant to art. 121 of the Rehabilitation Decree converted into Law 77/2020 of 19 July 2020, are entered net of the financial charges that have already been incurred or will be sustained under the transfer mechanism, of the loans for building bonuses, to financial institutions. In particular, the effect resulting from the above has led to a reduction in revenues and sales of Euro 12.649.086.

Section A4) "increases in fixed assets for internal works" includes capitalized costs that generated increases in the assets of the balance sheet under the "intangible assets" items and relate to the costs of personnel employed in the opening, start-up and development of new direct offices for Euro 149.629.

Section A5) "other revenue" includes the following:

	31.12.2022	31.12.2021
Proventi derivanti dalle attività accessorie	-	-
Sopravvenienze e insussistenze attive	155.913	302.539
Ricavi e proventi diversi di natura non finanziaria	-	13.064
Contributi in conto esercizio	306.319	154.288
Totale	462.232	469.891

Breakdown of sales and performance revenues by activity category

The breakdown of revenues by activity category is as follows:

Details of sales and services revenue by activity category (prospectus)

	Balance	Balance
	31.12.2022	31.12.2021
Sales Services	115.664.796	78.565.819
Royalties	3.860.907	2.858.183
Employee secondment revenue	686.707	352.437
Raw materials Sales (Franchising)	858.344	785.862
Franchising fee	212.000	344.000
Total	121.282.754	82.906.301

Breakdown of sales and performance revenues by activity category

On December 31, 2022, the item "Revenue from sales and services" includes revenues from production at the yards for Euro 115.664.796 (in 2021 for Euro 78.565.819); this increase is due both to the opening of new direct operating areas and to the further development in terms of sales and production activities of those already present, in addition to the evolution of the volume of the business linked to the practices with invoice discounts granted by the Company to customers for the work carried out according to the rules of the sale to third parties pursuant to art. 121 of the Decree relaunch. The increase in royalties is due to the increase in the production volume of the areas managed by the franchisees; this has also led to an increase in the sales of material to the franchisees.

Breakdown of sales and performance revenues by geographic area

A prospectus showing the breakdown of revenues by geographical area has not been provided, since the Company is operating almost exclusively on the Italian market and this breakdown would not be significant.

Production costs

The "production costs" amount to Euro 92.694.462 (Euro 64.227.527 on December 31, 2021). The costs for Raw materials, subsidiary and consumption, equal to Euro 11.099.463 (8.245.815 on December 31, 2021), are recognized net of returns, discounts, rebates and premiums. This item is mainly made up of the costs for the purchase of slings, equipment and materials for the operational teams.

Section B7) of Euro 28.898.996 (Euro 18.510.506 on December 31, 2021) includes the costs arising from the acquisition of services in the ordinary business of the enterprise. This item is mainly composed of consultancy costs related to administrative staff (Euro 246.611), commercial, legal and security consultancy costs (Euro 8.688.460), reimbursement of expenses of workers, collaborators, coordinators and administrators (Euro 1.997.127), labor costs at the construction sites (Euro 2.601.617), waste disposal costs (Euro 484.558) insurance costs (Euro 217.558), training courses (Euro 489.697), advertising and marketing costs (Euro 3.461.112), travel and travel expenses of employees (Euro 1.707.900), costs of utilities (Euro 392.267), software assistance (Euro 37.060) for fuels (Euro 1.130.543), fees and bank charges (Euro 132.849) and the debt collection service (Euro 83.081).

Section B8) accepts costs for the enjoyment of goods of third parties for Euro 6.379.629 (Euro 4.199.544 on December 31, 2021). This item mainly includes rental fees for the property of direct operating locations for Euro 2.007.091, software license fees for Euro 269.295, leasing fees of Euro 16.498, vehicle rental fees for Euro 2.789.299, Rent of construction equipment equal to Euro 732.454, other rent for Euro 42.330.

These costs increased by 52% compared to the previous year, mainly due to the increase in the costs closely linked to the opening of new operating areas, which has led to the support of higher company vehicle and truck rental fees and rental fees for Points located in the national territory.

Section B9) of Euro 42.569.055 (Euro 30.500.040 on December 31, 2021) includes the costs incurred during the financial year for employees, including temporary work.

In detail, under section B9a, wages and salaries are recognized, including accrued and non-paid

allowances for additional canteens and holidays accrued and not taken before taxes and social security contributions payable by the employee; under section B9b) the social security contributions, under section B9c) severance treatment, under section B9d) quiescent treatment and similar.

Section B9e) of Euro 354.499 consists mainly of costs for temporary work and personnel posted from other Group companies, travel allowances and business premiums to workers.

Depreciation of intangible and tangible assets is characterized by an amortization process at constant shares according to the tax rates admitted.

Section B10d) "depreciation of the receivables included in the current assets", receives for Euro 247.294 and write-downs of commercial receivables from customers included in current assets.

The section B14 "miscellaneous costs" is equal to Euro 1.300.198 (Euro 890.918 on December 31, 2021) and includes all types of costs that do not fall under the previous items but are part of the characteristic management. The increase was mainly due to sponsorship activities during the year.

Financial income and charges

In Class C, all positive and negative components of the operating income related to the company's financial activity were recognized.

Net financial income has a positive balance of Euro 158.370 and is attributable to interest on loans of Euro 69.986 and Euro 83.000 for interest on financial instruments held at the BPM bank.

The financial charges, amounting to Euro 5.298.759, mainly include bank interest liabilities of Euro

14.957, interest on loans of Euro 129.899 and interest on bond loans of Euro 334.584. The main cost item, however, appears to be the cost for credit transfer practices for the financial year 2021 for a net amount of Euro 4.698.951. For the benefit of greater understanding, it should be noted that this amount derives from the difference between the adjustment to the Fair value of the "Building Bonus" credits for previous years and the financial charges actually incurred during the financial year 2022. This difference is due to the fact that the adjustment to fair value made in previous years did not reflect the new contractual conditions applied by credit institutions during the financial year 2022.

Breakdown of interest and other financial charges by type of debt

The balance of "interest and other financial charges" for the year ended 31 December 2022 amounted to Euro 5.298.759 (Euro 1.774.128 on 31 December 2021).

The following is the breakdown of interest and other financial charges by type of debt.

Breakdown of interest and other financial charges by type of debt (prospectus)

	31.12.2022
Interessi passivi bancari	14.957
Interessi passivi su prestiti obbligazionari	334.584
Interessi passivi su mutui	129.899
Interessi passivi su finanzia. di terzi	995
Altri	119.374
Costi per cessione credito	4.698.951
Totale	5.298.759

Breakdown of interest and other financial charges by type of debt

The change noted with respect to the previous year, equal to Euro 3.524.631, is mainly due to the increase in bank interest due to the cost of transferring the credit.

Deferred and anticipated current taxes

The company has allocated taxes for the year on the basis of the applicable tax rules. Current taxes

refer to taxes for the period as resulting from tax declarations; taxes relating to previous years are comprehensive of interest and sanctions and are also related to the positive (or negative) difference between the amount due as a result of the settlement of a dispute or settlement with respect to the value of the accrued fund in previous years. Deferred and anticipated taxes, finally, relate to positive or negative income components subject to taxation or deduction in different periods than those of civil accounting.

	31.12.2022
Irap	(1.921.107)
Ires	(5.321.886)
Imposte differite e Anticipate	(222.435)
Imposte relative a esercizi Precedenti	-
Totale	(7.465.428)

The theoretical rate determined on the basis of the configuration of taxable income for the purposes of IRES tax is 24%. The reconciliation with the actual rate is as follows:

RICONCILIAZIONE EFT IRES	
Risultato prima delle imposte	23.670.047
Onere fiscale teorico (%)	24%
Ires teorico	5.324.600
Differenze permanenti	1.921.107
Differenze temporanee	222.436
Reddito imponibile	22.185.834
Ires Effettivo	5.547.036
Onere fiscale effettivo (%)	25%

The theoretical rate determined on the basis of the configuration of taxable income for the purposes of the IRAP tax is 1,95 %. The reconciliation with the actual rate is as follows:

RICONCILIAZIONE EFT IRAP	
Risultato prima delle imposte	23.670.047
Costi non rilevanti	42.827.658
Valore della produzione teorico	121.892.565
Onere fiscale teorico (%)	3,9%
Irap teorico	4.753.810
Differenze permanenti	(12.166.629)
Differenze temporanee	(160.067)
Valore della produzione	46.677.626
Irap Effettivo	1.921.107
Onere fiscale effettivo (%)	1,95%

Deferred and anticipated taxes

This item includes the impact of deferred taxation on this budget. It is due to temporary differences between values attributed to an asset or liability according to civil criteria and the corresponding

values recognized for tax purposes.

The company has determined the deferred tax with exclusive reference to IRES since there are no temporary changes to IRAP.

Advance and deferred taxes were calculated using the following rates:

Aliquote	Es. n+1	Oltre
IRES	24%	24%

Below, where present, are the information required by art. 2427 no. 14 of the Civil Code:

- a description of the temporary differences which led to the recognition of advanced taxes, specifying the rate applied and the changes from the previous year, the amounts credited or debited to the income statement or equity;
- the amount of deferred tax recorded in the balance sheet relating to losses for the previous financial year or years and the reasons for entry; the amount not yet accounted for and the reasons for non-inclusion;
- items excluded from the calculation and the reasons for this.

Recognition of deferred and anticipated taxes and consequent effects:

	IRES
(A) temporary differences	
Total deductible temporary differences	(1.329.678)
Total taxable temporary differences	381.543
Net temporary differences	(1.170.579)
(B) fiscal effects	
Deferred tax liability (advance) at the beginning of the year	(508.491)
Deferred taxes (advanced) for the period	227.552
Deferred tax liability (advance) at the end of the financial year	280.938

Below is a detail of deductible temporary differences:

	Amount in the previous year	Changer occurred during the year	Amount at the end of the year	IRES rate	IRES effect	IRAP rate
Not paid compensation	253.505	649.161	902.666	24%	216.640	
Investments depreciation				24%		
Credit depreciation	1.100.114	115.934	1.216.048	24%	291.852	
Total	1.353.619	765.095	2.118.714		508.491	

The following details of taxable temporary differences:

	Amount in the previous year	Changer occurred during the year	Amount at the end of the year	IRES rate	IRES effect	IRAP rate	IRAP effect
Bonds issuance	67.394	(52.804)	14.590	24,0%	3.502		
Amortization suspension as for art. 60 DL 104/202	155.292	(14.246)	141.046	27,9%	39.351	3,6%	5.051
Total	222.686	(67.050)	155.636		42.853		5.051

Other informations

Business size

In 2022, the company employed 956 AWU, a fact that puts under review the company dimension, confirming itself within the category of large companies.

Employment data

The average number of employees for the financial year 2022 broken down by category was as follows.

Average number of employees by category (prospectus)

	2022	2021
Managers/executives	7	6
Employees	149	139
Workers	818	735
Total	974	880

Compensation to directors and supervisory board

In the financial year 2022, compensation to directors, supervisory board members and auditors was recognized for Euro 1.508.459 , broken down as follows:

- Euro 1.487.503 to the Directors;
- Euro 20.956 to the supervisory board.

Statutory auditor or auditing company fees

The total consideration for the statutory audit of the 2022 financial statements is Euro 24.000, corresponding to the total amount of the fees payable to the statutory auditor for the statutory audit of the annual accounts, plus additional supplementary services, for a total of Euro 33.289.

Securities issued by the company

On 19 November 2018, the company listed on the AIM segment of the Italian Stock Exchange. In the quotation process, the company issued Common Stock 7.449.850, Greenshoe Options 149.850 and placed 431.325 warrants (1 for 4 shares).

The admission to listing took place following a placement of n. 1.725.300 Common Stock, all of which are newly issued, for a value of 5.720.301 Euro, of which:

- no. common stock 1.499.850 coming from the capital increase reserved for the market;
- no. 75.600 common stock from the capital increase reserved for employees and directors;
- no. common stock 149.850, corresponding to approximately 8,7% of the offer, resulting from the Greenshoe capital increase.

On 30 September 2021, based on the “warrant EDAC 2018-2021” regulation, warrants number 121.647 were exercised at the end of the period of the year and 121.647 shares were issued for a total amount of Euro 538.896.

The new share capital of EDAC, following the capital increase foreseen under the Stock Grant Plan, is equal to Euro 823.568, divided into n. 8.235.685 common stock all without indication of nominal value. The plan, for the first tranche of 2022, provided for a capital increase of Euro 8.154 corresponding to 81.540 shares distributed to directors, executives and employees. The Stock Grant Plan, approved by the Board of Directors on 18 July 2022, provides for two further tranches with the same amounts of shares as those planned in the first year.

The Company's share capital is represented by n. 8.235.685 shares and is held as follows:

Azionisti	Numero azioni	Percentuale di Capitale Sociale
Arim Holding S.a.r.l	6.091.386	74,0%
Dipendenti ed amministratori e mercato	2.117.109	25,7%
EdiliziacrobatICA S.P.A.	27.190	0,3%

Commitments, guarantees and Contingent liabilities not arising from the balance sheet

Commitments, guarantees and Contingent liabilities not resulting from the balance sheet are shown in the following table:

	Amount
Commitments	0
Warrants	261.363

The warrants refer to warrants issued by banks on behalf of the company for Euro 10.800 and Euro 250.563 for guarantees given by the Company to the Bank in favor of third parties.

Remarks, commitments, guarantees and Contingent liabilities not arising from the balance sheet

Guarantees

There are no guarantees as at 31/12/2022.

Information on derivative instruments ex art. 2427-bis of the Civil Code

The detailed information required by art. 2427-bis co.1 no. 1 Civil Code.

Please note that the Company has two derivative contracts in place to cover interest rate risk. Below are the details. The movements of fair value reserves during the period are set out in the table in the section on equity.

	Current year fair value	Changes in the Income Statement	Changes in the Balance Sheet	Financed amount	Notional value
Interest Rate Swap Deutsche Bank - year 2022	(56.177)		(36.677)	4.000.000	4.000.000
Interest Rate Swap Bpm - year 2022	95.025		82.698	2.000.000	4.000.000

Information on relationships with Related parties

The following table shows the balance sheet and economic relations with Related parties for the financial year ended 31 December 2022.

	Loans	Credits	Accounts receivable	Accounts payable	Sales	Acquisitions
Ediliziacrobativa France S.a.s.		2.915.424	661.306	90.680	373.845	561.730
Energy Acrobatica 110 S.r.l.						
Ediliziacrobativa Iberica s.l.		400.000	106.417	26.944	106.417	
Ediliziacrobativa Monaco SAM		40.000	276		276	
Total	-	3.355.424	767.999	117.624	480.538	561.730

Allocation of operating result (art. 2427, paragraph 1, issue 22-septies, of the Civil Code)

The Board of Directors proposes to allocate the operating result of Euro 16.195.360 as follows:

- Charge an amount of Euro 1.617,8 to increase the "Legal reserve", which will thus reach the legal limit;
- Set aside for profits at new Euro 12.075.899,7
- Distribute dividends of Euro 4.117.842,5 by

allocating a dividend of Euro 0,5 per share, before withholding taxes, and excluding Treasury Stock held in portfolio at the coupon detachment date. It should be noted that, taking into account the maturation of the second tranche of n. 81.540 rights under the Stock Grant 2021-2023 plan for certain beneficiaries,

as described below, which are free of charge to the same number of ordinary shares of the newly issued Company on the second tranche of the plan (financial year ended 31 December 2022), unless one or more beneficiaries renounce, the number of shares entitled to the ordinary dividend could increase to a maximum total amount of Euro 4.158.612,50, subject in any case to the amount of the ordinary dividend set in Euro 0,50 per share. As a result, any incremental amount of the distribution would be deducted from the amount proposed to accrue new profits.

However, the Board of Directors reserves the right to propose to the Shareholders' Meeting during the year or at the beginning of the following year a further distribution of dividends on the 2022 profit on the basis of the performance and results of 2023.

Information ex art. 1, paragraph 125, of the law of the 4th of August 2017 n. 124

Law n. 124/2017 provides for the obligation to provide information on grants, contributions, paid assignments, and economic benefits of any kind received from the Italian public administrations. In this regard, it should be noted that during 2022 Ediliziacrobatica S.p.A. received no form of subsidy, contribution, paid assignment, or other economic

advantage from Italian public administrations. It should be noted that revenues:

- generated by services provided to entities belonging to public administrations within the framework of the company's characteristic activity and governed by contracts with corresponding benefits, and
- the tax concessions available to all undertakings which fulfill certain conditions on the basis of predetermined general criteria, which are, moreover, the subject of specific declarations (see document CNDCEC March 2019) are not considered to be relevant for the purposes of the information obligations laid down in Law No 124/2017.

Are not relevant in consideration of the obligation required by the law n.124/2017.

Additional note

This financial statement, consisting of balance sheet, income statement, Cash Flow statement and additional notes, represents in a truthful and correct manner the balance sheet and financial result for the financial year and corresponds to the results of the Journal entries.

Genova, 29 marzo 2023

Per Il Consiglio di Amministrazione,

Riccardo Iovino (Amministratore)



INDEPENDENT AUDITOR'S REPORT PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

To the Shareholders of
Ediliziacrobativa S.p.A.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Ediliziacrobativa S.p.A. and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at December 31, 2022, the consolidated statement of income and statement of cash flows for the year then ended and the explanatory notes.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Italian law governing financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Ediliziacrobativa S.p.A. (the "Company") in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance the Italian law governing financial statements and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion pursuant to art. 14, paragraph 2 (e), of Legislative Decree 39/10

The Directors of Ediliziacrobatica S.p.A. are responsible for the preparation of the report on operations of Ediliziacrobatica Group as at December 31, 2022, including its consistency with the related consolidated financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the consistency of the report on operations with the consolidated financial statements of Ediliziacrobatica Group as at December 31, 2022 and on its compliance with the law, as well as to make a statement about any material misstatement.

In our opinion, the report on operations is consistent with the consolidated financial statements of Ediliziacrobatica Group as at December 31, 2022 and is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Eugenio Puddu
Partner

Genoa, Italy
April 11, 2023

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.



REPORT ON THE MANAGEMENT
OF THE FINANCIAL YEAR ENDED
31 December 2022

EDILIZIACROBATICA S.P.A.
Registered office in Milan – Via Turati, 29
Share capital € 823.568
Tax code and VAT number 01438360990 – R.E.A. MI 1785877